

September 6, 2012

ALLIANCE CITY COUNCIL

REGULAR MEETING, THURSDAY, SEPTEMBER 6, 2012

STATE OF NEBRASKA)
)
COUNTY OF BOX BUTTE) §
)
CITY OF ALLIANCE)

The Alliance City Council met in a Regular Meeting, September 6, 2012 at 7:00 p.m. in the Board of Education Meeting Room, 1604 Sweetwater Avenue. A notice of meeting was published in the Alliance Times Herald on August 30, 2012. The notice stated the date, hour and place of the meeting, that the meeting was open to the public, and that an agenda of the meeting, kept continuously current, was available for public inspection at the office of the City Clerk in City Hall; provided the Council could modify the agenda at the meeting if it determined an emergency so required. A similar notice, together with a copy of the agenda, also had been delivered to each of the City Council Members. An agenda, kept continuously current, was available for public inspection at the office of the City Clerk during regular business hours from the publication of the notice to the time of the meeting.

Mayor Feldges opened the September 6, 2012 Regular Meeting of the Alliance, Nebraska City Council at 7:00 p.m. Present were Mayor Feldges, Council Members Benzel, Lewis, Yeager and Seiler. Also present were City Manager Cox, City Attorney Olsen, and City Clerk Jines.

- Mayor Feldges read the Open Meetings Act Announcement.
- The first item on Council's agenda was the introduction of Serena Kubo our new Library Page and Joan Ryan the new Culture and Leisure Services Administrative Secretary.
- The second item on Council's agenda was the Consent Calendar. Councilman Benzel made a motion, which was seconded by Councilman Lewis to approve the Consent Calendar which follows in its entirety:

CONSENT CALENDAR – SEPTEMBER 6, 2012

1. Approval: Minutes of the Regular Meeting, August 21, 2012.
2. Approval: Payroll and Employer Taxes for the period August 4, 2012 through August 17, 2012 inclusive: \$171,929.90 and \$12,215.36 respectively.

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3. Approval: Claims against the following funds for the period August 17, 2012 through August 30, 2012: General, General Debt Service, Trust and Agency, Street, Electric, Refuse Collection and Disposal, Sanitary Sewer, Water, Golf Course, Downtown Improvement Districts, R.S.V.P., Keno, and Capital Improvement; \$391,627.02.
4. Approval: The *Request for Reserved or Exclusive Use of City Streets* by the Good Samaritan Society for the closure of 6th Street between Boyd Avenue and Lane 1 to conduct their annual village picnic. The event will be held on Thursday, September 13, 2012 with the closure taking place between 9:00 a.m. and 3:00 p.m. An emergency lane will need to be maintained for the sole use of emergency vehicles should it be necessary. A Certificate of Insurance has been provided as required by the City under the low hazard level of risk.
5. Approval: The *Request for Reserved or Exclusive Use of City Streets* by the Alliance Chamber of Commerce for their second annual Fall Festival which will take place on Saturday, October 13, 2012 between 7:00 a.m. and 5:00 p.m. the Chamber is requesting the use of the parking lot at 4th Street and Niobrara Avenue, and the 300 and 400 block of Box Butte Avenue. Approval will be contingent upon receiving a Certificate of Insurance naming the City of Alliance as an additional insured as required by the City under the medium hazard level of risk.
6. Approval: Authorizing the Mayor to sign a Substitution of Trustee and Request for Reconveyance concerning a Deed of Trust given by Vitalix, Inc. to the City in connection with a prior LB840 Loan.
7. Approval: Acknowledgement of a correction made to Resolution No. 12-73 which granted approval to write off \$326,237.75 in uncollected charges for the purpose of complying with normal accounting principles. The total authorized amount remains unchanged; however, the amount listed for Misc. Accounts Receivable should have been listed as \$10,456.19 instead of \$8,005.14.

NOTE: City Manager Cox has reviewed these expenditures and to the best of his knowledge confirms that they are within budgeted appropriations to this point in the fiscal year.

Roll call vote with the following results:

Voting Aye: Benzel, Lewis, Feldges, Seiler, Yeager.

Voting Nay: None.

Motion carried.

- The first reading of Ordinance No. 2713 was the next item before Council. This Ordinance will increase the City's sewer rates an additional 1% and provide for an automatic 1% annual adjustment. City Manager Cox provided the following background information:

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[Last year, Council approved a provision for an annual 1% increase for Water, Solid Waste and Electric utilities. This year during our budget workshops, the matter of the 1% was addressed concerning Sewer Utility. Per those conversations, the proposed FY2012-2013 budget includes this 1% increase in the projected revenues.

Following is a summary of the current rates and the first year's 1% increase:

Urban (inside City limits) Customer Charge	\$3.25 per month	\$3.28 per month
Suburban (outside City limits) Customer Charge	\$3.58 per month	\$3.62 per month
Sewer Use Charge – Urban (per 100 ft ³ water)	\$0.924	\$0.933
Sewer Use Charge – Suburban (per 100 ft ³ water)	\$1.017	\$1.027

The measure puts into place effective October 1, 2013, an automatic 1% increase in Sewer Customer Charges and Sewer Use Charges.

For the aforementioned reasons, this Ordinance is submitted for consideration.]

Motion by Councilman Benzel, seconded by Councilman Seiler to approve the first reading of Ordinance No. 2713. City Clerk Jines read the Ordinance by title which follows in its entirety:

ORDINANCE NO. 2713

AN ORDINANCE OF THE CITY OF ALLIANCE, NEBRASKA AMENDING THE ALLIANCE MUNICIPAL CODE AT SECTION 4-504 REGARDING SEWER USE RATES, AND REPEALING EXISTING PROVISIONS OF CITY CODE NOT CONSISTENT HEREWITH.

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF ALLIANCE, NEBRASKA:

SECTION 1. The City of Alliance owns and operates a municipal sanitary sewer system.

SECTION 2. The City Code provides that for the use of the A.M.S.S. (Alliance Municipal Sewer System) each user shall pay a monthly charge which shall be computed and based upon the users contribution of sewage to A.M.S.S., as set by the City Council.

SECTION 3. Sewer use rates were most recently increased in 2007.

SECTION 4. City Staff recommends an increase of customer charge and sewer use charge rates.

SECTION 5. The Alliance Municipal Code, Chapter 4, Section 504, is hereby amended to provide as follows:

4-504. RATE SCHEDULE

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The total sewer use charges shall consist of two (2) components: a Customer Charge and the Sewer Use Charge; whichever is greater:

1. Customer Charge

- a. Urban..... \$3.28 per month
Each residential, commercial and industrial user connected to the sewer system within the corporate limits of the City of Alliance, Nebraska.
- b. Suburban \$3.62 per month
Each residential, commercial and industrial user connected to the sewer system outside of the corporate limits of the City of Alliance, Nebraska.
- c. Multiple Dwelling Units, Commercial Users, and Mobile Home Courts or Camps
 - (1) For multiple dwelling units or commercial users served jointly by a single meter, the charge shall be \$3.28 (Urban) or \$3.62 (Suburban) times the number of units served by said meter or the Sewer Use Charge, whichever is greater. For mobile home courts or camps, served jointly by a single meter, the charge shall be \$3.28 (Urban) or \$3.62 (Suburban) times the number of units deemed to be the capacity of the court or the Sewer Use Charge, whichever is greater.
 - (2) A dwelling unit shall, for the purposes of this schedule, be defined as a room or rooms in which kitchen facilities are provided, located in the building or structure used by a family as a home or residence of the family.

2. Sewer Use Charge

- a. Urban.....\$0.933 per 100 cubic feet of water used per month
- b. Suburban\$1.027 per 100 cubic feet of water used per month

Customers that do not have an established sewer use charge will be charged the average sewer charge of other like users.

3. Sanitary Sewer Tap Fee

In order to recover labor and materials for tapping of lines, a tap fee in the amount of \$200.00 shall be charged at the time the City main is tapped.

Tap fees for lines greater than 4 inches will increase at \$50.00 per inch.

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4. Minimum Charge per Month

- a. Regardless of how little water is used, there shall be a minimum Sewer Use Charge per month to each user of A.M.S.S., determined by the cost incurred in billing each sewer user, this Minimum Charge per Month is the Customer Charge.
- b. In the case when water service cannot be disconnected by customer request because of an inoperable or broken water curb stop, the minimum Sewer Use charge will be billed to the property owner. Billings continue until repair or replacement of the curb stop is made, the Utility Customer Service Office is notified of the remedy and the disconnection of water service has been accomplished. The Superintendent is directed to provide timely notice to the property owner of the condition that will lead to the minimum billing.

5. Customers Not Connected to A.M.W.S.

The Sewer Use Charge per month for users connected to A.M.S.S. but not connected to A.M.W.S. shall be the average charge of other like users.

6. Exception to Standard Calculation Methods.

- a. When customers change at a given location and A.M.S.S. determines that to compute the Sewer Use Charge for a billing period upon the amount of water used by a customer would be inequitable to the City or the user, an average charge of other like users may be used.
- b. If a customer can demonstrate to A.M.S.S. that a substantial portion of water consumed does not contribute to the sanitary sewer system then that water may be excluded from the Sewer Use Charge Calculation.

Generally, water contributing to the sanitary sewer is metered by the customer separately from other water uses. The configuration must be approved by A.M.S.S. before installation.

All meters must conform to the standard found at 4-505 of the City Code, and may be tested by A.M.S.S. if deemed necessary, at the customer's cost. It shall be the customer's responsibility, or the owner's responsibility, if the owner is not also the customer, to maintain the meter in good repair and safe working order.

7. Inspection Charge

As agreed to prior to issuance of permit.

8. Annual Rate Adjustment

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Commencing October 1, 2013 and annually thereafter all sewer customer charges and sewer use rates shall be automatically increased by one percent (1%) for all customers.

SECTION 6. The new rates shall become effective at the next billing cycle following the effective date of this ordinance.

SECTION 7. That current applicable City Codes of the City of Alliance, Nebraska, and all other ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 8. This ordinance shall be in full force and effect from and after its approval, passage, and publication according to law.

Roll call vote on Ordinance No. 2713 with the following results:

Voting Aye: Seiler, Yeager, Benzal, Lewis, Feldges.

Voting Nay: None.

Motion carried.

- A Public Hearing was conducted for Resolution No. 12-75 which will approve the property tax request. City Manager Cox provided the following background information:

[Following a hearing for public input on the proposed property tax levy, the resolution in your packet is scheduled to be considered. Per budget amendment action taken at the previous Council meeting, the City of Alliance has determined to lower the mill levy from \$0.383870 to \$0.379790, which corresponds to \$1.431 million. Also, enclosed for Council's review is the Box Butte County Assessor's determination of taxable value which has been set at \$376,786,766 which is an approximate increase of 4.35% over last year's \$361,080,370.00. This resolution will set the mill levy.]

Mayor Feldges stated "now is the date, time, and place to conduct a Public Hearing to hear support, oppositions, criticism, suggestions, or observations of the taxpayers relating to the proposed 2012-13 Annual budget."

The Public Hearing opened at 7:15 p.m., hearing no testimony the Public Hearing was closed at 7:16 p.m.

A motion was made by Councilman Lewis, seconded by Councilman Seiler to approve Resolution No. 12-75 which follows in its entirety:

RESOLUTION NO. 12-75

WHEREAS, Nebraska Revised Statute 77-1601.02 provides that the property tax request for the prior year shall be the property tax request for the current year for purposes of the levy set

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by the County Board of Equalization unless the City of Alliance passes by a majority vote a resolution or ordinance setting the tax request at a different amount; and

WHEREAS, A special public hearing was held as required by law to hear and consider comments concerning the property tax request; and

WHEREAS, It is in the best interests of the City of Alliance that the property tax request for the current year be a different amount than the property tax request for the prior year.

NOW, THEREFORE BE IT RESOLVED, By the Mayor and Council of the City of Alliance, Nebraska, that the Council, by a majority vote, set the 2012 tax year request at \$1,431,000.00 and the City Clerk is hereby authorized and directed forthwith to forward a certified copy of this resolution to the County Clerk of Box Butte County, to allow Box Butte County Board of Equalization to levy the necessary taxes on or before October 15, 2012 and set the appropriate levy.

Roll call vote on Resolution No. 12-75 with the following results:

Voting Aye: Seiler, Yeager, Benzel, Lewis, Feldges.

Voting Nay: None.

Motion carried.

- Ordinance No. 2714 was the next agenda item for Council's considerations. This ordinance will allow the City of Alliance with a 75% affirmative vote by Council to exceed the Allowable Growth and Basic Allowable Growth for the 2012-2013 Fiscal Year Budget by 1%. City Manager Cox provided the following background information:

[This ordinance will allow the City of Alliance with a 75% affirmative vote by Council, to exceed the Allowable Growth and Basic Allowable Growth for the 2012-2013 Fiscal Year Budget by 1%. This does not increase the new Fiscal Budget, but instead allows us to increase the unused budget authority for use in future years.

Staff is recommending Council waive three readings of this ordinance.]

A motion was made by Councilman Lewis, seconded by Councilman Benzel to approve the first reading of Ordinance No. 2714. City Clerk Jines read the Ordinance by title which follows in its entirety:

ORDINANCE NO. 2714

AN ORDINANCE ALLOWING FOR EXCEEDING THE ALLOWABLE GROWTH AND BASIC ALLOWABLE GROWTH LIMITS FOR THE 2012-2013 FISCAL YEAR BY ONE PERCENT OF BUDGETED RESTRICTED FUNDS, AND CORRECTING THE ADOPTED BUDGET STATEMENT AND ACCOMPANYING FORMS.

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BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF ALLIANCE, NEBRASKA:

SECTION 1. Governmental units are authorized pursuant to State law at Chapter 13, Section 519, to exceed the Allowable Growth (§13-518(1)) and the Basic Allowable Growth (§77-3446) for budgeted restricted funds authority up to an additional one percent, by affirmative vote of the City Council of at least 75%.

SECTION 2. The City Council finds that such limit as provided by Section 13-519 (a) and (b) should be exceeded by one percent.

SECTION 3. An affirmative vote of at least 75% in favor of this increase is hereby cast.

SECTION 4. Section 13-511 allows correction of an adopted budget statement for clerical, mathematical, and accounting errors, which correction does not affect the total amount budgeted by more than one percent or increase the amount required from property taxes. The one percent limit increase is calculated into the current budget statement; however the unused budget authority amount is in need of modification.

SECTION 5. The “total restricted funds authority” with the additional 1% is \$5,721,334.73 and the resulting “unused budget authority” in the adopted budget ordinance is hereby amended to the amount of \$178,634.73.

SECTION 6. Those portions of the existing budget ordinance for 2012-2013 are amended accordingly.

SECTION 7. The City Treasurer is authorized to make appropriate changes in the submitted forms for computation of the limit for fiscal year 2012-2013, and transmit those changes to the State Auditor’s office.

SECTION 8. This ordinance shall be in full force and effect from and after its approval, passage, and publication according to law.

Motion by Councilman Lewis, seconded by Councilman Benzel to waive the statutory rule requiring three separate readings on different dates be suspended for Ordinance No. 2714.

Roll call vote on waiving three readings on Ordinance No. 2714 with the following results:

Voting Aye: Seiler, Yeager, Benzel, Lewis, Feldges.

Voting Nay: None.

Motion carried.

Roll call vote on Ordinance No. 2714 on final reading with the following results:

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Voting Aye: Seiler, Yeager, Benzel, Lewis, Feldges.

Voting Nay: None.

The Mayor stated “the passage and adoption of Ordinance No. 2714 having been concurred by a majority of all members elected to the Council, I declare it passed, adopted, an order it published.”

- The final reading of Ordinance No. 2709 which will adopt the proposed 2012-2013 Budget, was the next matter before Council. City Manger Cox provided the following background information:

[This will be the third and final reading of the FY2013 Budget. At the second reading, six amendments were approved by Council. We have received a request from Electric Superintendent Larry Heinrich, to carryover funds from current year into the next fiscal year for projects not quite completed. Those two requests include \$50,000 for SCADA System improvements (which we will discuss later in the meeting under a separate agenda item), and \$300,000 (\$139,000 for material ordered but not yet received and/or paid for, \$25,000 for removal of Outside Switchgear, and \$136,000 to install new Outside Switchgear) to carryover for substation improvements. Note: that the 2011-2012 Budgets for these two items were \$80,000 and \$1.1M, respectively. In other words and for clarification, neither of these two requests represents new funding, but instead is a carryover of budget authority for those portions of these two projects that will not be completed and paid for in the current fiscal year.

Therefore, prior to approval of the final reading, staff would request consideration of these two budget amendments. Please note that although we would prefer to have had these amendments identified and acted upon on earlier in the process, it is better to project these carryovers now, rather than after the budget is approved and put into place.]

A motion was made by Councilman Yeager, seconded by Councilman Lewis to approve the final reading of Ordinance No. 2709. City Clerk Jines read the Ordinance by title.

A motion was made by Councilman Benzel to amend the Ordinance to include (1) \$50,000 for Electric SCADA upgrades, (2) \$300,000 for Electric Substation projects (which is being carried forward from the current fiscal year); and (3) \$30,000 decrease in enterprise internal service charges (which is being done to balance a previous transaction). The motion was seconded by Councilman Lewis.

Roll call vote on the amended Ordinance No. 2709 with the following results:

Voting Aye: Seiler, Yeager, Benzel, Lewis, Feldges.

Voting Nay: None.

Motion carried.

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AMENDED ORDINANCE NO. 2709

AN ORDINANCE TERMED "THE ANNUAL APPROPRIATION BILL" TO PROVIDE REVENUE FOR MUNICIPAL PURPOSES OF THE CITY OF ALLIANCE FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2012, AND ENDING SEPTEMBER 30, 2013, BY IMPOSING A TAX ON ALL PROPERTY WITHIN THE CITY, ADOPTING A BUDGET, AND ADOPTING APPROPRIATIONS.

WHEREAS, The City Manager, in accordance with the requirements of Chapter 1, Article 2, Section 1-205, of the Municipal Code of the City of Alliance, Nebraska, has submitted to the City Council a preliminary budget. This preliminary budget being submitted to the City Council on July 16, 2012, upon which workshops were held on July 19 and 23, 2012 and a proposed budget was produced. A public hearing will be held on said proposed budget on August 21, 2012, as required by law; and

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL MEMBERS OF THE CITY OF ALLIANCE, NEBRASKA:

SECTION 1. The budget for the fiscal year beginning October 1, 2012, submitted to and amended by the City Council, is hereby adopted.

SECTION 2. In order to provide revenue for municipal purposes, the following property tax revenues have been established for the City of Alliance:

	CITY	MFO	AIRPORT	PUBLIC SAFETY	AIRPORT SINKING	TOTAL
Budget Amount	969,457	120,678	131,900	106,638	21,327	1,350,000
1% Treasurers Fee	9,695	1,207	1,319	1,066	213	13,500
Delinquent Allowance (5%) (can be up to 5%)	48,473	6,034	6,595	5,332	1,066	67,500
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Total Property Tax Request:	1,027,624	127,919	139,814	113,036	22,607	1,431,000
Using the following tax levies:						
	CITY	MFO	AIRPORT	PUBLIC SAFETY	AIRPORT SINKING	TOTAL
Proposed 2013	0.272733	0.033950	0.037107	0.030000	0.00600	0.379790

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SECTION 3. In accordance with Reissue Revised Statutes Nebraska Chapter 16, Section 704, the following amounts shall be and hereby are recognized as the budget for the City of Alliance, Nebraska for the fiscal year 2013.

General	6,375,000
Electric	12,547,600
Refuse	1,359,100
Sewer	440,800
Water	1,873,700
Golf Course	345,800
Airport Operations	5,966,300
Streets	4,390,100
RSVP	98,100
BID #1 and #2	13,800
Nuisance Cleanup	6,600
HUD/CDBG	500,000
Community Betterment (KENO)	38,200
Economic Development	85,000
LB 840 Fund	614,700
Redevelopment (TIF)	200,000
Sales Tax Fund	2,000,000
Tourism & Promotion	210,000
Capital Projects	303,000
Public Safety Tax	120,000
State 911 Funds	20,300
General Internal Service	1,161,200
Enterprise Internal Service	604,700
Health Support Internal Service	1,761,400
General Debt Service	78,600
Airport Capital Reserve	509,400
Gross Expenditures	<u>41,650,400</u>

There is hereby included \$100,000 within the General Fund Budget [City Council Activity], \$10,000 within the General Fund Budget [Police Grant] \$60,000 within the Electric Fund, \$50,000 within the Water Fund, \$25,000 within the Sewer Fund, \$15,000 within the Refuse Fund, \$5,000 within the Airport Fund, \$50,000 within the Streets Fund; \$20,000 within the Community Betterment Fund; and \$30,000 with the Public Safety Fund to be known as "Contingency." Expenditures from any Contingency will not be authorized without an affirmative vote of the City Council for each amount to be expended.

SECTION 4. The City has a total of Unused Restricted Funds Authority of \$178,634.73 for Fiscal Year 2013.

SECTION 5. The tax levied under this Ordinance shall become due and payable, shall become delinquent and shall be subject to penalties, the execution of distress warrants and sale of property levied upon as provided by law.

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SECTION 6. The City Clerk is hereby authorized and directed forthwith upon the passage, approval and publication of this Ordinance to forward a certified copy thereof to the County Clerk of Box Butte County, Nebraska.

SECTION 7. This Ordinance shall become effective October 1, 2012.

Roll call vote on Ordinance No. 2709 with the following results:

Voting Aye: Seiler, Yeager, Benzal, Lewis, Feldges.

Voting Nay: None.

Mayor Feldges stated “the passage and adoption of Ordinance No. 2709 having been concurred by a majority of all members elected to the council, I declare it passed, adopted, an order it published.”

● The third and final reading of Ordinance No. 2710 approving the Preliminary Plat of Lots 2A and 3A, Block 1, Starlite Addition, a Subdivision of Parts of Lots 2 and 3, Block 1, Starlite Addition to the City of Alliance, Box Butte County, Nebraska was the next matter to be addressed by Council. City Manager Cox provided the following background information:

[At the previous Council meeting, a discussion was held with new City Planner Marlin Johnson, concerning certain facade design improvements that Council and staff all believed would be beneficial to the community and to the Flack business area.

To that end, Marlin and I did visit with the company building the Dollar General store, and after discussion and consideration, the City’s proposed upgrades were approved! The updated design is incorporated into your packet and Marlin will be present at the Council meeting to further explain or answer any questions.

From the previous readings:

Dollar General is proposing to build a new store on Flack Avenue. In order to accomplish such in the location desired, a couple of items must be completed:

1. A Final Plat at 711 Flack (Block 1, Starlite Addition, Lot 3A must be filed and approved.
2. Rezone a parcel of land that was purchased from Good Samaritan from RP3 (which is the equivalent of Single Family Residential) to C-3 Highway Commercial.

The Planning Commission met on July 10 to take up these matters. A public hearing by the Planning Commission was first held and no comments were offered.

The Planning Commission then approved sending the matter to City Council with a recommendation that the requests be approved.]

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Motion by Councilman Seiler, seconded by Councilman Yeager to approve the final reading of Ordinance No. 2710. City Clerk Jines read the Ordinance by title which follows in its entirety:

ORDINANCE NO. 2710

AN ORDINANCE APPROVING THE PRELIMINARY PLAT OF LOTS 2A AND 3A, BLOCK 1, STARLITE ADDITION, A SUBDIVISION OF PARTS OF LOTS 2 AND 3, BLOCK 1, STARLITE ADDITION TO THE CITY OF ALLIANCE, BOX BUTTE COUNTY, NEBRASKA.

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF ALLIANCE, NEBRASKA:

SECTION 1. The City of Alliance has received the application for approval of the Preliminary Plat of Lots 2A and 3A, Block 1, Starlite Addition, a Subdivision of Parts of Lots 2 and 3, Block 1, Starlite Addition to the City of Alliance, Box Butte County, Nebraska from HODGI, LLC.

SECTION 2. The Planning Commission held a public hearing July 10, 2012, and has recommended the approval of the Preliminary Plat.

SECTION 3. The Preliminary Plat contains information required by the City Code at Section 11-305, which is relevant to this request.

SECTION 4. The Preliminary Plat of Lots 2A and 3A, Block 1, Starlite Addition, a Subdivision of Parts of Lots 2 and 3, Block 1, Starlite Addition to the City of Alliance, Box Butte County, Nebraska, is hereby approved and the subdividers are authorized to proceed with any required public works elements and preparation of a Final Plat.

SECTION 5. This approval shall expire one year from this date unless the Final Plat has been submitted. This approval does not constitute Final Plat approval or guarantee the approval of the subdivision by the City Council or the City Council's authorization to proceed with construction of improvements within the subdivision.

SECTION 6. This ordinance shall be in full force and effect from and after its approval, passage, and publication according to law.

Our new City Planner Marlin Johnson reported to Council that he had visited with a representative of Dollar General regarding a design standard enhancement for the proposed facility as requested at our last meeting. It was reported Dollar General has agreed to upgrade the façade of the new building.

Roll call vote on Ordinance No. 2710 with the following results:

Voting Aye: Yeager, Seiler, Benzel, Lewis, Feldges.

Voting Nay: None.

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Mayor Feldges stated “the passage and adoption of Ordinance No. 2710 having been concurred by a majority of all members elected to the Council, I declare it passed, adopted, an order it published.”

- The next matter before Council was Ordinance No. 2711 which will approve the rezoning request of the Evangelical Lutheran Good Samaritan Society from RP-3, which is equivalent of R1-A Single Family Residential to C-3 Highway.

Motion by Councilman Yeager, seconded by Councilman Benzel to approve the final reading of Ordinance No. 2711. City Clerk Jines read the Ordinance by title which follows in its entirety:

ORDINANCE NO. 2711

AN ORDINANCE OF THE CITY OF ALLIANCE, NEBRASKA, DEALING WITH ZONING, AMENDING THE DISTRICT ZONING MAP TO SHOW THAT LOT 3A, BLOCK 1, STARLITE ADDITION, A SUBDIVISION OF PARTS OF LOTS 2 AND 3, BLOCK 1, STARLITE ADDITION TO THE CITY OF ALLIANCE, BOX BUTTE COUNTY, NEBRASKA, IS NOW INCLUDED AS A C-3 HIGHWAY COMMERCIAL DISTRICT FROM A RP-3 PLANNED SINGLE FAMILY RESIDENTIAL DISTRICT, AND REPEALING PRIOR SECTIONS.

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF ALLIANCE, NEBRASKA:

SECTION 1. Section 10-302 of the Alliance Municipal Code is amended to provide as follows:

10-302. DISTRICT MAP ADOPTED

Boundaries of the districts, as enumerated in Article 3 of these regulations, are hereby established as shown on a map prepared for that purpose, which map is hereby designated as the Zoning District Map; and said map, and all the notations, references and information shown thereon is hereby made as much a part of these regulations as if the same were set forth in full herein. The City Planning Commission shall keep on file in their offices an authentic copy of said map, and all changes, amendments, or additions thereto.

When definite distances in feet are not shown on the Zoning District Map, the district boundaries are intended to be along existing street, alley or platted lot lines, or extensions of the same, and if the exact location of such lines is not clear, it shall be determined by the Building Inspector, due consideration being given to location as indicated by the scale of the Zoning District Map.

This is to certify that the Zoning District Map described in the Alliance Municipal Code, passed this 6th day of September, 2012, is now the official Zoning District Map.

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SECTION 2. Previously existing Section 10-302, and all ordinances, parts of ordinances, resolutions, and policies of the City of Alliance in conflict with the revisions set forth herein are hereby repealed.

SECTION 3. This ordinance shall be in full force and effect from and after its approval, passage, and publication according to law.

Roll call vote for Ordinance No. 2711 with the following results:

Voting Aye: Benzel, Lewis, Seiler, Feldges, Yeager.

Voting Nay: None.

Mayor Feldges stated “the passage and adoption of Ordinance No. 2711 having been concurred by a majority of all members elected to the Council, I declare it passed, adopted, an order it published.”

● Consideration of the Redevelopment Contract of West Plains, LLC., was the next matter before Council. City Manager Cox provided the following background information for the upcoming items:

[To accomplish, Council will need to recess the regular Governing Body meeting and convene the CDA, take action, and then reconvene the Council meeting.

Per earlier conversations, there will be two different bonds issued with this project:

“Series A”

- Amount: \$320,000,
- Repayment: \$75,000 per year;
- Payments to City/County: \$37,500 each June 1 and October 1 (total \$75,000);
- Maturity: 12/31/17
- Purpose: To provide funds to the City/County for the completion of the street and roadwork around the facility.

“Series B”

- Amount: \$1.05 Million
- Maturity: 12/31/26
- Payable to: West Plains, LLC
- Purpose: To provide funds to the company for infrastructure improvements on the property.

Items of Interest in the Redevelopment Contract:

- {Section 3.03}: West Plains pledges that the first \$75,000 annual of the TIF Revenues will go toward satisfying TIF indebtedness. In other words, the City/County payments will come first.

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- {Section 4.05}: The real estate property value needs to be at least \$5.5 million in order to cash flow the bond payments, although the actual value is expected to be higher (depending on how it is valued by the County Assessor). A higher value will result in the bonds being paid off sooner than expected, and if that happens, the property will be returned to the regular tax rolls earlier than expected.
- {Section 4.09}: West Plains spells out that their initial payment of \$30,000 will be made on or before September 15, 2012. Additionally, West Plains Grain has been working with City staff to coordinate the making of this initial payment that will go to the County.]

Motion by Councilman Benzel, seconded by Councilman Lewis to adjourn the September 6, 2012 City Council Meeting at 7:38 p.m. in order to conduct the Alliance Community Development Agency meeting.

Roll call vote with the following results:

Voting Aye: Lewis, Feldges, Seiler, Benzel, Yeager.

Voting Nay: None.

Motion carried.

Motion by Councilman Lewis, seconded by Councilman Benzel to convene the September 6, 2012 Alliance Community Development Agency meeting at 7:39 p.m.

Roll call vote with the following results:

Voting Aye: Lewis, Feldges, Seiler, Benzel, Yeager.

Voting Nay: None.

Motion carried.

Motion by Councilman Benzel, seconded by Councilman Lewis to adjourn the September 6, 2012 Alliance Community Development Agency meeting at 7:48 p.m.

Roll call vote with the following results:

Voting Aye: Lewis, Feldges, Seiler, Benzel, Yeager.

Voting Nay: None.

Motion carried.

Motion by Councilman Lewis, seconded by Councilman Benzel to re-convene the September 6, 2012 City Council Meeting at 7:50 p.m.

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Roll call vote with the following results:

Voting Aye: Lewis, Feldges, Seiler, Benzel, Yeager.

Voting Nay: None.

Motion carried.

A motion was made by Councilman Benzel, seconded by Councilman Lewis to approve the Redevelopment Contract with West Plains LLC as presented to the Community Development Agency.

Roll call vote with the following results:

Voting Aye: Lewis, Feldges, Seiler, Benzel.

Voting Nay: Yeager.

Motion carried.

- The next item on Council's agenda was consideration of Resolution No. 12-77 awarding the bid for the turn-key solution for the NESHAP Rice Rule for the Electric Department. City Manger Cox provided the following background information:

[The Municipal Energy Association of Nebraska (MEAN) has adopted the National Emission Standards for Hazardous Air Pollutants (NESHAP), which requires any of its member participants to meet or exceed those standards set forth in Reciprocating Internal Combustion Engines (RICE) standards. This alphabet soup of acronyms is commonly lumped together and referred to as "RICE Rules."

These "RICE Rules" are a result of a 2010 U.S. Environmental Protection Agency (EPA) passage of additional regulations to reduce emissions of toxic pollutants from specified diesel powered electric generators.

The new EPA "RICE Rules" affect municipal electric utilities that have their own diesel generators to produce electricity.

In fact, according to the website of the Nebraska Municipal Power Pool (NMPP), which is the umbrella organization of MEAN, many municipal utilities across the U.S., including members of the Nebraska Municipal Power Pool (NMPP) and the Municipal Energy Agency of Nebraska (MEAN), have these types of generators, known as reciprocating internal combustion engines (RICE) and primarily use them during "peak" usage times, or during the periods of highest electricity use. These units are also used by utilities for reliability/emergency purposes, such as during an outage to keep the lights on.

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The new EPA “RICE Rules” will require many cities, including the City of Alliance Power Plant, to install additional pollution control equipment to perform emissions testing and burning of ultra-low-sulfur fuel.

The rules also require operators to regularly change the oil and filter on engines and inspect the air cleaner, hoses and belts within certain specified periods. Facilities will also need to conduct emission tests at certain intervals to demonstrate compliance with the new law.

This year, we had \$100,000 budgeted for spill prevention control, but this RICE Rule requirement compliance needs to come ahead of the spill prevention plans. Two bids were received: \$195,913 from Farabee Mechanical from Hickman, NE, and \$109,680 from NMC CAT Power Systems of Omaha, NE. Staff, having reviewed the bids, is recommending the approval of the low bid in the amount of \$109,680 with the remainder of the funding coming from other under-budget electric capital items.]

A motion was made by Councilman Seiler, seconded by Councilman Benzel to approve Resolution No. 12-77 which follows in its entirety:

RESOLUTION NO. 12-77

WHEREAS, The City of Alliance Electric Department had on their capital improvements for the upcoming fiscal year a Turn-key Solution for modification to our generation units to meet the NESHAP Rice Rule (RFB 0652-12-01); and

WHEREAS, The City of Alliance Electric Department is required to make these modifications to our generation units in order to continue our Agreement with NMPP/MEAN; and

WHEREAS, The City of Alliance received two responses to our Invitation to Bid; and

WHEREAS, The lowest, reasonable, responsive bidder was NMC CAT Power Systems of Omaha, NE in the amount of \$109,680.00; and

WHEREAS, The Alliance Electric Department has budgeted \$100,000.00 for this project and will cover the overage with savings from other capital projects and Council believes that it is in the best interest of the City to approve this purchase.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of Alliance, Nebraska, that the Mayor be and hereby is authorized to enter into a contract for the Turn-key Solution for modification to our generation units to meet the NESHAP Rice Rule (RFB 0652-12-01) with NMC CAT Power Systems of Omaha, NE in the amount of \$109,680.00.

BE IT FURTHER RESOLVED, that the purchase will be funded from Electric Account No. 05-51-53-53-953.

Roll call vote on Resolution No. 12-77 with the following results:

Voting Aye: Feldges, Seiler, Yeager, Benzel, Lewis.

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Voting Nay: None.

Motion carried.

- Resolution No. 12-78 which will award the upgrade to our Smart Grid Data Acquisition & Control System to Telescada in the amount of \$65,680.00 was the next matter before Council. City Manager Cox provided the following background information:

[The proposed SCADA project would upgrade our existing system to not only allow for the monitoring of the substations and related equipment, but to actually control this equipment from a remote location. As a side note, recently we had difficulty with our existing computer equipment. On this particular day, I joined our staff and found that the computer equipment was obsolete due to age and no general market support existing. Therefore, the proprietary nature and the age of existing equipment forced our staff into a very uncomfortable position at looking at spending thousands of dollars to repair which would still result in old and obsolete equipment running our systems. Fortunately, our staff was able through continual persistence, to get the equipment to hobble by. I am very concerned however, how long this fix will last and I believe our entire SCADA System is in jeopardy as a result.

The budget for the SCADA (Smart Grid Data Acquisition & Control System) project is \$80,000. During the bidding process, we received six bids that ranged from approximately \$58K to \$177K. When Larry Heinrich and his staff reviewed the bids, it turned out the bidders had all sorts of different things included and excluded from their original bids.

I believe Larry & Company did a good job of handling the disparities. In consultation with our electric engineer, Kevin Groves of West Plains Engineering, City staff conducted webinars with all vendors to further discuss and clarify what should be included in the bids. As a result, the bidders were allowed to modify their bids and five of the six bidding vendors did so. The resulting approximate range of bids was: \$66K to \$147K (which was the only vendor that did change its bid).

As such, staff and our consultant are pleased with the low bid of \$65,860 from Telescada of Pembroke, Massachusetts.]

A motion was made by Councilman Lewis, seconded by Councilman Seiler to approve Resolution No. 12-78 which follows in its entirety:

RESOLUTION NO. 12-78

WHEREAS, The City of Alliance Electric Department had on their capital improvements for the current fiscal year the Smart Grid Data Acquisition and Control System (SCADA) Upgrade; and

WHEREAS, The City of Alliance received five complete responses to our Invitation to Bid; and

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WHEREAS, The lowest, reasonable, responsive bidder was Telescade of Pembroke, MA in the amount of \$65,680.00; and

WHEREAS, The Alliance Electric Department has budgeted \$80,000.00 for this project and Council believes that it is in the best interest of the City to approve this purchase.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of Alliance, Nebraska, that the Mayor be and hereby is authorized to enter into a contract for the Smart Grid Data Acquisition and Control System (SCADA) Upgrade with Telescade of Pembroke, MA in the amount of \$65,680.00.

BE IT FURTHER RESOLVED, that the purchase will be funded from Electric Account No. 05-51-53-59-955.

Roll call vote for Resolution No. 12-78 with the following results:

Voting Aye: Yeager, Benzel, Lewis, Feldges, Seiler.

Voting Nay: None.

Motion carried.

- Resolution No. 12-79 was Council's next matter for consideration. This authorizes staff to amend our ambulance billing contract with EMS Billing Services, Inc. to allow for our unpaid accounts to be forwarded to the collection agency of Americans Account and Advisors (AAA). City Manager Cox provided the following background information:

[The proposed resolution will authorize staff to forward to collections those ambulance billings which are not collected by our billing service (EMS Billing Services, Inc).

This resolution will approve the write-off of all of the uncollectable accounts since our relationship with EMS Billing began. This will include an amount for the first ten months of our relationship ending July 31, 2011, of approximately \$44,000; and further writes off the subsequent twelve months in the amount \$39,798.50.

This resolution also approves as an extension of the same agreement to forward all of these to collections. The collection rate is 18% on General Accounts and 50% with those requiring legal services. Finally, all future non-collectables will automatically be forwarded to collections.]

A motion was made by Councilman Yeager, seconded by Councilman Benzel to approve Resolution No. 12-79 which follows in its entirety:

RESOLUTION NO. 12-79

WHEREAS, The City of Alliance provides ambulance services for transportation of individuals to medical facilities; and

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WHEREAS, The City of Alliance charges for providing those services based on reasonable and customary rates through a contractual arrangement with EMS Billing Services, Inc.; and

WHEREAS, EMS Billing Services, Inc. as a billing agency prepares a series of invoices in accordance with the terms of contract; and

WHEREAS, Some of the ambulance fee billings have remained outstanding for a significant period of time with either no interaction with the billed party or no evidence of additional payment sources and are therefore determined to be uncollectable; and

WHEREAS, The staff has prepared a detailed listing of said ambulance service bills totaling \$83,897.61 for the period October 1, 2010 through July 31, 2012 and is recommending that the billings be formally written off; and

WHEREAS, EMS Billing Services, Inc. works in cooperation with American Accounts & Advisors (a collection agency in Minnesota) to pursue further collection efforts in regard to accounts written off.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Alliance, Nebraska that the list of ambulance service bills totaling \$83,897.61 are deemed to be uncollectable and shall be written off for the purposes of complying with normal accounting principles.

BE IT FURTHER RESOLVED that City staff is authorized to amend the Contract with EMS Billing Services, Inc. in order to allow American Accounts & Advisors to pursue additional collection efforts in regard to the written off accounts, as well as future potential write-off accounts.

Roll call vote for Resolution No. 12-79 with the following results:

Voting Aye: Benzel, Lewis, Feldges, Yeager, Seiler.

Voting Nay: None.

Motion carried.

- The next matter before Council for discussion was Resolution No. 12-80 which will authorize staff to enter into an agreement with Payment Services Network, Inc. for online billing and payment services for our utilities. City Manager Cox gave the following background information:

[An item that I find to be the most exciting part of the night's considerations is the proposal for implementing an option for our neighbors to utilize online services for access to their utility account information as well as payment of their utilities.

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Staff has researched many options and is recommending the low cost, but high functionality option. The recommended vendor is Payment Services Network (PSN).

The PSN system will do the following:

- Integrate fully with the City's accounting & utility billing system (Caselle)
- Online Account Information History
- Online Billing
- Online Payment
- Smartphone Access
- Convenience Fees for Customer Transactions

Eventually, as the system is rolled out and utilized, it is hoped that our costs of billings will be reduced with electronic billings. Probably even more importantly, it is a great, but low-cost service that we can efficiently and effectively provide to our neighbors.

Note: Although this measure at \$1200 is well within staff authority for signing and approving, the agreement is for 36 months requiring Council approval.]

A motion was made by Councilman Benzel, seconded by Councilman Lewis to approve Resolution No. 12-80 which follows in its entirety:

RESOLUTION NO. 12-80

WHEREAS, The City of Alliance would like to offer to our utility customers online billing and payment options for their utility services, with the customer paying a transaction fee; and

WHEREAS, Staff has researched these services and secured two proposals with the lowest cost option being provided by Payment Services Network, Inc.; and

WHEREAS, Payment Services Network, Inc. will be able to fully integrate with the City's current computer software program, offers and will provide marketing materials and will contract for the merchant processor for credit and debit card activity; and

WHEREAS, Funding for this program has been included within the 2012-13 Budget.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of Alliance, Nebraska, that the proposal of Payment Services Network, Inc. is hereby accepted, and the Mayor and City staff are authorized to execute contract documents consistent with the proposal.

Roll call vote for Resolution No. 12-80 with the following results:

Voting Aye: Benzel, Lewis, Feldges, Yeager, Seiler.

Voting Nay: None.

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Motion carried.

- A Board appointment was the final item for Council's consideration.

Motion by Councilman Seiler, seconded by Councilman Yeager to approve the appointment of Marlene Mischnick to the Alliance Museum Board for a term expiring May 30, 2014.

Roll call vote with the following results:

Voting Aye: Lewis, Feldges, Seiler, Yeager, Benzel.

Voting Nay: None.

Motion carried.

- Mayor Feldges stated, "there being no further business to come before the Alliance City Council, the meeting is adjourned at 8:29 p.m."

(SEAL)

Fred Feldges, Mayor

Linda S. Jines, City Clerk

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