

**AGENDA**  
**CITY COUNCIL MINI - RETREAT**  
**WAYNE FIRE HALL**  
**March 30, 2021**

**5:30 p.m. Call the Meeting to Order**

Anyone desiring to view the Open Meetings Act may do so. The document is available for public inspection and is located in the southwest corner of the Fire Hall.

The City 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.

1. Report to Council on LB 840 Activity — Luke Virgil, Director of Wayne Area Economic Development
2. Update/Discussion/Possible Action on the following Retreat Topics:

➤ Daycare (Community-Run)

**Background: Notes from Luke Virgil, WAED Executive Director: Prior to COVID, a childcare shortage had been identified in Nebraska, especially in rural areas and including Wayne. The pandemic has only made the need for additional childcare more acute. Rainbow World has been exploring their options to add capacity, and WAED has made childcare a top priority. However, a myriad of barriers still exist that will limit or out-right prohibit childcare development.**

➤ Housing

**Background: Notes from Luke Virgil, WAED Executive Director: Prior to COVID, a housing shortage had been identified in Nebraska, especially in rural areas, including Wayne. Over the past year, Wayne businesses, WAED stakeholders, and the community in general have repeatedly cited housing development (all levels: SF, MF, LMI, etc.) as a top priority in Wayne.**

➤ Downtown Activity Report

**Background: Notes from Luke Virgil, WAED Executive Director: I will provide an update on some of the business or ownership transitions that have occurred downtown, and make note of any available properties.**

➤ Former Riley's and Surrounding Area Property Development

**Background: Luke Virgil, WAED Executive Director, will discuss this item. This topic might require Executive Session if Council is going to discuss property acquisition.**

➤ Electricity (Questions & Answers)

**Background:** The Mayor wanted this discussion on “Electricity” to be more a Q&A session than a formal presentation by staff. I think the overarching question is how does the City plan to pay for the \$819k increase in our electricity invoice from Big Rivers (BREC) and the power plant costs (fuel, labor, misc.) due to Winter Storm Uri. Does the City pass the entire cost on to the customers over a certain time, does it take from the reserves, or does it do a combination of the two? We sent all our information to MEAN (Municipal Energy Agency of Nebraska) to have Andrew Ross calculate what type of loss we experienced and how to best recoup/recover. He encouraged us not to rush into anything as the power players determine overall costs and how the Feds might step in to mitigate the outcome. We have a 90-day deferral from BREC to pay for the \$819k increase. By the end of that time, we hope to have final numbers. Also refer to a brief synopsis of the City’s response/impact to the event that I sent to Senator Albrecht.

➤ Water Quality

**Background:** The Water Department shut the new transmission main off on Monday (March 22) and sampled on Tuesday. We failed all of these samples again (results on Friday). Casey is reaching out to the State and our engineer to determine the next step(s). We likely need to have that conversation about full-time disinfecting. However, we need to know where we are failing, so we don't simply mask the problem with disinfectant.

➤ Victor Park Improvements

**Background:** This park was built on an old dump site. I am told this is the reason why there is so much settling in the area with concrete/asphalt breaking up, along with the cracking and settling of the restroom. If Council decides to make camper improvements to the lagoon, do we spend money to refurbish the roads and/or restroom in this area? Do we mill off the asphalt and put rock back (except the accessible areas)? Just some thoughts as the lagoon begins to develop...

➤ Lagoon Development

**Background:** One of the next items the Council needs to determine is if there is going to be any type of water “feature” (I’ll call it a lake!) in the old lagoon. If so, we also have to decide the best place for it, as this will determine where the rest of development will occur (camper area, road(s), fields, etc.). If a lake is wanted, placement will be partially determined by the best way to keep it full of water. Are we willing to pump fresh water into it when needed, or will we solely rely on storm water? If the source is only storm water, the public has to realize that there will be times when the lake will be dry (we are in Nebraska!). Once the lake is determined (yes or no), then major dirt work can ensue (taking the berm down, building up roads, and other elevation changes). We will share some pictures with you from this last rainy week to show where the water currently pools.

➤ Parking (East side of Hank Overin Field)

**Background:** This is an item that has been discussed previously; however, we have had a request for it to be brought back again for further discussion.

➤ Old Pool House

**Background:** City staff has gutted much of the pool house interior. The City plans to write a grant to assist with the rest of this project. The project would include finishing the interior into a community space of some kind, including an exterior access to a restroom to serve park and trail users. The overall project could include connection points to the trail system, outdoor park amenities, including reusing or demolishing the old baby pool, additional equipment, etc. Jan Merrill with the Northeast Nebraska Economic Development District has directed us to a public works grant (the same one that the City received for Pine Heights) that in the past has been a maximum of \$400,000. The City would have to commit to \$100,000 of its own funds in order to receive the full grant. This is a competitive grant, so there are no guarantees. The grant deadline is not until August. If this grant is secured, this would make for a nice fall/winter interior project for contract work.

➤ Property at the Northeast Corner of 7<sup>th</sup> and Main Streets

**Background:** The Community Redevelopment Authority (CRA) has discussed this property many times at previous meetings. Jimmy Johns (JJ) made a formal presentation a couple of years ago to the CRA, as they wanted that location for a new restaurant. At that time, JJ could not come to terms with the property owner. Since then, the CRA has continued to discuss this property, toured the property, and has made a formal offer to the owner (for this property and the house directly to the north). As an “empty” property for the past 10+ years on the most prominent corner in Wayne, the CRA wants to see this property developed. They can’t do much more than they have already done.

➤ CRA Funding

**Background:** The CRA has received funds over the years from the City to do certain work. Some of that development includes Western Ridge (WR), downpayment assistance for new construction, certain properties, and more. The CRA makes money off of lot sales in WR. To date, there is a \$300,000 loan from the City on the books. The rest of any financial obligation to the City has been forgiven. The CRA also receives the audited balance every year of the excess funds from the 1.85% electric “surcharge” for economic development. This amount has averaged around \$30,000 these last few years. Another option the CRA has for revenue generation is to levy a property tax, which it has never done. The CRA’s taxing authority is much like the airport’s, as it would need to set a levy each year and have it approved by Council. The CRA has discussed at recent meetings to become more aggressive in truly “redeveloping” the community with property acquisitions and planned redevelopment opportunities. If this is to take place, the CRA will need funding to do so.

➤ Annexation

**Background:** Council set a date last spring to hold a town hall meeting to discuss with the public the reason to pursue annexation of certain areas adjacent to city limits. That meeting had to be postponed due to COVID, as we did not want to discuss annexation on a virtual platform. The time might be right to discuss this again and set another date for this in-person meeting. The previous areas the City has talked about annexing include the “Pierson Property” (a doughnut hole in the southwest part of the City) and industrial property both north and south of Hwy 35. There are other areas surrounding the City that could be considered, but an infrastructure plan would need to be in place to make certain those properties have City services after annexation.

3. Adjourn

**6-Month Report to the Wayne City Council**  
**RLF Funds Committed (as of 12/31/2020)**

<u>Applicant</u>	<u>Amount</u>	<u>Type of funding</u>	<u>Purpose</u>	<u>Committee Review</u>	<u>Council Approval</u>
Talon Capital, LLC (dba Fyre-Tec)	\$ 250,000.00	performance based loan	a purchase existing business/expand business	1/10/2019	2/5/2019
Ace Hardware & Home	\$ 200,000.00	no-interest loan	b start retail store/purchase inventory	9/18/2019	10/1/2019
Johnnie Byrd Brewing Company	\$ 40,000.00	low-interest loan	c purchase real estate	12/13/2019	12/17/2019
<b>TOTAL RLF COMMITMENTS (as of Dec. 31, 2020)</b>	<b>* \$ 490,000.00</b>				
a On 01/10/2019, RLF Committee recommended approval: \$250,000 loan for 10 yrs with interest rate set at 50% of the interest rate set by primary lender (Midwest Bank - 5.7%); On 02/05/2019, Council approved loan of \$250,000 for 10 years with interest rate of 2.85%, plus a job creation requirement of 5 FTE within 3 years;					
b On 09/18/2019, RLF Committee recommended approval: \$200,000 loan for 15 years with interest rate set at 0% for years 1-5 and 2% for years 6-15; On 10/01/19, Council approved loan of \$200,000 for 15 years with interest rate of 0%					
c On 12/13/2019, RLF Committee recommended approval: \$40,000 loan with repayment term to match the primary lender with interest rate set at 50% of the interest rate set by the primary lender (State Nebraska Bank & Trust - TBD); On 12/17/2019, Council approved loan of \$40,000 for 10 years with repayment term to match the primary lender with an interest rate set at 50% of the interest rate set by the primary lender					
COVID-19: In April 2020, Council provided LB840 Loan and RLF Program recipients a grace period until Feb. 28, 2021 to make their payment obligations due in 2020. Through June and July 2020, Council discussed the potential of adding funds to the LB840 Program for business loans specific to Covid-19 relief. In Jan. 2021, Council approved a motion to re-evaluate the LB 840 discussion and authorize city staff, upon request, to allow businesses to extend their payment(s) pursuant to negotiations with each business owner, but set a deadline of Feb. 28, 2021 for businesses to pursue negotiations. WAED contacted LB840 Loan and RLF recipients to notify them of their new latitude and the deadline.					

## 6-Month Report to the Wayne City Council

LB 840 Funds Committed (as of 12/31/2020)

LB840 GRANTS		Amount	Type of funding	Purpose	Committee review
Applicant					
Digital Blue		\$ 30,600.00	performance based loan	relocation/expansion	5/27/2009
Louis and Jevonah Benscoter		\$ 36,000.00	performance based loan	land development	8/13/2009
Interactive Impact		\$ 30,000.00	performance based loan	intellectual property development	8/13/2009
Jim Milliken (Godfathers)	a	\$ 2,500.00	grant	parking lot (rain garden)	10/8/2009
Wayne Area Economic Development		\$ 10,000.00	grant	marketing (general)	11/12/2009
Wayne Area Economic Development (Project Majestic)		\$ 200,000.00	grant	theater renovation/remodel	11/12/2009
Wayne Veterans Memorial Project	b	\$ 72,686.00	grant	memorial completion	2/11/2010
Farmers Market and Community Garden	c	\$ 2,750.00	grant	marketing	4/15/2010
Wayne Hospitality Group LLC	d	\$ 250,000.00	grant	hotel project	10/19/2010
Wayne Area Economic Development		\$ 10,000.00	grant	marketing (general)	12/21/2010
City of Wayne	j	\$ 13,285.00	grant	water/sewer for Western Ridge III	8/1/2011
Windom Ridge		\$ 5,000.00	grant	housing study targeting 55+	8/11/2011
Miss Mollys Coffee Company		\$ 30,000.00	performance based loan	purchase building/new coffee shop	10/13/2011
Wayne Area Economic Development on behalf of WCNGC	i	\$ 250,000.00	[info only]	compressed natural gas car	10/13/2011; 07/12/12
Wayne Area Economic Development		\$ 5,000.00	loan guarantee	marketing (general)	11/7/2011
Wayne Community Theater	g	\$ 5,000.00	grant	overhead doors replaced	12/8/2011
Wayne Area Economic Development (Chicken Show)		\$ 12,050.00	grant	marketing for Wayne Chicken Show	3/8/2012
Rainbow World Child Care Center		\$ 25,000.00	grant	facility addition	10/11/2012
Wayne Area Economic Development		\$ 5,000.00	grant	marketing (general)	11/8/2012
City of Wayne		\$ 17,500.00	grant	water/sewer for Western Ridge III	1/10/2013
Wreidt Properties	q	\$ 33,000.00	[info only]	trailer relocation	2/14/2013
Angel Village	q	\$ 240,000.00	[info only]	senior village; common space	2/14/2013
City of Wayne	m	\$ 30,000.00	performance based loan	Welcome to Wayne signs (4)	11/14/2013
Wayne Area Economic Development		\$ 5,000.00	grant	general administration	12/12/2013
Darrin Barner (WSC Rugby)	n	\$ 1,600.00	grant	to replace goal post pads	1/9/2014
Ken Jorgensen / 4th Jug Bar and Grill		\$ 125,000.00	performance based loan	build a bar and grill/package liquor	4/10/2014
Jen and Chad Clausen		\$ 23,765.00	performance based loan	purchase Swans and building	11/13/2014
Wayne Area Economic Development		\$ 5,000.00	grant	admin/marketing	11/13/2014
Rezurrected Rod and Kustom		\$ 25,000.00	performance based loan	building addition and fiber glass car manu	8/4/2015
Wayne Area Economic Development		\$ 5,000.00	grant	admin/marketing	11/3/2015
City of Wayne	p	\$ 240,000.00	[info only]	housing cost buy down	3/10/2016
Subtotal of "grant"		\$ 981,136.00	30.66%		

## 6-Month Report to the Wayne City Council

LB 840 Funds Committed (as of 12/31/2020)

LB840 LOANS		Applicant	Amount	Type of funding	Purpose	Committee review
	f	City of Wayne	\$ 7,132.00	zero percent loan	housing downpayment match	10/8/2009
	a	Jim Milliken (Godfathers)	\$ 35,500.00	zero percent loan	parking lot	10/8/2009
	e	Inet Library	\$ 86,038.00	3 percent interest loan	expansion/start up expenses	2/10/2011
		RBDK LLC	\$ 70,000.00	3 percent interest loan	new dental clinic at 7th & Pearl	8/11/2011
	h	City of Wayne	\$ 160,000.00	zero percent loan	housing incentives (0% loans)	4/12/2012
	k	Rainbow World Child Care Center	\$ 75,000.00	zero percent loan	facility addition	10/11/2012
		Mandy Benscoter and Louis Benscoter	\$ 50,000.00	zero percent loan	commercial bldgs on Jaxon St	1/10/2013
		John and Molly Temme	\$ 65,000.00	3 percent interest loan	commercial property at 7&Dear	6/27/2013
		Geno's Steakhouse	\$ 37,000.00	3 percent interest loan	renovation/windows/etc	7/28/2013
		Paulson Construction	\$ 39,750.00	3 percent interest loan	purchase building/move bus. to city	7/28/2013
	l	City of Wayne - SCPB, OCC Bldrs, IPI	\$ 240,900.00	zero percent loan	disaster recovery loans (15 yrs. % payroll)	10/10/2013
		Brent L. Pick	\$ 50,000.00	zero percent loan	15 yrs - buy&rebuild Estes/DB/NAPA	11/14/2013
		Lutt Oil and Service (Rod L. and Christin E. Cook-Lutt)	\$ 50,000.00	3 percent interest loan	Buy and update Zach's/expand services	12/12/2013
		NAPA - Wayne	\$ 50,000.00	zero percent loan	15 yrs - rebuild NAPA	1/9/2014
	o	NAPA - Wayne	\$ 25,000.00	zero percent loan	to rebuild; require annexation	1/9/2014
		Leseberg Masonry and Construction	\$ 75,000.00	0% loan; 3% loan	rebuild \$40k at 0%; build \$35k at 3%	1/9/2014
		Pat Garvin / Innovative Protectives	\$ 40,000.00	0% loan for 15 yrs	rebuild buildings lost to tornado	2/13/2014
		Ken Jorgensen / 4th Jug Bar and Grill	\$ 125,000.00	3% loan for 15 yrs	build a bar and grill/package liquor	2/13/2014; 4/10/14
		Dollar Plus	\$ 125,000.00	0% loan for 5 yrs	open Dollar Plus in Downtown Wayne	4/10/2014
		Heft Trucking	\$ 50,000.00	0% loan for 15 yrs	rebuild building lost to tornado	6/12/2014
		Tim Ferrig	\$ 50,000.00	3% loan for 15 yrs(10yr bh)	buy 2nd&Main prop and open fitness	7/28/2014
		Jen and Chad Claussen	\$ 23,765.00	3% loan for 15 yrs	purchase Swans and building	11/13/2014
		Rezurrected Rod and Kustom	\$ 25,000.00	3% loan for 10 yrs	building addition and fiber glass car manu	8/4/2015
		Beck Ag Inc	\$ 50,000.00	3% loan for 3 yrs	build out and business growth	12/10/15; 1/14/16
		Adam Manoucheri/Crossroads-Atoll Productions LLC	\$ 40,000.00	3% loan for 15 yrs	purchase and remodel 200&202 Main St	1/14/2016
		Josh Hopkins - Hopkins Eyecare	\$ 35,000.00	0% loan for 2 yrs	purchase property for new eye clinic	6/9/2016
		Lukas Rix - Rustic Treasures	\$ 55,000.00	0% loan for 5 yrs	purchase and rehab 1912 City Hall	7/14/2016
	r	Wayne Country Club	\$ 150,000.00	0% loan for 15 yrs	addition/remodel club house	10/13/2016
	r	Wayne Country Club	\$ 60,000.00	0% loan for 15 yrs	addition/remodel club house	10/30/2017
	s	Wayne Area Event Center	\$ 350,000.00	new terms below	s new event center construction	10/13/2016; 7/2/18
		<i>Subtotal of revolving</i>	\$ 2,135,085.00	66.72%		
		<b>TOTAL FUNDS COMMITTED (as of December 31, 2017)</b>	<b>\$ 3,116,221.00</b>	<b>97.38%</b>		
		<b>TOTAL AVAILABLE FOR 15 YEARS (to collect)</b>	<b>\$ 3,200,000.00</b>			

## 6-Month Report to the Wayne City Council

LB 840 Funds Committed (as of 12/31/2020)

### LB840 PROJECT NOTES

* Interest accrued/paid on the Fund's borrowed money is NOT included in this total			
a Committee recommended \$38,000 zero percent interest loan; Council granted \$2500 of this after the City requested a rain garden in the parking lot.			
b Committee recommended \$75,000; only \$72,686 was spent.			
c Committee recommended \$1,250; Council approved \$2,750.			
d Legally, this is a grant (not required to be paid back); however, the Wayne Hospitality Group LLC plans to honor their previous request's terms of 15 years at 0% interest.			
e Committee recommended only an interest bearing loan for \$43,019; Council approved \$43,019 for an interest bearing loan and \$43,019 for a performance based loan. (all is now a loan)			
f Committee recommended and Council approved \$64,200; only \$7,132 was used after the program closed.			
g Committee recommended a 5 yr loan; Council approved the grant request.			
h Initial housing request from the City was approved; further action by Council allocated housing funds from a different source			
i Revision of previous approval (10/2011) - increased loan guarantee from \$150,000 to \$250,000 (07/2012); allocation became void after 12/31/12 if no company was in Wayne			
j Committee/Council approved \$26,000 for wastewater improvements - only \$13,285 was used			
k Committee recommended \$75,000 loan with interest half of its conventional rate; Council changed the loan to 0% interest			
l \$500,000 was set aside for tornado relief (up to 10% of payroll); only \$241k was used			
m Committee recommended a set number of \$28,000; the Council allowed the request of "up to" \$30,000 for signage			
n Committee recommended approval but believed other sources of funds might be available; Council took no action on this recommendation.			
o Originally a performance based loan; FTE requirement not met so is now a loan			
p Committee recommended approval; City Council did not approve			
q Committee and Council approved; projects were never completed			
r Committee originally recommended \$100,000 loan for 5 yrs at 3%; City of Wayne approved \$150,000 loan for 15 yrs at 0%; Wayne Country Club re-applied to reflect changes to the project scope/bid received; Committee recommended \$210,000 for 15 yrs at 0%; Council approved new loan of \$210,000 for 15 years at 0%;			
s Committee recommended \$250,000 loan for 10 yrs at 3%; Council approved loan of \$350,000 at 3% for 10 years on 10/18/2016; Council approved new terms on 07/03/2018:			
<input type="checkbox"/> A \$350,000 loan;			
<input type="checkbox"/> 3% interest rate;			
<input type="checkbox"/> Defer principal payments for 3 years, but require interest payments throughout the deferment period, with the first deferred interest payment being delayed until November 1, 2018;			
<input type="checkbox"/> Changing the loan repayment period from 10 years to 15 years;			
<input type="checkbox"/> Deferment period would be from March 1, 2018, to February 28, 2021;			
<input type="checkbox"/> Repayment period for principal and interest would begin on March 1, 2021; and			
<input type="checkbox"/> Final payment would be due March 1, 2035.			

## Winter Storm Uri – Impact on the City of Wayne’s Electric Department

Within a group (BREC, City of Wayne, City of Wakefield, Northeast Power) I received an email the morning of Monday, February 15 from Big Rivers (BREC) that the grid within the Southwest Power Pool (SPP) was becoming unstable with record level electric usage, some SPP generation not able to run, etc from the weekend (Feb 13 & 14) and the forecast for that day (Feb 15). We (Wayne/Wakefield) were asked if we wanted to run our generation before the SPP called on us, and I responded Wayne only wanted to run if we had to. By around noon that day (Feb 15) we were told by NPPD that rolling blackouts were to occur. We had started to generate around this time and Jeff Triggs (Electric Production Superintendent) decided to untie from the grid as he didn’t want to run parallel with the grid and risk the strain on the system should NPPD cut a substation while we were running. From Monday, February 15 until early afternoon on Friday, February 19, the City’s power plant ran for about 98 hours, mostly “off-grid” but at times parallel to the grid. This generation was at the urging from BREC as they explained the day ahead prices vs the real time prices and how it was in our best interest to run. When fully generating off grid, our load peaked at about 12-13 MW. Otherwise when generating parallel to the grid, we were putting 5-9 MW back on.

While we ran our plant for about 98 hours through this event, we consumed around 65,000 gallons of diesel fuel. Prior to the event we had about 140,000 gallons in reserve. Initially, we could not get to the reserve as the transport line (pump) was frozen, and we purchased fuel (12,000 gallons total for the event) for our “day” tank. Eventually this line was unfrozen and we could pull from the reserve tank.

Our total invoice from BREC for February 2021 was about \$819,000 higher than usual due to Winter Storm Uri. (The week right after the event BREC had estimated the event would cost us about \$375,000 more; per Mark Eacret with BREC, the \$444,000 additional increase was due to SPP repricing the weekend of Feb 13 and 14 and due to “Revenue Sufficiency Guarantee Charges” that were higher than normal – these two items are being disputed by BREC). On top of this \$819,000 increase, we estimate the City spent about \$135,000 on fuel to generate power along with oil, filters etc that goes with generation costs, and overtime labor. With all costs in, this could be nearly a \$1,000,000 extra expense to the City of Wayne for this winter event.

The City also had BREC calculate what our extra charges would have been had the City not had a power plant or had chosen not to run it. BREC estimates that by running our power plant for the 98 hours, the City of Wayne “saved” just over \$1,800,000.

PLANNING



SITE MASTER PLAN - CONCEPT ONE

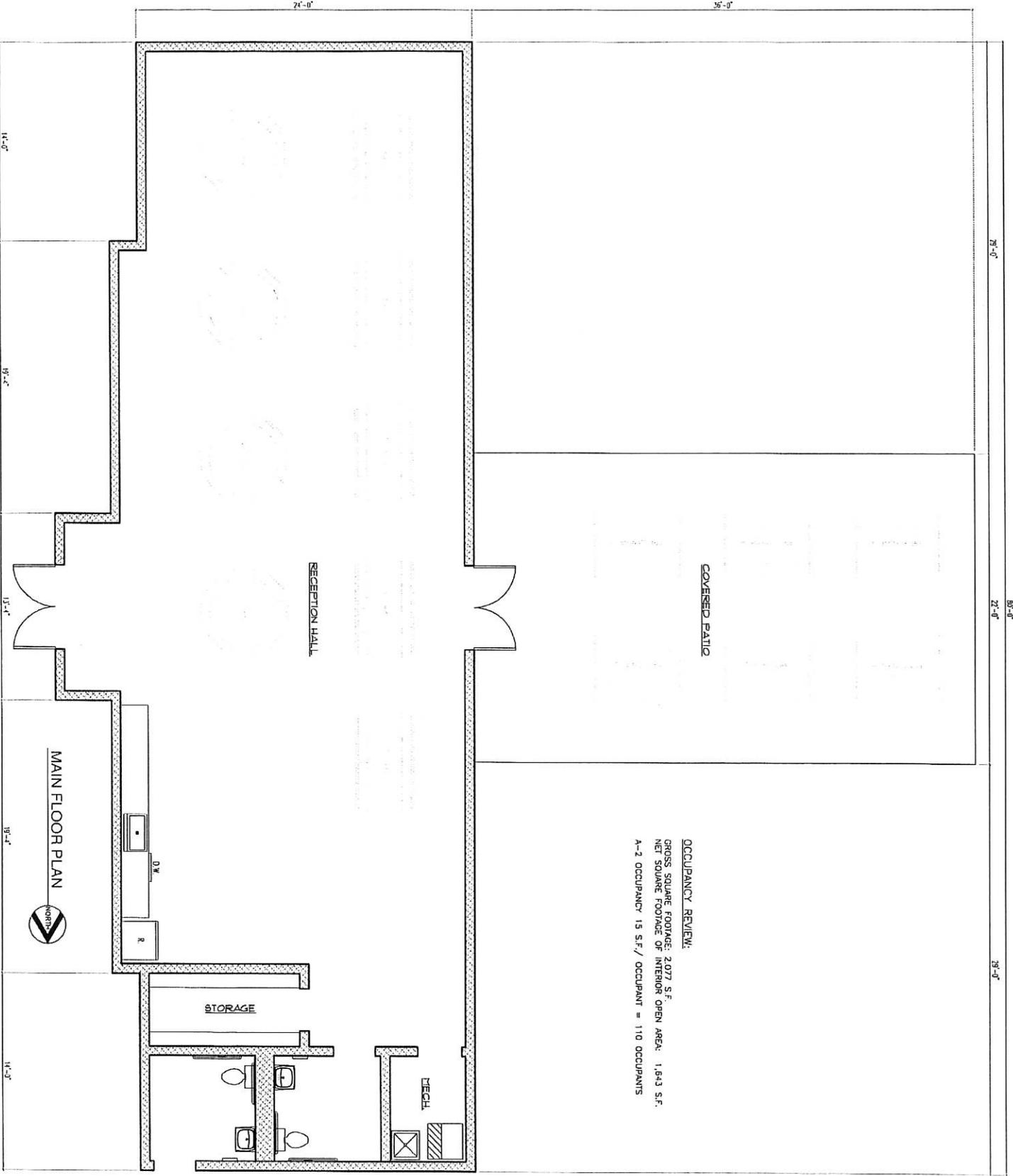
JUNE 18, 2019



PLANNING







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