

**MINUTES
CITY COUNCIL MEETING
December 18, 2018**

The Wayne City Council met in regular session at City Hall on Tuesday, December 18, 2018, at 5:30 o'clock P.M.

Mayor Cale Giese called the meeting to order, followed by the Pledge of Allegiance, with the following in attendance: Councilmembers Jennifer Sievers, Jason Karsky, and Jill Brodersen; City Attorney Amy Miller; City Administrator Wes Blecke; and City Clerk Betty McGuire. Absent: Councilmembers Jon Haase, Terri Buck and Matt Eischeid.

Notice of the convening meeting was given in advance by advertising in the Wayne Herald on December 6, 2018, 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.

Mayor Giese 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 Giese requested Council consideration to the appointment of Dwaine Spieker as Councilmember for Ward 3.

Councilmember Brodersen made a motion, which was seconded by Councilmember Sievers, approving the mayoral appointment of Dwaine Spieker as Councilmember for Ward 3. Mayor Giese stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Haase, Buck and Eischeid who were absent, the Mayor declared the motion carried.

Attorney Miller then gave the Oath of Office to Dwaine Spieker.

Councilmember Sievers made a motion, which was seconded by Councilmember Brodersen, to approve the minutes of the meeting of December 4, 2018, and to waive the reading thereof. Mayor Giese stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Haase, Buck and Eischeid who were absent, the Mayor declared the motion carried and the Minutes approved.

The following claims were presented to Council for their approval:

VARIOUS FUNDS: AMERITAS, SE, 70.74; AMERITAS, SE, 72.00; AMERITAS, SE, 98.46; AMERITAS, SE, 2495.76; APPEARA, SE, 90.71; BARONE SECURITY SYSTEMS, SE, 144.00; BENSCOTER INC, RE, 500.00; BENSCOTER INC, RE, 250.00; BMI, FE, 314.10; BOMGAARS, SU, 1132.78; BORDER STATES INDUSTRIES, SU, 548.38; BOURELLE MARTIAL ARTS, RE, 130.00; CARHART LUMBER CO, SU, 150.62; CITY EMPLOYEE, RE, 114.00; CITY EMPLOYEE, RE, 107.78; CITY EMPLOYEE, RE, 190.00; CITY EMPLOYEE, RE, 114.36; CITY EMPLOYEE, RE, 786.48; CITY EMPLOYEE, RE, 100.00; CITY OF WAYNE, PY, 72038.95; CITY OF WAYNE, RE, 612.43; CITY OF WAYNE, RE, 452.60; COPY WRITE PUBLISHING, SE, 393.75; COTTONWOOD WIND PROJECT, SE, 14062.92; CUMMINS CENTRAL POWER, SE, 1279.20; DEARBORN NATIONAL LIFE, SE, 2381.60; EASYPERMIT POSTAGE, SU, 924.07; ED M. FELD EQUIPMENT, SU, 33.50; FAITH REGIONAL PHYSICIAN SERV, SE, 100.00; FLOOR MAINTENANCE, SU, 326.67; GOVERNMENTAL ACCOUNTING, SU, 278.00; GROSSENBURG IMPLEMENT, SU, 427.49; HILAND DAIRY, SU, 86.65; HUGH & PHYLLIS O'BRIEN, RE, 500.00; ICMA, SE, 9413.27; INGRAM LIBRARY SERVICES, SU, 652.26; INTERSTATE BATTERY SYSTEM, SU, 99.97; IRS, TX, 12535.42; IRS, TX, 9652.45; IRS, TX, 2931.64; IRS, TX, 4.30; IRS, TX, 18.36; ISLAND SPRINKLER SUPPLY, SU, 61.07; JACK'S UNIFORMS, SU, 790.00; JOHN'S WELDING AND TOOL, SU, 13.28; KTCH, SE, 550.00; LEAGUE ASSOCIATION OF RISK MANAGEMENT, FE, 200.00; LUTT OIL, SU, 5372.03; MATHESON-LINWELD, SU, 42.60; MATT PARROTT, SU, 273.57; MIDWEST LABORATORIES, SE, 885.00; MIDWEST TAPE, SU, 39.99; NE DEPT OF REVENUE, TX, 3943.63; NEBRASKA RECYCLING COUNCIL, FE, 200.00; NORFOLK DAILY NEWS, SE, 389.70; NORTHWEST ELECTRIC, SE, 353.06; OCC BUILDERS, SE, 60769.00; PAC N SAVE, SU, 777.70; PENGUIN RANDOM HOUSE, SU, 211.50; PITNEY BOWES, SE, 1497.56; PSYCHOLOGICAL RESOURCES, SE, 540.00; QUALITY FOOD CENTER, SU, 166.46; ROBERT WOehler & SONS, SE, 18250.00; SERVICE TECH OF CENTRAL IOWA, SE, 774.11; SHOPKO, SU, 97.97; SPARKLING KLEAN, SE, 2837.11; STAPLES, SU, 540.93; STATE NEBRASKA BANK & TRUST, SE, 12025.00; STATE NEBRASKA BANK & TRUST, SE, 14590.00; STATE NEBRASKA BANK & TRUST, SE, 5450.00; STATE NEBRASKA BANK & TRUST, SE, 5237.50; STATE NEBRASKA BANK-PETTY CASH, RE, 99.55; THOMPSON INNOVATION, SU, 144.00; US BANK, SU, 6751.85; VERIZON, SE, 318.08; WAYNE COUNTY CLERK, SE, 86.00; WAYNE COUNTY COURT, RE, 150.00; WAYNE HERALD, SE, 380.00; WAYNE HERALD, SE, 1226.95; WAYNE VETERINARY CLINIC, SE, 336.00; WESCO, SU, 492.20; WAPA, SE, 19224.90; WISNER WEST, SU, 385.01; ZIMCO SUPPLY, SU, 67.50; ACE REFRIGERATION, SU, 5402.50; BAKER & TAYLOR BOOKS, SU, 1057.22; BAKER & TAYLOR BOOKS, SU, 24.72; BATTERY SOLUTIONS, SU, 109.95; BENSCOTER INC, RE, 250.00; CITY EMPLOYEE, RE, 99.28; CITY EMPLOYEE, RE, 39.04; DANKO EMERGENCY EQUIPMENT, SU, 60.00; DAS STATE ACCTG-CENTRAL FINANCE, SE, 60.15; DGR & ASSOCIATES, SE, 189.00; EAKES OFFICE PLUS, SE, 180.18; ECHO GROUP INC JESCO, SU, 20.00; ED M. FELD EQUIPMENT, SU, 621.55; ELECTRICAL ENGINEERING &

EQUIPMENT, SU, 301.44; FREDRICKSON OIL, SU, 1068.35; GALE/CENGAGE LEARNING, SU, 99.41; HILAND DAIRY, SE, 52.61; HOCHSTEIN, KIRK, RE, 100.00; INTERSTATE BATTERY SYSTEM, SU, 248.95; KALLHOFF, GREG & PATSY, RE, 500.00; KAY CONTRACTING, SE, 1400.00; KNOEPFLER CHEVROLET, SU, 7.03; LAWLER FIXTURE, SU, 13971.44; MARCO TECHNOLOGIES, SE, 175.82; MATHESON-LINWELD, SU, 416.93; METERING & TECHNOLOGY SOLUTIONS, SU, 3168.63; NE EMERGENCY SERVICE, FE, 75.00; NORFOLK DAILY NEWS, SE, 30.00; NORTHEAST TIRE SERVICE, SU, 1383.04; NORTHWEST ELECTRIC, SE, 786.91; PEERLESS WIPING CLOTH, SU, 264.00; ROBERTSON IMPLEMENT, SU, 25.98; SIRSIDYNIX, SE, 6521.46; STAPLES, SU, 288.68; TYLER TECHNOLOGIES, SE, 137.50; UNITED HEALTHCARE, SE, 43065.50; WAYNE AUTO PARTS, SU, 1278.99; WAYNE COUNTY COURT, RE, 150.00; WAYNE HERALD, SE, 35.00; WESCO, SU, 426.93

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

Lyndsy Jenness with the Nebraska Department of Economic Development presented the City of Wayne, on behalf of the State of Nebraska Department of Economic Development as well as the Nebraska Diplomats, with a certificate for the recertification as a “Certified Community,” and commended the City on its part in promoting economic development in the community.

Cap Peterson with Northeast Nebraska Insurance Agency presented and reviewed the 2019 Property and Casualty Insurance Package. The total package is \$343,149.00. This is about a 10.75% increase from last year.

Councilmember Sievers made a motion, which was seconded by Councilmember Brodersen, approving the 2019 Property & Casualty Insurance Package as presented by Northeast Nebraska Insurance Agency. Mayor Giese stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Haase, Buck and Eischeid who were absent, the Mayor declared the motion carried.

Mayor Giese declared the time was at hand for the public hearing on the Application for Community Development Block Grant Funds for Talon Capital, LLC, who wants to purchase

the assets of the existing manufacturing business, Fyre-Tec, Inc., located at 701 Centennial Road.

Jeff Christensen, representing Northeast Nebraska Economic Development District, was present to answer questions.

Talon Capital, LLC, wants to purchase the assets of the existing manufacturing business, Fyre-Tec, Inc., located at 701 Centennial Road. The total amount requested is \$250,000.00. The total purchase price for the assets is \$5,600,000, which includes the purchase of the building/real estate, equipment, and all other tangible and intangible assets. Midwest Bank of Norfolk and the shareholders of Talon Capital, LLC, are requesting that the City of Wayne and the Northeast Nebraska Economic Development District each provide a loan in the amount of \$250,000 (\$500,000 total) towards the project. The project will maintain 12 full-time equivalent jobs.

Wayne's CDBG Funds will be sub-granted to Northeast Economic Development, Inc. (NED, Inc.). NED, Inc., will then loan the funds to Talon Capital, LLC, to purchase the assets of the existing manufacturing business, Fyre-Tec, Inc., located at 701 Centennial Road. The \$250,000 loan will have a 20-year term at 4.00% (fixed). Payments will be made to NED, Inc. This is the process approved by the Nebraska Department of Economic Development (DED) to de-federalize CDBG funds in our local communities.

Jason and Cheri Gehling were present to answer questions.

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

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

Councilmember Sievers introduced Resolution No. 2018-71 and moved for its approval; Councilmember Brodersen seconded.

RESOLUTION NO. 2018-71

A RESOLUTION APPROVING A COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) LOAN IN THE AMOUNT OF \$250,000 TO TALON CAPITAL, LLC (AMORTIZED OVER 20 YEARS AT 4.00% INTEREST) AND SUB-GRANTING CDBG FUNDS TO NEBRASKA ECONOMIC DEVELOPMENT, INC.

Mayor Giese stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Haase, Buck and Eischeid who were absent, the Mayor declared the motion carried.

Administrator Blecke stated the following Resolution would establish a schedule of electric rates as per the recommendations of Andrew Ross, the Director of the Nebraska Municipal Power Pool, that were given at his presentation on the electric cost-of-service study he prepared on behalf of the City of Wayne. The increase is around 4.3%, which would, through 2023, increase the net operating income and hit the cash balance target. The majority of the increase is on the customer service charge. In addition, because he thought Wayne's rates were too seasonal, he narrowed the discrepancy between the summer and winter rates. These rates would be implemented with the usage from April 15th through May 15th, and the bill that goes out June 1st. The last time electric rates were increased was in June, 2016, and that was an increase of 6.5%.

Councilmember Sievers introduced Resolution No. 2018-72 and moved for its approval; Councilmember Karsky seconded the motion.

RESOLUTION NO. 2018-72

A RESOLUTION ESTABLISHING A SCHEDULE OF ELECTRICAL RATES TO BE CHARGED CUSTOMERS FOR ENERGY AND POWER FROM THE ELECTRIC DISTRIBUTION SYSTEM OF THE CITY; TO REPEAL CONFLICTING RATES AND SCHEDULES; AND TO PROVIDE FOR AN EFFECTIVE DATE.

Mayor Giese stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Haase, Buck and Eischeid who were absent, the Mayor declared the motion carried.

Administrator Blecke stated the following ordinance would adopt the Electrical Connection Standards, Procedures, Agreements, Charges and Fees, which creates a policy to allow electric customers to interconnect to our power grid. The City has worked with Nebraska Municipal Power Pool (NMPP) to create this policy, the purpose being to establish standards for the interconnection and operation of a customer-owned renewable electric generator to work in parallel with the City's system. Key components of this include technical requirements to connect to our grid, certification to ensure the connections are made correctly, cost allocations to system upgrades, and applications costs. NMPP is still working on the avoided cost rate that the City would pay for excess energy generated by a customer-owned generator.

Councilmember Brodersen introduced Ordinance No. 2018-33, and moved for approval thereof; Councilmember Sievers seconded.

ORDINANCE NO. 2018-33

AN ORDINANCE ADOPTING ELECTRICAL INTERCONNECTION STANDARDS, PROCEDURES, AGREEMENTS, CHARGES AND FEES.

Mayor Giese stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Haase, Buck and Eischeid who were absent, the Mayor declared the motion carried. The second reading will take place at the next meeting.

Administrator Blecke stated the following Ordinance would approve Amendment No. 3 between Big Rivers Electric Corporation (BREC) and the City of Wayne. BREC is proposing to extend our capacity purchase agreement for the life of our power contract. They are willing to pay \$2.00 for the first 4 years (2019-2022) and pay \$2.25 for the remaining 4 years (2023-2026). Currently, we have an agreement that they would pay \$1.50 for 2019 only. The other change to the amendment notes that the City will test our meters in conformance with NPPD and/or the SPP.

Councilmember Brodersen introduced Ordinance No. 2018-34, and moved for approval thereof; Councilmember Karsky seconded.

ORDINANCE NO. 2018-34

AN ORDINANCE APPROVING AMENDMENT NO. 3 TO THE CONTRACT WITH BIG RIVERS ELECTRIC CORPORATION.

Mayor Giese stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Haase, Buck and Eischeid who were absent, the Mayor declared the motion carried. The second reading will take place at the next meeting.

The following Resolution would approve the Integrated Resource Plan. Any electric customer that takes power from the Western Area Power Administration (WAPA) is required by Federal law to be included in an integrated resource plan (IRP). The City has been covered by NPPD's IRP over the years since they placed our generation capacity in their IRP. Since NPPD no longer (after December 31, 2018) has our capacity, the City has to have its own IRP. City staff put this draft together for Council approval; we have included WSC in this as well so they do not have to file their own. The City will then submit the same to WAPA for consideration.

Councilmember Brodersen introduced Resolution No. 2018-74 and moved for its approval; Councilmember Woehler seconded the motion.

RESOLUTION NO. 2018-74

A RESOLUTION APPROVING THE INTEGRATED RESOURCE PLAN FOR THE CITY OF WAYNE UTILITIES PERTAINING TO PLANNING FOR NEW ENERGY SOURCES.

Mayor Giese stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Haase, Buck and Eischeid who were absent, the Mayor declared the motion carried.

The following Resolution would accept the work on the "Electric Distribution – Meter Cutover for the West Inner and East Inner Conversion Project" and authorize final payment to Klein Electric, Inc., in the amount of \$8,521.02. The original contract amount was for \$107,912.80. The final contract amount was \$95,180.43.

Councilmember Sievers introduced Resolution No. 2018-75 and moved for its approval;
Councilmember Brodersen seconded the motion.

RESOLUTION NO. 2018-75

A RESOLUTION ACCEPTING THE WORK ON THE “ELECTRIC DISTRIBUTION – METER CUTOVER FOR THE WEST INNER AND EAST INNER CONVERSION PROJECT” AND AUTHORIZING FINAL PAYMENT IN THE AMOUNT OF \$8,521.02 TO KLEIN ELECTRIC, INC.

Mayor Giese stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Haase, Buck and Eischeid who were absent, the Mayor declared the motion carried.

The following Resolution would accept the work on the “4th Street Paving Project.” This project is now complete as per the contract documents and McLaury Engineering, Inc., the engineer’s on the project, and ready for acceptance. At one of the January meetings, we will bring forward a resolution setting the Board of Equalization hearing in which to hear objections and equalize assessments proposed to be levied in both the street and sanitary sewer improvement/extension districts.

Councilmember Brodersen introduced Resolution No. 2018-76 and moved for its approval; Councilmember Karsky seconded the motion.

RESOLUTION NO. 2018-76

A RESOLUTION ACCEPTING WORK ON THE “4TH STREET PAVING PROJECT.”

Mayor Giese stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Haase, Buck and Eischeid who were absent, the Mayor declared the motion carried.

The following Resolution would approve Amendment No. 1 to the Lottery Contractor Agreement between the City and Advanced Gaming Technologies, Inc., which would extend the contract for an additional 5 years.

City Clerk McGuire stated that in December 2013, the City approved a 5-year contract with Advanced Gaming Technologies, Inc., which is now up for renewal. Advanced Gaming Technologies, Inc., is proposing a 5-year extension per Amendment No. 1. Staff has visited with the owner of the establishment that conducts Keno and he is agreeable to the 5-year extension.

Councilmember Sievers introduced Resolution No. 2018-77 and moved for its approval; Councilmember Brodersen seconded the motion.

RESOLUTION NO. 2018-77

A RESOLUTION APPROVING AMENDMENT NO. 1 TO THE LOTTERY CONTRACTOR AGREEMENT BY AND BETWEEN ADVANCED GAMING TECHNOLOGIES, INC., AND THE CITY OF WAYNE TO OPERATE THE KENO-TYPE LOTTERY WITHIN THE CITY OF WAYNE.

Mayor Giese stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Haase, Buck and Eischeid who were absent, the Mayor declared the motion carried.

The following Resolution would approve Amendment No. 7 to the Communication Tower and Real Estate Lease Agreement with Alltel Communications of Nebraska, LLC, d/b/a Verizon Wireless. The current lease payment we receive from Verizon is \$2,800 per month.

Councilmember Sievers introduced Resolution No. 2018-78 and moved for its approval; Councilmember Brodersen seconded the motion.

RESOLUTION NO. 2018-78

A RESOLUTION APPROVING AMENDMENT NO. 7 TO COMMUNICATION TOWER AND REAL ESTATE LEASE AGREEMENT WITH ALLTEL COMMUNICATIONS OF NEBRASKA, LLC, d/b/a VERIZON WIRELESS.

Mayor Giese stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Haase, Buck and Eischeid who were absent, the Mayor declared the motion carried.

Joel Hansen, Street and Planning Director, stated the following Ordinance would amend/change the wording from “Snow Plow Alert” to “Snow Emergency” and “snow or winter

weather emergency.” This language was changed a few years ago, and he recommended that it be amended to what it once was to cause less confusion to the public.

Councilmember Sievers introduced Ordinance No. 2018-35, and moved for approval thereof; Councilmember Brodersen seconded.

ORDINANCE NO. 2018-35

AN ORDINANCE AMENDING TITLE VII TRAFFIC CODE, GENERAL PROVISIONS – SNOW PLOW ALERT; TO PROVIDE FOR THE REPEAL OF CONFLICTING ORDINANCES OR SECTIONS; AND TO PROVIDE FOR AN EFFECTIVE DATE.

Mayor Giese stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Haase, Buck and Eischeid who were absent, the Mayor declared the motion carried. The second reading will take place at the next meeting.

Joel Hansen, Street and Planning Director, stated the current ordinance makes it unlawful to place snow (and other items) upon the street, sidewalk, or any other public place. The area between the street and sidewalk would be a public place, but over the past few years, there has not been enforcement of this ordinance. After the large 16" snow last January, it was obvious this has created a problem, as there was literally no place to push the snow off the street as some of those areas had piles from previous snows that were put there by private contractors clearing driveways and parking lots. We also had one contractor filling a dead end street to a height of over 8' up to the curb line of Vintage Hill Drive. We also had commercial lots where the entire parking lot was pushed out onto the State ROW and made it impossible to see coming out of streets, driveways, and alleys. Discussion at the time between city staff and the city attorney concerned the vagueness of public place needing to be better defined as to what is acceptable and what is not, which is the reason for the proposed amendment to Sec. 78-237:

Sec. 78-237 Streets to be kept clean

It shall be unlawful for any person to place, throw or put upon any street, alley, sidewalk or any public place any snow, ice, dirt, rubbish, refuse, or material of any kind or nature unless otherwise permitted by ~~the ordinances of~~ the city. **For the purpose of snow removal, any snow lying within the public right-of-way may remain in the right-of-way from which it came. It shall be unlawful to place the snow in the right-of-way across the paved street or adjacent to another private property. Any snow piled adjacent to a public alley or within the sight triangle for all streets shall not exceed 30” in height.**

Councilmember Sievers introduced Ordinance No. 2018-36, and moved for approval thereof; Councilmember Brodersen seconded.

ORDINANCE NO. 2018-36

AN ORDINANCE AMENDING TITLE VII TRAFFIC CODE, GENERAL PROVISIONS, SECTION 78-237 STREETS TO BE KEPT CLEAN; TO PROVIDE FOR THE REPEAL OF CONFLICTING ORDINANCES OR SECTIONS; AND TO PROVIDE FOR AN EFFECTIVE DATE.

Mayor Giese stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Haase, Buck and Eischeid who were absent, the Mayor declared the motion carried. The second reading will take place at the next meeting.

Advanced Consulting Engineering Services presented Change Order No. 1 for the “Ditch Grading Project,” which identifies the “exclusions” to the contract with Milo Meyer Construction. Those exclusions include the following:

- Any silt fence
- Any bale checks
- Any seeding
- Any SWPPP

Councilmember Sievers made a motion, which was seconded by Councilmember Woehler, approving Change Order No. 1 for the “Ditch Grading Project” identifying “exclusions” to the contract with Milo Meyer Construction. Mayor Giese stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Haase, Buck and Eischeid who were absent, the Mayor declared the motion carried.

Advanced Consulting Engineering Services then presented Change Order No. 2, which is a decrease in the contract price of \$10,300 for the “Ditch Grading Project.”

Councilmember Sievers made a motion, which was seconded by Councilmember Woehler, approving Change Order No. 2, which is a decrease of \$10,300 for the “Ditch Grading Project.” Mayor Giese stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Haase, Buck and Eischeid who were absent, the Mayor declared the motion carried.

Advanced Consulting Engineering Services presented Contractor’s Application for Payment No. 1 (Final) in the amount of \$20,600.00 to Milo Meyer Construction for the “Ditch Grading Project.”

Councilmember Sievers made a motion, which was seconded by Councilmember Woehler, approving Contractor’s Application for Payment No. 1 (Final) in the amount of \$20,600.00 to Milo Meyer Construction for the “Ditch Grading Project.” Mayor Giese stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Haase, Buck and Eischeid who were absent, the Mayor declared the motion carried.

Administrator Blecke stated the following Resolution would approve the “Capacity Purchase Agreement” between the City of Wayne, Northeast Nebraska Public Power District, and Big Rivers Electric Corporation. The City’s contract with Big Rivers Electric Corporation (BREC) allows for 15% of our energy to come from renewable sources. The City used this 15% (or very close to it) on the Cottonwood wind farm. BREC provides the capacity to firm up our load (by entering into a capacity agreement with the City). Northeast must provide their own capacity for their irrigation load, as BREC is not providing that. Cottonwood has capacity that is now being allocated to their off-takers. For the City, this amounts to 836 kW. Northeast is offering \$1.25 per kW or \$1,045 per month; annual total would be \$12,540. This amount would be passed through as a credit on our monthly BREC invoice (as BREC would collect from Northeast).

After discussion, Council proposed an amendment to subparagraph 2 of the Capacity

Purchase Agreement as follows:

2) Big Rivers will charge Northeast \$1,045 per month on Northeast's invoice starting with the invoice for June 2019 and give a credit of \$1,045 per month on Wayne's invoice for the same period. If the amount of accredited capacity changes, Big Rivers will recalculate this amount accordingly, based on \$1.25 per kilowatt month, or any future kilowatt month charge for the transferred capacity, **with an annual increase of 5%** ~~however said charge shall be no less than \$1.25 per kilowatt month;~~

Administrator Blecke stated that since Northeast's Board has already approved this agreement, the same would have to go back to their Board for approval.

Councilmember Sievers introduced Resolution No. 2018-73 and moved for its approval amending subparagraph 2) as reflected above; Councilmember Brodersen seconded the motion.

RESOLUTION NO. 2018-73

A RESOLUTION APPROVING THE CAPACITY PURCHASE AGREEMENT BETWEEN THE NORTHEAST NEBRASKA PUBLIC POWER DISTRICT, THE CITY OF WAYNE, NEBRASKA, AND BIG RIVERS ELECTRIC CORPORATION, AND AUTHORIZING THE EXECUTION THEREOF.

Mayor Giese stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Haase, Buck and Eischeid who were absent, the Mayor declared the motion carried.

Councilmember Sievers made a motion, which was seconded by Councilmember Spieker, to adjourn the meeting. Mayor Giese stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Haase, Buck and Eischeid who were absent, the Mayor declared the motion carried and the meeting adjourned at 7:20 p.m.