

Regular City Council Meeting
City Council Chambers

July 19, 2011
7:00 p.m.

Present: Mayor – Joyce Hudson
Council members Jeff Kennedy
Gary Fritch
Tim Strauser
Jeff Whiting
City Administrator Bruce Clymer
City Clerk / Treasurer Connie L. Dalrymple

Absent: City Attorney Mike Bacon

Press: Gothenburg Times - Beth Barrett

Also present: Shane Gruber, Shawn Boyd, Ken Christensen, Jen Wolf, Jeff Stittle of Department of Environmental Quality

Mayor Hudson opened the meeting and public hearing 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 purpose of the public hearing was to consider a Redevelopment Plan for the Mesner Project, which includes the Jefferson Square senior living homes. The Redevelopment Plan will allow tax increment financing that will be used to pay the principle and interest on the water, sewer, and paving infrastructure in the development.

Discussion was had and a motion made by Kennedy, seconded by Strauser, to close the public hearing at 7:05 p.m. Roll call vote: Yea - Whiting, Strauser, Fritch, Kennedy. Nay - none.

Strauser moved, Whiting seconded, to pass and approve Resolution 2011-5 approving the Mesner Project redevelopment plan. Roll call vote: Yea - Kennedy, Fritch, Whiting, Strauser. Nay - none.

The Mesners met with the County Commissioners on Wednesday to request a reduction in taxes based on the fact that the project is rent restricted to the elderly. This is not an uncommon request.

Fritch moved, Strauser seconded, approving the consent agenda that included:

- City Council minutes - July 5
- Police Report - June
- Board of Adjustment minutes - July 6
- Treasurer's Report - June

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

Kennedy moved, Whiting seconded, allowing payment of claims against the City, \$39,869.78; Public Works Division \$370,780.40; and the July 7 payroll of \$40,742.55. Roll Call vote: Yea - Fritch, Kennedy, Strauser, Whiting. Nay - none.

Mike Jones of Vision Care Direct met with Bruce regarding a group plan for employee vision care. The company is owned by optometrists and is active in 36 states, but is not an insurance plan. Each employee chooses the 'plan' that meets their specific needs and includes annual eye exams, lens, frames, and contacts. It can be a single plan or include spouses and / or children. The plan can be:

Participatory - the City contributes to the premiums. (If the City participates at \$5.00 / month, it will cost \$1800 a year.)

Non-participatory - the employee bears all the costs.

Employee payments are a pre-tax payroll deduction.

Regular part-time employees are eligible to participate but there is no City contribution.

The employee plan year is 12 months from the time of service.

Although the employees have not met with Mr. Jones, most of the employees are interested in the plan.

After discussion, Whiting moved, Kennedy seconded, authorizing participation in Vision Care Direct, effective September 1, 2011, as a participatory plan at \$5.00 per employee per month. All permanent part-time employees are eligible to participate without City contribution. Roll call vote: Yea - Kennedy, Strauser, Fritch, Whiting. Nay - none.

Discussion continued from the July 5 meeting on the practice of locating property stakes. Administrator Clymer offered three options for discussion:

1. Owners or builders who know where property stakes are must expose and clearly mark the stakes before the building inspector is on site and before the building permit is approved.

2. If owners do not know where their stakes are, they should contact a surveyor before the building inspector arrives and before the permit will be approved.

3. The City has maps on file and will make a copy of the property for homeowner use. The City may purchase a metal locator for with a deposit of \$150 plus a rental charge of \$5 per hour, minimum charge \$10.00.

It was decided the City should not purchase rental equipment because there are businesses that offer that services and our intent is to limit liability. Kennedy moved, Strauser seconded, to discontinue locating property stakes October 1, 2011. Roll call vote: Yea - Whiting, Fritch, Strauser, Kennedy. Nay - none.

Ken Christensen is purchasing a portion of the property owned by Bob Harm that lies north of 4th Street and west of 2nd Avenue. There is a gas line thru the property that limits construction; therefore, Christensen has requested waiver of the requirement for utilities installation in new subdivisions. A preliminary agreement was presented to the Planning & Zoning Commission,

the intent being that the City is not required to provide utilities until the developer erects a building requiring utilities. At that time the developer must make utility installations.

Kennedy moved, Strauser seconded, approving the Christensen Subdivision plat and authorizing Mayor Hudson to negotiate and execute a subdivision agreement with KRC Enterprises, LLC. Roll call vote: Yea - Fritch, Whiting, Strauser, Kennedy. Nay - none.

Kennedy moved, Fritch seconded, to approve the Special Designated License requested by Monte Kenning of OK Bottle Shoppe for a September 10th reception event at Nebraska Salt & Grain Facility 520 10th Street. Roll call vote: Yea - Whiting, Strauser, Fritch, Kennedy. Nay - none.

Whiting moved, Kennedy seconded, to approve the Special Designated License requested by Monte Kenning of OK Bottle Shoppe for an August 19th Business After Hours event at Gothenburg Tire Service, 302 8th Street. Roll call vote: Yea - Fritch, Strauser, Kennedy, Whiting. Nay - none.

Jeff Stittle of the Department of Environmental Quality spoke regarding the algae growth in Lake Helen that is a result of sedimentation and nitrogen. It is toxic to animals if ingested and dangerous to humans if ingested. The lake is old and dying and the situation will worsen, the lake will get shallower and banks will erode unless it can be rehabilitated. The lake is currently on DEQ's impaired water list. DEQ rehabs water if the City can put together a plan to rehabilitate the lake that includes draining the lake and removing sediment. The City must also be willing to financially participate in the rehabilitation. It can then be refilled and stocked with game fish. The NE Game & Parks Commission already has Gothenburg on its list for lake improvement. Becoming an Aquatic Habitat Project will allow us to receive state and federal money to assist in reclaiming the lake. Lake Helen is not recoverable in its current state.

Mr. Stittle also provided information on similar projects in Nebraska, including Cottonmill Lake in Kearney. Following discussion, it was the consensus of the Council to work with the Game & Parks Commission to rehabilitate Lake Helen.

Kennedy moved, Fritch seconded, allowing payment of \$29,342.55 to Midland Contracting for sewer cleaning and inspection. Roll call vote: Yea - Strauser, Whiting, Fritch, Kennedy. Nay - none.

Jennifer Wolf of DAD spoke to Council about a USDA Rural Development program known as REDLG. The program offers project financing in the form of loans or grants. For example, a for-profit business loan of \$700,000 when repaid becomes a reuse program where the money can be continually re-loaned on other projects. Another example is a grant to the RDA or project that is repaid by a not-for-profit business to also be reused. Priorities have traditionally been rural medical clinics and hospitals or incubator businesses but the 2008 Farm Bill opened the definition of rural to include utility service providers therefore the City is eligible for funds. To be a Rural Utility Service Provider we must submit a letter, including a map, the number of miles of service lines, number of customers and peak usage. Once accepted, the designation never has to be renewed and we can apply for REDLG funds.

Whiting moved, Strauser seconded, authorizing Administrator Clymer to submit a letter to USDA Rural Development requesting a Rural Utility Service Provider designation for funding eligibility. Roll call vote: Yea - Fritch, Kennedy, Strauser, Whiting. Nay - none.

Kennedy moved, Strauser seconded, to adjourn the meeting at 8:30 p.m. Roll call vote: Yea - Whiting, Fritch, Strauser, Kennedy. Nay - none. The next regular meeting will be August 2, 2011.

Joyce Hudson, Mayor

Connie L. Dalrymple, City Clerk