

The Mayor and Council of the City of Fairbury met in regular session in the Council Chambers located at 612 D Street, Fairbury, Nebraska, on the 19<sup>th</sup> day of August, 2014, at 7:30 p.m. Mayor Homer L. Ward called the meeting to order.

Notice of meeting was given in advance thereof by publication in the Fairbury Journal News, Fairbury, Nebraska, the designated method of giving notice, as shown by affidavit of publication. The Open Meetings Act was posted in the meeting room and pointed out by Mayor Ward as required by law.

Roll call found the following Council Members present: Doug Brown, Rick Carmichael, Roger Bailey, Tim Polson, Ed Friesen, Brad Kuzelka, and Kelly Davis. Absent: Phil Rogge.

Mayor Ward called for the submittal of forms to request future agenda items. No forms were submitted during the meeting.

Mayor Ward read the Consent Agenda:

1. Approval of the minutes of the regular meeting of August 5, 2014.
2. Approval of claims.
3. Approval of the July 2014 Reconciliation Report.
4. Approval of the re-appointment of Roger Bailey to the Community Redevelopment Authority. Term to expire August 2019.

Davis moved to approve the consent agenda. Motion seconded by Kuzelka. Council member Doug Brown questioned the claim for the \$15,000.00 building. Public Works Chair Brad Kuzelka stated the Street Department replaced their equipment shed after the wind damage from the storm in the spring. Brown asked if we would be getting an insurance check. City Clerk Sharyl Preston stated we have received an insurance check of approximately \$3,100.00. Kuzelka stated it is a slightly larger building, but they did not have to pour new concrete. On roll call, Polson, Carmichael, Brown, Friesen, Kuzelka, and Davis voted "yes." Bailey abstained. Rogge absent. Motion carried.

Mayor Ward opened the Public Hearing regarding the request for a Conditional Use Permit (CU-2014-002) from Ryan Bartels at 203 7<sup>th</sup> Street, Fairbury, Nebraska. The request is to allow for the construction of an accessory building on a lot without a primary structure in the R-3 – High Density Zoning District as provided for in Article 4, Section 4.12 of the Zoning Ordinance of the City of Fairbury, Nebraska – 2013 Edition. The legal description of the property is described as: Lot 7, Block 6, Original Town, Fairbury, Jefferson County, Nebraska. Council member Rick Carmichael asked Susan Bartels (mother of Ryan Bartels) if this is an accessory building and what exactly is the accessory building. Bartels stated the accessory building is a carport, but it will be closed in later. Bartels stated it was originally at Ryan Bartels shop and when Ryan sold his shop the carport got moved. Bartels stated the main issue is that the carport is too close to the front of the property and Ryan is going to move the carport back where it should be; it was simply moved in a hurry because they had taken possession of his shop. Council

member Roger Bailey asked when the carport would be enclosed, if the request is approved to allow the carport. Bartels stated she wasn't sure; but it will be enclosed prior to it snowing. Bartels stated Ryan will comply with whatever the City requests. Council member Kelly Davis stated it is a building that Ryan already has; he was wondering how the estimated cost of construction was zero on the application. Bartels stated yes it was already at Ryan's shop and it just simply had to be moved when he sold the shop. Bartels stated they just picked it up and moved the carport. Carmichael asked if the items that sit outside – will go inside that building. Bartels stated yes, it will help clean up the property. Bailey stated they will need a bigger building as they have a lot of stuff there. Bartels stated yes, but it will do a really good job of starting to clean up the property. Bailey stated there are a lot of things on that property that need to be taken care of. Bailey asked Laura Bedlan Zoning Administrator regarding the minutes from the Planning Commission of June 9, 2014 where both Kleine and Brackle stated that they felt that there may be a problem with #2 of the Conditional Use Specifications due to the condition and location of the building on the property. Bedlan stated the conditional use permit was included in the City Council packets; and page two of the application is the Conditional Use Standards. Bedlan apologized for not being here for the beginning of this discussion regarding Bartels conditional use permit. Bedlan stated the structure was originally moved to his property, without his knowledge; Ryan called her the very next day to see what he needed to do since the carport was on his property. Bedlan stated she sent Bartels a letter regarding having a temporary structure on his property and that he needed to comply by such and such a date, which he has done. Bedlan stated the problem that Kleine and Brackle were discussing at the Planning Commission meeting was the location of the structure for accessory buildings on lots without primary buildings. Bedlan stated a couple years ago this wasn't even allowed; but the Planning Commission did pass to allow the accessory buildings on lots without primary buildings – and they have had quite a few go up since then. Bedlan stated the intent was to get people to demo buildings that were in disrepair that they were using just for storage, and to put up private storage units. Bedlan stated in doing so, the Planning Commission was very concerned that those garages or structures would sit far enough back on the property so that it would appear that they are the neighbor's garages, even though they are not. Bedlan stated that is a half lot set back. Bedlan stated there is also a requirement for a 12.5 feet setback for side lots so that you are not obstructing vision in the side lot yard. Bedlan stated Ryan's building was placed in front of an existing shed because there were some obstructions in the back; he was concerned about a light pole and some other things in the back. Bedlan stated the Planning Commission didn't want to set that precedence that you could encroach on the front lot – we only let it happen if there have been other foundations there that are being utilized. Bedlan stated the Planning Commission asked that the carport be set back the right area and that would be 71 feet from the front lot and 12.5 feet from the side lot line. Bedlan stated the Conditional Use Standards are on the second page of the application. Bedlan asked if she heard someone say that the carport will be an enclosed structure. Bedlan stated the carport will not be enclosed – it is open on all sides. Carmichael stated he thought Bartels had stated that the carport would be eventually enclosed. Bedlan stated she does not believe so; she was not under the understanding that the carport would be enclosed. Bedlan stated she understands that the carport will be an open structure and will remain open; unless something different happened. Bedlan stated the carport is currently on cinderblocks and

Ryan does have stilt legs ordered for the carport. No one else addressed the Council during the public hearing. Mayor Ward declared the hearing closed.

Mayor Ward opened the Public Hearing concerning a Modification to the General Redevelopment Plan of the City of Fairbury, Nebraska and Plan for the Redevelopment Project regarding addition to existing Capri Motel by Randall Brown d/b/a The Capri Motel, for an area of the City that has been declared blighted and substandard and in need of redevelopment pursuant to the Nebraska Community Development Law. Community Redevelopment Authority (CRA) Chair Ed Friesen addressed the Council. Friesen stated Randy Brown has been working with the CRA on Tax Increment Financing (TIF) which is available in a blight and substandard area on redevelopment for a new building. Friesen stated TIF helps offset some of the costs of redevelopment as far as the public extensions like streets, driveways, parking lot, landscaping, etc. – issues that are public noticed in nature that helps move the project along. Friesen stated the City of Fairbury has a General Redevelopment Plan that fits the qualifications for our Comprehensive Plan. Friesen stated the Capri Motel project fits within those boundaries; anytime we add something to that like a redevelopment of the Capri Motel project, we have to add the redevelopment as a modification to the General Redevelopment Plan. Friesen stated another hearing for a modification to the General Redevelopment Plan will follow this hearing, which will have the same explanation. Friesen asked if anyone has any questions regarding the project or the Modification to the General Redevelopment Plan. No one else addressed the Council during the public hearing. Mayor Ward declared the hearing closed.

Mayor Ward opened the Public Hearing concerning a Modification to the General Redevelopment Plan of the City of Fairbury, Nebraska and Plan for the Redevelopment Project construction of Residential Subdivision by Larry Schramm d/b/a Schramm Construction, for an area of the City that has been declared blighted and substandard and in need of redevelopment pursuant to the Nebraska Community Development Law. Community Redevelopment Authority (CRA) Chair Ed Friesen addressed the Council. Friesen stated this modification is for Schramm Construction; they have started on a housing subdivision on the north end of F Street. Friesen stated this project will allow, once again following the guidelines of the Comprehensive Plan, streets, curbs, gutters, erosion control, etc. and downstream water issues will be addressed in this project. Friesen stated the Schramm project needs to be added as a modification to the General Redevelopment Plan for the City of Fairbury. Friesen asked if anyone has any questions regarding the project or the Modification to the General Redevelopment Plan. Council member Rick Carmichael asked, regarding downstream from where the water runs – 16<sup>th</sup> Street from E Street to F Street, if there are plans to fix the drainage problem – instead of letting it wash out every time it rains. Carmichael stated this project could make this issue even worse as the water could flow faster now with a concrete street. Assistant Street Superintendent Laura Bedlan addressed the council. Bedlan stated 16<sup>th</sup> Street is bad and the majority property owner is not willing to invest in a road. The property owner north of that road owns more than 50% of the properties along 16<sup>th</sup> Street. Bedlan stated 16<sup>th</sup> Street is not a street that they can do gap paving; doesn't have concrete on both sides of the street and it is too far of a distance to try to gap pave it. Bedlan stated they are hoping they can utilize some TIF financing for some drainage in that area; obviously it won't build a road, but hoping to utilize some TIF for the drainage issue. Bedlan stated

along with the subdivision plan, they require a drainage study – a hydrology study to be done and one has been done for the Schramm project. Bedlan stated the study discusses the amount of water the pond holds currently and where the runoff from the new road will go. Bedlan stated before the subdivision is granted, that will be reviewed as part of the subdivision process. Bedlan stated the drainage study does say that the pond will hold the new runoff that will be created through the redevelopment in that area. Carmichael asked what they want to do with the pond itself, as it is pretty stagnant right now. Bedlan stated they don't currently plan on doing anything with the pond, but they are putting the road drainage to the pond. Bedlan stated the hydrology study shows the pond will hold the additional drainage from the road and also some of the drainage that comes off of 17<sup>th</sup> & F Street – the pond will take a little bit of that drainage. Bedlan stated right now there is no plan to lessen or increase the size of the pond. Carmichael stated he is concerned what will happen when the pond over flows. Carmichael asked again about the drainage on 16<sup>th</sup> Street. Bedlan stated unfortunately 16<sup>th</sup> Street gets hit with all the drainage, west on E Street and also east all the way to H Street – so it's getting everything from that area; it's actually coming down 16<sup>th</sup> & F Street from the curb on the northwest and it also comes across F Street on 16<sup>th</sup> Street it runs straight across and hits right on the corner and then guts out to the northwest. Bedlan stated currently this should take a little amount of that drainage coming from 17<sup>th</sup> & F Street into the pond; but the big thrust of what is coming across F Street on 16<sup>th</sup> Street and running back in there – that probably will not solve that problem; however, hopefully there will be a little bit of funding from the TIF project to apply to some type of erosion control in this area, even if they couldn't do a road. Friesen stated one of the things the CRA talked to Schramm about when they presented the project – they would like to resolve some of those erosion issues, realizing we can't do a road; but maybe they could do some type of water runoff control to slow it down – the north side of 16<sup>th</sup> Street just off of F Street going west is treacherous after a big rain. Carmichael stated 16<sup>th</sup> Street is dangerous. Friesen stated they may discuss some cost-sharing with some of the property owners, where the property owners wouldn't have to carry the whole burden for a new street. Friesen stated they are trying to work those issues out in the TIF agreement – maybe cost-share to soften that a little bit and make our dollars go a little further but also help the property owners – it would improve the value of their property. Friesen stated there are several avenues to explore. Friesen stated they may have some excess TIF that they could use because that would also be in that redevelopment area. Bedlan stated the short answer for what Carmichael is asking in relation to the Schramm project, is they hope to realize a little bit of TIF money to do something in that area; however, the Schramm addition will not add to the problem as proven by the hydrology study. Bedlan stated 16<sup>th</sup> Street is on the 1 & 6 Year Street Improvement Plan and it is one of those that without the City investing in the project, unless the property owner decides that they want to invest in the street project. No one else addressed the Council during the public hearing. Mayor Ward declared the hearing closed.

Mayor Ward opened the Public Hearing to consider allocating an additional \$24,422.26 of LB840 Local Option Sales Tax as a "Public Works Grant" to complete the City of Fairbury "E" Street (between 11<sup>th</sup> to 13<sup>th</sup> Street) Public Works Improvement Project #13-01. Assistant Street Superintendent Laura Bedlan addressed the Council. Bedlan stated the additional funding for the E Street project went to the Economic Development Review (LB840) Committee for consideration which the Committee recommends that the City

Council approve the obligation of the additional funds as proposed. Bedlan stated for clarification there were a few more cubic yards of concrete they used in this project than what they had originally planned, but probably one of the biggest additions to this project, instead of pouring the whole width, both lanes at the same time, they did it in two separate pours. Bedlan stated the reason they did the two pours was so they could set the center line and make sure those elevations didn't change – so that cost a little bit more in engineering and cost a little bit more because they had to do two separate pours instead of one straight pour. Bedlan stated the other big thing they did that was critical on this project; they also did some storm sewer repair that was not originally planned as part of this project. Bedlan stated they had to pull some sidewalk back and do a little extra curb and gutter and also change out a storm sewer pipe because when they increase the thickness of the street, the existing pipe is sitting right under the existing street and to put it back at that same flow line elevation, they had to put in a different type of pipe; this is something you wouldn't know until you got into the project. Council member Roger Bailey stated it was well worth the money. City Attorney David Barga asked Bedlan since this is LB840 dollars they have to identify qualifying businesses that the LB840 dollars will help; did the LB840 Committee identify businesses for this project. Bedlan stated it is part of the application – it is the same businesses – it is all part of the same project and the same location; this is just increasing the amount of the funds to be used for the project. Bedlan stated it is the same qualifying businesses that would be served by the funds – T.O. Haas Tire, Petersen Plumbing, Friesen Motor, downtown businesses, etc. No one else addressed the Council during the public hearing. Mayor Ward declared the hearing closed.

Mayor Ward opened the Public Hearing for the semi-annual review of the Local Option Sales Tax for Economic Development (LB840) Program. City Clerk Sharyl Preston addressed the Council as no one was able to attend this meeting from the Citizens Advisory Review Committee. Preston stated the purpose of the Public Hearing is for the Citizens Advisory Review Committee to report to the City Council its findings and suggestions concerning the functioning and progress of the City of Fairbury Economic Development Program for the six month period from January 1, 2014 to June 30, 2014. Preston stated during the period of January 1 through June 30, 2014 for both the Performance Based Grants and the Downtown Design Challenge Grants there were no applications received, no applications processed, no applications denied, no applications approved, and no applications pending. Preston stated there are six grant projects being administered and/or monitored: Pets Choice Pharmaceuticals, LLC, Siebert Communications, Inc., Livingston Enterprises, Inc., McBattas Paper Co. d/b/a McBattas Specialty Advertising, ABP Investments, Inc., and Lambert Vet Supply, LLC. Roger Bailey Economic Development Review (LB840) Committee member addressed the Council. Bailey stated the Council members received in their packets an LB840 Financial Worksheet that shows the fund balance and just so the public is aware of what is going on; the City made a commitment when we passed the ½ % sales tax for the LB840 to not only try to enhance business in the community, but also one of the big things that really pushed us over for the vote was that we would do something for infrastructure. Bailey stated just over the last 1½ years, the City has invested over \$300,000.00 in infrastructure projects from the LB840 fund. Bailey stated he thinks we are on track right now; we are also looking at some other projects. Bailey stated the public needs to know and we will have some other options coming up with sales tax – if we want to do some

things with infrastructure, we are committed to do that and we hope the public backs us up. No one else addressed the Council during the public hearing. Mayor Ward declared the hearing closed.

Friesen moved to set a public hearing to discuss the Preliminary Engineering Report addressing Nitrate Levels at the Crystal Springs and East Well sites for October 7, 2014 at 7:30 p.m. Motion seconded by Brown. Larry Naiman Assistant Superintendent of Utilities addressed the Council. Naiman stated he had information in the Council packets to keep the Council informed about the nitrates at the Crystal Springs and East Well sites. Naiman stated the reason they are asking for a public hearing is not that they are under any duress to do a mitigation project for nitrates. Naiman stated our water today tests meet with all the parameters of the state and federal mandates. Naiman stated the reason they are requesting a public hearing, it is one step in a process for a loan application for a funding option that would finance a project if it were needed with a possible loan forgiveness and/or grant that could exceed one million dollars depending upon the total project cost. Naiman stated this follows the completion of the intended use plan that they sent to the state. Naiman stated he has been in contact with the NDEQ loan and funding administrator. Naiman stated the Board of Public Works (BOPW) and the Mayor have addressed all the steps that are involved in this process; now they are at the point where this public hearing is needed. Naiman stated why would we have a preliminary engineering report done and why would we take a proactive step like this; why not just sit back and wait for something to happen. Naiman stated there are two reasons for concern; one is over previous years some wells that had been sampled upstream, tested above what the state allowable parameter would be for our well site here. Naiman stated the second concern is that some lysimeter readings that were done the last two years by the NRD to detect what the rate of leaching of nitrates into the ground water shows us that leaching of nitrates have already reached the sand layers – this is why they have been taking these proactive steps. Naiman stated this is only a funding option if we need it; if the time comes and we are faced with doing this project and a better funding opportunity is available to us, we can discard this one and take another option. Naiman stated the consulting engineers will be at the public hearing to review the preliminary engineering report which will probably suggest some of the nitrate mitigation methods, approximate costs, etc. On roll call, Polson, Bailey, Carmichael, Brown, Friesen, Kuzelka, and Davis voted “yes.” Rogge absent. Motion carried.

Kuzelka moved to approve the recommendation from the Planning Commission regarding the Conditional Use Permit (CU-2014-002) from Ryan Bartels at 203 7<sup>th</sup> Street, Fairbury, Nebraska to allow for the construction of an accessory building on a lot without a primary structure in the R-3 – High Density Zoning District within the required setbacks of 12.5 feet from the street side yard lot line and 71 feet from the front yard lot line as per the Planning Commission’s findings of the Conditional Use Standards which is part of the application process for a conditional use permit. Motion seconded by Carmichael. Bailey stated one of the issues he has with the construction of an accessory building, he’s thinking of a building with four sides and a door and roof on the building, not thinking of a carport that is sitting on stilts. Bailey stated when he was reading the Planning Commission minutes all the things they talked about this request and the concerns they had; then they just voted to approve; he’s confused on what the Planning Commission thinking really was. Bailey stated he doesn’t know that a carport, in his definition,

constitutes an accessory building or if the carport enhances the value of the property. City Attorney David Barga stated the accessory building should be defined in the regulations. Barga stated Bedlan had stated the carport is an accessory use under the regulations. Bedlan stated the carport is an accessory building. Bedlan stated an accessory structure is anything over 120 square feet. Barga asked if the regulations actually specifies carport. Bedlan stated any structure over 120 square feet, she believes is in state statute, but it is also listed in the zoning regulations as a structure over 120 square feet. Bedlan stated she can't call the carport a temporary structure; sometimes we have done that in the past for structures that would be there less than twelve months or six months, depending what the definition of temporary is at the time; but this carport is permanent and is over 120 square feet, so the carport would be considered an accessory structure. Bedlan stated the other confusion to that is that the carport is not an accessory to anything; it is just a term they use for it. Carmichael asked if Bartels could side the carport in the future and not have to come back to the committee to change anything. Barga asked if we have a definition for structure in the regulations, as well as accessory structure. Bedlan stated there is a definition of structure in the regulations. Bailey stated he is not comfortable voting on something that he does not have all the definitions for. Bailey stated it is a carport to him; it is not a structure to him. Bailey stated you could put up a carport anywhere – does that make the carport a structure. Bedlan stated yes the carport is a structure. Bailey stated when he thinks structure, he is thinking a building. Barga stated in general the standards allowing a conditional use permit are provided with the application; it appears the Planning Commission has made these findings on each of the twelve elements of the conditional use standards. Barga stated if the carport fits the definition of an accessory structure then the Planning Commission or the City Council need to find that these twelve items fit the conditional use application. Council member Kelly Davis asked if Susan or Laura said that Ryan has some stilts ordered for the carport. Susan stated Laura said Ryan has stilts ordered. Davis asked if that would sit the carport up higher. Friesen stated yes it would put the carport up higher; an extension of maybe five feet higher so could be seven to eight feet high on the side. Bedlan stated the definition of structure (she went to get the zoning regulations) shall mean anything constructed or built, any edifice or building of any kind, or any piece of work artificially built up or composed of parts joined together in some definite manner, which requires location on the ground or is attached to something having a location on the ground, including swimming and wading pools and covered patios, excepting outdoor areas such as paved areas, walks, tennis courts, and similar recreation areas. Bedlan stated the way she applies the definition of an accessory structure is anything that is constructed or built and over 120 square feet or attached to something that is over 120 square feet is considered a structure. Bedlan stated if you go to Section 4.11 of the zoning regulations it talks about permitted obstructions in required yards it refers specifically to carports in regards to accessory structures without primary structures. Friesen asked if it would be prudent to postpone this request until the next meeting to study this request more. Council member Brad Kuzelka asked what the recommendation was from the Planning Commission. Bedlan stated the Planning Commission recommended approving the Conditional Use Permit; there was quite a bit of discussion with the Planning Commission regarding this conditional use permit. Bedlan stated there were two things the Planning Commission was concerned about – the location of the structure, which was critical to them because when the Planning Commission reviews the application in regard to the ability to put these types of structures up in general and the

conditional use permit is a specific to site type permit so they review the actual structure. Bedlan stated the other concern was nuisance abatement on the property. Bedlan stated the Planning Commission have allowed other buildings of this type in other areas of town; so the Planning Commission felt they were not addressing any type of nuisance on the property in regards to the conditional use permit specifically, the nuisance would be a different procedure. The Planning Commission felt since they have allowed carports in other areas of town, as long as Ryan meets the setback requirements, they realize there may be other issues on the property, but their opinion was the nuisance wasn't their area to address. Davis asked how the carport would be secured to the ground. Bedlan stated the carport will be pinned down, is pinned currently through the cinderblocks. Bedlan stated Ryan has legs on order; it will be pinned down. Bedlan stated Ryan will not be pouring anything; the carport will be pinned. Bedlan stated the carport was on this property before we actually had some high winds a few months ago, and the carport witheld the high winds. On roll call, Polson, Carmichael, Brown, Friesen, Kuzelka, and Davis voted "yes." Bailey voted "no." Rogge absent. Motion carried.

Brown moved to approve the recommendation from the Personnel Committee that Curtis Arnold was the most qualified and the best option to fill the Water Operator position. Motion seconded by Carmichael. Brown stated the Personnel Committee met with Mike Beachler, Larry Naiman and Jeff Sweetser. On roll call, Polson, Bailey, Carmichael, Brown, Friesen, Kuzelka, and Davis voted "yes." Rogge absent. Motion carried.

Mayor Ward read from the agenda "update from Rick Schwartz regarding Black Hills Energy projects in Fairbury". Rick Schwartz Operations Manager for Black Hills Energy addressed the Council. Schwartz introduced Brandy Johnson Manager of External Affairs for Black Hills Energy, Mick Porter Construction Coordinator who will be overseeing this project on a daily basis, as well as Ryan Stapaules who will be Black Hills Energy Technical Representative that will be on the project 100% of the time for the length of the project working with their contractor. Schwartz stated this project was bid and their contractor will be Midcon. Schwartz stated Black Hills Energy has had cast iron projects in the past, where Black Hills removed and replaced all the cast iron in all of the communities; which they will succeed in accomplishing the cast iron project this year ending in Lincoln this year. Schwartz stated the next project for Black Hills is to tackle the bare steel pipe in all of the communities. Schwartz stated Fairbury has had pipe since 1930, so we have a lot of bare steel in the community. Fairbury has been selected to be the first community for Black Hills to come in and take the time to remove all of the bare steel pipe all at one time, instead of just replacing when there has been a leak. The project in Fairbury will start September 2, 2014 through the middle part of December 2014. Mick Porter explained the scope of the project. Porter stated the project consists of replacing 8.5 miles of bare steel pipe in Fairbury. Porter stated they will be replacing 6" bare steel, 4" bare steel, and 2" bare steel with 4" plastic pipe 2406 and 4" and 2" polyethylene pipe. They will be replacing approximately 400 services in Fairbury. Porter stated a lot of the services are outside services. Porter stated approximately 150 services are no longer being used so those will be abandoned. Porter stated 19 meters are inside which they will address at a later date. Porter stated Rick Schwartz is the Project Manager/Project Coordinator; Terry Petersen is the lead tech for this region – he is out of Auburn, but will be here part of the time, and Ryan Stapaules will be the main person on the ground daily. Porter stated the crew will work six days a week, Monday



through Saturday, pretty much from sunup until sundown. Porter stated Black Hills will be sending letters out to the homeowners ahead of time and there will be information in the local newspaper. Porter stated there will be several crews in the area especially at first, welders, etc. Porter stated they will bore as much as they can; but there will be some open holes. Porter stated there will be four to five crews in town to help get this project completed in this short amount of time. Schwartz stated the reason they will be boring is because when you tear up a yard, by trenching, then you have to have that fixed and later in the year that is hard to do. Schwartz stated the open holes will be where they will need to do their tie-ins. Schwartz stated they will be working with the Public Works Department on a daily basis. Porter stated with the brick streets, they will take out the bricks and if the City wants to put the brick back; they like to work it that way so the brick gets put back the way the City wants it done. Porter stated the main area for this project will be south of 14<sup>th</sup> Street from east to west. Brandy Johnson stated one of the main reasons why Black Hills is doing this project is to improve the integrity of the system that is already here and to insure that we have the reliability that we need. Schwartz stated that Ryan Stapauls will be working with the Public Works Department on a daily basis making sure that Black Hills is getting the right communications out that they need to. Schwartz stated his telephone number, as well as Mick Porter's and Ryan Stapauls are listed in the information that they handed out this evening to the City Council; so if anyone needs to get ahold of them, call them. Schwartz stated if there is a concern or an issue; contact them so they can address it right away. Schwartz stated open communication is the best policy especially with a project like this; they want to take care of those issues before they become larger problems. Council member Brad Kuzelka stated you will be doing this project between September and December. Kuzelka asked if there will be interrupted service during that time. Schwartz stated yes there will be interrupted service. Schwartz stated when they interrupt service, they leave both mains live, the new main and the old main, so they will have gas until they are ready to do the switch over; they will have gas that evening if they cut it off that morning – they won't be without gas for a long period of time. Schwartz stated the issue they will have will be making contact with those customers that will be out of service, so that they can get back in as soon as they have gas back in the main – they realize that some people work and won't be home, so they will have someone that will be on call and ready to go to turn on the gas as soon as the customer is home; or if they can make arrangements somehow, they will meet them there to get the gas back on. Schwartz stated they will relight the pilots and make sure that everything is operating safely. Schwartz stated if they have to rip up sidewalks, etc. they will have to replace it to what it was before, or better. Schwartz stated they will be boring mains and boring services, but they have to have a tie-in there; they can only get their pipe in 500' rolls so they have to have the hole to do the connections. The holes could be approximately 8x8 or 6x8, one on each end of the block. Schwartz stated whatever they have to tear up, they replace. Schwartz stated they will put the concrete down for the streets, but the City likes to put the brick in so it gets done the way the City wants. Schwartz stated they will pay the City for their labor to replace the brick. Schwartz stated they appreciate the City working with Black Hills on this project; they will be communicating with Mayor Ward as well as the Public Works Department – they will try to make sure that everything runs smoothly; if there are issues they will address them right away. Schwartz stated the 4" pipe is hard to deal with when it gets cold, so they will be replacing the 4" pipe first – the 2" pipe they can handle in the cold a lot easier than they can the 4" pipe. Schwartz stated probably in September and October they will be

replacing the ones on the 4" main. Schwartz stated they are hoping to have this project completed before mid-December.

Polson moved to approve the recommendation from the Public Works Committee regarding the request from the Museum Board to block off Elm Street from 11<sup>th</sup> – 12<sup>th</sup> Street and 12<sup>th</sup> Street from Oak Street to A Street for a car show on September 21, 2014 from 8:00 a.m. to 5:00 p.m. Motion seconded by Bailey. Ben McBride Museum Board President invited everyone to attend the car show. On roll call, Polson, Bailey, Carmichael, Brown, Friesen, Kuzelka, and Davis voted "yes." Rogge absent. Motion carried.

Bailey moved to approve the Special Designated Liquor License application for the Bonham Theatre Project for a Fund Raiser event to be held at Stagecoach Mall Antiques and Tasting Room located at 508 E Street, Fairbury, Nebraska on January 31, 2015 from 4:00 p.m. to 12:00 a.m. Motion seconded by Carmichael. On roll call, Polson, Bailey, Carmichael, Brown, Friesen, Kuzelka, and Davis voted "yes." Rogge absent. Motion carried.

Polson moved to approve the Special Designated Liquor License application for Michael Murman, Glacial Till Vineyard & Winery, LLC for a Sampling/Tasting, on/off sale event to be held at Stagecoach Mall Antiques and Tasting Room located at 508 E Street, Fairbury, Nebraska on September 5, 2014 from 5:00 p.m. to 11:00 p.m. Motion seconded by Kuzelka. On roll call, Polson, Bailey, Carmichael, Brown, Friesen, Kuzelka, and Davis voted "yes." Rogge absent. Motion carried.

Mayor Ward read from the agenda "consider appropriation of funds from the City of Fairbury general fund to and for use by the City of Fairbury Community Redevelopment Authority ("CRA") to aid the CRA in any of its powers and functions". Friesen stated the Community Redevelopment Authority has made this request for funds to help the CRA pay their bills. Friesen stated the funds the CRA has from tax increment financing are not funds of the CRA to use – those funds are from specific TIF projects which are to be used for designated projects. Friesen stated the CRA needs funding that allows the CRA to maybe do some partnering with the clean-up of some areas to help with redevelopment, maybe some training opportunities and seminars that would be available to the CRA or to developers, pay their own attorney fees, some administrative costs, etc. Friesen stated the CRA's request is in the amount of \$15,000.00 annually that would be put in the General Fund. Friesen stated the \$15,000.00 will be a budget line item for the CRA to simplify keeping track of CRA expenditures. Friesen moved to approve funds from the General Fund in the amount of \$15,000.00 as a budget line item for use by the City of Fairbury Community Redevelopment Authority to aid the CRA in any of its powers and functions. Motion seconded by Bailey. On roll call, Polson, Bailey, Carmichael, Brown, Friesen, Kuzelka, and Davis voted "yes." Rogge absent. Motion carried.

Brown moved to approve the recommendation from the Personnel Committee to authorize Mayor Ward to sign the Collective Bargaining Agreement between the City of Fairbury and the International Union of Operating Engineers, Local 571 (IUOE) for the term of October 1, 2013 to September 30, 2016 and the attached Memorandum of Understanding. Motion seconded by Davis. Personnel Committee Chair Doug Brown

highlighted the IUOE contract: took over a year to negotiate, numerous meetings between the City and Union representatives, three year agreement from last October, for this past year until October 1, 2014, wage freeze; for future years, wage adjustments based on survey for Year 2 (October 1, 2014 to September 2015) and a 2% increase in Year 3; moving to a new eight step wage scale (currently 5 step), which is comparable to other cities in our array; vacation schedule adjusted downward starting next year with 2 year grandfather for those employed by City 25 years or more as of last October; new health insurance program, with reopeners each June to negotiate what the plans and contributions look like the following year; employees for the first time will begin contribution a percentage toward their individual health insurance premium; dental and vision insurance will still be available, but the employee is now responsible for the entire premium; payment of unused sick leave when an employee leaves employment with the City was tightened up and fixed; Severance Package provisions eliminated. On roll call, Polson, Bailey, Carmichael, Brown, Friesen, Kuzelka, and Davis voted "yes." Rogge absent. Motion carried.

Brown moved to approve the recommendation from the Personnel Committee to authorize Mayor Ward to sign the Collective Bargaining Agreement between the City of Fairbury and the Communications Workers of America (CWA) for the term of October 1, 2013 to September 30, 2016 and the attached Memorandum of Understanding. Motion seconded by Carmichael. Personnel Committee Chair Doug Brown highlighted the CWA contract which mirrors the IUOE contract with a few differences: took over a year to negotiate, numerous meetings between the City and Union representatives, three year agreement from last October, for this past year until October 1, 2014, wage freeze; for future years, wage adjustments based on survey for Year 2 (October 1, 2014 to September 2015) and a 2% increase in Year 3; moving to a new nine step wage scale (currently 5 step), which is comparable to other cities in our array; vacation schedule adjusted downward starting next year; new health insurance program, with reopeners each June to negotiate what the plans and contributions look like the following year; employees for the first time will begin contribution a percentage toward their individual health insurance premium; dental and vision insurance will still be available, but the employee is now responsible for the entire premium; payment of unused sick leave when an employee leaves employment with the City was tightened up and fixed; quarterly pager allowance is eliminated; Disbandment Pay eliminated. On roll call, Polson, Bailey, Carmichael, Brown, Friesen, Kuzelka, and Davis voted "yes." Rogge absent. Motion carried.

Bailey moved to adopt Resolution No. 952 obligating additional LB840 Local Option Sales Tax funds as a "public works grant" in the amount of \$24,422.26 for the City of Fairbury "E" Street (between 11<sup>th</sup> to 13<sup>th</sup> Street) Public Works Improvement Project #13-01. Motion seconded by Carmichael. On roll call, Polson, Bailey, Carmichael, Brown, Friesen, Kuzelka, and Davis voted "yes." Rogge absent. Motion carried.

Friesen moved to adopt Resolution No. 953 approving a Modification to the General Redevelopment Plan of the City of Fairbury, Nebraska and Plan for the Redevelopment Project regarding addition to existing Capri Motel by Randall Brown d/b/a The Capri Motel. Motion seconded by Bailey. On roll call, Polson, Bailey, Carmichael, Brown, Friesen, Kuzelka, and Davis voted "yes." Rogge absent. Motion carried.

Carmichael moved to adopt Resolution No. 954 approving a Modification to the General Redevelopment Plan of the City of Fairbury, Nebraska and Plan for the Redevelopment Project regarding construction of Residential Subdivision by Larry Schramm d/b/a Schramm Construction. Motion seconded by Davis. On roll call, Polson, Bailey, Carmichael, Brown, Friesen, Kuzelka, and Davis voted “yes.” Rogge absent. Motion carried.

Polson moved to adopt Resolution No. 955 designating a two hour parking stall and providing for the placement of appropriate signage for the second parking stall located north of 5<sup>th</sup> Street on the east side of E Street, within the municipality’s jurisdiction, and repealing any resolutions in conflict herewith. Motion seconded by Davis. On roll call, Polson, Bailey, Carmichael, Brown, Friesen, Kuzelka, and Davis voted “yes.” Rogge absent. Motion carried.

Mayor Ward read by title Ordinance No. 3041: AN ORDINANCE SETTING SALARIES FOR SUPERVISORS AND DEPARTMENT HEADS COVERED BY IUOE AGREEMENT; PROVIDING FOR THE EFFECTIVE DATE THEREOF; AND REPEALING CONFLICTING ORDINANCES. Brown moved to introduce and give 1<sup>st</sup> reading to Ordinance No. 3041. Motion seconded by Polson. On roll call, Polson, Bailey, Carmichael, Brown, Friesen, Kuzelka, and Davis voted “yes.” Rogge absent. Motion carried.

Mayor Ward read by title Ordinance No. 3042: AN ORDINANCE SETTING SALARIES FOR CITY POLICE DEPARTMENT EMPLOYEES COVERED BY CWA AGREEMENT; PROVIDING FOR THE EFFECTIVE DATE THEREOF; AND REPEALING CONFLICTING ORDINANCES. Brown moved to introduce and give 1<sup>st</sup> reading to Ordinance No. 3042. Motion seconded by Carmichael. On roll call, Polson, Bailey, Carmichael, Brown, Friesen, Kuzelka, and Davis voted “yes.” Rogge absent. Motion carried.

Davis moved to adjourn the meeting. Motion seconded by Kuzelka. On roll call, Polson, Bailey, Carmichael, Brown, Friesen, Kuzelka, and Davis voted “yes.” Rogge absent. Motion carried. Meeting adjourned at 8:40 p.m.

Homer L. Ward, Mayor

ATTEST: Sharyl Preston, City Clerk