

City of Seward, NE
Tuesday, February 17, 2015
Regular Session

Item G2

**CONSIDERATION OF APPROVAL OF DRAFT MINUTES OF
FEBRUARY 3, 2015 - Bonnie Otte**

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

Staff Contact:

February 3, 2015

The Seward City Council met at 7:00 p.m. on Tuesday, February 3, 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: Charles Lieske, Ellen Beck, Dean Fritz, Barbara Pike, John Singleton, Chris Schmit, Dick Hans. Other officials present: City Attorney Kelly Hoffschneider. Absent: Councilmember Sid Kamprath and Interim City Administrator Jack Vavra.

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 Resolution Number 14-99, which was adopted on the 17th day of August, 1999; said method stating that the notice of such meeting, with the agenda thereon, be posted in the following places: City Hall, County Courthouse 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 in the front window 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. INTRODUCTIONS, SPECIAL PRESENTATIONS & PROCLAMATIONS

Building/Zoning & Code Enforcement Director Ed Gonzalez introduced Brandon Wood who was recently hired as the Permits Technician.

2. APPROVAL OF MINUTES OF JANUARY 20, 2015 COUNCIL MEETING

Councilmember Pike moved, seconded by Councilmember Singleton, that the minutes of the January 20, 2015 City Council meeting be approved.

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

3. CONSENT AGENDA CONSIDERATION ITEMS

Councilmember Lieske stated he would abstain from discussion or voting on the Consent Agenda as the claims list includes payment to his employer.

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.

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CLAIMS LIST
2-3-15
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.

Payroll	166,199.54
Alliance Technologies, Se	9,769.06
Alamar Uniforms, Uniforms	104.29
Blue River Jewelry, Se	11.50
Time Warner Cable, Se	79.38
Chase Card Services	1,863.31
Walmart, Su, Re	454.35
Amazon.com, Su, Eq	503.78
DHW Buckstaff, Eq	52.36
McVicker Auto Trim, Re	232.88
Lowe's, Bu	198.00
Radiatorexpress.com, Bu	277.61
PayPal, Su	15.99
DNH*GoDaddy.com, Misc	30.34
GCI*MSCN-Frnd-WB, Emp Service Awd	80.00
NE State Patrol, Se	18.00
Seward Area Chamber of Commerce, Emp Awards, Misc	900.00
Petty Cash, Su	247.91
Constellation NewEnergy Gas, Ut	2,183.40
Library Petty Cash, Su	147.92
Cornhusker Press, Su	107.13
Continental Fire/Alarm/Detect, Bu	1,443.88
Commonwealth Electric Co, Bu	936.67
Ditch Witch of Omaha, Eq	45,187.94
Electric Fund, Ut	45,368.01
Seward Buildings/Grounds, Operations	2,000.00
Fastenal Company, Su, Re	361.33
Gabriel Burger & Else, Se	1,750.00
GP Tech Solutions, Su	108.91
H & S Plumbing Heating & AC, Re	22.80
Hobson Automotive & Tire, Re	805.25
Intoximeters, Su	37.50
Jones National Bank & Trust, Ex	68.00
Jackson Services, Inc, Ma	123.12
Kriz-Davis, Su	23,438.35
Inland Truck Parts & Service, Re	2,371.95
Capital Business Systems, Se	302.36
Mattson Ricketts Law Firm, Se	4,950.00
Metering & Technology Solution, Re	644.50
Midwest Turf & Irrigation, Su	292.44
Midwest Service & Sales, Su	1,084.36
Mid-American Benefits Inc, Ins	1,822.13
Verizon Wireless, Se	36.65
Nebraska Treasurer, Ex	97.97
Nebraska Machinery Company, Re	266.00
Orscheln Farm & Home, Su, Bu	353.59
O'Reilly Auto Parts, Su, Re	124.41
Northern Safety Co, Su	530.25
Fast Mart, Su	38.55
Pitney Bowes, Ex	105.00
Quill Corp, Su	544.01

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Sam's Club, Bu, Su	376.35
Sam's Club, Su, Bu	555.35
Patricia Sanley, Misc	15.00
Olsson Associates, Se	654.54
Nebraska Public Health Env Lab, Se	469.00
Plains Equipment Group, Re	80.12
Hireright Solutions, Se	68.30
Gerhold Concrete, Re	244.86
St. PJ Supply, Su	23.45
Sports Express, Su	258.75
Nebraska Equipment, Re	49.89
Trans-Alarm, Inc., Se	324.00
US Cellular, Se	53.32
Seward Veterans Foreign Wars, Emp Dinner	1,680.50
Wesco Distribution, Su	2,514.50
Randy Sanley, Su	33.34
Delta Star, Ci	349,376.45
Waterloo Tent & Tarp, Eq	1,816.54
Auto Kraft Upholstery, Re	495.00
Woodhouse Auto, Eq	1,000.00
Nebraska Code Officials Assc, Ex	100.00
Municipal Automation & Control, Se	755.00
Total	<u>677,773.63</u>

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

Nay: None

Abstain: Lieske

Absent: Kamprath. Motion carried

4. CONFIRMATION OF MAYOR'S APPOINTMENTS

Councilmember Lieske moved, seconded by Councilmember Schmit, that the Mayor's reappointment of Councilmember Dean Fritz and Councilmember Barb Pike to the Seward Foundation for a 1-year term be approved.

Aye: Schmit, Hans, Beck, Lieske, Fritz, Pike, Singleton

Nay: None.

Absent: Kamprath. Motion carried.

Councilmember Pike moved, seconded by Councilmember Beck, that the Mayor's reappointment of Dennis Erks, Ken Schmieding, and Justin Hartman to the Park & Recreation Board for a 3-year term be approved.

Aye: Schmit, Hans, Beck, Lieske, Fritz, Pike, Singleton

Nay: None.

Absent: Kamprath. Motion carried.

Councilmember Fritz moved, seconded by Councilmember Pike, that the Mayor's appointment of Millie Guthrie (replace Nita Goings) and Del Peters (replace Wilma Luth) and reappointment of Clifford Lowell and Councilmember Chris Schmit to the Seward Aging Services Commission for a 2-year term be approved.

Aye: Schmit, Hans, Beck, Lieske, Fritz, Pike, Singleton

Nay: None.

Absent: Kamprath. Motion carried.

Councilmember Schmit moved, seconded by Councilmember Singleton, that the Mayor's reappointment of Mike Hecker to the Community Redevelopment

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Authority for Tax Increment Financing for a 5-year term be approved.

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

Councilmember Beck moved, seconded by Councilmember Fitz, that the Mayor's acceptance of the resignation of Gary Fett from the LB840 Sales Tax Application Review Board be approved.

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

5. CONSIDERATION OF CLAIM OF GARY ROLF, 404 LINCOLN STREET FOR PERSONAL PROPERTY DAMAGE

Gary Rolf, 404 Lincoln St. addressed the City Council and requested reimbursement of expenses in the amount of \$811.50 related to sewer backup into his basement on January 18, 2015. Mr. Rolf stated he did not lose any personal property; however, the expenses were related to the charges from Roto Rooter, Marlin's Plumbing, Heating & AC, and his personal labor. He stated the City did not have his private sewer line accurately located in their mapping system. If it had been marked correctly, a lot of time and an additional expense would have been saved.

City Attorney Hoffschneider stated, past practice has been to deny these claims and forward them to the City's insurance carrier. He added that a deductible may be applicable.

Councilmember Lieske moved, seconded by Councilmember Pike to reimburse Gary Rolf in the amount of \$811.50 for personal expenses related to a sewer backup in his home.

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

6. CONSIDERATION OF A RESOLUTION CALLING WATER SYSTEM REVENUE REFUNDING BONDS, SERIES 2010, FOR REDEMPTION

D.A. Davidson, Paul Grieger addressed the Council stating the Series 2010 Water System Revenue Refunding Bonds are callable any time on or after March 30, 2015. Mr. Grieger stated he believed the City could refinance these bonds at a lower interest rate of around 2% (currently 3.77%) and save approximately \$100,000.

Councilmember Schmit expressed concern that the proposed reissue added \$125,000 dollars to the bond to pay costs of issuance and underwriting. He stated the proposed savings are lost with the added costs.

There was additional discussion as to whether there were other bonds or upcoming projects to "bundle" to save costs on the issues. Mr. Grieger explained that D.A. Davidson, as well as Gilmore Bell, base their fees on the size of the bond, so the costs are going to be about the same. Mr. Grieger went on to say he feels he is being conservative with the projected interest rate and savings, but would rather present the information conservatively than to come back and say he was not able to get the rate or savings that were anticipated. He stated the \$100,000 cushion is standard with the issues they have done in the past, but if the Council is not comfortable, they can approve

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a different amount. Mr. Grieger stated he would be happy to provide hard copies of his calculations to the Council and set up a conference call with interested members to explain the information.

Councilmember Lieske introduced the following resolution:

RESOLUTION NO. 2015-03

**RESOLUTION CALLING WATER SYSTEM REVENUE REFUNDING BONDS,
SERIES 2010, FOR REDEMPTION**

BE IT RESOLVED by the Mayor and City Council of the City of Seward, Nebraska:

Section 1. That the following bonds of the City of Seward, Nebraska (the "City"), which are callable at any time on or after March 30, 2015, are hereby authorized to be irrevocably called for redemption on such date as set forth in the Designation of Call Date (as defined below):

Water System Revenue Refunding Bonds, Series 2010, date of original issue—March 30, 2010, in the principal amount of One Million Four Hundred Ninety-five Thousand Dollars (\$1,495,000), numbered as shown on the books of the Paying Agent becoming due and bearing interest as follows:

<u>Principal Amount</u>	<u>Maturing June 1 Of Year</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
\$165,000	2015	2.40%	818488 EH7
145,000	2016	2.80	818488 EJ3
155,000	2017	3.15	818488 EK0
160,000	2018	3.45	818488 EL8
160,000	2019	3.60	818488 EM6
170,000	2020	3.75	818488 EN4
175,000	2021	3.85	818488 EP9
180,000	2022	3.95	818488 EQ7
185,000	2023	4.05	818488 ER5

Said bonds were issued for the purpose of refunding the City's outstanding Water System Revenue Refunding Bonds, Series 2003, date of original issue - February 15, 2003, in the principal amount of \$105,000, the City's outstanding Water System Revenue Bonds, Series 2003B, date of original issue - June 6, 2003, in the principal amount of \$2,070,000 and the City's outstanding Water System Revenue Bonds, Series 2004, date of original issue - May 21, 2004, in the principal amount of \$100,000, and to pay costs of issuance and underwriting associated with issuance of the Series 2010 Bonds.

Section 2. Said bonds are payable at the principal corporate trust office of The Jones National Bank & Trust Company of Seward, in Seward, Nebraska, as paying agent and registrar (the "Paying Agent").

Section 3. The Mayor or City Clerk of the City (each, an "Authorized Officer") are each individually hereby authorized at any time on or after the date of this resolution to determine the call date for said Bonds on behalf of the City and such determination, when made in writing (the "Direction for Call"), shall constitute the action of the City without further action of the Mayor and City Council of the City. The Call Date shall be set for such date as determined in the Direction for Call, and such determination shall be made by an Authorized Officer not later than August 1, 2015, after which the Authorized Officers shall

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have no authority to make any such determination hereunder without further action of the Mayor and City Council of the City and this resolution shall be of no further force and effect. Upon delivery of this resolution and the Direction for Call to the Paying Agent, said bonds shall be irrevocably called for redemption on the Call Date.

Section 4. A copy of this resolution and the Direction for Call shall be filed at least 30 days prior to the date of call with the Paying Agent and said Paying Agent is hereby irrevocably instructed to mail notice to each registered owner of said bonds not less than thirty days prior to the date fixed for redemption, all in accordance with the ordinance authorizing said called bonds.

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

PASSED AND APPROVED this 3rd day of February, 2015.

ATTEST:

Joshua Eickmeier, Mayor

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

[SEAL]

7. CONSIDERATION OF AN ORDINANCE AUTHORIZING THE ISSUANCE OF WATER SYSTEM REVENUE REFUNDING BONDS - PRINCIPAL AMOUNT OF \$1,620,000 FOR THE PURPOSE OF REFUNDING \$1,495,000 OF OUTSTANDING WATER SYSTEM REVENUE REFUNDING BONDS

Councilmember Lieske moved that the Ordinance, as read, be passed and adopted, with the exception that there be a minimum net calculated savings of 3% or greater on the refunding. Councilmember Schmit seconded the motion.

Ordinance No. 2015-02, authorizing the issuance of Water System Revenue Refunding Bonds - Principal amount of \$1,620,000 for the purpose of refunding \$1,495,000 of outstanding Water System Revenue Refunding Bonds was approved.

Councilmember Schmit moved, seconded by Councilmember Pike, 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. 2015-02, "AN ORDINANCE OF THE CITY OF SEWARD, NEBRASKA, AUTHORIZING THE ISSUANCE OF WATER SYSTEM REVENUE REFUNDING BONDS OF THE CITY OF SEWARD, NEBRASKA, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED ONE MILLION SIX HUNDRED TWENTY THOUSAND DOLLARS (\$1,620,000) FOR THE PURPOSE OF REFUNDING \$1,495,000 OF OUTSTANDING WATER SYSTEM REVENUE REFUNDING BONDS, SERIES 2010; PROVIDING FOR NECESSARY RESERVE FUNDS AND PAYING COSTS OF ISSUANCE OF SAID BONDS; PRESCRIBING THE FORM, TERMS AND DETAILS OF SAID BONDS; PLEDGING AND HYPOTHECATING THE REVENUE AND EARNINGS OF THE WATERWORKS PLANT AND WATER SYSTEM OF SAID CITY FOR THE PAYMENT OF SAID BONDS AND INTEREST THEREON; PROVIDING FOR THE COLLECTION, SEGREGATION AND APPLICATION OF THE REVENUE OF SAID WATERWORKS PLANT AND WATER SYSTEM; ENTERING INTO A CONTRACT ON BEHALF OF THE CITY WITH THE HOLDERS OF SAID BONDS; REPEALING ANY CONFLICTING ORDINANCES AND PROVIDING FOR PUBLICATION OF THE

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ORDINANCE IN PAMPHLET FORM" 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, Lieske, Beck, Singleton, Pike, Fritz
Nay: None
Absent: Kamprath. Motion carried.

8. CONSIDERATION OF AN AGREEMENT WITH HUGHES BROTHERS, INC TO CONSTRUCT A 3-PHASE ELECTRICAL SERVICE

Electric and Power Resource Director Larry Ruether addressed the City Council stating Hughes Brothers, Inc is requesting the City construct a 3-phase 480 volt transformer bank and 2,000 feet of 1/0 3-phase line to their facility. He stated Hughes Brothers will pay the entire cost of the project.

Councilmember Singleton moved, seconded by Councilmember Fritz, that the Agreement with Hughes Brothers, Inc. to construct a 3-phase electrical service at an estimated cost to Hughes Brothers, Inc in the amount of \$55,800 be approved.

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

9. CONSIDERATION OF REAL ESTATE OPTION AND ACCESS AGREEMENT WITH PHYLLIS MAE AEGERTER

Mayor Eickmeier stated the Council could go into executive session to receive a brief update on this item. However, more information will be available for the next meeting.

Councilmember Lieske moved, seconded by Councilmember Schmit, to table any discussion of the Real Estate Option and Access Agreement with Phyllis Aegerter.

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

10. CONSIDERATION OF SUBMITTING A COMMENT LETTER TO NDED REGARDING 2015-2019 PROPOSED CONSOLIDATED PLAN AND 2015 ACTION PLAN - CDBG ED PROGRAM INCOME

Councilmember Beck moved, seconded by Councilmember Lieske, that Mayor Eickmeier be authorized to submit a comment letter to NDED regarding the 2015-2019 Proposed Consolidated Plan and 2015 Action Plan for CDBG ED Program Income, recommending that communities such as the City of Seward be given some say and flexibility in determining the priorities of the new Revised Local Reuse Plan, as well as recommend that the Revised Local Reuse Plan be allowed to include priorities already established in the existing Seward ED Reuse Loan Plan, such as retail businesses.

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

11. CONSIDERATION OF SPECIAL DESIGNATED LIQUOR PERMIT FOR KIMMEL ORCHARD & VINEYARD EDUCATIONAL FOUNDATION, INC

Councilmember Singleton moved, seconded by Councilmember Pike to approve

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the Special Designated Liquor Permit for Kimmel Orchard & Vineyard Educational Foundation for a sampling/tasting event on February 7, 2015 at Harvest Hall.

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

12. CONSIDERATION OF SPECIAL DESIGNATED LIQUOR PERMIT FOR JAMES ARTHUR VINEYARDS

Councilmember Singleton moved, seconded by Councilmember Pike to approve the Special Designated Liquor Permit for James Arthur Vineyards for a sampling/tasting event on February 7, 2015 at Harvest Hall.

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

13. CAPITAL PROJECTS REPORT

There was no comment or discussion on the Capital Projects Report dated 2/3/15.

14. FUTURE REQUESTS FOR COUNCIL AGENDA ITEMS OR ADMINISTRATIVE ACTION

None

15. ANNOUNCEMENT OF UPCOMING EVENTS

- A. City of Seward Farm Lease Auction - Municipal Bldg - February 6, 2015 @ 10:00 a.m.
- B. Annual Employee Awards and Recognition Dinner - VFW - February 6, 2015 @ 6:00 p.m.
- C. Seward Volunteer Firefighters Banquet - February 21, 2015 @ 5:30 p.m.
- D. League of Nebraska Municipalities Mid-Winter Conference - February 23 & 24, 2015

16. MOTION TO ADJOURN

Councilmember Pike moved, seconded by Councilmember Singleton, that the February 3, 2015 City Council Meeting be adjourned.

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

THE CITY OF SEWARD, NEBRASKA

Joshua Eickmeier, Mayor

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