

**MINUTES
CITY COUNCIL MEETING
July 30, 2024**

The Wayne City Council met in special session at the Wayne Fire Hall on Tuesday, July 30, 2024, at 5:30 o'clock P.M.

Mayor Cale Giese called the meeting to order with the following in attendance: Councilmembers Austyn Houser, Terri Buck, Nick Muir, Brittany Webber, Clayton Bratcher, Jason Karsky, and Jill Brodersen; Attorney Amy Miller; City Administrator Wes Blecke; and City Clerk Betty McGuire. Absent: Councilmember Matt Eischeid.

Notice of the convening meeting was given in advance thereof by posting in three places. In addition, notice was given to the Mayor and all members of the City Council, and a copy of their acknowledgement of receipt of notice and agenda is on file with the City Clerk. Availability of the agenda was communicated in the advance notice and in the notice to the Mayor and Council of this meeting. 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 in the northwest corner of the Fire Hall, as well as on the City of Wayne website 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.

RETREAT TOPICS:

1. Update on Electric System Improvement Projects

Administrator Blecke provided the following timeline and updates for the project:

- August – Council will approve to go out for Requests for Proposals (RFP).
- September – deadline for submitting RFP's.
- September – October: City makes a selection.
- Circuit Switcher – One bid was received - \$123,235 (estimate was \$125,000); this will be approved in August.
- Transformer bid will be opened on July 31; will also be approved in August.
- We still have not received any word on the \$2M grant request.
- DGR is working on a site plan. The hope is to have this completed in early August to then determine the next step with design/bids for new generation. The preliminary plan is still 3 Warsila brand dual-fuel generators, totaling just under 28 MW. A reminder that

this could be an investment around \$50M. Once a more accurate cost for the generation facility is established, Administrator Blecke would like to contract with Dave Peterson/JEO for an electric rate study. The BREC contract is up December 31, 2026.

2. Utility Rate Adjustments:

- The last rate adjustment for water and sewer was set in the fall of 2018. It was a 3-year adjustment, starting January 2019, with subsequent adjustments in January 2020 and January 2021. The reasons for an adjustment at this time are:
 - a) New Well #12 installed in the \$1M+ range; and
 - b) Water line replacements/upsizing and sewer (private separation) projects.
- The increases on a ¾" water meter back in 2019 went from \$16 to \$20 to \$21.50 (in 2020) to \$23.00 (2021); and the water usage charge went from \$1.60 to \$1.75 (2019) to \$1.85 (2020) to \$1.95 (2021) per 1,000 gallons. Consensus was to implement similar increases.
- For the proposed Vintage Hill 4th Addition development, the developer estimates that water and sewer costs will be \$113,000 and \$250,000 respectively. The developer is asking the City be responsible for paying those water and sewer costs, and also up to \$50,000 in engineering costs.
- The City will end the next fiscal year with the reserves being: Electric - \$6.1M (decrease), Water - \$1.8M (increase) and Sewer - \$2.4M (increase).

3. Discussion and/or consideration on the request of the Wayne Community Redevelopment Authority to consider forgiving their \$300,000 loan with the City. Administrator Blecke advised the Council of some of the history on the matter:

- Discussion started in 2011/2012 about the City wanting to boost new housing builds (both apartments and single family) and created a "Housing Incentive Program" in April 2012 (Res 2012-30). The City initially wanted to borrow from the LB 840 program. The City approved the LB 840 Committee's revised amount (from \$300,000 to \$160,000), but legal counsel had an issue with using LB 840 for housing purposes. The City instead borrowed directly from its Electric fund (Res 2012-47), initially \$160,000, and those funds went to the Community Development Agency (CDA), which was the same group as the City Council at that time. In 2013, the \$160,000 had been lent out for housing purposes, and the City borrowed another \$140,000 from the Electric Fund for to continue the program. In January 2014, the Council changed the format of the CDA from having the current Councilmembers serving to an appointed group by the Mayor and Council (Ord 2014-3).
- This first 7-member group included Ken Chamberlain, Nick Muir, Cale Giese, Randy Larson (County), Mark Lenihan (School), Corby Schweers (At-Large) and Jon Meyer (At-Large). Ord 2014-5 changed the name from Community Development Agency (CDA) to Community Redevelopment Authority (CRA).
- The assumption is that in 2014 all of the CDA's assets and liabilities were transferred to the new CRA.
- Today the CRA members include Cale Giese (City), Jill Brodersen (City) Terry Sievers (County), Mark Lenihan (School), Mike Powicki (At-Large), Greg Ptacek (At-Large) and Jon Meyer (At-Large).
- The CRA has been used as a City conduit to transact real estate transactions because laws are more relaxed for the CRA to do this.
- After discussion, a suggestion was to forgive the \$182,000 and recoup the \$128 that is due on DPA loans right now, and then stop that program with the CRA.

- Another suggestion was to apply the real estate taxes paid on the Western Ridge property once the CDA became the CRA in 2014, and the money paid back to the Street Department for the infrastructure in Western Ridge from the \$300,000 loan. Then, apply the remaining down payment assistance loans to what is left on the loan. Reduce the interest rate to 0% and discontinue that down payment assistance program.
- It was noted that the CRA now gets a tax authority so they have a reliable source of income now.

4. Update on City Owned Properties:

- FNBO
 - Their lease runs out at the end of February 2026.
 - Options include, but are not limited to:
 - a) If Council still wants the property as a CAC:
 - Have a Sales Tax vote as soon as May 2026 to move the CAC to that location and add onto the existing building;
 - b) Create and sell to a nonprofit to finance the project over a longer period of time (i.e. using USDA funds);
 - c) Repurpose into another City department(s) (possibly still trying a sales tax vote as soon as May 2026); or
 - d) Market the building and try to sell to an existing business/recruit a new business

Consensus was to market the building – contact the YMCA again.

- Old City Hall
 - a) Update on ideas for redevelopment
 - b) Do we ask the CRA if they would want to take on this project?
 - c) Do we completely gut for a clean look to developers – estimated cost of \$75,000
 - d) Do we demolish it completely – estimated cost of \$250,000
- New City Hall/Police Relocation – timeline
 - a) Still on track; communications equipment will drive the timeline.
- 400 Chicago Street – set a purchase price
 - a) \$15,000 - \$20,000 – ask for sealed bids and stipulate the build must take place within 2 years

5. Long-Term Planning

- a) Should more city-owned property be transferred to the CRA for marketing/redevelopment.

There being no further business to come before the meeting, Mayor Giese declared the meeting adjourned at 8:15 p.m.