

**MINUTES  
CITY COUNCIL MEETING  
April 4, 2017**

The Wayne City Council met in regular session at City Hall on Tuesday, April 4, 2017, at 5:30 o'clock P.M. Mayor Ken Chamberlain called the meeting to order with the following in attendance: Councilmembers Cale Giese, Rod Greve, Jon Haase, Nick Muir, Matt Eischeid and Jill Brodersen; City Attorney Amy Miller; City Administrator Lowell Johnson; and City Clerk Betty McGuire. Absent Councilmembers Jennifer Sievers and Jason Karsky.

Notice of the convening meeting was given in advance by advertising in the Wayne Herald on March 23, 2017, and a copy of the meeting notice and agenda were simultaneously given to the Mayor and all members of the City Council. All proceedings hereafter shown were taken while the Council convened in open session.

Councilmember Haase made a motion, which was seconded by Councilmember Brodersen, whereas, the Clerk has prepared copies of the Minutes of the meeting of March 21, 2017, and that each Councilmember has had an opportunity to read and study the same, and that the reading of the Minutes be waived and declared approved. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Sievers and Karsky who were absent, the Mayor declared the motion carried and the Minutes approved.

The following claims were presented to Council for their approval:

**CORRECTION TO CLAIMS LISTING OF 3-7-17:** Delete from Claims 3/2/17 Zach Osborn - Basketball Ref \$50.00

**VARIOUS FUNDS:** ALMQUIST, MALTZAHN, GALLOWAY & LUTH PC, SE, 24050.00; AMERICAN BACKFLOW, FE, 75.00; AMERITAS, SE, 84.69; AMERITAS, 2201.26; AMERITAS, SE, 72.00; AMERITAS, SE, 56.54; APPEARA, SE, 61.84; ARNIE'S FORD, SU, 51704.00; A-TEC RECYCLING, SE, 127.44; BARRACUDA NETWORKS, SE, 300.00; BLACK HILLS ENERGY, SE, 1102.11; BLUE CROSS BLUE SHIELD, SE, 34121.01; BOMGAARS, SU, 1468.25; BROWN SUPPLY, SU, 324.82; CASEY ELECTRIC, SU, 63.08; CASEY, LANA, RE, 150.00; CITY EMPLOYEE, RE, 581.88; CITY EMPLOYEE, RE, 1771.95; CITY EMPLOYEE, RE, 45.16; CITY EMPLOYEE, RE, 2343.98; CITY OF WAYNE, PY, 69276.96; COMMUNITY HEALTH, RE, 3.00; DANKO EMERGENCY EQUIPMENT, SE, 1486.40; DAS STATE ACCTG-CENTRAL FINANCE, SE, 448.00; DE LAGE LANDEN FINANCIAL, SE, 77.00; DEARBORN NATIONAL LIFE, SE, 103.20; DEMCO INC, SU, 81.13; DEPAZ, ANNA, SE, 56.25; DUTTON-LAINSON, SU, 563.36; ECHO GROUP, SU, 104.06; ED. M FELD EQUIPMENT, SU, 151.00; EISCHEID, MATT, SE, 50.00; EVETOVICH, MARK, SE,

200.00; FLOOR MAINTENANCE, SU, 750.63; FREDRICKSON OIL, SE, 42.50; FRY & ASSOCIATES, SE, 1368.98; GALE GROUP, SU, 74.72; GERHOLD CONCRETE, SU, 873.75; GROSSENBURG IMPLEMENT, SU, 376.54; HAMPTON INN-KEARNEY, SE, 379.80; HTM SALES, SE, 2950.76; ICC, FE, 135.00; ICMA, SE, 8977.84; IRS, TX, 11053.59; IRS, TX, 12227.34; IRS, TX, 2859.56; JACK'S UNIFORMS, SU, 61.95; JAMES RUSK, SE, 175.00; JMB CONTRACTING, RE, 250.00; JOHNSON, ZACK, SE, 75.00; JONAH SCHEFFLER, SE, 100.00; KATHLEEN A LAUGHLIN, CHAPTER 13 TRUSTEE, RE, 243.00; KAUP SEED & FERTILIZER, SU, 362.50; KRIZ-DAVIS, SU, 5922.45; LUTT, STEVE, SU, 107.14; MAIN STREET AUTO CARE, SE, 100.00; MIDLAND COMPUTER, SE, 2623.50; MUNICIPAL SUPPLY, SE, 6998.76; MURPHY TRACTOR & EQUIPMENT, SU, 707.05; NNEDD, SE, 117.00; NE CODE OFFICIAL ASSOCIATION, FE, 135.00; NE DEPT OF REVENUE, TX, 3699.38; NEW PIG CORP, SU, 289.12; NMPP ENERGY, FE, 320.00; NOVA FITNESS EQUIPMENT, SE, 746.35; OMAHA TRUCK CENTER, SU, 132.00; O'REILLY AUTOMOTIVE STORES, SU, 65.32; OSBORN, ZACHARY, FE, 50.00; OSBORN, ZACHARY, FE, 50.00; OTTE, BODIE, RE, 477.07; PCF, LLC, SE, 7687.00; RESCO, SU, 69229.02; STADIUM SPORTING GOODS, SU, 1254.50; STAPLES ADVANTAGE, SU, 45.64; STATE NEBRASKA BANK-PETTY CASH, RE, 417.69; THE RETROFIT COMPANIES, SE, 86.30; UNITED WAY, RE, 5.00; VIAERO, SE, 222.67; WAYNE SOFTBALL ASSOCIATION, RE, 4254.68; WESCO, SU, 449.40; WISNER WEST, SU, 151.82; ZIMCO SUPPLY, SU, 185.00; AMERICAN BROADBAND, SE, 2472.55; APPEARA, SE, 50.69; ARC-HEALTH & SAFETY, SE, 27.00; ARNIE'S FORD, SE, 2385.56; BAILEY, TEIGAN, RE, 74.89; BAIRD HOLM LLP, SE, 552.00; CARHART LUMBER, SU, 894.39; COLLEEN STARZL, RE, 100.00; COPY WRITE, SU, 238.62; DARYL LINDSAY, RE, 500.00; DEB HARM, RE, 500.00; EAKES OFFICE PLUS, SE, 89.13; EASYPERMIT POSTAGE, SU, 1800.35; ECHO GROUP, SU, 47.98; ELECTRONIC ENGINEERING, FE, 95.00; ERIKSEN CONSTRUCTION, SE, 95301.00; FAITH REGIONAL PHYSICAN SERV., SE, 30.00; FIRST CONCORD GROUP, SE, 4222.66; GILL HAULING, SE, 170.50; HAUFF MID-AMERICAN SPORTS, SU, 51.50; HEIKES AUTOMOTIVE, SE, 681.15; HOMETOWN LEASING, SE, 412.86; HYTREK LAWN, SE, 700.00; KATELYN DAVIS, RE, 200.00; L.G. EVERIST, SU, 676.89; MARK PENLERICK, RE, -100.00; MARK PENLERICK, RE, 100.00; MICAELA HIGHT, RE, 100.00; MILLER LAW, SE, 5048.70; NE NEB INS AGENCY, SE, 73550.00; NE RURAL WATER, FE, 750.00; NMPP ENERGY, FE, 2,188.10; NNPPD, SE, 3835.00; NOVA FITNESS EQUIPMENT, SU, 4701.36; OMAHA WORLD-HERALD, SE, 1887.16; ONE CALL CONCEPTS, SE, 36.60; OVERHEAD DOOR, SE, 653.35; PEREIRA, OLIVIA, RE, 66.34; QUALITY 1 GRAPHIC, SU, 380.00; QUALITY FOOD, SE, 345.31; SACKETT, SPENCER, RE, 92.12; SIOUX CITY JOURNAL, SE, 454.00; SOLORIO, ISAIAS, RE, 300.00; STADIUM SPORTING GOODS, SU, 52.00; STAPLES ADVANTAGE, SU, 85.35; STENKA, JACOB, RE, 37.29; TAYLER CHASE, RE, 100.00; TYLER TECHNOLOGIES, SE, 200.00; US BANK, SU, 3079.43; WAED, SE, 7216.66; WAYNE SWIM TEAM, RE, 1999.59; WESCO, SU, 428.54; WAPA, SE, 22750.58

Councilmember Haase made a motion, which was seconded by Councilmember Brodersen, to approve the claims. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Sievers and Karsky who were absent, the Mayor declared the motion carried.

Mayor Chamberlain advised the public that a copy of the Open Meetings Act was located on the south wall of the Council Chambers and was available for public inspection. In

addition, he advised the public that the Council may go into closed session to discuss certain agenda items to protect the public interest or to prevent the needless injury to the reputation of an individual and if such individual has not requested a public hearing.

Mayor Chamberlain declared the time was at hand for the public hearing on the proposed budget amendment request to the Department of Economic Development for CDBG #14-CIS-006.

Jan Merrill, Community Planner with the Northeast Nebraska Economic Development District, was present to review the budget amendments and answer questions regarding the matter.

The City of Wayne received \$130,000 of CDBG Comprehensive Investment and Stabilization (CIS) Phase II, Year Two funds, of which \$31,500 was to be used for clearance/demolition of 6 structures, \$75,000 for single-family, owner-occupied rehabilitation of three (3) houses, \$6,000 for housing management, \$4,500 for risk assessment/testing, and \$13,000 for general administration of the grant. Local matching funds of \$200,000 will be provided by the City to make water system improvements. The total project cost is \$330,000.

After further reviewing the southeastern quadrant's needs, the City is submitting a budget amendment request to the Department of Economic Development. This amendment consists of the following: \$53,000 for installation of ADA ramps and streets repairs in the southeastern quadrant, \$31,500 for clearance and demolition; \$7,500 for housing management; \$25,000 for single-family, owner-occupied rehabilitation of one (1) house; and \$13,000 for general administration of the grant. Local matching funds of \$200,000 in water improvements to sections of Nebraska Street will also be provided by the City. The total project cost is estimated to be \$330,000. The City is also requesting a 12-month contract extension with a new contract end date of May 1, 2018. All activities will still be conducted within the target area (southeastern quadrant) reviewed through the CIS Phase I Needs Assessment/Strategy. All

CDBG funds will benefit low-to-moderate income persons in the community, and no persons will be displaced as a result of this project.

City Clerk McGuire had not received any comments, for or against, this public hearing.

There being no further comments, Mayor Chamberlain closed the public hearing.

Councilmember Brodersen introduced Resolution No. 2017-27 and moved for its approval; Councilmember Giese seconded.

#### RESOLUTION NO. 2017-27

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF WAYNE, NEBRASKA, TO APPROVE AND SUBMIT A CONTRACT AMENDMENT REQUEST BETWEEN THE CITY OF WAYNE AND THE NEBRASKA DEPARTMENT OF ECONOMIC DEVELOPMENT FOR COMMUNITY DEVELOPMENT BLOCK GROUP GRANT #14-CIS-006.

Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Sievers and Karsky who were absent, the Mayor declared the motion carried.

Jan Merrill, Community Planner with the Northeast Nebraska Economic Development District, advised the Council that Northeast Economic Development, Inc., met and reviewed an application (Applicant No. 101368) for owner-occupied housing rehabilitation in the amount of up to \$25,000. The house under consideration is structurally sound, in good condition, and after repairs will meet or exceed all of the required Minimum Rehabilitation Standards. This house is deemed economically feasible for the owner-occupied housing rehabilitation program.

The remainder of these funds will not be forfeited, and will go towards ADA ramps and street repairs, etc.

Councilmember Giese made a motion, which was seconded by Councilmember Muir, approving the recommendation of Northeast Economic Development, Inc., for Applicant No. 101368 for owner-occupied housing rehabilitation funds in the amount of up to \$25,000. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Sievers and Karsky who were absent, the Mayor declared the motion carried.

Wes Blecke, Director of Wayne Area Economic Development, and representing the LB840 Sales Tax Advisory Committee, advised the Council that the Committee first met in October of 2016 to review an application for Wriedt Properties. The action on the recommendation was tabled until the applicant could get an itemized list of expenses for trailer home relocation. Upon reviewing the original request with anticipated expenses, the Committee recommended approving a significantly modified request by Wriedt Properties for a grant to relocate occupied trailer homes to clear properties for development.

The terms of the original request included grant funds to relocate 4-5 trailers for \$24,924-\$27,500.

The Committee modified the terms and recommended the following: \$2,000 per trailer (up to 4, or \$8,000 total) as a loan at 3% interest for 3 years. The Committee also wanted to see the 4 trailers relocated within 4 months after City Council action. The Committee looked at the request, and a couple of issues they had with the request was (1) the Wriedt's were no longer the developers of the project, and (2) one of the pieces of property has already been sold. The Committee thought some of the proceeds from the sale of the property could be used for the relocation of the trailers. In addition, the Committee did not like having to pay for relocation expenses, motel rooms, food, or a per diem for the days the occupants may be displaced. For those reasons, their recommendation was significantly different from what the request was originally. In addition, the Committee was concerned that the Wriedt's do not own any of the trailers and thought the owners should be responsible for moving them.

Jeannine Wriedt was present to answer questions. She stated Chad Sebade is purchasing both pieces of land where the trailers are located. She noted, when asked, that one piece of property is currently owned by Mr. Sebade and he has a pending purchase agreement on the other piece. She was asking for a compromise from what the Committee is now recommending and what was approved four years ago when her husband had applied for LB840 funding –

which was up to \$2,000 per trailer based on actual expenses, but that it be a grant rather than a loan to move those four trailers.

Mr. Blecke, in response to Councilmember Giese's question, stated that the reason he feels that LB840 money should be used for this project is that housing is an allowable use in the plan. This is a development project. It meets the criteria of population growth. He has concerns as well that this project should have been put together with the developer. The property is going to be developed into a \$1.5 to \$1.6 million dollar project. With that said, if Mr. Sebade had come to the Council with the same request, he thought it would be a good use of the LB840 money and appropriate. The grey area here is do you (the Council) care who the developer is – at the end of the day, you are going to get a \$1.5 - \$1.6 million dollar project.

Mrs. Wriedt stated that Chad Sebade now owns about 60% of the property or area in question.

Councilmembers also had concerns about using LB840 funds for this expense, in light of the fact that some of the property has been sold to Chad Sebade. They felt this would have been an excellent use of some of the tax increment financing funds obtained by Mr. Sebade, and questioned whether some of those TIF funds could be used for the moving of the trailers.

Mayor Chamberlain stated his concern was this being viewed as the Council keeping the purchase price down for the buyer and protecting the revenue of the seller.

After further discussion, Councilmember Giese made a motion, which was seconded by Councilmember Eischeid, to table action on the LB840 Sales Tax Advisory Committee's recommendation for the Wriedt Property, Inc., LB840 application until city staff directs the same to be brought back before Council. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Sievers and Karsky who were absent, the Mayor declared the motion carried.

Councilmember Eischeid introduced Ordinance No. 2017-5, and moved for approval of the third and final reading thereof; Councilmember Brodersen seconded.

ORDINANCE NO. 2017-5

AN ORDINANCE APPROVING THE VACATION OF AN ALLEY AND TWO STREETS LOCATED IN THE CITY OF WAYNE, WAYNE COUNTY, NEBRASKA, DESCRIBED AS:

- THE NORTH-SOUTH ALLEY ADJACENT TO LOTS 9 & 10, SKEEN'S ADDITION TO THE CITY OF WAYNE, WAYNE COUNTY, NEBRASKA;
- BLAINE STREET ADJACENT TO LOTS 12 & 13, SKEEN'S ADDITION TO THE CITY OF WAYNE, WAYNE COUNTY, NEBRASKA; AND
- WEST 4<sup>TH</sup> STREET ALONG THE NORTH EDGE OF SKEEN'S ADDITION TO THE CITY OF WAYNE, WAYNE COUNTY, NEBRASKA, WHICH LIES BETWEEN THE WEST LINE OF SCHOOL VIEW DRIVE AND THE WEST LINE OF LOT 16, SKEEN'S ADDITION TO THE CITY OF WAYNE, WAYNE COUNTY, NEBRASKA.

Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Sievers and Karsky, who were absent, the Mayor declared the motion carried.

Administrator Johnson stated he did not have any information on Agenda Item No. 8 – Discussion regarding a power purchase agreement for the purchase of wind turbine power from a Nebraska wind turbine project. This item will be brought back at a later date.

Discussion took place on the City's part in providing utilities to the Beaumont Event Center. Administrator Johnson wanted a consensus from the Council on what they would like to do.

Pat Melena was present and talked about the process the Council has taken on this project.

Councilmember Eischeid stated he was not in favor of annexing the properties on the west side of Highway 15, but was in favor an annexing the Beaumont property at this time.

Josie Broders was present to answer questions, as well as Steve Rames, the project engineer.

Administrator Johnson left the meeting around 6:35 p.m.

Mr. Rames explained that project costs would be less for Ms. Broders if they were just extending lines to service the Event Center; however, the plans are to make the lines large enough to accommodate future development and growth in the area.

The options have been for Ms. Broders to either put in a septic system at a cost of about \$75,000, or a low-pressure force main in the range of \$125,000 (which would be her share).

If the property were annexed, the City would have to provide services to them or to the property line.

Councilmember Giese stated he still thought it was in the best interests of both parties to annex the property now. The City has a vested interest in capturing the sales tax generated from a business that is receiving LB840 funds, as well as keeping a septic system away from a city well. It just becomes a matter of how much pioneering costs the City want to take on. He preferred to annex the west side of the highway in addition to the Beaumont Center property.

Councilmember Haase agreed with Councilmember Giese.

Ms. Broders noted she cannot go ahead with the project until a decision is made.

Mr. Rames stated what they needed to know this evening was whether it is going to be septic system or a force main. This will determine where the Beaumont's parking lot will be located.

If the property is annexed, and once the services are extended, the property owners are given 30 or 60 days to hook on to the sewer/water. The City has given a couple of property owner's extensions of 3 years to hook up, however.

Staff determined if the property were annexed, that costs would be significantly less to the Beaumont because more of the costs would be the responsibility of the City. You do not assess linear frontage on a force main, because it is serving all of the people that are going to gravity flow into that. Because of that statement, Mr. Rames determined that the cost now would be about \$15,000 to \$20,000 to the Beaumont.

Councilmember Giese made a motion to direct city staff to bring the Council options for servicing the north side of Wayne in sewer and water.

After some additional discussion, Councilmember Giese amended his motion for the City to provide services north of Wayne and direct city staff to bring the Council options as to how the City will do it. Councilmember Eischeid seconded the motion.

Councilmember Brodersen had concerns about this action delaying the project.

Mayor Chamberlain stated the estimates will be brought back at the next Council meeting so Council can choose either the east or west side of her property.

Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmember Brodersen who voted Nay, and Councilmembers Sievers and Karsky, who were absent, the Mayor declared the motion carried.

Councilmember Giese made a motion, which was seconded by Councilmember Eischeid, to adjourn the meeting. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Sievers and Karsky who were absent, the Mayor declared the motion carried and the meeting adjourned at 7:35 p.m.