

MINUTES OF THE REGULAR CITY COUNCIL MEETING

A regular meeting of the City Council was held on the 5th day of July, 2016 at 7:00 P.M. in the BPS Administration Meeting Room, 320 North 5th 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 June 20, 2016, as on file in the City Clerk's Office.
- e. Approval of minutes of work session meeting on June 27, 2016, as on file in the City Clerk's Office.
- f. Approval of Treasurer's Report of Claims:
 - f(1). Approval of Beatrice Humane Society claim in the amount of \$5,000.00.
 - f(2). Approval of Gage Area Growth-NGage claim in the amount of \$25,827.32.
 - f(3). Approval of the balance of Treasurer's Report of Claims in the amount of \$283,003.21.
- g. Approval of BASWA Report of Claims in the amount of \$10,908.89.
- h. Resolution Number 5925 entering into Agreement with JK Energy, as recommended by BPW.
- i. Resolution Number 5926 approving the Request for Waiver of Conflict of Interest from Baird Holm relating to the City's review and potential development of a natural gas fueled electricity generation facility in or near Beatrice, as recommended by BPW.
- j. Resolution Number 5927 entering into an Agreement with Hanna:Keelan Associates, P.C., for professional services to conduct a blight/substandard determination study and conduct a general redevelopment plan for Redevelopment Area #6.
- k. Approval of Change Order #2 increase in the amount of \$17,835.00 for the Hannibal Park Ballfield Improvements – 2016.
- l. Resolution Number 5928 appointing Gregory Kratz to the Community Redevelopment Authority.
- m. Resolution Number 5929 executing the Consulting Services Agreement Amendment No. 1 with Mountain West Series of Lockton Companies, LLC.
- n. Award bid from R.L. Tiemann Construction, Inc. in the amount of \$87,322.72 for the Miscellaneous Concrete Repairs – 2016.

- o. Approval of public funding request from Main Street Beatrice in the amount of \$461.58 for the Downtown Sidewalk Sales event.
- p. Approval of public funding request from Gage County Tourism in the amount of \$368.75 for the Trail of Treasures event.

Moved by Catlin, seconded by Morgan, 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 MOTION CARRIED.

PUBLIC HEARINGS/BIDS

Public Hearing on the rezoning of Lot 8, Northgate Crossing First Addition to the City of Beatrice, from GC “General Commercial” to LI “Light Industrial”.

Mayor Wirth announced that a public hearing will now be held on the rezoning of Lot 8, Northgate Crossing First Addition to the City of Beatrice, from GC “General Commercial” to LI “Light Industrial”.

Greg Butcher, City Attorney, noted the City received a proposal for the redevelopment of property located near Hickory Road which is owned by Northgate, for the Rare Earth project, that would upsize their process at their current location. Butcher noted City Administration worked with the Developer to agree upon the most appropriate zoning, which was determined to be Light Industrial (LI). The application was submitted to the Planning and Zoning Commission in June 2016 and it is the recommendation of the Commission to rezone the entire Lot 8 as it exists to LI. Councilman Parde inquired if this is this the only LI zoning in the area and Butcher noted it is. Councilman Parde then inquired if this was spot zoning which the City has been trying to get rid of. Butcher noted while it could be considered spot zoning, these transitions go from General Commercial to Light Industrial and the City feels comfortable with it being zoned this way. Councilman Fairbanks inquired why this would not fit into General Commercial zoning. Butcher noted this is more of a laboratory setting and it was felt this is a close proximity to what they will be doing.

Moved by Catlin, seconded by Cook, that the public hearing be closed at 7:13 p.m.

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

Public Hearing on the purpose of considering adoption of Plan Modification “P” to the Redevelopment Plan for Redevelopment Area Plan No. 1. **Postponed Until Further Notice******

Tobias Tempelmeyer, City Administrator, noted Plan Modification “P” is in regards to the hatchery and Administration is still working with the County and Hendrix Genetics on final figures, therefore the Public Hearing will be postponed until a later date.

Public Hearing for the purpose of considering adoption of Plan Modification “Q” to the Redevelopment Plan for Redevelopment Area Plan No. 5.

Mayor Wirth announced that a public hearing will now be held for the purpose of considering adoption of Plan Modification “Q” to the Redevelopment Plan for Redevelopment Area Plan No. 5.

Greg Butcher, City Attorney, noted the City received an application from Northgate Campus One, LLC for the development of Northgate Crossing Second Addition north of the Beatrice Community Hospital. The proposed project is a two (2) phase project with the first (1st) phase being to design and build a building that will be used for 85% lab space and 15% other use. Butcher noted the Developer would like to use TIF financing in order to help pay for the infrastructure for the area.

Derek Zimmerman, of Baylor Evnen Law Firm, on behalf of Northgate Campus One LLC, was present to explain reasons the Developer is seeking the go ahead for TIF financing. Zimmerman noted the Developer will prepare the land, construct public infrastructure, and construct a building for Rare Earth Salts. The total estimate the Developer is seeking for the site prep and installation of infrastructure is \$963,000.00. Zimmerman noted that the expenses are not coming out of the general fund budget and if the developer does not complete or submit the invoices for the infrastructure, the developer does not get refunded for those expenses. Zimmerman further noted that if there is a shortfall in the real estate, the Developer bears that risk, not the City, and asked the City Council to support the project.

Butcher noted this project was referred to the Planning and Zoning Commission by the Community Redevelopment Authority (CRA) in June to ensure the plan was within the City’s Comprehensive Plan, and it was found to be in conformity with the Comprehensive Plan, as well as the Redevelopment Plan. The CRA also undertook a cost benefit analysis last Friday for the project and it was approved unanimously. Butcher noted both Committees recommended approval of the project. Councilman Morgan noted he has watched Rare Earth grow and believes there is potential with this project.

Councilman Fairbanks inquired who Northgate Campus One, LLC is. Zimmerman noted that the single member of the LLC is Ayars & Ayars, Inc. Councilman Fairbanks inquired if the Developer would still be interested if TIF financing was not available. Zimmerman noted the Developer would not be interested without the help of TIF financing.

Councilman Fairbanks expressed his concern with the project noting he is not a big fan of Rare Earth and he does not feel he has had adequate time to review the project. Councilman Clabaugh noted there is an entirely different leadership involved and he is more than willing to give them a chance.

Walker Zulkoski, NGage Executive Director, noted that while he has only been in Beatrice for a couple of months, however Rare Earth has had some exciting things happening during this time. Zulkoski noted this is a company that is still here and looking to grow, further noting NGage is supportive of this project.

Butcher noted that Northgate Campus One, LLC, would be extending all infrastructure for both Lots One (1) and Two (2). Rare Earth will be located on Lot Two (2) and Lot One (1) will be a build ready lot.

Moved by Catlin, seconded by Morgan, that the public hearing be closed at 7:37 p.m.

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

RESOLUTION

Resolution Number 5930 adopting Plan Modification “Q” to the Redevelopment Plan for Redevelopment Area Plan No.5.

Mayor Wirth introduced Resolution Number 5930 adopting Plan Modification “Q” to the Redevelopment Plan for Redevelopment Area Plan No.5.

Moved by Catlin, seconded by Cook, that Resolution Number 5930 be passed and adopted.

Greg Butcher, City Attorney, noted this resolution will adopt Plan Modification “Q” and give the CRA authority to finalize the agreements with Rare Earth Salts.

Roll Call: Yea: Billesbach, Catlin, Clabaugh, Cook, Fairbanks, Morgan, Parde
Nay: Kerr MOTION CARRIED.

Resolution Number 5930 has been passed and adopted.

Resolution Number 5931 authorizing and approving the issuance by BASWA of Solid Waste Disposal Facilities Revenue Refunding Bonds, Series 2016.

Mayor Wirth introduced Resolution Number 5931 authorizing and approving the issuance by BASWA of Solid Waste Disposal Facilities Revenue Refunding Bonds, Series 2016.

Moved by Catlin, seconded by Clabaugh, that Resolution Number 5931 be passed and adopted.

Tobias Tempelmeyer, City Administrator, noted discussion was held at the BASWA meeting earlier this evening in regards to calling the 2011 Series Bonds to refinance at a lower interest rate in order to save the City approximately \$78,000.00.

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

Resolution Number 5931 has been passed and approved.

Resolution Number 5932 executing the Third Addendum to the Service Agreement between the City of Beatrice and the Beatrice Area Solid Waste Agency.

Mayor Wirth introduced Resolution Number 5932 executing the Third Addendum to the Service Agreement between the City of Beatrice and the Beatrice Area Solid Waste Agency.

Moved by Catlin, seconded by Kerr, that Resolution Number 5932 be passed and adopted.

Tobias Tempelmeyer, City Administrator, noted BASWA approved the Third Addendum to the Service Agreement earlier this evening and the County Board will vote on it at their meeting tomorrow morning.

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

Resolution Number 5932 has been passed and adopted.

ORDINANCES

Ordinance to amend the Zoning Map for the City of Beatrice, Nebraska by changing the zoning of Lot Eight (8), Northgate Crossing First Addition to the City of Beatrice, Gage County, Nebraska, from “GC” General Commercial to “LI” Light Industrial.

Mayor Wirth introduced an ordinance to amend the Zoning Map for the City of Beatrice, Nebraska by changing the zoning of Lot Eight (8), Northgate Crossing First Addition to the City of Beatrice, Gage County, Nebraska, from “GC” General Commercial to “LI” Light Industrial.

Moved by Catlin, seconded by Cook, that said ordinance be given number 16-027 the title thereof be approved, the rules be suspended and said ordinance be read by number only three (3) times tonight.

Roll Call: Yea: Billesbach, Catlin, Clabaugh, Cook, Fairbanks, Morgan, Parde
Nay: Kerr MOTION CARRIED.

Mayor Wirth read Ordinance Number 16-027 by number only the first, second, and third time.

Moved by Catlin, seconded by Billesbach, that Ordinance Number 16-027 be passed and approved.

Roll Call: Yea: Billesbach, Catlin, Clabaugh, Cook, Fairbanks, Morgan, Parde
Nay: Kerr MOTION CARRIED.

Ordinance Number 16-027 has been passed and approved.

Ordinance vacating a portion of Lots 4 and 5, R.B. Harrington’s Subdivision.

Mayor Wirth introduced an ordinance vacating a portion of Lots 4 and 5, R.B. Harrington’s Subdivision.

Moved by Catlin, seconded by Clabaugh, that said ordinance be given number 16-028 the title thereof be approved, the rules be suspended and said ordinance be read by number only three (3) times tonight.

Roll Call: Yea: Billesbach, Catlin, Clabaugh, Cook, Fairbanks, Morgan, Parde
Nay: Kerr MOTION CARRIED.

Mayor Wirth read Ordinance Number 16-028 by number only the first, second, and third time.

Moved by Catlin, seconded by Billesbach, that Ordinance Number 16-028 be passed and approved.

Greg Butcher, City Attorney, noted the vacation of these lots was brought to the City by Nick and Vicki Huston for their property located on West Court Street. The old school house building that sits on the lot will be sold to a new owner who plans to retain the building to be used for PTSD veteran services. The Huston’s own the property to the north of said property and plan retain that property at this time.

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

Ordinance Number 16-028 has been passed and approved.

Ordinance approving the plat of Huston’s Second Addition, City of Beatrice, Gage County, Nebraska.

Mayor Wirth introduced an ordinance approving the plat of Huston’s Second Addition, City of Beatrice, Gage County, Nebraska.

Moved by Catlin, seconded by Parde, that said ordinance be given number 16-029 the title thereof be approved, the rules be suspended and said ordinance be read by number only three (3) times tonight.

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

Mayor Wirth read Ordinance Number 16-029 by number only the first, second, and third time.

Moved by Catlin, seconded by Parde, that Ordinance Number 16-029 be passed and approved.

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

Ordinance Number 16-029 has been passed and approved.

Ordinance vacating Lot 8, Northgate Crossing First Addition to the City of Beatrice, Gage County, Nebraska.

Mayor Wirth introduced an ordinance vacating Lot 8, Northgate Crossing First Addition to the City of Beatrice, Gage County, Nebraska.

Moved by Catlin, seconded by Billesbach, that said ordinance be given number 16-030 the title thereof be approved, the rules be suspended and said ordinance be read by number only three (3) times tonight.

Roll Call: Yea: Billesbach, Catlin, Clabaugh, Cook, Fairbanks, Morgan, Parde
Nay: Kerr MOTION CARRIED.

Mayor Wirth read Ordinance Number 16-030 by number only the first, second, and third time.

Moved by Catlin, seconded by Parde, that Ordinance Number 16-030 be passed and approved.

Greg Butcher, City Attorney, noted this ordinance is for the vacation of the lot that will contain the Rare Earth development.

Roll Call: Yea: Billesbach, Catlin, Clabaugh, Cook, Fairbanks, Morgan, Parde
Nay: Kerr MOTION CARRIED.

Ordinance Number 16-030 has been passed and approved.

Ordinance approving the plat of Northgate Crossing Second Addition to the City of Beatrice, Gage County, Nebraska.

Mayor Wirth introduced an ordinance approving the plat of Northgate Crossing Second Addition to the City of Beatrice, Gage County, Nebraska.

Moved by Catlin, seconded by Billesbach, that said ordinance be given number 16-031 the title thereof be approved, the rules be suspended and said ordinance be read by number only three (3) times tonight.

Roll Call: Yea: Billesbach, Catlin, Clabaugh, Cook, Fairbanks, Morgan, Parde
Nay: Kerr MOTION CARRIED.

Mayor Wirth read Ordinance Number 16-031 by number only the first, second, and third time.

Moved by Catlin, seconded by Parde, that Ordinance Number 16-031 be passed and approved.

Roll Call: Yea: Billesbach, Catlin, Clabaugh, Cook, Fairbanks, Morgan, Parde
Nay: Kerr MOTION CARRIED.

Ordinance Number 16-031 has been passed and approved.

Ordinance amending Section 2-384 of the Beatrice City Code regarding the establishment of a formal purchasing and procurement procedure for the City of Beatrice.

Mayor Wirth introduced an ordinance amending Section 2-384 of the Beatrice City Code regarding the establishment of a formal purchasing and procurement procedure for the City of Beatrice.

Moved by Catlin, seconded by Billesbach, that said ordinance be given number 16-032 the title thereof be approved, the rules be suspended and said ordinance be read by number only three (3) times tonight.

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

Mayor Wirth read Ordinance Number 16-032 by number only the first, second, and third time.

Moved by Catlin, seconded by Parde, that Ordinance Number 16-032 be passed and approved.

Tobias Tempelmeyer, City Administrator, noted the proposed ordinance would revise the purchasing policy to include using purchasing groups to obtain discounts and other political subdivision's bids in order to obtain a lower price.

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

Ordinance Number 16-032 has been passed and approved.

PUBLIC FORUM

No one appeared at public forum.

DISCUSSIONS/REPORTS

Bluestem Presentation

Adam Herink, Matt Robinette, and David Reed, with Bluestem Energy Solutions, presented three (3) different options to produce the capacity needed by the City through local generation of renewable energy.

Herink noted the first option is a Beatrice Solar Garden. It would produce 2.1 million kilowatts and would be connected to our distribution system. Hernick noted that at this time they are not convinced this is the best option based on the prices received from the RFP and will they will continue to research the solar option.

The second option is the Beatrice Wind Facility. This option would produce approximately 2.2 million kilowatts with one (1) turbine. Hernick noted with the recent changes made by the Gage County Board regarding wind regulations, they will likely bring back a proposal and recommendation for this option. Councilman Kerr inquired how much capacity this option would produce. Hernick noted it was produce approximately two (2) megawatts. Tobias Tempelmeyer, City Administrator, noted the current contract with Nebraska Public Power District (NPPD) limits the amount of renewable energy the City can produce locally.

The third option is the Beatrice Municipal Power House. When the City of Beatrice joins the Southwest Power Pool (SWPP), the City will be required to prove they have generating capacity of approximately 40 megawatt load. Hernick noted this plant would run and participate in the open market. The plant would be interconnected into the City's transmission system and would be a guaranteed price for twenty (20) years. The creation of a natural gas plant would create up to eight (8) local jobs and Bluestem would own and operate the plant at no cost to the City. This type of plant would be able to be fired up within ten (10) minutes from a cold start. By creating this local generation, fifty-three percent (53%) of the dollars spent could be retained locally, rather than leaving the community.

Tempelmeyer noted the City will be receiving its energy from AEP and would look at this option to serve the capacity needs. Councilman Kerr inquired where the plant would be located. Herink noted the plant would take approximately six (6) acres and there is land available in the Industrial Park. Tempelmeyer noted that when they toured the plant in Kansas, it was not loud or noisy and would have little to no impact on neighbors.

Tempelmeyer noted the City has received a Memorandum of Understanding (MOU) from Bluestem and Administration is currently reviewing it to be brought to the City Council at a future meeting.

John Carrel, 23905 SW 32nd Road, inquired how Bluestem can guarantee the price for twenty (20) years since it would be based on natural gas prices. Herink noted that the price is based on purchasing capacity as compared to the energy, and that is why they can lock in the rate for the term of the contract.

ADJOURNMENT

The next regular Council meeting is July 18, 2016 at 7:00 p.m. in the BPS Admin Bldg Meeting Room. There will be a Work Session on July 25, 2016 at 7:00 p.m. in the BPS Admin Bldg Meeting Room.

Moved by Catlin, seconded by Parde, that the meeting be adjourned at 8:32 p.m.

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

Erin Saathoff, City Clerk

Stan Wirth, Mayor