

Regular City Council Meeting
16, 2013
City Council Chambers
p.m.

April
7:00

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

Press: *Gothenburg Times* - Beth Barrett

Also present: Shane Gruber, Reed Miller and Travis Mason of Miller & Assoc., Lisa Bihlmaier, Brandon Bihlmaier, Mandy Moore, Megan Moore, Zeke Brian, NPPD reps Ed Schrock, Larry Lindstrom, Chris Hegert, and Pat Pope.

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 request for special use permit from Patrick Lafleur to operate a sno-cone business from their home at 1721 Avenue D through the summer months. The Planning and Zoning Commission met at 5:30 p.m. but did not make a recommendation because no one was available at the hearing to answer questions on the permit. They held the hearing open until their May 14 meeting and will made a decision at that time.

Kennedy moved, Whiting seconded, to hold this hearing open until the May 21 meeting. Roll call vote: Yea – Oliver, Whiting, Kennedy. Nay – none. Absent and not voting – Strauser.

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

City Council minutes - April 2
Treasurer's Report - March
Police Report - March
Board of Adjustment minutes – April 5

Roll call vote: Yea – Whiting, Oliver, Kennedy. Nay - none. Absent and not voting – Strauser.

Whiting moved, Kennedy seconded, allowing payment of claims against the City, \$62,564.00; Public Works Division \$388,637.60; and the April 11 payroll of \$36,305.34. Roll Call vote: Yea – Oliver, Kennedy, Whiting. Nay - none. Absent and not voting – Strauser.

Councilman Strauser entered the meeting at 7:04 p.m.

Community Comments:

- Clean City Week will be April 27 through May 5
- Arbor Day will be celebrated April 26 by planting a tree in Lafayette Park at 11:30 a.m.
- Nate Baker represented the City at the Tree City USA recognition in Lincoln April 2

- The city web page has the community tree inventory recently done by the Forest Service. It's a good resource for the community and an indication of the improvement in tree diversity since establishment of the Tree Board in 1987. The Board will be discussing the Ash tree population.
- The annual report on water quality was published in the *Times*. The report indicates there are no water violations or deficiencies. The arsenic level is near the limit, a consequence of the State lowering the maximum level allowed. The arsenic rating has dropped because the 16th Street well has been taken off line except for emergencies. The arsenic level is the average of all wells since our distribution system connects all wells and lines. Overall, the water quality is very good.
- Mayor Hudson acknowledged three speech students in attendance.

Larry Lindstrom spoke to the Council, as he has other wholesale customers, about NPPD's process in updating their strategic planning and requirement for wholesale contracts. The process involved multiple meetings to hear what customers expect and want as well as determining NPPD's future wants and needs. Above all, customers and NPPD want reliability, efficiency, and competitive rates with updated generation facilities.

In looking into the future, NPPD is looking for generation and fuel diversity, allowing partners to have a voice in NPPD's direction, access to markets with reliable and new transmission capabilities, and continuing competitive wholesale rates. Mr. Lindstrom reviewed the process for determining rates to meet needs of the future including updated equipment and generation capabilities. The timeline for 2013 is:

- 1st quarter – meeting with customers, discussing and understanding the need for new agreements
- 2nd quarter – discuss and develop plans
- 3rd quarter – evaluation options with wholesalers and develop a recommendation
- 4th quarter – implement decisions and plans

Ed Schrock was introduced as the new board member for this area.

Kennedy moved, Whiting seconded, authorizing Mayor Hudson to sign the forthcoming contract with the Environmental Trust Fund for the Lake Helen water quality project. The contract is due by April 30.

Reed Miller visited with Council about the options for sewer improvements that have become known due to the recent sewer system study. Information has been divided into four areas, number one being the most critical.

Area I: 4th Street. Some pipes can be lined but most of the sewer will need to be removed and replaced. Estimated cost is \$371,800.

Area II: The area behind 4th Street extending to Cottonwood Dr. This is the area where televising had to be postponed during the study until ground water receded. There is a lot of infiltration but most of the piping can be lined. Estimated cost is \$51,800.

Area III: The County road to the waste treatment plant. Estimated cost \$69,500.

Area IV: From the waste plant north to 11th Street, including a new third sewer highway crossing. Estimated cost is \$1,078,300. The cost could be as much as \$1,740,300 depending on what is discovered in the process and how much of the project is done. The high cost is due to the need to remove and replace paving.

The work can be divided over a period of time or done as one project. If one project, the total cost would be between \$1,571,400 and \$2,233,400 depending on what is decided in Area IV. State Revolving Loan funds currently carry 2.5% to 3% interest. A public hearing is required for SRL funding and user fees must be sufficient to meet the bond payments.

Administrator Clymer feels Area I is absolutely critical. The waste plant loan was paid in December 2011. The State allowed us to pay only interest on the loan for UV equipment at the plant until 2011 then we began repaying principle. That debt will be completed in December 2015. The same process could be implemented on this project if we decide to do all four areas. With the entire waste treatment plant debt coming off the books, we could do the full project without affecting sewer rates. However, there would be nothing left but to increase rates if an economic development project comes up.

Miller noted that we would be at the payoff date when the loan is made because it takes about a year to complete the surveying, design and the bid process, and another year for construction.

Atty. Bacon provided a quick calculation estimate using the 2% interest. Annual payments of \$175,000 / year would do the entire project.

Discussion was had and all favored doing all areas at one time if costs are reasonable and financing can be put into place without burdening the budget or the rate payers. Construction prices will only go up plus the infiltration into the system would be eliminated increasing the waste plant capacity for a significant industry.

Administrator Clymer will provide detailed financial information and contact a bond company for their interest rates and the matter will be on the June 4 agenda as a public hearing. Miller & Assoc. will provide a public hearing notice that is required to provide 30-day notice if the City intends to request state revolving loan funds.

Strauser moved, Kennedy seconded, to pass and approve Resolution 2013-7 authorizing signature of an agreement with the Nebraska Department of Roads for improvements to Highway 47 north of 27th Street. Roll call vote: Yea – Oliver, Kennedy, Whiting, Strauser. Nay – none.

Kennedy moved, Oliver seconded, approving signature of an Interlocal Cooperative Agreement with the NE Game & Parks Commission for \$500,000 to be used in rehabilitation of Lake Helen. Roll call vote: Yea – Strauser, Whiting, Oliver, Kennedy. Nay – none.

Kennedy moved, Whiting seconded, approving an agreement regarding allocation of special assessments from Jerold Schnacker to Kirt Knoedler in Improvement District 117. Roll call vote: Yea – Oliver, Strauser, Whiting, Kennedy. Nay – none.

Kennedy moved, Strauser seconded, to adjourn the meeting at 8:22 p.m. Roll call vote: Yea – Oliver, Kennedy, Strauser, Whiting. Nay - none. The next regular meeting will be May 7, 2013.

Joyce Hudson, Mayor

Connie L. Dalrymple, City Clerk