

MCCOOK CITY COUNCIL
March 21, 2016
6:30 P.M.

A MEETING OF THE MAYOR AND COUNCIL OF THE CITY OF MCCOOK, NEBRASKA convened in open, regular, and public session at 6:30 o'clock P.M. in the City Council Chambers.

Present: Mayor Gonzales, Councilmembers Hepp, Calvin, McDowell, Weedon.

Absent: None.

City Officials present: City Manager Schneider, City Attorney Mustion, City Clerk Doak, Police Chief Brown, Utilities Director Dutcher, Water Foreman Pat Fawver, Fire Chief Harpham, and Senior Services Director Siegfried.

Notice of the meeting was given in advance thereof by publication in the McCook Daily Gazette on March 17, 2016, the designated method of giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to the Mayor and members of the City Council and a copy of the Acknowledgment of Receipt of such notice is attached to these minutes. Availability of the agenda was communicated in the advance notice to the Mayor and Council. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

Mayor Gonzales announced that a copy of the Open Meetings Act was posted by the entrance to the Council Chambers and available for public review. Following the Pledge of Allegiance to the flag of the United States of America, Mayor Gonzales called the meeting to order.

1. Citizen's Comments.

There were no citizen comments.

2. Announcements & Recognitions.

There were no announcements or recognitions.

Upon a motion by Mayor Gonzales, seconded by Councilmember McDowell, the Council voted to recess as a City Council and convene as the McCook Community Development Agency for consideration of the CDA Agenda at 6:35 P.M. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedon. NAY: None.

MCCOOK COMMUNITY DEVELOPMENT AGENCY

A regular meeting of the Community Development Agency of the City of McCook, Nebraska was held on Monday, March 21, 2016, in the City Council Chambers at the McCook Municipal Center, 505 West "C" Street, McCook, Nebraska, the same being open to the public and preceded by advance publicized notice duly given in strict compliance with the provisions of the Open Meetings Act. Each member of Agency was also given advance notice of the meeting as acknowledged. Additionally, reasonable efforts were made to provide advance notice of the time, date and place of the meeting to all news media requesting the same.

Mayor Gonzales presided and City Clerk Doak recorded the proceedings. The meeting was called

to order at 6:35 P.M. and on roll call the following Agency Members were present: Gonzales, Hepp, Calvin, McDowell, Weedon; the following Agency Members were absent: None. A quorum being present and the meeting duly commenced, the following proceedings were had and done while the meeting was open to the attendance of the public. The Mayor publicly announced that a copy of the Open Meetings Act is posted by the entrance to the Council Chambers and is available for public review.

1. Approve the minutes of the February 15, 2016 Community Development Agency regular meeting.

Upon a motion by Agency Member McDowell, seconded by Agency Member Hepp, the Agency voted to approve the minutes of the February 15, 2016 Community Development Agency regular meeting. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedon. NAY: None.

2. Recommend approval of Resolution No. 2016-07 to the McCook City Council which approves an amendment of a Redevelopment Plan of the City of McCook, Nebraska; approves a Redevelopment Project of the City of McCook, Nebraska; and approves the related actions for the purpose of the development of the 2016 Holiday Inn and Suites Hotel Project Area.

City Manager Schneider reviewed the following information presented in his City Manager's Report:

"At the February 15, 2016 McCook City Council meeting, a Redevelopment Plan of the City of McCook, Nebraska was approved for the purpose of developing a hotel at the Hwy 83 and West "H" Street intersection. At the meeting, Council moved to amend the Plan to reflect that only \$210,000 of Tax Increment Financing be utilized for land acquisition purposes. Staff contacted Michael Bacon, the City's Tax Increment Financing attorney, to provide guidance on how to amend the Plan in order to reflect this modification in the Redevelopment Plan. Mr. Bacon directed Staff to bring a Resolution modifying the Plan to reflect the reallocation of TIF dollars. The CDA must first recommend the amendment to the City Council. The Resolution serves to modify the TIF eligible site acquisition expenses to \$210,000. It maintains the total TIF amount at \$1,400,000 by reallocating other expenses to related TIF eligible expenses. The expenses have been reworked to show this change in the classification. The new allocation is summarized in the Resolution. This is only a Resolution to approve the changes to the Plan and does not materially affect the Plan."

Upon a motion by Agency Member Hepp, seconded by Agency Member Gonzales, the Agency voted to recommend approval of Resolution No. 2016-07 to the McCook City Council which approves an amendment of a Redevelopment Plan of the City of McCook, Nebraska; approves a Redevelopment Project of the City of McCook, Nebraska; and approves the related actions for the purpose of the development of the 2016 Holiday Inn and Suites Hotel Project Area. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedon. NAY: None.

Upon a motion by Councilmember Weedon, seconded by Councilmember McDowell, the Council voted to recess as the McCook Community Development Agency and reconvene as the McCook City Council. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedon. NAY: None.

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3. Approve Resolution No. 2016-07 approving a Redevelopment Plan of the City of McCook,

Nebraska; approving a Redevelopment Project of the City of McCook, Nebraska; and approval of related actions for the purpose of the development of the 2016 Holiday Inn and Suites Hotel Project Area.

City Manager Schneider stated that the comments from the Community Development Agency referring to their recommendation of approval of this item remain the same.

Upon a motion by Councilmember Calvin, seconded by Councilmember Hepp, the Council voted to approve Resolution No. 2016-07 approving a Redevelopment Plan of the City of McCook, Nebraska; approving a Redevelopment Project of the City of McCook, Nebraska; and approval of related actions for the purpose of the development of the 2016 Holiday Inn and Suites Hotel Project Area. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedon. NAY: None.

Upon a motion by Councilmember Calvin, seconded by Councilmember Weedon, the Council voted to recess as a City Council and to reconvene as the McCook Community Development Agency. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedon. NAY: None.

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3. Approve Resolution No. CDA 2016-02 authorizing and providing for the issuance of a tax increment revenue bond, note, or other obligation and authorizing the administration of said tax increment revenue bond process, said authorizing including the approval of a Redevelopment Contract between the Community Development Agency of the City of McCook, Nebraska and McCook Lodging, L.L.C.

Agency Member Calvin offered a motion to approve Resolution No. CDA 2016-02 authorizing and providing for the issuance of a tax increment revenue bond, note, or other obligation and authorizing the administration of said tax increment revenue bond process, said authorizing including the approval of a Redevelopment Contract between the Community Development Agency of the City of McCook, Nebraska and McCook Lodging, L.L.C. Motion was seconded by Agency Member Hepp.

Discussion was had by the Community Development Agency concerning further actions to be taken in regard to the redevelopment plan entitled "REDEVELOPMENT PLAN FOR THE Highway 83 and N Street Intersection Area" (the "Plan") for the redevelopment of certain parcels of land located within the City as described in full in the Redevelopment Contract (the "Redevelopment Contract") presented to the City Council.

Perry Strombeck, Horse Creek Inn, addressed the Agency regarding approval of this contract and that it will have a negative impact on property tax and the local lodging industry.

Dr. Deepak Gangahar, Developer for the proposed Holiday Inn, addressed the Agency stating that they come as the developer of the \$8.8 million project and are taking all of the risk, no city funds will be utilized;

Sandy Schwab, Economy Inn, Jennifer Conrad, Cobblestone Hotel, Susan Davis, Chief Motel, Jack Patel, Days Inn, Ron Tompkins, Cedar Inn, Dick Cappel, and Wayne Michaelis addressed the Agency regarding concerns with approval of the Redevelopment Contract. Concerns included over saturation of the market, difficulty in finding laborers, flaws within the Hotel Study, that the utilization of Tax Increment Financing gives them an unfair advantage, and that the Council should

protect the local businesses and tax base.

Mayor Gonzales called the question for the approval of Resolution No. CDA 2016-02 authorizing and providing for the issuance of a tax increment revenue bond, note, or other obligation and authorizing the administration of said tax increment revenue bond process, said authorizing including the approval of a Redevelopment Contract between the Community Development Agency of the City of McCook, Nebraska and McCook Lodging, L.L.C. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, Weedin. NAY: McDowell.

■ **Adjournment of the McCook Community Development Agency.**

There being no further business to come before the Agency, Mayor Gonzales declared the meeting adjourned at 8:15 P.M.

Upon a motion by Councilmember Calvin, seconded by Councilmember Weeding the Council moved to recess as the McCook Community Development Agency and reconvene as the McCook City Council. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedin. NAY: None.

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4. Public Hearings.

- A. Public Hearing - Consider Replat No. 1 of Block 2, Patton-Boyd Addition to the City of McCook, Red Willow County, Nebraska.

Upon a motion by Mayor Gonzales, seconded by Councilmember Calvin, the Council voted to recess as a City Council and convene a public hearing for the purpose of receiving public comment on proposed Replat No. 1 of Block 2, Patton-Boyd Addition to the City of McCook, Red Willow County, Nebraska with the City Attorney to act as hearing officer. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedin. NAY: None.

The City Attorney offered and received into evidence Exhibit #1 - City Manager's Report dated March 21, 2016 (1 page); Exhibit #2 - Notice of Hearing published (1 page); Exhibit #3 - ownership listing of those receiving advance notice of hearing (2 pages); Exhibit #4 - maps (2 pages); Exhibit #5 - minutes of the March 14, 2016 Planning Commission meeting (2 pages).

City Manager Schneider reviewed the following information presented in Exhibit #1:

“These agenda items are an effort to clean up the Patton-Boyd Addition to the City of McCook in anticipation of future development. It is clear to Staff that the Patton-Boyd Addition needs to be replatted to clean up some of the difficulties that could be created with the potential addition of a hotel in this subdivision area. One of the concerns is that, should a hotel be developed on the northern most lot of this subdivision, there would be a lot in the middle of the subdivision that could not be developed due to street frontage concerns. Another concern is that the description of the lots as they currently exist in the Patton-Boyd Addition were becoming overly burdensome due to prior splits and adjustments.”

There being no one else present to comment, upon a motion by Mayor Gonzales, seconded by Councilmember Hepp, the Council voted to adjourn the public hearing and to reconvene as a City Council. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedin. NAY: None.

- B. Adopt Resolution No. 2016-06 providing for the final approval of Replat No. 1 of Block 2, Patton-Boyd Addition to the City of McCook, Red Willow County, Nebraska.

Upon a motion by Councilmember Calvin, seconded by Councilmember McDowell, the Council voted to adopt Resolution No. 2016-06 providing for the final approval of Replat No. 1 of Block 2, Patton-Boyd Addition to the City of McCook, Red Willow County, Nebraska. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedin. NAY: None.

- C. Conduct a public hearing on the application of Smokers Outlet Inc., dba "Smokers Outlet 1", for the addition of a Catering (K) to the current Class "D" License #101003 under the Nebraska Liquor Control Commission located at 1111 West "B" Street, McCook, Nebraska.

Upon a motion by Councilmember Calvin, seconded by Councilmember Weedin, the Council voted to recess as a City Council and convene a public hearing for the purpose of receiving public comment on the application of Smokers Outlet Inc., dba "Smokers Outlet 1", for the addition of a Catering (K) to the current Class "D" License #101003 under the Nebraska Liquor Control Commission located at 1111 West "B" Street, McCook, Nebraska with the City Attorney to act as hearing officer. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedin. NAY: None.

The City Attorney offered and received into evidence Exhibit #1 - City Manager's Report dated March 21, 2016 (1 page); Exhibit #2 - Notice of Hearing published; and Exhibit #3 - the application filed with the Nebraska Liquor Control Commission. (5 pages)

John Nothnagel, applicant, was present to address questions from the Council.

There being no one else present to comment, upon a motion by Mayor Gonzales, seconded by Councilmember Weedin, the Council voted to adjourn the public hearing and to reconvene as a City Council. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedin. NAY: None.

- D. Recommend approval to the Nebraska Liquor Control Commission the application of Smokers Outlet Inc., dba "Smokers Outlet 1", for the addition of a Catering (K) to the current Class "D" License #101003 under the Nebraska Liquor Control Commission located at 1111 West "B" Street, McCook, Nebraska.

Upon a motion by Councilmember Calvin, seconded by Councilmember McDowell, the Council voted to recommend approval to the Nebraska Liquor Control Commission the application of Smokers Outlet Inc., dba "Smokers Outlet 1", for the addition of a Catering (K) to the current Class "D" License #101003 under the Nebraska Liquor Control Commission located at 1111 West "B" Street, McCook, Nebraska. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedin. NAY: None.

- E. Conduct a public hearing on the application of JBN Inc., dba "Hi Times Liquor Mart 1", for the addition of a Catering (K) to the current Class "D" License #100025 under the Nebraska Liquor Control Commission located at 502 East "B" Street, McCook, Nebraska.

Upon a motion by Councilmember Calvin, seconded by Councilmember Weedin, the Council voted to recess as a City Council and convene a public hearing for the purpose of receiving public comment on the application of JBN Inc., dba "Hi Times Liquor Mart 1", for the addition of a Catering (K) to the current Class "D" License #100025 under the Nebraska Liquor Control

Commission located at 502 East "B" Street, McCook, Nebraska with the City Attorney to act as hearing officer. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedin. NAY: None.

The City Attorney offered and received into evidence Exhibit #1 - City Manager's Report dated March 21, 2016 (1 page); Exhibit #2 - Notice of Hearing published; and Exhibit #3 - the application filed with the Nebraska Liquor Control Commission (7 pages).

John Nothnagel, applicant, was present to address questions from the Council.

There being no one else present to comment, upon a motion by Mayor Gonzales, seconded by Councilmember Hepp, the Council voted to adjourn the public hearing and to reconvene as a City Council. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedin. NAY: None.

- F. Recommend approval to the Nebraska Liquor Control Commission the application of JBN Inc., dba "Hi Times Liquor Mart 1", for the addition of a Catering (K) to the current Class "D" License #100025 under the Nebraska Liquor Control Commission located at 502 East "B" Street, McCook, Nebraska.

Upon a motion by Councilmember Calvin, seconded by Councilmember McDowell, the Council voted to recommend approval to the Nebraska Liquor Control Commission the application of JBN Inc., dba "Hi Times Liquor Mart 1", for the addition of a Catering (K) to the current Class "D" License #100025 under the Nebraska Liquor Control Commission located at 502 East "B" Street, McCook, Nebraska. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedin. NAY: None.

5. Consent Agenda.

Mayor Gonzales requested that Item E be removed from the Consent Agenda and placed on the Regular Agenda.

- A. Approve the minutes of the March 7, regular City Council meeting.

Upon a motion by Mayor Gonzales, seconded by Councilmember Weedin, the Council voted to approve the minutes of the March 7, regular City Council meeting. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedin. NAY: None.

- B. Receive and file the claims for the month of February 2016 as published March 10, 2016.

Upon a motion by Mayor Gonzales, seconded by Councilmember Weedin, the Council voted to receive and file the claims for the month of February 2016 as published March 10, 2016. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedin. NAY: None.

- C. Receive and file the minutes of the March 14, 2016 Planning Commission meeting.

Upon a motion by Mayor Gonzales, seconded by Councilmember Weedin, the Council voted to receive and file the minutes of the March 14, 2016 Planning Commission meeting. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedin. NAY: None.

- D. Approve the application for a Special Designated Liquor License submitted by Loop Brewing Company - License Number LK-093351, for a reception to be held at the McCook Municipal Auditorium, 302 West 5th Street, on April 2, 2016 from 4:00 P.M. to 1:00 A.M.

Upon a motion by Mayor Gonzales, seconded by Councilmember Weedin, the Council voted to approve the application for a Special Designated Liquor License submitted by Loop Brewing Company - License Number LK-093351, for a reception to be held at the McCook Municipal Auditorium, 302 West 5th Street, on April 2, 2016 from 4:00 P.M. to 1:00 A.M. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedin. NAY: None.

6. Regular Agenda.

- 5E. Approve the bid specifications for one (1) new (2015, 2016, or 2017 year model) Trailer Mounted Vacuum Excavation Unit and set the date to receive bids for April 11, 2016 at 2:00 P.M.

Utilities Director Dutcher and Water Foreman Fawver reviewed the bid specifications with the Council.

Upon a motion by Mayor Gonzales, seconded by Councilmember Hepp, the Council voted to approve the bid specifications for one (1) new (2015, 2016, or 2017 year model) Trailer Mounted Vacuum Excavation Unit and set the date to receive bids for April 11, 2016 at 2:00 P.M. The motion passed upon the following roll call vote: YEA: Gonzales, Hepp, Calvin, McDowell, Weedin. NAY: None.

A. Council Comments.

Councilmember Hepp expressed concerns with the how slow the traffic signal is at the corner of Norris Avenue and "C" Street and asked about the possibility of removing the "No U-Turn" at the corner of Norris Avenue and "A" Street.

Other Council comments included the thanking of the public for their input on the Redevelopment Contract for the Holiday Inn, it was not an easy decision and recognized the local theater group in the excellent performance of the Wizard of Oz this past week.

▪ **Adjournment.**

There being no further business to come before the Council, Mayor Gonzales declared the meeting adjourned at 8:42 P.M.

Michael D. Gonzales, Mayor

ATTEST:

Lea Ann Doak, City Clerk-Treasurer