

MINUTE RECORD FOR CITY OF ALMA
REGULAR CITY COUNCIL MEETING
August 6, 2018

A meeting of the City Council of the City of Alma, Nebraska was held at City Hall on Monday, the 6th of August, 2018, at 5:30 p.m.

Present were Council Members: Tom Moulton, Randy Stahlecker, Mike Clements, and Mayor Hal Haeker. Absent: Jon Davis. Also present were: Administrator Doug Wilson, Superintendent Russ Pfeil, Treasurer Lorri Bantam, Attorney Doug Walker, and Clerk Lori Tripe. Notification of this meeting and the agenda were given in advance by posting, a designated method for giving notice. Advance notice of the meeting and the agenda were given to the Mayor and all members of the City Council. All proceedings hereinafter were taken while the convened meeting was open to the attendance of the public.

Mayor Haeker advised the public of the Open Meetings Act which is posted on the east wall of the meeting room, and then proceeded to call the regular meeting of August 6, 2018, at 5:32 p.m. and the following business was transacted:

Roll call: Tom Moulton-present, Randy Stahlecker-present, Jon Davis-absent, Mike Clements-present, and Mayor Haeker-present. Motion made by Clements seconded by Moulton to determine this meeting as previously publicized, duly convened and in open session. There being no further discussion upon the motion made and upon roll call vote, the following voted yes: Clements, Moulton, and Stahlecker. Voting No: None. Motion carried.

Mayor Haeker opened the floor to approve the minutes of the July 16, 2018, regular council meeting. Motion made by Moulton seconded by Clements to approve the July 16, 2018, regular council minutes as presented. There being no further discussion upon the motion made and upon roll call vote, the following voted yes: Moulton, Clements, and Stahlecker. Voting No: None. Motion carried.

Mayor Haeker opened the floor to discuss the claims and invoices for period July 17, 2018, through August 6, 2018 for a total of \$82,758.37. Treasurer Bantam said she had added payments since Friday's claims had been emailed. She highlighted payments to the Nebraska Rural Living, Olsson Associates, Holdrege Irrigation, and Breinig Diesel. Motion by Clements, seconded by Stahlecker to approve the July 17, 2018, through August 6, 2018 claims as presented for a total of \$82,758.37. There being no further discussion upon the motion made and upon roll call vote, the following voted yes: Clements, Stahlecker, and Moulton. Voting No: None. Motion carried.

Mayor Haeker opened the floor to discuss the treasurer's report. Treasurer Bantam noted the water utility bond is paid off. Motion by Stahlecker, second by Clements, to approve the treasurer's report as presented. There being no further discussion upon the motion made and upon roll call vote, the following voted yes: Stahlecker, Clements and Moulton. Voting no: None. Motion carried.

Mayor opened the public hearing at 5:37 PM to make a recommendation to the state liquor control commission to approve or deny Alma Main Street Pizza LLC dba Main Street Pizza's request for a Class C liquor license. Clerk Tripe said there were no comments received from the public. The Council had no reservations. Motion by Moulton, seconded by Clements to make a motion to recommend approving Alma Main Street Pizza for a Class C liquor license. There being no further discussion upon the motion made and upon roll call vote the following voted yes: Moulton, Clements, and Stahlecker. Absent: Davis. Voting no: None. Motion carried.

Motion to close the public hearing was made by Moulton, seconded by Stahlecker. There being no further discussion upon the motion made and upon roll call vote the following voted yes: Moulton, Stahlecker and Clements. Voting no: None. Motion was carried.

Mayor opened the floor to discuss / approve Resolution 23-2018 – Gas supply agreement with NPGA to limit use to a qualifying use and not permit any for private use. Utility Superintendent Russ Pfeil said the NPGA is entering into a 30-year contract for pricing purposes for natural gas. All members are required to agree to retail use only, and none for private use. Russ said the City never does use gas for

private use. Motion by Stahlecker, second by Clements to approve Resolution 23-2018 as follows:

WHEREAS, the City of Alma, Nebraska adopted Ordinance 2013-2 on 10/17/2012, which authorized the execution of the Gas Supply Agreement for Total Requirements Supply (hereinafter referred to as "GSA") with the National Public Gas Agency (hereinafter referred to as "NPGA"); and,

WHEREAS, GSA has been in effect since the date of execution and City continues to be a total requirements participant under GSA; and,

WHEREAS, City has received notice that on July 10, 2018, the NPGA Board of Directors approved entering into a long-term Gas Supply Contract (hereinafter referred to as "GSC") with the Public Energy Authority of Kentucky (hereinafter referred to as "PEAK") to purchase a portion of the natural gas available to PEAK under a tax-exempt prepayment transaction with BP Energy company; and,

WHEREAS, under the GSC, NPGA acknowledges and agrees that it will cause the gas supply procured under the GSC to be used in a Qualifying Use, as defined in the GSC (hereinafter referred to as "Qualifying Use") and the NPGA will not permit any portion of the gas supply procured under the GSC to be used for a Private Use, as defined in the GSC (hereinafter referred to as "Private Use"); and,

WHEREAS, City has received a copy of the Resolution, a copy of which is attached, adopted by the NPGA Board of Directors on July 10, 2018 approving the GSC, which Resolution requires that NPGA members purchasing natural gas from NPGA adopt a Resolution acknowledging and agreeing to limit use of the gas supply procured under the GSC to a Qualifying Use and to not permit any portion of the gas supply procured under the GSC to be used for a Private Use; and,

WHEREAS, NPGA may in the future acquire additional supplies of prepaid gas from PEAK and other suppliers for sale to NPGA members.

NOW, THEREFORE, BE IT RESOLVED that:

1. The City of Alma, Nebraska does hereby reaffirm each of the objectives, terms and conditions set forth in GSA.
2. The City of Alma, Nebraska does hereby acknowledge and agree that the natural gas procured by NPGA under the GSC and any other supplies of prepaid gas that the NPGA Board of Directors may in the future determine to acquire for sale to the NPGA members (hereinafter referred to as "Prepaid Gas") has or will be been financed with tax-exempt bonds and the use of the natural gas is restricted by federal tax regulations and the GSC, as well as any future gas supply contract for Prepaid Gas. In order to permit NPGA to comply with the GSC and any future gas supply contract for Prepaid Gas and such federal tax regulations, the City agrees as follows:
 - (A) City will use all of the Prepaid Gas delivered to it by NPGA solely to serve retail customers located in its natural gas service area (hereinafter referred to as "Service Area") pursuant to generally applicable and uniformly applied rates and charges (hereinafter referred to as "Qualified Use"). "Service Area" means (i) any area throughout which City provided, at all times during the period beginning January 1, 2013 and ending on the issue date of the PEAK bonds, natural gas transmission or distribution services, or (ii) any area recognized as the natural gas distribution service area of City under state or federal law. Any other use, resale or remarketing of the Prepaid Gas delivered by NPGA to the City must be approved in writing by NPGA; and
 - (B) City will not use or permit to be used any of the Prepaid Gas purchased from NPGA in any manner or for any purpose which would cause interest on any bonds issued by PEAK or any other supplier of Prepaid Gas to NPGA to be subject to federal income taxation. Any sale of Prepaid Gas by City under a service contract with a gas customer must be approved in writing by NPGA.

There being no further discussion upon the motion made and upon roll call vote the following voted yes: Stahlecker, Clements, and Moulton. Voting no: None. Resolution 23-2018 was approved.

Mayor Haeker opened the floor to discuss the 2018-2019 Budget and Levy. The agenda item was added as a result of discussion at the budget workshop in July. The City's auditing firm recommended to the Council to increase the levy to have a little cushion and not budget to spend it. Treasurer Bantam provided documents showing an example of setting the levy (without the pool bond) at 0.372879 and at 0.40000. She also budgeted a 3% increase in the City's valuation. There was some discussion but no definite decision was made. The final budget is tentatively set for adoption at the September 5, 2018 council meeting.

Mayor Haeker opened the floor to approve revisions to the Owner-Occupied Rehabilitation (OOR) program guidelines. Leigh Alexander, the housing administrator was present to review the changes. She reviewed in depth why the changes were needed. She explained why the paragraphs concerning the 30% rule were being removed, and under program income (page 30-A) #5, the words "and/or Housing Administration" were added. There is a difference between General Administration and Housing Administration. # 6 was added "An amount not to exceed \$1500 may be utilized for addressing of lead-based paint expenditures such as assessment, etc., as necessary to the project." Motion by Moulton, second by Clements to approve the revisions to the Owner-Occupied Rehabilitation program guidelines. There being no further discussion upon the motion, the following voted yes: Moulton, Clements and Stahlecker. Voting no: None. Motion carried.

Mayor Haeker opened the floor to Discuss / Approve Subordination Agreements. Once again Leigh Alexander explained the situation. If the CDBG applicant would want to refinance, the bank loses its position as first lienholder. Banks want to be the first lienholder. The CDBG OOR program does not perform a lien search. They are only concerned that the applicant is owner of the property. Attorney Walker said the whole reason the City has offered this program is to help the low-moderate income citizens and he recommended the City agree to the subordination agreement. Motion by Stahlecker, second by Moulton to approve the subordination agreements. There being no further discussion upon the motion made and upon roll call vote the following voted yes: Stahlecker, Moulton and Clements. Voting no: None. Motion carried.

Mayor opened the floor to review / ratify / approve recommendations of the Housing Rehab Committee. Leigh Alexander of CDS Inspections and Beyond inspected 4 homes and presented the work write-ups for the Housing Rehab Committee to review and they recommended the Council to approve all four. The work write-ups were included in the council packet. All four loans are paybacks which will help keep the program keep going in the future. She explained the items listed have notes besides them. The MRS items which are Minimum Rehab Standards are required. The next is "priority item" and if there is enough money after those two items, then the item listed is "if funds available" would be completed. The "if funds available" items are items that would benefit the house if completed. Her husband Randy is the one who inspected the homes. They have been working on programs like this for 18+ years. Randy puts a dollar amount on each item and he felt each one of the items listed could be done with the dollar limit on the write-up. Motion by Clements, seconded by Moulton to approve the recommendations from the Housing Rehab Committee. There being no further discussion upon the motion made, the following voted yes: Clements, Moulton and Stahlecker. Voting no: None. Motion carried.

Mayor opened the floor to discuss / action on the payment process for the OOR project claims. Leigh Alexander said in order to keep the contractors happy and working on these projects, the contractors need to know that they do not have to wait to get paid. Leigh prefers the checks are made out to the contractor but mailed to the homeowner. Then the homeowner can give the check to the contractor.

Leigh would like to know how the checks were going to be funded. Does the City have to wait for the drawdown from DED in order to have enough funds to pay the contractor? Treasurer Bantam said the City would be able to issue checks as soon as they were approved so the checks will be mailed the next

day after the council meeting they were approved.

Motion by Stahlecker, second by Clements to issue checks to contractors upon approval of the Council at the Council meeting. There being no further discussion upon the motion made, the following voted yes: Stahlecker, Clements and Moulton. Voting no: None. Motion carried.

Mayor opened the floor to discuss with CDS Inspections staff on Council's reference for review / approval of OOR claim payments. After a brief discussion, the council said they did not have to see all claims or invoices. They will leave that to the City treasurer to review. CDS Inspections and Beyond will provide copies of invoices to the treasurer. Council will approve the form: Request for CDBG Projects Funds. Motion by Stahlecker, second by Clements to have the Treasurer work with CDS Inspections and Beyond for all program payment requests. There being no further discussion upon the motion made and upon roll call vote the following voted yes: Stahlecker, Clements, and Moulton. Voting no: None. Motion carried.

Mayor opened the floor to review / approve a claim from CDS Inspections and Beyond for Housing Administration Services. Lori Ferguson with South Central Economic Development District submitted a draw down request for housing administrative services. Leigh Alexander explained that many hours of their staff's time reviewing the application and making sure all required documentation is provided, and Randy's time (her husband) for inspecting the properties and write-ups are involved in each application. The first payment is typically \$500 for each applicant just to get to this point. They have submitted 4 applications at \$500 each for a total of \$2000.

Motion by Clements, second by Stahlecker to approve a claim of \$2000 for CDS Inspections and Beyond for Housing Administrative services. There being no further discussion upon the motion made and upon roll call vote the following voted yes: Clements, Stahlecker and Moulton. Voting no: None. Motion carried.

Mayor opened the floor to review / approve a claim from CDS Inspections and Beyond for Lead Based Paint services. CDS Inspections and Beyond has requested \$2600 for lead base paint services that was provided for the 4 applicants. One house required no inspection because it was built after January 1, 1978. There were 2 homes found to contain lead base paint. Each of them were billed for \$1,000 (maximum per applicant is \$1500) and one for \$600 (inspected but no lead base paint found-no follow-up will be necessary). The two applications that had lead base paint will require one more inspection after that rehab is complete.

Motion by Stahlecker, second by Moulton to approve the claim from CDS Inspections and Beyond for \$2600 for lead base paint services. There being no further discussion upon the motion made and upon roll call vote the following voted yes: Stahlecker, Moulton, and Clements. Voting no: None. Motion carried.

Mayor opened the floor for approval of request for CDBG Funds Drawdown #1 – SCEDD submitted the first drawdown request and it includes invoices for housing administrative services and lead base paint inspections for a total of \$4600. Leigh said Lori Ferguson may need to amend the total program funds available due to a possible "in-kind" amount that may have been submitted inaccurately. Program Funds that are available from the prior program will be used also. Motion by Moulton, seconded by Clements to approve a request for CDBG Funds Drawdown #1 in the amount of \$4600. There being no further discussion upon the motion made, the following voted yes: Moulton, Clements and Stahlecker. Voting no: None. Motion carried.

Mayor opened the floor to discuss potential methods of financing materials purchased for homeowners. Leigh said there are times contractors require a 50% down payment for materials that are needed for rehab. There was some brief discussion of options. Motion by Moulton to look at each job on a case by case basis. The motion died for lack of second. There was more discussion and council said they would handle it, if and when the situation arose. There was some doubt if local contractors would require 50% down for materials. Many contractors work with their suppliers and have accounts with them. Note: if a homeowner should provide labor for working on his home as part of this program, the materials will be reimbursed but no labor will be paid.

Mayor Haeker opened the floor for administrator comments. Mr. Wilson said Rhonda Hogeland was contacted by the American Red Cross. Red Cross said they had a report that Alma hired a 14 year-old as a lifeguard. Rhonda explained the situation. Red Cross then contacted him. He agreed with Rhonda's explanation and also sent a written verification. Last day of the pool season is Monday, August 13th.

Mr. Wilson is continuing to post nuisance properties.

Mr. Wilson has received training for the new website. He said it is very easy to change and add content. He will continue to work on it as he has time.

Bushes that were reported last meeting have been taken care of.

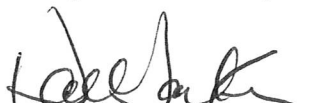
Mr. Wilson is working with the Nebraska State Patrol to offer "Active Shooter Training" to the public. They will teach "what you should do in an active shooter situation". The first training will be on Tuesday, August 21st at 10 am in the Alma City Auditorium. Training should last approximately one hour. Everyone is invited.

Mayor Haeker opened the floor to comments from the Mayor, Councilmen, and City Staff. Councilman Moulton is concerned the north city limits cannot hear the sirens when they go off. Administrator Wilson said he would talk with the Sheriff because he is in charge of emergency management.

Attorney Walker said there was a hearing for a summary judgment for the subcontractors regarding the pool litigation. The City hopes they have good news because it could help our case.

Treasurer Bantam said the office staff discovered an error in billing where the consumption was calculated in single digits rather than in 1,000's for water. After that, there were two more found but the dollar amounts were small and easy to fix. That encouraged her to review each water meter to see if there were any more like that and hopefully help her figure out why this was happening. After reviewing all water meters, she found two more. The statute of limitations to collect on bills is 4 years. On the two additional accounts, the date they started calculating incorrectly went back to 2015. She wanted the Council to determine how to proceed. They asked how it was done in the past? She said the water was consumed by the customer so she would bill the customer, send a letter to explain what happened, and allow the customer to make payments if it was an amount they couldn't pay right away. Council said she should proceed as she has in the past.

Motion made by Stahlecker, seconded by Clements to adjourn the meeting at 7:34 PM. There being no further discussion upon the motion made and upon roll call vote, the following voted yes: Stahlecker, Clements, and Stahlecker. Voting no: None. Meeting was adjourned at 7:34 pm.



Hal Haeker, Mayor

I the undersigned Clerk hereby certify that the forgoing is a true and correct copy of the proceedings had and done by the Mayor and Council; that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and available for public inspection at the office of the Clerk; that such subjects were contained in said agenda for at least twenty-four hours prior to said meeting; that at least one copy of all reproducible material discussed at the meeting was available at the meeting for examination and copying by members of the public; that the said minutes were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; that all news media requesting notification concerning meetings of said body were provided advanced notification of the time place and of said meeting and the subjects to be discussed at said meeting.


Lori Tripe, City Clerk

Alma Auto Parts oil repairs \$25.31; Amazon supplies \$544.56; Aramark uniforms mops shop towels \$446.73; BH Heseman Shop sheet metal \$156.16; Black Hills Energy gas service \$11.66; Breinig Diesel radiator repairs \$2,789.54; Cardinal Snacks jerky \$79.20; Chesterman Co Pop \$440; CHS Agri Service Center fuel repairs chemical \$2,676.39; City of Alma gas water sewer trash postage \$4,170.91; City of Holdrege landfill fees \$1,332.40; Cody Molzahn rental refund \$80; Deterdings repairs \$544.49; Dollar General supplies \$85.05; Don Jardon mileage meals \$60.71; Doris Brandon meal \$10; Eagle Comm internet cable fiber-optic install \$665.08; Eagle Dist beer \$1,144.85; Frito Lay chips peanuts \$95.82; Frontier phone siren dish internet \$760.24; Harlan County law enforcement \$3,468; Harlan County Clerk filing fee \$10; Harlan County Roads Dept culvert for 2 man holes \$629; Harlan County Sheriff's Office papers served \$37; Hawkins pool chemical \$2,014; Hoesch Memorial Library supplies videos \$61.64; Hogeland's Market supplies concessions \$604.70; Holdrege Irrigation underground leak \$1,082.22; Immense Impact website sub \$788.45; Intuit checks \$231.98; Johnson Bros Liquor \$103; Katrina Klingbeil sec dep refund \$246.30; League of NE Muni dues \$2,190; LINWELD specialty gas \$32.51; Lorri Bantam mileage \$59.95; Main Street Variety supplies candy \$194.67; Mid-Iowa Solid Waste Equip repairs \$191.52; Mid-NE Individual Services mgmt fee \$450; Midwest Turf repairs \$999.29; Miller & Assoc engineering fee \$1,000; Municipal Supply meters repairs \$915.73; NE Dept of Aeronautics hangar loan \$810; NE Dept of Ag pump registration \$14.20; NE Library Assoc membership \$175; NE Public Health Environ Lab water testing \$507; NE Rural Living marketing \$1,000; NEland Dist beer \$420; Nex-Tech Comm tech fees \$694.50; NPPD electricity \$2,090.54; Office Solutions envelopes paper \$103.85; Olsson Assoc platting fees \$3,320; One Call Concepts locates \$11.70; Paul Wagner sec dep refund \$385.61; Payroll \$35,865.35; Platte Valley Comm of Kearney siren repairs \$153; Republic Natl Dist liquor \$1,034.49; Rose Plumbing repairs \$324.70; Russ Pfeil recoil starter assembly \$78.13; Ryan Soderholm nuisance mowing \$265; Ryan Spry sec dep refund \$91.75; S&W Auto Parts small tool supplies repairs fuel \$356.04; Sandra K Davis Cleaning \$195; Short Stop Fuel \$122.42; Southern Glazer's liquor \$1,341; Sunset Spa & Supply disinfectant \$342.27; Trent Shaver service porta-potty \$200; Trustworthy Hardware repairs supplies maint \$267.57; Union Bank & Trust market value fees \$779.10; USTI agency fees \$43.57; Verizon cell phones \$281.52; Waggoner Ins Agency insure speed trailer \$56; TOTAL \$82,758.37