

Present: Mayor – Joyce Hudson
Council members Jeff Kennedy
Jim Aden
Tim Strauser
Jeff Whiting
City Administrator Bruce Clymer
City Attorney Mike Bacon
City Clerk Connie L. Dalrymple

Press: Gothenburg Times - Beth Barrett

Also present: Shane Gruber, Mark & Cindy Peyton, Caleb Warner, Dick Schwanz, Terry Jessen, Diana Unteressler, Blaine Peterson, Virginia & Bob Raymond, Tim Jordison

Mayor Hudson opened the meeting and public hearings at 7:00 p.m. Advance notice and a copy of the agenda were given to the Council and members of the press. City Council meetings are conducted in accordance with the Open Meetings Act, a copy of which is available for public inspection on the north wall of the Council Chambers.

The public hearing on a request from Monte Kenning for a catering license was taken up at 7:00 p.m. Brief discussion was had and a motion made by Whiting, seconded by Aden, to close the hearing at 7:04 p.m. Roll call vote: Yea - Strauser, Kennedy, Aden, Whiting. Nay - none.

Aden moved, Kennedy seconded, to recommend to the Liquor Control Commission the approval of a catering license as requested by Monte Kenning, owner of OK Bottle Shoppe. Roll call vote: Yea - Whiting, Strauser, Kennedy, Aden. Nay - none.

The Board of Equalization hearing was taken up at 7:05 p.m. to establish assessments and interest rates for the 2008 Street Improvements which included:

- Street Improvement District #100 (22nd Street, Ave H - J)
- Street Improvement District #115 (22nd Street, Ave G - H)
- Street Improvement District #116 (23rd Street, Ave G - H)
- Street Improvement District #117 (5th Street, Ave D to Lake Ave)
- Street Improvement District #118 (Ave I, alley to 22nd Street).

As on past projects, assessments are calculated to include the cost of the paving and engineering. If the property faces the newly paved street, cost is a front foot basis. Corner lots receive side yard assessment based on 50%, 30%, and 20% of the cost by one-third increments to a lot depth to 177.5 feet because those parcels also experience increased value due to the street improvement. Assessments are set at 16 payments over a 15 year period, the first payment being due, interest free, within 50 days. After the initial payment period, bonds will be levied for the unpaid balance of the total project and payments made annually as assessments are received. The city pays the cost of the intersections and alley approaches.

Tim Jordison, 2221 Ave G, thanked Administrator Clymer for personally contacting him prior to removal of several trees on the north side of his property. He would like to replace them with mature trees that he is willing to purchase if the City would help plant them. He feels some of the landscaping after project completion was of poor quality, the ground was not leveled and there is a rod sticking out of the ground that should be removed or shortened. The gas meter was moved but there is now a rusty five to six foot piece of pipe by the house. The gas company has not responded to his request to have it changed.

According to Travis Mason of Miller & Associates, the entire project carries a one year warranty from the date of completion and issues such as the protruding rods should be reported for repair.

Mark Peyton, 2118 Ave H, complimented the construction crew on their work performance. Over a year ago Peyton expressed concern at the ability of the City to 'gap' pave without homeowner approval. He now owes an assessment of \$17,995 for a street that carries a lot of traffic. He feels the method of assessment is wrong because if the project improves the City as a whole, the whole City should pay for it.

Council member Aden commented that the method of assessment is long-standing and the standard method of paying for improvements. He doesn't disagree with the burden of cost having been in a similar position; however he (Aden) chose to live along an unpaved street, knowing the possibility existed that the street would be paved at his cost.

Richard Schwanz, 705 22nd Street, is very pleased with the paving and feels it is a 100% improvement to his property.

If a homeowner moves or sells the property prior to paying the assessments in full, the remainder is usually paid in full at the request of the loan and title company. In some instances, the City has agreed to a contract transferring responsibility for payment to the new owner.

Community Development Block Grant funds will be applied to 22nd Street assessments if owners are 'income qualified' according to terms of the grant. Qualification is determined through a Dawson Area Development process and owners are encouraged to respond immediately to DAD inquiries. If qualified, assessment is paid in full with grant funds. The City was originally approved for \$250,000 in grant funds based on projected cost of the street improvements. Construction costs were less than anticipated so grant receipts will be less, probably about \$230,000. It is the City's intention to use all the funds within the terms of the grant.

Mayor Hudson reminded all that if there is a problem with the construction to contact Administrator Clymer as soon as possible.

Bond counsel has indicated the interest rate on the bonds will be 4.25% to 4.5% plus 1.5% for administration. Administrator Clymer recommended no more than 6% interest on the assessments. The 14% delinquent rate is set by state statute.

Kennedy moved, Whiting seconded, to close the public hearing at 7:41 p.m. Roll call vote: Yea - Aden, Strauser, Whiting, Kennedy. Nay - none.

Kennedy moved, Whiting seconded, to pass and approve Resolution 2010-1 approving the assessments as proposed and setting interest at 5.5% on 2008 Street Improvements that include the following districts:

- Street Improvement District #100 (22nd Street, Ave H - J)
- Street Improvement District #115 (22nd Street, Ave G - H)
- Street Improvement District #116 (23rd Street, Ave G - H)
- Street Improvement District #117 (5th Street, Ave D to Lake Ave)
- Street Improvement District #118 (Ave I, alley to 22nd Street).

Roll call vote: Yea - Aden, Strauser, Whiting, Kennedy. Nay - none.

Whiting moved, Kennedy seconded, approving the consent agenda that included:

- City Council minutes - December 15
- Cemetery Board report - October thru December

Roll call vote: Yea - Whiting, Aden, Kennedy. Nay - none.

Kennedy moved, Aden seconded, allowing payment of claims against the City, \$112,993.20, except claims 1308 and 1323; Public Works Division \$224,903.84; and the December 24 payroll of \$30,384.75. Roll call vote: Yea - Whiting, Aden, Kennedy, Strauser. Nay - none.

Aden moved, Kennedy seconded, allowing payment of claim 1308 to Runza. Roll call vote: Yea - Kennedy, Strauser, Aden. Nay - none.

Aden moved, Whiting seconded, allowing payment of claim 1323 to Tim Strauser. Roll call vote: Yea - Aden, Kennedy, Whiting. Nay - none.

Open forum:

- Blaine Peterson asked Council to consider installing angle parking along the west side of Avenue D between 9th and 10th Streets to replace the spaces lost to renovation of Gothenburg State Bank. The shrubs and landscaping currently along the right-of-way on Avenue D could be moved to the vacant lot on the corner of Avenue D and 10th Street.
- Administrator Clymer thanked the hospital for contributing \$7500 toward the cost of the new Welcome sign.

Strauser moved, Aden seconded, approval of Drawdown #6 and payment of \$3656 to Nan's Headhunters on the downtown revitalization project. Roll call vote: Yea - Kennedy, Whiting, Aden, Strauser. Nay - none.

At the December 11 Council Retreat discussion was had on the utility rate study done by Phil Euhler of the Nebraska Municipal Power Pool. Some of the changes include:

- Increasing the Public works Division insufficient check charge to \$20 to match other City departments

- Increasing water fees by \$1.00 / month for all service sizes and the per gallon charge on metered water by 10 cents to 56 cents / gallon. According to the study our water rates are less than average and the cash balance in the water fund is -\$227,000. The electric fund supports it.
- Establishes a fire hydrant hook-up fee of \$100 plus \$2.56 per 1000 gallons of water pumped.
- No change in sewer or solid waste fees
- An average increase of 6.5% in electric rates. NPPD rates will increase and average of 5.9% but our rates are low to begin with and some of our equipment is 25 years old and needs to be replaced. If we continue to absorb all or part of NPPD increases, the cash reserve will decrease.
- Rates will become effective January 1, 2010.

Discussion was had on the rate proposal and a motion made by Kennedy, seconded by Strauser introducing Ordinance 852. Roll call vote: Yea - Whiting, Aden, Strauser, Kennedy. Nay - none.

Aden moved, Kennedy seconded, to pay \$2101.36 to Miller & Assoc for construction observation on the Avenue I sewer project. Roll call vote: Yea - Whiting, Strauser, Kennedy, Aden. Nay - none.

Kennedy moved, Whiting seconded, to pay \$982.50 to Miller & Assoc for as-recorded drawings of the Avenue I sewer project. Roll call vote: Yea - Strauser, Aden, Whiting, Kennedy. Nay - none.

The city does not have a catering license category in our liquor codes although the proposed code revision does. Therefore, Whiting moved and Strauser seconded, introduction of Ordinance 853 adopting Chapter 110, General Licensing Provisions, and Chapter 111, Alcoholic Beverages, of the proposed code revision being completed by American Legal Publishing. The ordinance also establishes an annual \$100 fee for the catering license. Roll call vote: Yea - Kennedy, Aden, Strauser, Whiting. Nay - none.

Aden moved, Strauser seconded, to adjourn the meeting at 8:05 p.m. Roll call vote: Yea - Kennedy, Whiting, Strauser, Aden. Nay - none. The next regular meeting will be January 19, 2010.

Joyce Hudson, Mayor

Connie L. Dalrymple, City Clerk