

MINUTES OF THE BEATRICE CITY COUNCIL WORK SESSION

A work session of the Beatrice City Council was held on the 25th day of February, 2013 at the Sargent Room, Beatrice Public Library, 100 N 16th Street, Beatrice, Nebraska.

Attending: Mayor Schuster, Councilmembers: Carey, Catlin, Cook, Langdale, Moore, Parde, and Tiemann. Also present: City Administrator Tobias Tempelmeyer and City Attorney Gregory Butcher.

Absent: Councilmember: Fairbanks

Mayor Schuster announced that a copy of the Open Meetings Act is available in the meeting room and is accessible to members of the public.

CONSENT AGENDA

- a. Approve agenda as submitted.
- b. Receive and place on file all notices pertaining to this meeting
- c. Receive and place on file all materials having any bearing on this meeting.

Moved by Catlin, seconded by Langdale, that the items listed under the consent agenda be approved, accepted, and/or ratified as presented.

Roll Call: Yea: Carey, Catlin, Cook, Langdale, Moore, Parde, and Tiemann.

Nay: None

MOTION CARRIED.

DISCUSSION ITEMS

Airport Authority Bonds

Rob Schafer, counsel to the Airport Authority introduced members of the Airport Authority Board Stan Meyer and Gene Searcy as well as Airport Manager Diana Smith. A history of the current airport runway was given. The FAA has requested that due to the decay of the concrete underneath the asphalt overlay that both runways be replaced in 2014. This is a move up in the expected construction of this project from 2018. A few reasons for the early project date were discussed including low interest rates, rising construction costs, the availability of federal matching funds, and the potential for FFA regulations or closure of the airport. The project would be funded by a federal grant which would cover 90% of the costs while the airport authority would need to cover 10%. Thus, the Airport Authority has requested the city's permission to issue bonds to cover the costs of the 10% match for capital improvements totaling \$917,933.95 based on engineering estimates provided by Alfred Benesch & Company. The total bond payment with interest based on a 20 year term would be approximately \$1.36 million. Mayor Schuster inquired about the savings of a 10 year bond term. Estimates ranged between \$150,000 and \$195,000 over the life of the bonds. The Airport Authority has outstanding bonds totaling \$225,000 over the next four years. Their current mill levy is 2.57 cents base and 3.4 cents with the outstanding bond. The estimated levy would need to be raised to 4.1 cents to cover

a 20 bond term for this project and would likely rise to 6.0 cents to cover a 10 year term. The Mayor inquired about what would happen if the AAB did nothing? The general answer was that the FAA would shut down the airport at some indeterminate point. Councilman Moore inquired about other options including asphalt repairs. Councilman Tiemann inquired about the engineering costs associated with the project. The general timeline for the project was discussed and Mayor Schuster requested that the matter be brought to the Council at a future meeting for consideration.

NGage – Request for matching funds for REDLEG USDA Grant

Bill Demuth from NGage spoke about applying for a REDLEG USDA Grant. The request was to partner with Norris Public Power, the Village of Adams, Gage County and SENDD to put together \$60,000 to apply for the \$300,000 grant which would be used as a loan to Adams to create a community center/fire hall that would be paid back, thus establishing a revolving loan fund available to a five county area. The revolving loan fund would be available to communities with a population below 25,000 in those counties. The hope would be to get the revolving loan fund up to \$1.2 million. Bill explained that these funds are now becoming more preferable to rural communities because that are easier to access than CDBG Loan funds. Norris Public Power, as the applicant, would be the lead on loan fund distribution and administration. Norris Public Power has said they would waive the administration fees due in relation to the loan fund. The councilmembers relayed some concern for the anchoring project going to benefit Adams and not being a critical economic driver. Councilman Tiemann inquired about seeking these funds via Gage County or the City of Beatrice. The Beatrice Board of Public Works would be a potential candidate to request the funds. Bill thought that \$10,000 would be a good estimate for the City to contribute to needed \$60,000 needed to leverage the \$300,000 federal matching funds. No specific request to bring this matter before the council at a later date was made.

Possible Annexation Locations

City Administrator Tobias Tempelmeyer presented information, maps, and data regarding potential annexation property around the City of Beatrice. Should the City annex any of these properties it would be required to provide electric, water, and sewer service to the properties. Some properties are already served by some or all of these utilities while others could only be served with substantial capital improvements. Some properties are not taxable, such as BSDC and the County Fairgrounds. The councilmembers reviewed the documents and requested a list be trimmed down from the current 168 properties to a list of properties that would be more manageable and would be able to be annexed without significant costs associated with utility services. City Administration will put together a list for the Council's further consideration.

Policy to Declare a Contractor an Irresponsible Bidder

This item was request to be put on the work session agenda by Councilman Fairbanks. Due to his absence the Council requested that it be set for the new work session in March.

ADJOURNMENT

Moved by Catlin, seconded by Parde, that the meeting be adjourned at 8:44 p.m.

Roll Call: Yea: Carey, Catlin, Cook, Langdale, Moore, and Parde.
 Nay: Tiemann

MOTION CARRIED.

Dennis M. Schuster, Mayor

Attest:

Linda S. Koch, City Clerk