

## MINUTES OF THE SPECIAL CITY COUNCIL MEETING

A special meeting of the City Council was held on the 24<sup>th</sup> day of August, 2015 at 7:00 P.M. in the BPS Administration Meeting Room, 320 North 5<sup>th</sup> Street, Beatrice, Nebraska.

Mayor Wirth led those in attendance in the Pledge of Allegiance.

### ROLL CALL

Attending: Mayor Wirth, Councilmembers: Billesbach, Catlin, Clabaugh, Cook, Fairbanks, Kerr, Morgan, Parde

Absent: None

Mayor Wirth announced that a copy of the Open Meetings Act is posted 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.
- d. Approval of minutes of regular meeting on August 17, 2015, as on file in the City Clerk's Office.
- e. Approval of special designated license application of Main Street Beatrice for the Magic of Main Street fundraiser on September 25, 2015 from 5:00 p.m. to 12:00 a.m. at 105 North 6<sup>th</sup> Street, Beatrice, Nebraska.

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

Roll Call: Yea: Billesbach, Catlin, Clabaugh, Cook, Fairbanks, Kerr, Morgan, Parde

Nay: None

Abstain: Clabaugh – e

MOTION CARRIED.

### PUBLIC HEARINGS/BIDS

There were no public hearings/bids.

### ORDINANCES

There were no ordinances.

### RESOLUTIONS

There were no resolutions.

### PUBLIC FORUM

No one appeared at public forum.

## DISCUSSIONS/REPORTS

### Proposed Biennial Budget for FY2016 & FY2017

Tobias Tempelmeyer, City Administrator, gave a financial review for FY15 to the City Council. The Intergovernmental funds increased approximately \$170,000, due to the addition of Crete 911 dispatching services. There was also an increase of \$108,000 from FEMA, and a decrease of \$131,000, as there was no SEADE program in FY15. There was also an increase of approximately \$690,000 in the miscellaneous funds, \$650,000 of the proceeds was for the reimbursement from the insurance company for the lightning strike.

Some of the changes in expenses were due to the way personnel salaries are being funded; the Police Department added two (2) dispatchers with the addition of Crete; and the Public Properties Department will be carrying over funds as the mill and overlay of the park roads was delayed due to the flooding.

The Administration is estimating that the unrestricted cash balance will end up at about \$1.9 million at the end of FY15 and the auditor's recommendation is \$2.8 million or four (4) months of expenses.

On the Board of Public Works side, the Electric Department revenues are down compared to the budget; however this is largely due to the fact that NPPD was suggesting a five percent (5%) increase the second year and the rate increase ended up only being a one percent (1%) increase. The Electric Department cash reserves will end at approximately \$6.1 million dollars. Tempelmeyer noted they will look to reduce the cash reserves to \$5.4 million with the funding of the AMI system. The Water Department sales are down due to the wet spring and summer. On a good note, the expenses are down as well. Some of these changes have to do with the way the personnel wages and benefits are allocated when projects are done on the BPW side. The WPC Department shows their income is up, due to the infrastructure fee that was implemented. The capital projects are down as the pumps are being pushed into the next fiscal year. The Street Department had a good year, largely due to confirmation that the Hwy 77 project the City had budgeted \$645,000 for, will be funded by STP funds and will not require any additional funds. Their cash balance will end at approximately \$1.5 million.

Tempelmeyer noted that FY15 was an overall good year, other than the flood and lightning strike. Tempelmeyer then presented the proposed Biennial Budget for FY16 & FY17 to the City Council. Tempelmeyer noted Administration is proposing a \$0.01 property tax levy for FY16 and FY17. The intergovernmental funds will increase with the new 911 dispatch center and noted that the Victim Assistance program will be applying for additional grant funding. With these revenues, there will also be additional expenses so they will wash each other out.

Tempelmeyer noted that the reason for the increase of capital expenditures, is due largely because of the number of projects not completed this year due to the flooding and those projects being moved into next fiscal year. Councilman Morgan inquired if the expenses include both operating and capital expenses. Linda Koch, Finance Director, noted that on page eleven (11) of the budget book shows the breakdown of the expenses. Koch also noted that the Lodging Tax and Beatrice Plus funds are kept separate.

Councilman Kerr inquired if there was any funds budgeted for hiring a code enforcement officer on for the Building Inspections Department. Koch noted \$7,500 was budgeted for a part time employee to assist with all nuisances throughout the City.

The City is proposing a levy of \$0.03 for public safety debt for the purchase of three (3) police cruisers, a 911 ambulance, a fire training center, and 911 phone system. Lodging Tax will be used to fund the installation of two (2) new ballfields at Hannibal Park, as several teams had to be turned away due to lack of fields. Keno funds will be used for Skate Park improvements, as well as a trail from the Recycling Center south. Tempelmeyer noted that a Welcome Sign will be funded thru LB840. Tempelmeyer also noted that the City has to budget to spend all LB840 funds because those funds cannot be amended. If the funds are not all spent, they simply roll over to future years.

Councilman Morgan also inquired if the current schedule computer replacement of six and one-half (6 ½) years is an aggressive enough timeline. Tempelmeyer noted they have struggled to get better capital figures for this line item.

Tempelmeyer noted that the Electric Department is proposing a rate increase of 3.8% for FY2016 and an 8% rate increase for FY2017. The rate increase is based on not signing a contract with NPPD. There were no major changes in the operations. Capital projects include the Center Street building and installation of the AMI system.

The Water Department is proposing a rate increase in which the average residential customers will see an increase of approximately \$1.40 per month. There were no major changes in the operations for the Department. Capital projects for FY16 include the installation of the AMI system, the Center Street Building, and the reservoirs will be inspected. Councilman Fairbanks inquired if the increase would be on the base fee or consumption. Tempelmeyer noted that there is a small increase on both. Councilman Parde inquired if the \$150,000 split among the three (3) departments will allow enough storage to replace the current storage building located at 1<sup>st</sup> and Ella Street. Tempelmeyer noted the Superintendents believe it will be. Councilman Fairbanks inquired if they would be taking the concrete out also. Tempelmeyer noted they will look at it and decide, noting they would like to leave some concrete to be used for when companies come in to work on a street project and need someplace to park their equipment.

The WPC Department is proposing a rate increase that the average residential customer will see an increase of approximately \$3.00 per month. With the upcoming Plant improvements estimated to be a \$10 million dollar project, the Department has laid out the improvements that need to be made and have set out what improvements will be completed each year with cash on hand. Tempelmeyer noted all of the projects can be used on all future Plant changes. The Department is looking at the construction of the Plant to occur around 2021. By putting away the funds from the infrastructure for those projects, Administration is hopeful that in order to complete the improvements, the amount that will need to be bonded out will be \$6 million instead of \$10 million.

The Street Department had no changes in their operations. The new funding next year; STP program starts up again through the State. Capital improvements for FY16 will include bridge repairs at 2<sup>nd</sup> and Herbert Street; 2<sup>nd</sup> Street, Ella to Grant and 2<sup>nd</sup> Street, Court to Ella; and the Center Street Building. The Street Department cash reserves will be approximately \$500,000 dollars at the end of FY17.

### **Sidewalk Improvement District**

Mayor Wirth presented the proposed sidewalk improvement district plan to the City Council noting there are several sidewalks throughout the community that need repaired. The City would reimburse up to twenty-five percent (25%) of the cost of repairing the sidewalk, with a maximum

of \$15,000 reimbursed. The program would be funded out of the General Fund. The City would also provide a low interest loan to assist property owners. Councilman Parde noted he felt this is a good idea and the City tried to put together a similar program years ago. Councilman Fairbanks noted that the City has an ordinance in place requiring if there is curb and gutter along the street, the homeowner is required to put in a sidewalk. Fairbanks questioned the enforcement of the issue noting that the City does have an ordinance in place and it should be enforced. Councilman Cook inquired how much money would be put into the project. Mayor Wirth noted \$50,000 would be budgeted annually. Once the funds were distributed for the year, property owners would have to wait until the next year to request reimbursement.

### **Housing Program**

Tobias Tempelmeyer, City Administrator, noted that with speaking with several realtors in the City, there is a need for homes in the \$140-150,000 price range in our community. A committee consisting of Mayor Wirth, Councilman Clabaugh, and Tempelmeyer have met with two (2) different agencies regarding building this type of housing in Beatrice. The first agency is Prairie Gold Homes. In their program, they look for one (1) lot at a time. The City or another entity would provide the lot and the cost for building materials and Prairie Gold Homes would provide the labor. Upon completion of the house, the City or other entity would then own the house, sell the house, and retain any profits from the sale. The second agency is through Nebraska Investment Finance Authority (NIFA). NIFA looks at building multiple homes at one time and works with local general contractors.

Councilman Kerr inquired what the feeling of the local general contractors is. Councilman Clabaugh noted he spoke with them and they have no problem with this program as they do not build housing at this level because they do not make a large profit upon the sale. Councilman Kerr questioned if the local contractors do not build because there is not enough demand for this type of housing. Councilman Kerr also noted he does not want to get into a competition with the local contractors. Tempelmeyer noted there is a large demand for this type of housing when talking to the realtors in town. Councilman Fairbanks inquired if the lots were on unimproved streets if there would be a paving district created in order to improve the street. Tempelmeyer noted that the lots the agencies were looking at right now are not on unimproved streets.

### **ADJOURNMENT**

The next regular City Council meeting is Tuesday, September 8, 2015 at 7:00 p.m. in the Beatrice Public Schools Administration Building Meeting Room. There will be a Special Meeting on August 31, 2015 for budget review.

Moved by Catlin, seconded by Clabaugh, that the meeting be adjourned at 8:08 p.m.

Roll Call: Yea: Billesbach, Catlin, Clabaugh, Cook, Fairbanks, Kerr, Morgan, Parde  
Nay: None MOTION CARRIED.

**Erin Saathoff, City Clerk**

**Stan Wirth, Mayor**