

City of Seward, NE
Tuesday, July 7, 2015
Regular Session

Item G1

**CONSIDERATION OF APPROVAL OF DRAFT MINUTES -
Bonnie Otte**

June 16, 2015 Regular Meeting Minutes

June 30, 2015 Work Session Minutes

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

Staff Contact:

June 16, 2015

The Seward City Council met at 7:00 p.m. on Tuesday, June 16, 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: Ellen Beck, Sid Kamprath, Dean Fritz, Barbara Pike, Chris Schmit, Dick Hans. Other officials present: Interim City Administrator Jack Vavra and City Attorney Kelly Hoffschneider. Absent: Councilmembers Charles Lieske and John Singleton.

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 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. APPROVAL OF MINUTES OF JUNE 2, 2015 COUNCIL MEETING

Councilmember Fritz moved, seconded by Councilmember Pike, that the minutes of the June 2, 2015 City Council meeting be approved.

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

Nay: None

Absent: Lieske, Singleton. Motion carried.

2. CONSENT AGENDA CONSIDERATION ITEMS

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

- A. Claims & Payables Reports
- B. City Clerk-Treasurer Report
- C. City Codes Director Report
- D. Police Department Report
- E. Infrastructure Cost Items Reimbursable Back to the City.
- F. New Firefighter Shelby Rood

CLAIMS LIST
6-16-15
COUNCIL MEETING

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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.

Payroll	134,554.99
Beatrice Ford, Eq	38,825.95
Advanced Floor, Bu	250.00
Alamar Uniforms, Su	129.83
Alliance Tech., Se	6,415.75
Amazon.Com, Su	691.41
Anderson, Mitch, Re	1,835.66
Aqua-Chem, Su	1,457.84
Ashby, Lisa, Se	25.00
Assoc. Bag, Su	1,015.42
Awards Unlimited, Su	193.00
Baker & Taylor, Su	2,325.19
Baldinger, Charlotte, Mi	26.45
Bluebird Nursery, Su	651.05
Bork, Ronald/Marily, Re	13.90
Capital Bus., Se	304.00
Cash-Wa, Su	462.45
Library Petty Cash, Su	222.49
Merchant Serv., Se	1,113.16
City Petty Cash, Su	234.53
Commonwealth Elec., Se	20,293.55
Constellation Gas, Ut	416.52
Control Serv., Ma	2,078.30
Cooper Power, Eq	44,149.27
D & S Forklifts, Re	659.84
Danko Emer., Re	53.64
Electronic Eng., Re	508.10
Emer. Med., Su	689.13
Farmers Coop, Su/Re	4,860.51
Fast Mart, Su	10.52
Fastenal, Su/Re	503.16
Firhouse Five, Se	25.00
GE Capital, Eq	10,711.61
General Fire, Bu	1,540.06
Gerdes, Jared, Su	91.78
Global Eq., Su	438.95
Good Life Mag., Se	24.00
HD Supp., Re	1,509.84
Hamilton Eq., Su	611.12
Heartspun Flowers, Su	50.00
Helmlink Printing, Su	522.00
Hemphill Elec., Re	125.00
Husker Elec., Su	724.53
Hydraulic Eq., Re	4,149.16
Interstate Batt., su	64.80
Jackson Serv., Se	107.42
jacobsen Rock, Su	6,779.64
Jurchen, John Se	25.00
Kriz-Davis, Su	3,116.27
Last Mile Network, Se	140.00
Lee's Ref., Re	220.26
Lincoln Winwater, Re	154.83
Marlin's Plbg., Re	32.10

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Matheson Tri-Gas, Se	112.51
Mattson Ricketts Law, Se	4,522.59
McCoy, Nan, Releaf	75.00
Memorial Health, Se	1,185.00
Men's Health Mag., Se	24.97
Menards, Su	69.90
Merle's Garden, Su/Gu	1,709.69
Meyer Auto, Re	80.36
Mid-Amer. Benefits, Se	2,404.50
Midland Scientific, Se	2,173.97
Midwest Auto Parts, Re/Su	718.05
Midwest Automotive, Re	1,699.70
Midwest Labs, Se	705.09
Midwest Serv., Su	1,737.85
Mike's Market, Su	18.66
Moody, John, Se	110.00
Morse, Laurie, Class	60.00
Municipal Supp. NE, Su	220.28
NE Equip., Re	46.15
NE Health, Se	315.00
NE Labor, SE	280.00
NE Mun. Power Pool, Se	325.00
NE Pub. Power, Se/Su	413,924.11
NE Sports, Su	215.93
Net-Tech, Su	5,952.02
Nieman's Port-A-Pot, Se	300.00
Nitzsche, Natalie, Refund	50.00
Northern Safety, Su	250.89
OCLC, Se	174.61
O'Reilly Auto, Re	166.37
Odeys, Su	420.00
One Call Concepts, Se	124.50
Orscheln, Su/Re	912.45
Otte, Donna, Mi	37.38
Pac 'N' Save, Su	113.45
Pankoke, Henry, Se	220.00
Penas, Logan, Se	45.00
Plains Eq., Re	52.98
Plunkett's Pest, Se	157.32
Precision Tool, Re	34.00
Quill, Su	155.11
Quinn, Jeff, Se	275.00
Reader's Digest, Se	17.98
Rumery Lawn, Re	119.32
Sack Lumber, Su	5.99
Sam's Club, Su	1,028.86
Mrs. Science, Se	170.00
Sew. Airport Auth., Agreement	300.00
Sew. Co. Clerk, Se	60.00
Sew. Co. Independent, Se	946.03
Sew. Co. PPD, Se	1,216.70
Sew. Co. Treasurer, Se	14,959.33
Seward Lumber, Su/Re	596.05
Sew. Schools, Fines	60.00
Sleuth Software, Se	4,216.80
St PJ Supp., Su	131.25
Supplyworks, Su	317.39

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Law Enf. Coord., Ex		120.00
US Postal, Se		144.00
Verizon, Se		142.51
Visa		484.05
Wal-Mart, Su	119.27	
Amazon.com, Se	99.00	
Gotprint.com, Se	265.78	
White, Sarah, Se		200.00
Windstream NE, Se		<u>2,702.19</u>
TOTAL		766,247.82

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

3. CONFIRMATION OF MAYOR'S APPOINTMENTS

Councilmember Schmit moved, seconded by Councilmember Beck, that Mayor Eickmeier's reappointment of Justin Hartman to the Citizen Advisory Review Committee (Economic Development Plan) for a 3-year term be approved and resignation of Byron Winter be accepted.

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

Councilmember Fritz moved, seconded by Councilmember Pike, that Mayor Eickmeier's reappointment of Roger Glawatz and Greg Zabka to the Cemetery Board for a 3-year term be approved.

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

4. PUBLIC HEARING - 7:00 P.M. - CONSIDERATION OF TAX INCREMENT FINANCING (TIF) APPLICATION OF TWO CREEKS HOLDINGS, LLC

TIF Attorney Andrew Willis presented the TIF application from Two Creeks Holdings, LLC to the Committee for an expansion of a current 1,800 square facility to a newly built 4,675 square foot building to be leased to St. PJ Supply, Inc for the purpose of expanding the current business which sells Autobody related products. The building is to be constructed across the street from the current business location on a vacant lot on Hwy 34. The application noted estimated costs of the project of \$360,000 for construction and installation of the Project and related improvements. The greatest cost is site acquisition and land stabilization with a retaining wall. The project also includes a steel building, energy efficient floor heat, landscaping along the Hwy 34 corridor, and public parking. The current valuation is \$13,871, with an estimated completed Project valuation of \$336,600. The new property valuation increase of \$322,729 generates an estimated new tax of \$5,602. The original application requested \$56,000 in Tax Increment Financing. Mr. Michael Lewis was present for questions.

TIF Attorney Andrew Willis reviewed the following cost benefit analysis:

Estimated Base Project Area Valuation	\$ 13,871
Projected Completed Project Assessed Valuation	\$ 336,600
Projected Tax Increment Base (b. minus a.)	\$ 322,729
Estimated Tax Levy	1.735900
Annual Projected Tax Shift	\$ 5,602.00

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He continued that the redeveloper has a commitment to lease the building to St. PJ Supply, Inc, with the tenant's operations currently located at 1222 Elm Street. The tenant needs to expand beyond its current 1,806 square foot facility. The Project will allow the tenant to move to the Project site in the redevelopment area. It is not anticipated the Project will have a material adverse impact on the employers and employees of firms locating or expanding within the area of the redevelopment project.

The Project should not have a material impact on the private sector businesses in and around the area outside the boundaries of the redevelopment project. The project is not anticipated to impose a burden or have a negative impact on other local area employers and employees of firms locating or expanding within the boundaries of the area.

The Project is anticipated to create 2-3 jobs within the next one to three years. The business has been steadily growing and has created seven new jobs since 2008. There currently are 13 employees working for the business.

The Project includes public parking improvements.

The total TIF available, less the 3% administrative fee is \$55,019. The interest rate is estimated at 5.5% for a fifteen-year loan.

Mr. Willis then reviewed the Amendment to the Redevelopment Plan. He noted the project consists of constructing a commercial building consisting of retail, warehouse, and office space with approximately 4,675 square feet. The Project will also include an approximately 7,000 square foot parking lot. The Project will meet the applicable land-coverage ratios and zoning requirements. The Project site is located on Hwy 34. No adverse impacts are anticipated with respect to traffic flow, street layouts, and street grades. No additional zoning, building code, or ordinance changes will be necessary for the Project. There are no population density concerns.

The CRA shall capture the Tax Increment generated by the project site for a total period of not to exceed fifteen years with an effective date of January 1, 2016. The Project is expected to be constructed prior to December 31, 2015.

Mr. Willis stated the Community Redevelopment Authority (CRA) and the Planning Commission approved the application on May 27, 2015 and June 8, 2015, respectively.

Councilmember Schmit stated that when considering a public parking lot as part of a TIF project, there needs to be a true use and benefit of the parking area by the public. He said this TIF request is easily covered by the remainder of the project, even without the public parking portion.

Mr. Willis stated the CRA has a goal of improving public parking and agreed that the project loan is well under the available TIF if the entire project were considered.

Mayor Eickmeier opened the public hearing. Hearing no public comment, Mayor Eickmeier closed the public hearing.

Councilmember Schmit introduced the following resolution:

**CITY OF SEWARD, NEBRASKA
RESOLUTION #2015-15**

(Amendment to Redevelopment Plan - Two Creeks Holdings Project)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA, APPROVING AN AMENDMENT OF THE REDEVELOPMENT PLAN FOR THE CITY OF SEWARD, NEBRASKA, INCLUDING A

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SPECIFIC REDEVELOPMENT PROJECT.

RECITALS

- A. The Community Redevelopment Authority of the City of Seward ("CRA") has recommended that the Redevelopment Plan for Redevelopment Area #1, a copy of which is on file and available for public inspection with the City Clerk, (the "Redevelopment Plan") should be amended to include a project for the redevelopment of certain real property within the Redevelopment Area identified and legally defined in said amendment (the "Project Site").
- B. The proposed amendment to the Redevelopment Plan ("Redevelopment Plan Amendment") is on file and available for public inspection with the Seward City Clerk.
- C. The Redevelopment Plan Amendment includes a redevelopment project, (the "Project") that will utilize tax increment financing pursuant to Neb. Rev. Stat. § 18-2147.
- D. The CRA submitted the question of whether the Redevelopment Plan Amendment should be recommended to the City Council to the Planning Commission of the City of Seward.
- E. The Planning Commission recommended the approval of the Redevelopment Plan Amendment.
- F. Notice of public hearing regarding the adoption and approval of the Redevelopment Plan Amendment by the City Council was provided in conformity with the Open Meetings Act, Neb. Rev. Stat. § 84-1407 et seq., the Community Development Law, Neb. Rev. Stat. § 18-2115, and Nebraska law.
- G. On June 16, 2015, the City Council held a public hearing relating to the question of whether the Redevelopment Plan should be adopted and approved by the City. All interested parties were afforded at such public hearing a reasonable opportunity to express their views respecting the submitted question.
- H. The City Council has reviewed the Redevelopment Plan Amendment, the cost benefit analysis prepared by the CRA, and the recommendations of the Planning Commission, and has duly considered all statements made and material submitted related to the submitted question.

NOW THEREFORE, it is found by the City Council of the City of Seward, Nebraska, in accordance with the Community Development Law, Neb. Rev. Stat. §§ 18-2101 through 18-2154 (the "Act"), as follows:

1. The Project Site is in need of redevelopment to remove blight and substandard conditions identified pursuant to Section 18-2109 of the Act.
2. The Redevelopment Plan Amendment will, in accordance with the present and future needs of the City of Seward, promote the health, safety, morals, order, convenience, prosperity, and the general welfare of the community in conformance with the legislative declarations and determinations set forth in the Act.
3. The Redevelopment Plan Amendment is in conformance with the general plan for development of the City of Seward as a whole, as set forth in the City of Seward Comprehensive Plan, as amended.
4. The cost and benefits set forth in the Project cost benefit analysis are found to be in the long-term best interest of the City of Seward.

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5. The Project would not be economically feasible without the use of tax increment financing.
6. The Project would not occur on the Redevelopment Area without the use of tax increment financing.

BE IT RESOLVED, that pursuant to the provisions of the Act and in light of the foregoing findings and determinations, the Redevelopment Plan Amendment is hereby approved and adopted by the City Council as the governing body for the City of Seward.

Dated this 16th day of June, 2015.

Councilmember Hans moved, seconded by Councilmember Pike, that the resolution be adopted.

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

Nay: None

Absent: Lieske, Singleton. Motion carried.

Mayor Eickmeier declared the resolution adopted.

CITY OF SEWARD, NEBRASKA

By: _____
Mayor

ATTEST:

City Clerk

Councilmember Pike introduced the following resolution:

**CITY OF SEWARD, NEBRASKA
RESOLUTION NO. 2015-16**

(Approval of Redevelopment Agreement- Two Creeks Holdings Project)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, SEWARD COUNTY, NEBRASKA, APPROVING THE FORM OF THE REDEVELOPMENT AGREEMENT AND AUTHORIZING THE COMMUNITY REDEVELOPMENT AUTHORITY TO ENTER INTO SAID AGREEMENT.

RECITALS

A. Pursuant to the Nebraska Community Development Law, Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended (the "Act"), the City of Seward, Nebraska ("City"), has adopted a redevelopment plan ("Redevelopment Plan") for the area of the City identified as Redevelopment Area #1. A copy of the Redevelopment Plan is on file with the City Clerk for inspection.

B. The Redevelopment Plan, as amended, includes a specific redevelopment project identified as the Two Creeks Holdings Project that will include the use of tax increment financing (the "Project").

C. On May 27, 2015, the CRA approved the Redevelopment Agreement for the Project.

D. The City has reviewed the Redevelopment Agreement and has found it to be in conformity with the Act and the General Comprehensive Development Plan of the City, and in the best interests of the City.

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NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Seward, Nebraska, that the Redevelopment Agreement between the Community Redevelopment Authority of the City of Seward, Nebraska, and Two Creeks Holdings, LLC, which is attached hereto as Exhibit "A" and incorporated here by this reference, is hereby approved;

BE IT FURTHER RESOLVED, the CRA is hereby authorized to execute and deliver the Redevelopment Agreement, with such changes, modifications, additions, and deletions therein and shall they seem necessary, desirable or appropriate, for and on behalf of the CRA;

BE IT FURTHER RESOLVED, the CRA is hereby authorized to take all actions contemplated and required in the Redevelopment Agreement including, without limitation, the issuance of such TIF Indebtedness not to exceed the amount of TIF Indebtedness set forth in the Redevelopment Agreement. Such TIF Indebtedness shall be repaid solely from the Tax Increment created by the Project and does not represent the general obligation of the CRA of the City;

BE IT FURTHER RESOLVED, that all Resolutions or parts thereof in conflict with the provisions of this Resolution or to the extent of such conflicts, are hereby repealed.

Councilmember Fritz moved, seconded by Councilmember Pike, that the resolution be adopted.

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

Nay: None

Absent: Lieske, Singleton. Motion carried.

Dated this 16th day of June, 2015.

Mayor Eickmeier declared the resolution adopted

CITY OF SEWARD, NEBRASKA

By: _____
Mayor

ATTEST: _____
City Clerk

EXHIBIT "A"

(Redevelopment Agreement)

5. PUBLIC HEARING - 7:00 P.M. - PRELIMINARY AND FINAL PLAT - CNG FIRST ADDITION

Tim Gergen, P.E. with Clark Enersen Partners presented the Preliminary and Final Plat for the CNG 1st Addition. This is an 18-lot addition located at the old middle school property (3rd to 4th St; Main to Ash). This subdivision will involve a mix of commercial and residential lots. The Subdivision conforms to the City's Comprehensive Plan Future Land Use map with the mixed use types. The Plat conforms to the requirements of the City of Seward's Unified Land Development Ordinance reference Major Subdivision application requirements (11.3804). The area is currently located in the Central Business District (CBD) zoning district, and there will be no change in zoning at this time. He stated the sanitary sewer was constructed, but the rain has caused some delays in construction.

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Mayor Eickmeier opened the public hearing.

James Hartman, 428 S 3rd St, stated he lives across the street from this construction site and he would like to see the property cleaned up; there are huge piles of dirt, weeds, and junk. Hearing no other comments, Mayor Eickmeier closed the public hearing.

Councilmember Beck introduced an Ordinance entitled, "AN ORDINANCE TO APPROVE THE PLAT ENTITLED "CNG 1ST ADDITION A RE-PLAT OF LOT 4, CNG ADDITION TO THE CITY OF SEWARD, SEWARD COUNTY, NEBRASKA," AS HEREINAFTER SET FORTH, LOCATED EAST OF 4TH STREET, SOUTH OF CNG ADDITION, NORTH OF ASH STREET, WEST OF 3RD STREET; TO PROVIDE FOR PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM; TO PROVIDE FOR A TIME WHEN THIS ORDINANCE SHALL TAKE EFFECT".

Councilmember Schmit moved that the statutory rule requiring the reading of ordinances by title on three different days be dispensed with, which motion was seconded by Councilmember Pike.

Councilmember Kamprath inquired, that due to this being the final plat, whether a hydrology study had been completed and presented for this project.

Public Facilities/Capital Improvement & GIS Director John Hughes stated a study had not been completed; however, the prior property use with the school building and parking lot would have created more water runoff than the current development plan. He stated they did complete some calculations and were comfortable with the drainage in the plan design. Councilmember Kamprath stated he was hesitant to approve a final plat with all of the improvements and the potential effect on properties to the south without the study.

Councilmember Beck agreed and said she would like to see a more formal protocol/policy for conducting such hydrology studies on developments so property owners are not faced with drainage problems similar to what is happening on Star Street.

Aye: Hans, Pike, Beck, Schmit, Kamprath

Nay: Fritz

Absent: Lieske, Singleton. Motion failed (requires concurrence of three-fourths all the Councilmembers elected to the City Council).

The Ordinance will be heard on second reading at the July 7, 2015 City Council meeting, which allows staff time to obtain a hydrology study.

6. CONSIDERATION OF A PLAN FOR STORM WATER RUNOFF AND SANITARY SEWER IMPROVEMENTS FOR ST. JOHN'S NEW DAYCARE CENTER TO BE LOCATED AT HILLCREST DR. AND COLUMBIA AVE.

- A. Consideration of financial participation in the relocation of sanitary sewer line and improvements.
- B. Consideration of financial participation in the relocation of storm sewer and consideration of constructing a new storm sewer line.

Public Facilities/Capital Improvement & GIS Director John Hughes stated his recommendation is to replace the 8" clay sanitary sewer line that currently runs under a residential lot owned by Curt Coddington. He also recommended that the 8" north/south clay sanitary sewer line, which was installed over 50 years prior, should be televised for root damage or other failure. He said if there is damage, it may be a good time to replace the line. He said repairs and replacement may be easier coinciding with the St. John's construction project than waiting, should the line fail and need to be repaired/replaced

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at a later date. Mr. Hughes stated that Water/Wastewater Director Richtig's memo indicated he did not see the value of removing the 8" line running under Mr. Coddington's property, since it was a private line and did not recommend participating in replacement of the south section of the sanitary sewer line, since it does not replace any existing sewer line that would otherwise be in need of repair. Mr. Richtig's memo indicated it would be difficult to determine whether replacing the north sanitary sewer line was beneficial to the City without examining the line. Mr. Hughes stated that none of this work is in the City's current Capital Improvement Plan and the budget generally does not have room to take on this size of project.

Mayor Eickmeier shared concern about moving the private sanitary line, as this would open the door for others asking for the same benefit. He stated the proposed retention pond could be considered in the next budget year.

Councilmember Schmit moved, seconded by Councilmember Beck to table consideration of financial participation in the relocation of the sanitary sewer line and improvements and consideration of financial participation in the relocation of the storm sewer and construction of a new storm sewer line with regard to the St. John's daycare development project until the sanitary sewer lines are televised to determine damage or failure.

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

Nay: None

Absent: Lieske, Singleton. Motion carried.

7. CONSIDERATION OF DEVELOPER'S AGREEMENT WITH BLUESTEM ENERGY SOLUTIONS ON RENEWABLE ENERGY OPTIONS

Adam Herink of Bluestem Energy Solutions presented a developer's agreement to investigate and facilitate the potential development of a renewable energy generation facility. Mr. Herink stated there is no financial or project commitment, but it solidifies the City's interest in considering such a project. He stated the process of reviewing the City's electrical load pattern, investigating the most beneficial option, determining the site location(s), obtaining community input, considering environmental assessments, zoning, bidding the project, opportunity for tax credits, and determining the costs would likely take up to a year to complete; however, the agreement covers a period of up to two years.

City Attorney Hoffschneider stated he reviewed the agreement and does not have any concerns. The agreement does have an early termination clause that states if the City terminates the agreement prior to the expiration of the Development Period, the City would be responsible for paying a cost-share of expenses up to \$10,000. However, if the City just let the term expire, there would be no cost share.

Councilmember Schmit moved, seconded by Councilmember Kamprath, that the agreement with Bluestem Energy Solutions for renewable energy options be approved.

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

Nay: None

Absent: Lieske, Singleton. Motion carried.

8. CONSIDERATION OF AMENDED LEASE AGREEMENT WITH ALLTEL COMMUNICATIONS OF NEBRASKA, INC d/b/a VERIZON WIRELESS FOR PLACEMENT OF EQUIPMENT ON THE CITY'S WATER TOWER

Public Facilities/Capital Improvement & GIS Director John Hughes

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presented an amended lease agreement with Alltel Communication for placement of radio communications equipment, antennas and appurtenances on the City's water tower. He stated the City Council approved an agreement on February 17, 2015; however, after further review, it was determined in the best interest of the City to request some changes to the agreement. Mr. Hughes stated the plan includes construction of an equipment building on the land space to the south of fenced area. The lease calls for annual payments of \$28,800 for an initial term of five years.

Councilmember Kamprath moved, seconded by Councilmember Fritz, that the lease agreement with Alltel Communications of Nebraska, Inc, d/b/a Verizon Wireless for placement of radio communications equipment, antennas and appurtenances on the City's water tower be approved.

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

Nay: None

Absent: Lieske, Singleton. Motion carried.

9. CONSIDERATION OF A LEASE AGREEMENT WITH HAMILTON EQUIPMENT FOR EXCAVATOR

Councilmember Hans introduced the following resolution:

RESOLUTION NO. 2015-17

WHEREAS, CITY OF SEWARD ("Lessee") is a validly existing political subdivision of the State of NE (the "State"), existing as such under and by virtue of the Constitution, statutes and laws of the State;

WHEREAS, the Mayor of the Lessee (the "Governing Body") has the power under the laws of the State to lease or purchase personal property for use by the Lessee; and the Governing Body has determined, and hereby determines, that it is in the best interests of the Lessee to enter into a Municipal Lease Agreement with HAMILTON EQUIPMENT COMPANY ("Lessor") which lease will be assigned to General Electric Credit Corporation of Tennessee ("Assignee") pursuant to an assignment by Lessor to Assignee (such Municipal Lease Agreement and Assignment are herein together referred to as the "Lease") for the purpose of financing the acquisition of the equipment (the "Equipment") described in Exhibit A to the Lease, and that the use of such Equipment is essential to the Lessee's proper, efficient and economic operation;

WHEREAS, the governing body has taken the necessary and appropriate steps under the applicable law, including, without limitation, and any public bidding requirements, to arrange for the acquisition and financing of the Equipment under the Lease;

WHEREAS, the Lease terminates, and the Lessee's obligations thereunder are extinguished, if the Governing Body fails to appropriate money for the ensuring fiscal year for the payment of the amounts due in such fiscal year;

WHEREAS, there has been presented to the Governing Body the form of the Lease, including Exhibit A thereto, which the Lessee proposes to approve, enter into and deliver, as applicable, to effectuate the proposed financing of the Equipment; and it appears that the Lease and its Exhibit A are in appropriate form and are appropriate instruments for the purposes intended.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY AS FOLLOWS:

Section 1. That all actions of the Lessee in effectuating the Lease are hereby approved, ratified and authorized pursuant to and in accordance with the transactions contemplated by the Lease.

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Section 2. That sums be and hereby are allocated from the budget of the Governing Body for the fiscal year ending on September 30, 2015, sufficient to meet all obligations of the Lessee under the Lease, including without limitation annual Rent in the amount of \$10,711.61 (plus applicable taxes).

Section 3. The Governing Body hereby approves the acquisition by the Lessee of the Equipment described in Exhibit A to the Lease, such acquisition to be financed by Lessor/Assignee pursuant to and in accordance with the terms of the Lease, which will be a valid, legal and binding obligation of the Lessee enforceable in accordance with its terms. The form and content of the Lease are in all respects authorized approved and confirmed and the Mayor of the Lessee, or his designee is authorized, empowered and directed to execute and deliver the Lease and the other Documents (as defined in the Lease) for and on behalf of the Lessee in substantially the form attached hereto, but with such changes, modifications, additions or deletions therein as shall to him seem necessary, desirable or appropriate.

BE IT FURTHER RESOLVED THAT this Resolution take effect from and after its passage.

Councilmember Pike moved, seconded by Councilmember Schmit, that the resolution be adopted.

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

Nay: None

Absent: Lieske, Singleton. Motion carried.

The Mayor declared this resolution adopted.

Approved this 16th day of June, 2015.

THE CITY OF SEWARD, NEBRASKA

ATTEST:

Joshua Eickmeier, Mayor

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

(SEAL)

10. CONSIDERATION OF DIGESTER STORAGE TANK EMERGENCY REPAIRS

Mayor Eickmeier read a memo prepared by Water/Wastewater Director Tim Richtig explaining the request for emergency repairs of the digester storage tank at the wastewater treatment facility. The memo stated that the interior top seal failed due to corrosion from H2S gas and methane gas. Damage to the exterior block from H2S and methane gas leaking into the building attached has caused a hazardous and explosive building interior condition. The tank is out of service and ready for repairs. Since this project was not included in the current capital projects plan, Mr. Richtig is proposing funds from the sludge pump capital improvement plan project be used for the repairs. Two bids were obtained to complete the repairs.

Councilmembers expressed concern that the damage would have been something that should have been noticed through a maintenance program and

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possibly budgeted for and not presented as an emergency. They also inquired whether it was an emergency since the tank was taken out of service and the facility continued to operate.

Public Facilities/Capital Improvement & GIS Director John Hughes stated he was not familiar with the project, but stated that Tim has been doing a great job at the facility and does not believe he would be requesting emergency repairs if they were not needed and that if the damage could have been detected sooner, it would have been. He said he thought the damage was detected after the tank was drained for maintenance.

Councilmember Schmit requested Water/Wastewater Director Richtig provide an overview of the process for reviewing and determining maintenance needs/repairs.

Councilmember Beck moved, seconded by Councilmember Schmit, to award the bid for emergency repairs of the digester storage tank to Mongan Painting Company, Inc in the amount of \$38,551.00.

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

Nay: None

Absent: Lieske, Singleton. Motion carried.

11. CONSIDERATION OF REQUEST TO UPGRADE CROSSWALK SIGNAGE AND RELOCATION OF CROSSWALK ON N. COLUMBIA AVE.

Street/Transportation and Recycling Superintendent Mel Aldrich stated City staff met with the Seward Health Care staff and devised a plan to address the safety concerns for hospital employees and visitors crossing from the parking lot to the medical facilities. He stated the City will provide high-grade reflective pedestrian crossing signage ahead of the newly designated crosswalk area, which will be located in the middle of the block. The crosswalk will have reflective striping. The City Electric Department will install an additional LED street light in this area. The hospital will take care of the fencing around the west parking lot with an opening that will funnel the users to the new crosswalk area and will construct ADA ramping for the new crosswalk on N. Columbia Ave.

There was a brief discussion of the cost of the improvements and how the improvements made by the City would be funded. There was recollection from a prior meeting held on 4-21-15 that the hospital offered to assist with some of the improvement costs.

Councilmember Kamprath moved, seconded by Councilmember Pike, to approve the plan for the City providing extra lighting, reflective signage, and relocation of the crosswalk on N. Columbia Ave. to the middle of the block between Jackson Ave and Bradford St., conditional upon investigating the cost of installing pedestrian activated illuminated lighting around the pedestrian sign at the crosswalk prior implementing the proposed plan.

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

Nay: None

Absent: Lieske, Singleton. Motion carried.

12. CAPITAL PROJECTS REPORT

Public Facilities/Capital Improvement & GIS Director John Hughes provided an update and Capital Projects Report dated 6/16/15. He also presented a violation notice issued by the Army Corps of Engineers and the accepted remediation plan.

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Councilmember Schmit moved, seconded by Councilmember Kamprath, that the Capital Projects Report dated June 16, 2015 be accepted.

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

Nay: None

Absent: Lieske, Singleton. Motion carried.

13. FUTURE REQUESTS FOR COUNCIL AGENDA ITEMS OR ADMINISTRATIVE ACTION

None

14. ANNOUNCEMENT OF UPCOMING EVENTS

A. July 4th Celebration

15. CONSIDERATION OF CITY ADMINISTRATOR

A. Appointment

B. Contract (Employment Agreement)

Mayor Eickmeier introduced Bruce Smith as his appointee to the position of City Administrator effective July 1, 2015.

Councilmember Beck moved, seconded by Councilmember Hans, that the Mayor's appointment of Bruce Smith for the position of City Administrator be approved.

Councilmember Kamprath stated he just found out about the appointment on June 12 and although he has heard good things about Mr. Smith from others, he has not personally met him and feels he does not know enough about him to vote in favor of the appointment and stated he would abstain from voting.

Aye: Hans, Schmit, Pike, Beck, Fritz

Nay: None

Abstain: Kamprath

Absent: Lieske, Singleton. Motion carried.

Councilmember Hans moved, seconded by Councilmember Pike, that the Employment Agreement to retain Bruce Smith as City Administrator be approved.

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

Nay: None

Absent: Lieske, Singleton. Motion carried.

16. MOTION TO ADJOURN

Councilmember Fritz moved, seconded by Councilmember Pike, that the June 16, 2015 City Council Meeting be adjourned.

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

Nay: None

Absent: Lieske, Singleton. Motion carried.

THE CITY OF SEWARD, NEBRASKA

Joshua Eickmeier, Mayor

Bonnie Otte

June 16, 2015

Assistant Administrator
Clerk-Treasurer
Budget & Human Resources Director

DRAFT

June 16, 2015

The Seward City Council met at 7:00 p.m. on Tuesday, June 30, 2015 to conduct a Work Session, 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: Sid Kamprath, Dean Fritz, Barbara Pike, John Singleton, Chris Schmit, Dick Hans. Other officials present: Appointed City Administrator Bruce Smith. Absent: Councilmembers Charles Lieske and Ellen Beck.

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 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. PRESENTATION BY AYARS & AYARS, INC AND DISCUSSION OF SEWARD/LINCOLN REGIONAL RAIL CAMPUS DEVELOPMENT - POSSIBLE PROJECT HOT MILL

Mike Ayars, Cory Barber, Gary Tucker and Darl Naumann of Ayars & Ayars, Inc. presented additional follow-up information to the June 2, 2015 City Council meeting when Project Hot Mill was first introduced as a possible project for the Seward/Lincoln Regional Rail Campus development.

Information was provided regarding specific questions about utility requirements and costs, proposed financing, rail loop placement, labor pool, and potential acres needed for the project.

Nebraska Public Power Economist, Dr. Kenneth Lemke, presented an Economic Impact Assessment for a Proposed Manufacturing Facility.

Nebraska Department of Economic Development Walker Zulkoski presented information on what the State may have available for incentives for the project, but stated no formal commitments had been made on the project.

Also available during the discussion were: Black Hills Energy Program Manager, Cheryl Brandenburgh; Seward County Commissioners, Roger Glawatz and Mike Luebbe; D.A. Davidson & Co. Managing Director, Paul Grieger; Seward County Economic Development Corporation Executive Director, Jonathan Jank; Cline Williams Wright Johnson & Oldfather TIF Attorney, Andrew Willis; Gilmore & Bell Tax Attorney, Mike Rogers; City Electric & Power Resource Director Larry Ruether; Water & Wastewater Director Tim Richtig, Transportation & Recycling

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Superintendent, Mel Aldrich; Public Facilities, and Capital Improvement & GIS Director, John Hughes.

Council requested additional information on the environmental impact of such a project, impact on City's resources, impact on landfill, storm water runoff and hydrology report, rail location, estimated liability for the City if Nebraska Advantage Act is utilized, City's financial participation and cost to citizens. No action was taken.

2. MOTION TO ADJOURN

Councilmember Singleton moved, seconded by Councilmember Schmit, that the June 30, 2015 City Council Work Session be adjourned.

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

Nay: None

Absent: Lieske, Beck. Motion carried.

THE CITY OF SEWARD, NEBRASKA

Joshua Eickmeier, Mayor

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