

McCook City Council
May 7, 2018
6:30 PM Central

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.

Mayor Gonzales noted that Councilmember Calvin would be absent and extended condolences to him and his family upon the loss of his mother.

Present: Mayor Gonzales, Councilmembers Hepp, McDowell, Weedin.
Absent: Councilmember Calvin.

City Officials present: City Manager Schneider, City Attorney Mustion, City Clerk Doak, Police Chief Brown, Utilities Director Dutcher, 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 May 3, 2018, 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 Acknowledgement 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. Invocation was provided by Brad Brauer of the Our Savior Lutheran Church and St. Alban's Episcopal Church. 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's comments.

2. Announcements & Recognitions.

Utilities Director Dutcher informed the Council that the City is placing a restriction on lawn watering as a result of a mechanical malfunction at the Parker Hannifin plant that caused higher than normal water usage, along with the early season lawn watering caused the City's storage tanks drop to low levels. The restriction will be from 8:00 A.M., Tuesday, May 8 through 8:00 A.M., Wednesday, May 9. This will give the Water Department the opportunity to restore the water levels to normal in the storage tanks.

City Manager Schneider informed the Council that he received notification from the Federal

Aviation Administration that a four year agreement with Boutique Air has been approved for providing Essential Air Service to the McCook Ben Nelson Regional Airport, that a Planning Commission meeting has been scheduled for May 14, 2018, at 5:15 P.M., for consideration of a special exception request, and reminded all of the Town Hall meeting for a strategic planning session to be held this Thursday, May 10, at 6:30 P.M.

3. Public Hearings.

3.A. Public Hearing - A report from the Economic Development Plan Citizen's Advisory Review Committee regarding meeting held April 23, 2018.

Moved to recess as a City Council and convene a public hearing for the purpose of receiving public comment on a report from the Economic Development Plan Citizen's Advisory Review Committee regarding meeting held April 23, 2018 with the City Attorney to act as hearing officer. This motion, made by Weedin and seconded by Hepp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: Absent, McDowell: YEA, Weedin: YEA
YEA: 4, NAY: 0, Absent: 1

The City Attorney offered and received into evidence Exhibit #1 - the City Manager's Report dated May 7, 2018 (1 page); Exhibit #2 - Notice of Hearing published (1 page); Exhibit #3 - the agenda and packet information for the April 23, 2018 Economic Development Plan Citizen's Advisory Review Committee (9 pages); and Exhibit #4 - the minutes of the February 29, 2018 meeting of the Economic Development Plan Citizen's Advisory Review Committee.

City Manager Schneider reviewed the information contained in Exhibit #3.

There being no one else present to comment, motion to adjourn the public hearing and to reconvene as a City Council. This motion, made by Weedin and seconded by Hepp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: Absent, McDowell: YEA, Weedin: YEA
YEA: 4, NAY: 0, Absent: 1

3.B. Receive and file the minutes of the February 19, 2018 Economic Development Plan Citizen's Advisory Review Committee meeting.

Motion to receive and file the minutes of the February 19, 2018 Economic Development Plan Citizen's Advisory Review Committee meeting. This motion, made by Weedin and seconded by Hepp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: Absent, McDowell: YEA, Weedin: YEA
YEA: 4, NAY: 0, Absent: 1

4. Proclamations.

4.A. Approve the proclamation designating May 15, 2018 as "Police Officers Memorial Day" and the week of May 13 - 19, 2018 as "Police Week" and authorize the Mayor to sign the proclamation.

Motion to approve the proclamation designating May 15, 2018 as "Police Officers Memorial Day" and the week of May 13 - 19, 2018 as "Police Week" and authorize the Mayor to sign the proclamation. This motion, made by Weedin and seconded by Hepp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: Absent, McDowell: YEA, Weedin: YEA
YEA: 4, NAY: 0, Absent: 1

4.B. Approve and authorize the Mayor to sign a proclamation declaring the week of May 6 through May 12, 2018 as "Drinking Water Week".

Motion to approve and authorize the Mayor to sign a proclamation declaring the week of May 6 through May 12, 2018 as "Drinking Water Week". This motion, made by Hepp and seconded by Weedin, passed.

Gonzales: YEA, Hepp: YEA, Calvin: Absent, McDowell: YEA, Weedin: YEA
YEA: 4, NAY: 0, Absent: 1

4.C. Approve the proclamation designating May 20 - 26, 2018 as "Emergency Medical Services Week" and authorize the Mayor to sign.

Motion to approve the proclamation designating May 20 - 26, 2018 as "Emergency Medical Services Week" and authorize the Mayor to sign. This motion, made by Weedin and seconded by Hepp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: Absent, McDowell: YEA, Weedin: YEA
YEA: 4, NAY: 0, Absent: 1

5. Consent Agenda.

Motion to approve the consent agenda. This motion, made by Hepp and seconded by Weedin, passed.

Gonzales: YEA, Hepp: YEA, Calvin: Absent, McDowell: YEA, Weedin: YEA
YEA: 4, NAY: 0, Absent: 1

5.A. Approve the minutes of the April 16, 2018 regular City Council meeting.

5.B. Approve and authorize the Mayor to sign Change Order No. 1, the Certificate of Substantial Completion, and Pay Application No. 2 (Final) for Water System Improvements on South 8th Street, South 3rd Street, and additional work on South 2nd Street.

5.C. Award the bid in the amount of \$127,850 to Electric Pump/MC2 of Des Moines, Iowa as the lowest responsible bidder for procurement of replacement UV Equipment and authorize the Mayor to execute the necessary paperwork to award the contract.

5.D. Approve the application from Great Plains Communications to occupy city right-of-way for the purpose of installing underground fiber optic cable to provide service to McDonald's Restaurant.

- 5.E. Approve the request from Ronda Graff to utilize city streets and walking trails for the 2018 Republican River Fitness Series on the following dates: May 10, June 23, August 18, September 29, October 27, November 17, and December 15, 2018.
- 5.F. Receive and file the claims for the month of April 2018 as published May 7, 2018.
- 5.G. Approve the request to shut down the northbound lane of traffic on Norris Avenue from "G" Street to "H" Street on May 21, 2018, from 1:00 P.M. to 8:00 P.M., for a Mock Vehicle Crash demonstration for EMS Week, 2018.
- 5.H. Approve Resolution No. 2018-06 authorizing the issuance of Tax Exempt Note, Series 2018 of the City of McCook in the amount of \$127,451, for the purpose of purchasing twenty (20) new Self-Contained Breathing Apparatus.
- 5.I. Adopt Resolution No. 2018-07 granting a Waiver of Payment in Lieu of Taxes to the McCook Housing Agency.

6. Regular Agenda.

- 6.A. Approve an amendment to the McCook Business Park Subdivision Agreement, allowing for the development and occupation of Lot 2 of the Park prior to improving Ravenswood Road from the Park's western border to Industrial Park Drive.

Motion to approve an amendment to the McCook Business Park Subdivision Agreement, allowing for the development and occupation of Lot 2 of the Park prior to improving Ravenswood Road from the Park's western border to Industrial Park Drive. This motion, made by Hepp and seconded by Weedon.

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

"The City of McCook and the McCook Economic Development Corporation entered into a subdivision agreement in 2002 in order to control and regulate the development of McCook's Business Park. The agreement established parameters to assure sustainable future growth. The Park was comprised of 11 lots, two of which were out lots that couldn't be developed. None of the interior lots had paved street access which was necessary to prompt development. Ravenswood Road, the only arterial street that accessed the southern entrance to the Park, needed upgrades in order to handle increased truck traffic. Continued development would require future improvements to the interior portions of the Park, Ravenswood Road east of Industrial Park Drive, and the Highway 83 and South Street intersection. Both parties agreed to certain development milestones that served to prompt infrastructure improvements as part of the agreement."

"Over the years, it became clear that the agreement needed to be tweaked to make some of the restrictions less burdensome. The lack of development from 2002 to 2013 became a concern, and both parties acknowledged the infrastructure improvements incumbent on the MEDC had the potential to thwart development. In particular, the original subdivision agreement required MEDC

to pave Ravenswood Road, from the western boundary of the Park to Industrial Park Drive, prior to the development and occupation of a third lot. In 2013, an amendment was made to the agreement allowing the Ravenswood Road improvements to be delayed until a fourth lot was developed. The modification proved essential to the Park's growth, as Booe Salvage and Next Generation located operations to the Park in 2014 and 2017, respectively.”

“Recently, MEDC has been approached by a party interested in developing Lot 2 of the Park. Per the amended agreement, Lot 2 cannot be developed until the western portion of Ravenswood Road, adjacent to the Park, is poured to concrete. MEDC and City staff have discussed the possibility of delaying the Ravenswood Road project until the development of a fifth lot, allowing for Lot 2 to be occupied without further requirements. Staff believes the Ravenswood Road project could be put on hold due to the specific business that is considering locating to the Park. The inquiring business would not cause a significant increase in truck traffic along Ravenswood Road. Staff has discussed the matter with W Design, and it is believed there will be a minimal impact to Ravenswood Road as a result of the business that is expressing interest in Lot 2.”

“An amended agreement would be limited to the particular business that is considering locating to Lot 2 of the business park. If MEDC and the business are unable to close, the restriction will remain. This limitation will assure an increase in truck traffic will be addressed prior to development.”

Motion to approve an amendment to the McCook Business Park Subdivision Agreement, allowing for the development and occupation of Lot 2 of the Park prior to improving Ravenswood Road from the Park's western border to Industrial Park Drive, contingent to McCook Economic Development Corporation successfully conveying ownership of said property to Luisito's Mobile Mechanic, Luis Campos owner. This motion, made by Gonzales and seconded by Weedin, passed.

Gonzales: YEA, Hepp: YEA, Calvin: Absent, McDowell: YEA, Weedin: YEA
YEA: 4, NAY: 0, Absent: 1

Considered motion on the floor, as amended, passed.

Gonzales: YEA, Hepp: YEA, Calvin: Absent, McDowell: YEA, Weedin: YEA
YEA: 4, NAY: 0, Absent: 1

- 6.B. Approve the use of the Keystone bond reserve, in the amount of \$112,000, for Keystone Business Center debt repayment as it relates to the rehabilitation of the Keystone Business Center building, at the end of the fiscal year, ending date September 30, 2018.

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

“In 2009, a bond resolution was approved by the Community Development Agency of the City of McCook and McCook City Council, and the McCook Economic Development Corporation (MEDC), providing for the issuance of economic development fund bonds (ie. TIF bonds) in the aggregate principal amount of \$1,120,000. As part of the issuance, a debt service reserve account was required. The amount required to be accumulated and maintained in the reserve account was equal to 10% of the stated principal amount of the bonds. Over the course of fiscal year 2008/2009, \$56,000 of LB 840 funds were set aside to satisfy ½ of the reserve requirement.

During fiscal year 2009/2010, an additional \$56,000 of LB 840 funds were set aside to satisfy the other ½ of the reserve requirement. The \$112,000 reserve has been maintained by the City Clerk/Treasurer during the life of the agreement, serving as assurance for bond repayment.”

“The last payment on the bonded indebtedness is scheduled to occur this fiscal year (2017/2018). Originally, Staff intended to utilize the \$112,000 bond reserve to pay the remaining bonded indebtedness. MEDC has requested a different final payment option. MEDC is asking the City to continue to hold and maintain the reserved amount through the final bond payment. MEDC would prefer to utilize the project and program fund to complete its payment requirements. The project and program fund has served as the repayment source throughout the duration of the debt repayment period. The reason for the request is to allow MEDC to utilize the \$112,000 to pay down additional debt associated with the Keystone renovation project after debt repayment is completed. Specifically, MEDC would utilize the \$112,000 to pay down a loan made by local commercial lenders in relation to the Keystone project.”

“Upon receipt of the request, Staff reviewed the approved resolution associated with the Keystone bond issuance, LB 840 Plan, and 2007 LB 840 ballot language to confirm that the bond reserve could be used in the manner requested. Resolution 2009-04 establishes the requirement of the debt service reserve account. The requirements contained within the provision stand silent with respect to whether the reserve must be used to pay the final debt payment, which creates flexibility regarding how and when to allocate the \$112,000. As for the LB 840 Plan and ballot language, voters approved the use of LB 840 funds for Keystone and commercial building renovation expenses. At its heart, debt repayment would qualify as a renovation expense. Based on this review, it appears that the request can be accommodated. If the Council approves MEDC's request per this action item, the bond reserve must remain in effect until the completion of the 2017/2018 fiscal year.”

Greg Wolford and Dennis Berry, representatives from the McCook Economic Development Corporation, were present to address any questions from the Council.

Motion to approve the use of the Keystone bond reserve, in the amount of \$112,000, for Keystone Business Center debt repayment as it relates to the rehabilitation of the Keystone Business Center building, at the end of the fiscal year, ending date September 30, 2018. This motion, made by Weedon, and seconded by Hepp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: Absent, McDowell: YEA, Weedon: YEA
YEA: 4, NAY: 0, Absent: 1

- 6.C. Approve the utilization of ACE funds for a residential demolition project at 1107 West 4th Street, said approval contingent on the property owner deeding the property to the City of McCook free of charge.

City Manager Schneider reviewed the following information presented in his City Manager’s report:

“At the March 19, 2018, McCook City Council meeting, discussion was held regarding using ACE funds to demolish a burned property located at 1107 West 4th Street. Since that time, McCook's City Attorney and members of City Staff have attempted to make contact with the property owner, to no

avail. Staff will attempt to locate the owner, in person, to discuss the matter with her. The time period granted to the owner to remove the unsafe building has passed. Staff would like to work with the property owner to remove the burned structure. Cooperative action would make the demo project more cost effective. In order for a city led demo project to occur, two things must happen:

- 1) Council must commit to utilizing current revenue funds to demo the property. While we don't have an estimate currently, we're hoping to have one by Monday's council meeting. Just as a reminder, we have discussed utilizing ACE funds to demolish the house. The City of McCook's ACE fund is not comprised of tax dollars, rather these funds come from ACE's revenue return program. Typically, we use this fund for community projects. However, in this particular case, Staff believes it may be wise to use the fund to remove the unsafe building.
- 2) The property owner, Elizabeth Kleckner, must execute a deed transferring title in the property to the City. If the property owner is unwilling to do this, alternative legal avenues will be explored.”

City Manager Schneider added that the City has received a proposal from P & G Excavating in the amount of \$7,900, which does not include asbestos inspection, removal of any asbestos, and dump fees. It is estimated that the needed ACE funds would not exceed \$12,500.

Motion to approve the utilization of ACE funds for a residential demolition project at 1107 West 4th Street, said approval contingent on the property owner deeding the property to the City of McCook free of charge. This motion, made by McDowell and seconded by Weedin, passed.

Gonzales: YEA, Hepp: YEA, Calvin: Absent, McDowell: YEA, Weedin: YEA

YEA: 4, NAY: 0, Absent: 1

6.D. Ordinance No. 2018-2965, providing for the amendment of Chapter 95 - Nuisance; Health and Sanitation; Section 95.03 - Abatement Procedure, of the City of McCook, Code of Ordinances.

Mayor Gonzales introduced Ordinance No. 2018-2965 by title and asked the City Clerk to read said title.

The City Clerk read Ordinance No. 2018-2965 by title:

AN ORDINANCE PROVIDING FOR THE AMENDMENT OF CHAPTER 95 NUISANCE; HEALTH AND SANITATION; SECTION 95.03 - ABATEMENT PROCEDURE, OF THE CITY OF MCCOOK CODE OF ORDINANCES; PROVIDING FOR THE REPEAL OF ANY AND ALL ORDINANCES IN CONFLICT HERewith; AND PROVIDING A TIME AND DATE FROM AND AFTER WHICH THIS ORDINANCE SHALL TAKE EFFECT AND BE ENFORCED.

Ordinance No. 2018-2965 has been introduced, read by title, motion to approve upon its first reading. This motion, made by Weedin and seconded by Hepp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: Absent, McDowell: YEA, Weedin: YEA

YEA: 4, NAY: 0, Absent: 1

6.E. Council Comments.

The Council encouraged all to attend the town hall meeting for strategic planning this Thursday, May 10, beginning at 6:30 P.M.

Adjournment.

There being no further business to come before the Council, Mayor Gonzales declared the meeting adjourned at 7:27 P.M.

Michael D. Gonzales, Mayor

ATTEST:

Lea Ann Doak, City Clerk-Treasurer