

City of Seward, NE
Tuesday, October 20, 2015
Regular Session

Item G2

**CONSIDERATION OF APPROVAL OF DRAFT MINUTES OF
OCTOBER 6, 2015 - Bonnie Otte**

Administrative Report: A motion to approve the minutes as written or with modifications would be in order.

Staff Contact:

October 6, 2015

The Seward City Council met at 7:00 p.m. on Tuesday, October 6, 2015, with Mayor Joshua Eickmeier presiding and Assistant Administrator /Clerk-Treasurer /Budget & Human Resources Director Bonnie Otte recording the proceedings. Upon roll call, the following Councilmembers were present: Jon Wilken, Ellen Beck, Sid Kamprath, Dean Fritz, Barbara Pike, John Singleton, Chris Schmit, Dick Hans. Other officials present: City Administrator Bruce Smith and City Attorney Kelly Hoffschneider. Absent: None.

Notice of the meeting was given in advance thereof by the method of communicating advance notice of the regular and special meetings of the City Council of the City of Seward, Nebraska, as stated in Ordinance No. 2015-08, which was adopted on the 5th day of May, 2015; said method stating that the notice of such meeting, with the agenda thereon, be posted in the following places: City Hall, Seward County Courthouse, Municipal Building, and Seward Public Library. The certificate of posting notice is attached to these minutes. Notice of this meeting was simultaneously given to the Mayor and all members of the City Council and a copy of their acknowledgment of receipt of notice and the agenda are attached to these minutes. 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 convened meeting was open to the attendance of the public.

THE PLEDGE OF ALLEGIANCE

Mayor Eickmeier announced that a copy of the Agenda for this meeting is posted on the north wall of the Municipal Building and copies are available on the north wall where a copy of the Open Meetings Act is also posted for public inspection. He also noted that any citizen wishing to address the Council should come to the podium, state their name and address and limit their comments to five minutes. All remarks should be directed to the Mayor/Chairperson, who will then determine who will make any appropriate response. The City of Seward reserves the right to adjust the order of items on this agenda if necessary and may elect to take action on any of the items listed.

1. APPROVAL OF MINUTES OF SEPTEMBER 15, 2015 COUNCIL MEETING

Councilmember Pike moved, seconded by Councilmember Fritz, that the minutes of the September 15, 2015 City Council meeting be approved.

Aye: Hans, Beck, Fritz, Wilken, Pike, Singleton, Schmit, Kamprath
Nay: None
Absent: None. Motion carried.

2. CONSENT AGENDA CONSIDERATION ITEMS

Councilmember Singleton moved, seconded by Councilmember Pike, that the following Consent Agenda items be approved in one single motion:

- A. Claims & Payables Reports
- B. Infrastructure Cost Items Reimbursable Back to the City.

CLAIMS LIST
10-6-15
COUNCIL MEETING

Abbreviations: Bu, Building Upkeep; Eq, Equipment; Ex, Expense; Ma, Maintenance; Mi, Mileage; Misc, Miscellaneous; Re, Repairs; Sa, Salaries, Se, Services; Su, Supplies; Ut, Utilities, CI, Capital Improvements; GU, Grounds Upkeep.

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Alliance Technologies	Se		3,457.00
Amazon.Com Credit Service	Su, Bu, Misc		2,554.96
American General Life Ins	Ins		339.00
American Library Assoc	Dues		269.00
Ameritas Life Insurance Co	Ex		235.30
Art On Display	Su		1,230.00
Awards Unlimited Inc	Su		56.00
Baker & Taylor	Su		551.37
Baldinger Charlotte	Mi		26.45
Barnes & Noble Bookseller	Su		31.92
Battery Universe	Su		499.50
Black Hills Energy	Ut		187.32
Blue Cross Blue Shield Ne	Ins		53,767.47
Blue River Electric LLC	Se		710.40
Boggs Seth	Se		705.00
Capital Business-Dallas	Ma		341.20
Cash-Wa Distributing Co	Su		434.55
Chase Card Service			3,353.01
Holiday Inn Express	Trng	284.70	
WalMart	Su	265.30	
ACT*GP ADA Center	Trng	400.00	
Embassy Suites	Meals, Trng	406.44	
Round the Bend Stkhouse	Meals	60.00	
Menards	Bu	34.21	
Interstate All Battery	Su	22.14	
Adobe*ExportPDF	Ex	-23.88	
Zoomshift	Ex	70.00	
Paypal	Su	61.60	
Alert All Corp	Su	1,772.50	
City Seward Buildings/Gr	Operations		2,000.00
City Seward General Fund	Franchise/Park Fees		637,740.29
City Seward Library Petty	Bu, Su		252.33
City Seward Payroll Acct	Payroll		115,067.00
Collins ME Contracting Co	Ci		16,640.00
Commonwealth Electric Co	Ci		12,725.00
Consolidated Management	Meals		146.75
Constellation Newenergy	Ut		78.11
Continental Fire/Alarm/De	Se		190.00
Deere John Landscapes	Su		91.68
Delta Dental	Ins		1,436.40
Dutton-Lainson Co	Su		34,600.00
Emergency Medical Product	Su		388.36
Fair-Play Company	Ci		45,990.00
Fastenal Company	Su		118.05
Gabriel Burger Else Cpa PC	Se		7,000.00
Garden Gate Magazine	Su		39.00

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General Code	Se	2,570.40
Gerdes Jared	Mi	72.45
Gerhold Concrete Co Inc	Su	25,387.14
Great Plains Communication	Se	586.00
H & S Plumbing Heating AC	Bu, Se	767.58
Herb'S Window Service	Ma	650.00
Hireright Solutions	Se	34.15
Hobson Automotive & Tire	Re	307.38
House Beautiful Magazine	Su	26.97
Husker Electric Supply Co	Su	2,580.00
Hydraulic Equip Service	Re, Bu	1,184.64
I E S Commercial Inc	Ci	81,622.26
Int'l Public Management	Su	314.50
J R Welding Inc	Su	148.74
Jackson Lindsey	Refnd	13.20
Jackson Services Inc	Ma	109.94
Johnson Bryce C	Me, Mi	161.46
Jones Automotive	Se, Eq	9,002.18
Koranda Construction	Bu, Su	1,075.23
Kriz-Davis Co	Su, Re	20,567.95
Last Mile Network Consult	Se	90.00
Latsch'S	Su	41.98
Leadership Resources	Se	590.80
Lincoln Journal-Star	Su	306.80
Lincoln Tree Service Inc	Se	5,925.00
Lincoln Winwater Works	Su	363.80
Matheson Tri-Gas Inc	Su	16.50
Memorial Health-Drug	Su	30.00
Merle'S Garden Center	Gu	258.50
Mid-American Benefits Inc	Ins	917.63
Midwest Laboratories Inc	Se	751.10
Midwest Turf & Irrigation	Re	243.62
Mother Earth News Magazine	Su	17.00
Mountain Plains Library	Dues	55.00
Nat'l On-Site Waste Water	Trng	100.00
Nebraska Library Assoc	Trng	570.00
Nebraska Life Magazine	Su	44.00
Net-Tech Distributing Inc	Re, Su	5,875.86
Nifco Mechanical Systems	Bu	100.00
Northern Safety Co Inc	Bu	502.76
O C L C Inc	Se	180.69
Odeys Inc	Su, Gu	758.98
Olsson Associates	Se	10,986.07
Omaha World Herald	Su	247.00
O'Reilly Auto Parts	Re	52.79
Orscheln Farm & Home	Su, Re, Eq	489.43

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Overdrive	Su		800.00
Pac 'N' Save Discount Food	Su		7.57
Pankoke Henry W	Ma		220.00
Peavey Lynn Co	Su		160.50
Plains Equipment Group Inc	Re		150.26
Precision Tool & Machine	Re		170.00
Principal Financial Group	Ins		667.86
Quill Corp	Su		240.06
Resco Electric Utility	Eq		3,375.00
Roehr Ed Safety Products	Eq		780.00
Sam'S Club (Lib-Rec-Pool)	Su		1,202.09
Sam'S Club (Sen Center)	Su		250.71
Seward Woman'S Club	Awards		150.00
Smith Bruce	Ex, Meal		107.00
St John Lutheran Church	Ci		51,800.00
Stutzman Digging	Ci		6,990.00
Supplyworks	Su		101.94
Tools Plus Industries LLC	Eq		76.73
U S A Bluebook - Cust 812	Su		2,959.35
U S A Today	Su		300.00
U S Cellular	Ex		228.32
University Nebraska-Bio	Trng		120.00
Visa - Pinnacle Bank			378.62
Lighting Supply.com	Re	333.65	
Pac N Save	Su	34.97	
WalMart	Su	10.00	
Woods & Aitken LLP	Se		82.50
Wreckoncoiled Collision	Re		3,216.47
	Claims Total		<u>\$1,194,484.88</u>

Aye: Hans, Beck, Fritz, Singleton, Wilken, Pike, Schmit, Kamprath

Nay: None

Absent: None. Motion carried.

3. CONSIDERATION OF AN ORDINANCE AMENDING WATER UTILITY RATES

Andrew Ross, Nebraska Municipal Power Pool Director, presented the rate study information for the electric, water and sewer utilities. He stated that earlier projections suggested increasing the electric rates by 4.7% beginning October 1. However, based on current cash reserves, debt service, cost of power purchase, and capital needs, the result is a recommendation of no electric rate change at this time and possibly none in 2016; however, after that, due mainly to the capital needs, increasing cost of transmission and NPPD rising costs, there will likely be proposed increases of 3-4% each year beginning in 2017.

Mr. Ross stated the rate study for the sewer utility also indicated no need for an increase, but is indicating a 4.5% rate increase in October of 2016.

Mr. Ross then reviewed the rate study information for the water utility and stated that due to the capital expenses, the recommendation is to increase the rates by 2.6%. He stated the cash reserves are healthy; however, there

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are some very large expenses planned and even with the 2.6% increase, there will be a need to use some of the cash reserves for stabilization of rates.

Mr. Ross stated the 2014 community survey is complete and he will forward this information to the City to share. He stated this comparison does not compare facilities, but just rates.

Ordinance No. 2015-15 initiating a 2.6% increase for water rates was adopted.

Councilmember Pike moved, seconded by Councilmember Schmit, that the minutes of the proceedings of the Mayor and Council of the City of Seward, Seward County, Nebraska in the matter of passing and approving Ordinance No. 2015-15, "AN ORDINANCE TO AMEND SECTION 3-127 OF THE CITY CODE; TO INITIATE A 2.6% INCREASE IN REVENUES CHARGED TO CUSTOMERS FOR SERVICE FROM THE WATER SYSTEM OF THE CITY EFFECTIVE WITH THE OCTOBER 2015 BILLING; TO PROVIDE FOR BILLING THEREOF; TO REPEAL SECTION 3-127; TO PROVIDE FOR A TIME WHEN THIS ORDINANCE SHALL TAKE EFFECT" be preserved and kept in a separate and distinct volume known as "Ordinance Record, City of Seward, Nebraska" and that said separate and distinct volume be incorporated in and made a part of these proceedings the same as though it were spread at large herein.

Aye: Schmit, Hans, Beck, Fritz, Wilken, Pike, Singleton, Kamprath

Nay: None

Absent: None. Motion carried.

4. AUTHORIZE PLACEMENT OF "WELCOME TO SEWARD" SIGN ON CITY PROPERTY ON EAST HWY 34

Clarence Wattier, representing the Seward Area Chamber of Commerce First Impressions Committee, presented a request to utilize City property to erect a "Welcome To Seward" sign on east Highway 34 north of the old John Deere building. The sign is meant to enhance and compliment Seward's Fourth of July City designation, the Parade of Flags, and the National Guard museum while welcoming visitors. He stated the plan is to have two galvanized steel sign posts and aluminum tube construction with 3M high performance vinyl lettering. He stated the funding for the project will come from private donations, and the Seward Area Chamber of Commerce will serve as the grant applicant for potential grants through Seward County Visitors' Committee, Seward Foundation, LB840 grant, and WalMart. He said the City will be asked to provide the electricity to illuminate the LED lights, and they may be requesting City assistance for dirt work and concrete for construction, but there should be very little maintenance. The proposed cost of the project is \$11,755.86 and none of the work would begin until the funds are secured.

There was additional discussion as to whether this new sign would replace the current sign on east Hwy 34 or if that sign would remain and whether the proposed location for the new sign is the best location considering potential growth of the City to the east and the tree line which would obstruct view of the sign. There was a suggestion to contact the property owners further to the east and inquire whether they would allow placement of the sign on their property.

City Attorney Hoffschneider stated that if the City approves placement on City property, it would be recommended to prepare an easement for construction and a maintenance and utility agreement so all parties understand the future responsibility for the sign.

Councilmember Singleton moved, seconded by Councilmember Pike, that the City supports the sign conceptually; however, requests the Seward Area Chamber of Commerce Impressions Committee look at alternative locations for placement

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of the sign east of the proposed location north or south of Hwy 34.

Aye: Hans, Beck, Fritz, Singleton, Pike, Wilken, Schmit, Kamprath
Nay: None
Absent: None. Motion carried.

5. CONSIDERATION OF MEMBERSHIP AGREEMENT WITH SEWARD COUNTY ECONOMIC DEVELOPMENT CORPORATION

Councilmember Beck moved, seconded by Councilmember Pike, that the Membership Agreement with Seward County Economic Development Corporation be approved.

Aye: Hans, Beck, Fritz, Singleton, Pike, Wilken, Schmit, Kamprath
Nay: None
Absent: None. Motion carried.

6. CONSIDERATION OF A FUNDING AGREEMENT WITH SEWARD COUNTY ECONOMIC DEVELOPMENT CORPORATION

Councilmember Schmit moved, seconded by Councilmember Fritz, that a Funding Agreement with Seward County Economic Development Corporation in the amount of \$40,000.00 be approved.

Aye: Hans, Beck, Fritz, Singleton, Pike, Wilken, Schmit, Kamprath
Nay: None
Absent: None. Motion carried.

7. CONSIDERATION OF A FUNDING AGREEMENT WITH SEWARD AREA CHAMBER OF COMMERCE

Councilmember Singleton moved, seconded by Councilmember Hans, that the Funding Agreement with the Seward Area Chamber of Commerce in the amount of \$22,500.00 be approved.

Aye: Hans, Beck, Fritz, Singleton, Pike, Wilken, Schmit, Kamprath
Nay: None
Absent: None. Motion carried.

8. CONSIDERATION OF A SETTLEMENT AGREEMENT WITH CHARLES AND LAVONNE EVANS REGARDING PURCHASE OF CEMETERY LOTS AT SEWARD GREENWOOD CEMETERY

City Attorney Kelly Hoffschneider presented an agreement with Charles and LaVonne Evans to settle any potential dispute arising from two cemetery lots purchased by the Evans that were erroneously sold to another party. The agreement states the City shall provide the opening and closing of two newly deeded cemetery lots at no additional cost to the Evans.

Councilmember Kamprath moved, seconded by Councilmember Pike, that the Settlement Agreement with Charles and LaVonne Evans regarding purchase of cemetery lots at Seward Greenwood Cemetery be approved.

Aye: Schmit, Hans, Beck, Fritz, Wilken, Pike, Singleton, Kamprath
Nay: None
Absent: None. Motion carried.

9. CONSIDERATION OF SEWARD FOUNDATION APPLICATIONS

Becky Baker, Seward Memorial Library Director presented a request in the amount of \$1,135 as a grant funding match to purchase a table and chairs for use with an Early Literacy Station (Bilingual) and Edge Tablet equipment.

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She stated this same grant was approved by the City Council last year and forwarded to the Seward Foundation; however, the Library did not receive the grant funds from the Nebraska Library Commission, so she withdrew the request from the Seward Foundation.

There was an inquiry as to whether this application should be submitted to the Seward School Board, since it involves educational equipment and the Seward School system is part of the educational arm of the community. It may be beneficial on the grant application to get the School Board's support.

Ms. Baker stated that everything about the Library is educational and all City requests have always come to the City Council and teacher and school requests go to the School Board.

Councilmember Schmit moved, seconded by Councilmember Singleton, that the request in the amount of \$1,135 as a grant funding match to purchase a table and chairs for use with an Early Literacy Station (Bilingual) and Edge Tablet equipment be approved and forwarded on to the Seward Foundation for consideration.

Aye: Hans, Beck, Fritz, Singleton, Pike, Wilken, Schmit, Kamprath

Nay: None

Absent: None. Motion carried

10. CONSIDERATION OF A RESOLUTION AUTHORIZING THE LEASE/PURCHASE AND/OR FINANCE OF EQUIPMENT THROUGH CATERPILLAR FINANCIAL SERVICES CORPORATION

Public Facilities/Capital Improvement/GIS Director John Hughes presented a lease agreement with Caterpillar Financial Services for a 60-month lease of a motor grader at an annual cost of \$20,258.69.

Councilmember Singleton introduced the following resolution:

RESOLUTION NO. 2015-23

WHEREAS, the laws of the State of Nebraska (the "State") authorize City of Seward (the "Governmental Entity"), a duly organized political subdivision, municipal corporation or similar public entity of the State, to purchase, acquire and lease personal property for the benefit of the Governmental Entity and its inhabitants and to enter into any necessary contracts; and

The Governmental Entity wants to lease, purchase and/or finance equipment ("Equipment") from Caterpillar Financial Services Corporation and/or an authorized Caterpillar dealer ("Caterpillar") by entering into that certain Governmental Equipment Lease-Purchase Agreement (the "Agreement") with Caterpillar; and

the form of the Agreement has been presented to the governing body of the Governmental Entity at this meeting.

BE IT THEREFORE RESOLVED, that: (i) the Agreement, including all schedules and exhibits attached to the Agreement, is approved in substantially the form presented at the meeting, with any Approved Changes (as defined below), (ii) the Governmental Entity enter into the Agreement with Caterpillar and (III) the Agreement is adopted as a binding obligation of the Governmental Entity; and

that changes may later be made to the Agreement if the changes are approved by the Governmental Entity's counsel or members of the governing body of the Governmental Entity signing the Agreement (the "Approved Changes") and that

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the signing of the Agreement and any related documents is conclusive evidence of the approval of the changes; and

that the persons listed below, who are the incumbent officers of the Governmental Entity (the "Authorized Persons"):

Joshua Eickmeier, Mayor

be, and each is authorized, directed and empowered, on behalf of the Governmental Entity, to (i) sign and deliver to Caterpillar, and its successors and assigns, the Agreement and any related documents, and (ii) take or cause to be taken all actions he/she deems necessary or advisable to acquire the Equipment, including the signing and delivery of the agreement and related documents; and

that the City Clerk of the Governmental Entity is authorized to attest to these resolutions and affix the seal of the governmental Entity to the Agreement, these resolutions, and any related documents; and

that nothing in these resolutions, the Agreement or any other document imposes a pecuniary liability or charge upon the general credit of the Governmental Entity or against its taxing power, except to the extent that the payments payable under the Agreement are special limited obligations of the Governmental Entity as provided in the Agreement; and

that a breach of these resolutions, the Agreement or any related document will not impose any pecuniary liability upon the governmental Entity or any charge upon its general credit or against its taxing power, except to the extent that the payments payable under the Agreement are special limited obligation of the Governmental Entity as provided in the Agreement; and

that the authority granted by these resolutions will apply equally and with the same effect to the successors in office of the Authorized Persons.

Councilmember Pike moved, seconded by Councilmember Fritz, that the resolution be adopted. Upon vote, the following Councilmembers voted Aye: Beck, Fritz, Singleton, Hans, Wilken, Kamprath, Pike, Schmit. Nay: None. Absent: None.

The Mayor declared the resolution adopted.

Dated: October 6, 2015

THE CITY OF SEWARD, NEBRASKA

ATTEST:

Joshua Eickmeier, Mayor

Bonnie Otte
Assistant Administrator/
Clerk-Treasurer/
Budget & Human Resource Director

(SEAL)

11. REQUEST FOR UPDATE ON STATUS OF PROPOSED HOT MILL PROJECT TO INCLUDE DETAILS AND TIMELINE OF LAND PURCHASE OF OPTIONS ON RAIL CAMPUS PROPERTY

City Attorney Hoffschneider stated that if the Council wants to hear detail

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information on the amounts of the land purchase options on the Rail Campus property, he recommends the Council go into closed executive session for the purpose of conducting a strategy session for the purchase of real estate.

Councilmember Schmit stated that he and Councilmember Pike are on the Lincoln/Seward Regional Rail Committee and there was a meeting on October 2 to discuss the Hot Mill Project; however, Darl Naumann, Project Hot Mill representative, was not in attendance. Mr. Schmit stated the Community Redevelopment Authority requested additional information to consider Tax Increment Financing Funding, and to date, this information has not been delivered. He said he did not see anything happening with the project until the developer provides the requested information.

City Attorney Hoffschneider stated the renewal dates for the options are September 2016, January 2017 and February 2017.

No action was taken on this item.

12. CITY ADMINISTRATOR REPORT

Councilmember Schmit stated Mel Bolte was presented with a plaque and recognition for 50 years of service on the Seward Park and Recreation Board.

There was an inquiry as to when work on East Seward Street would begin at which John Hughes stated removal of the surface, grading, and a new overlay would begin within the week.

Councilmember Pike moved, seconded by Councilmember Kamprath, that the City Administrator's Report dated October 6, 2015 be accepted.

Aye: Hans, Beck, Fritz, Singleton, Pike, Wilken, Schmit, Kamprath

Nay: None

Absent: None. Motion carried.

13. CONSIDERATION OF A TORT CLAIM FROM JAY AND CONNIE SEITSINGER, 848 N 6TH STREET FOR PERSONAL PROPERTY DAMAGE

City Attorney Hoffschneider stated the City received a letter from Greg Damman, representing Jay & Connie Seitsinger, 848 N 6th Street for a Tort Claim based on a sewer backup. Mr. Hoffschneider stated the Seitsingers submitted a claim, which the Council denied at the February 17, 2015 City Council meeting and forwarded it to Employer's Mutual Insurance (City's insurance carrier). Employer's Mutual also denied the claim stating their investigation discovered no negligence on the City's part. He stated he believes this Tort Claim is a resubmission of the same claim, pursuant to the Political Subdivisions Tort Claims Act of Nebraska. He recommended the Council follow their previous action and deny this claim. He also recommended the Council enter into executive closed session if they would like to further discuss the details of the claim. Mr. Hoffschneider stated denying this claim does not deter the City from reaching a resolution with the Seitsinger's. He stated that if the Council denies the claim and no resolution is reached, the property owner could file a lawsuit in District Court.

Councilmember Pike moved, seconded by Councilmember Beck, that the City deny the Tort Claim, based on a sewer backup, submitted by Greg Damman, representing Jay & Connie Seitsinger, 848 N. 6th Street.

Aye: Hans, Beck, Fritz, Pike, Kamprath, Singleton, Wilken, Schmit

Nay: None

Absent: None. Motion carried.

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14. FUTURE REQUESTS FOR COUNCIL AGENDA ITEMS OR ADMINISTRATIVE ACTION

None

15. ANNOUNCEMENT OF UPCOMING EVENTS

- A. October 25 @ 10:00 a.m. - 5:00 p.m. - Seward Youth Center Fundraiser
- 4th Street between Hwy 34 & South Street
- B. October 31 @ 4:30-7:00 - United Methodist Church - Halloween Trunk
N Treat -Northern Heights to Crestwood on N 5th
- C. November 28 @ 5:30 p.m. - Annual Holiday Lighted Parade

16. MOTION TO ADJOURN

Councilmember Singleton moved, seconded by Councilmember Pike, that the October 6, 2015 City Council Meeting adjourn.

Aye: Hans, Beck, Fritz, Singleton, Wilken, Schmit, Pike, Kamprath

Nay: None

Absent: None. Motion carried.

THE CITY OF SEWARD, NEBRASKA

Joshua Eickmeier, Mayor

Bonnie Otte
Assistant Administrator
Clerk-Treasurer
Budget & Human Resources Director