

September 27, 2012

ALLIANCE CITY COUNCIL

REGULAR MEETING, THURSDAY, SEPTEMBER 27, 2012

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

The Alliance City Council met in a Regular Meeting, September 27, 2012 at 8:00 a.m. in the Board of Education Meeting Room, 1604 Sweetwater Avenue. A notice of meeting was published in the Alliance Times Herald on September 20, 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 27, 2012 Regular Meeting of the Alliance, Nebraska City Council at 8:00 a.m. Present were Mayor Feldges, Council Members Benzel, Lewis, Yeager and Seiler. Also present were City Manager Cox, City Attorney Ediger, and City Clerk Jines.

- Mayor Feldges read the Open Meetings Act Announcement.
- The first 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 27, 2012

1. Approval: Minutes of the Regular Meeting, September 6, 2012.
2. Approval: Payroll and Employer Taxes for the period August 18, 2012 through August 31, 2012 inclusive: \$162,283.48 and \$11,466.48 respectively; and for the period September 1, 2012 through September 14, 2012 inclusive: \$170,305.82 and \$12,027.00 respectively.

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3. Approval: Claims against the following funds for the period August 30, 2012 through September 24, 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; \$1,771,738.29
4. Approval: The *Request for Reserved or Exclusive Use of City Streets* by the Alliance High School Student Council for their annual Homecoming Parade. The parade will take place on Friday, October 12, 2012 beginning at 2:00 p.m. Line-up for the parade will begin at 1:00 p.m. on Box Butte Avenue between 12th and 14th Streets. The route will be south on Box Butte Avenue and end at 4th Street, turning east. The schools have provided the required Certificate of Insurance naming the City of Alliance as an additional insured.
5. Approval: Project Summary Reports for both the Airport ARFF Vehicle and the Airport ARFF Building. The Vehicle Project had a slight variation with a \$393.54 overage in the bunker gear authorization due to the need for some oversized bunker gear but the overall project came in \$1,280.30 under the authorized approval of Council. The Building Project was \$1,660.79 over the authorized approval of Council; however, the federal portion of the grant which paid 95% authorized additional concrete work to our benefit. The City is awaiting the final reimbursement which is expected in the very near future.
6. Approval: The issuance of a Cemetery Certificate to Charles A. Whaley for Lot Fifteen (15), Section Three (3), Block Twenty-nine (29), Alliance Cemetery Fourth Addition.
7. Approval: The issuance of a Limited and Specialty Contractor's License to Travis Walker dba Travis Walker Construction.

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.

- City Manager Cox provided a report which follows in outline form:
 - Informed the group of the planning activities for the 125 Year Anniversary celebrations. Museum Curator Becci Thomas is chairing the event.
 - Announced that he was chairing the Fall Festival this year and is looking for volunteers.
 - The City is seeking bids for the front step replacement at the Municipal Building. The bids will close on October 12th and we hope to have a recommendation before Council at the 18th meeting.

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- The Parks Department is beginning to winterize our facilities with the fountain being shutdown on October 1st.
 - The City is seeing some success with the reduction of the prairie dog population at the Airport.
 - Tourism efforts include: a new sign has been installed at the Airport, the placement of two billboards on I-80 (westbound - east of Ogallala, NE and eastbound near Cheyenne, WY), and work on the completing the development of a universal community calendar.
 - Acknowledged receipt of an extension of the Municipal Code Update Project which will move into full swing in November.
 - Shared the opportunity potential for Alliance to be an Electric Car Recharging Station site.
 - The Workforce Development offices have moved out of the Meeting Room in the Learning Center and returned to Box Butte Avenue site. Our sharing of facilities allowed them to continue operation and process 457 job offers.
 - Announced Officer Kirk Felker has returned to full duty.
 - Reviewed dashboard reports for Sales Tax Receipts, Hotel Occupation Taxes, Keno Revenue, Water Usage and Electric Services.
- The Council heard the Quarterly Street Report presented by Public Facilities Director Lenz which provided status updates for our major projects which include: Potash Avenue, Kansas to 2nd Street; Emerson Avenue, 18th to 25th Streets; 10th Street, Box Butte to Flack Avenues; 10th Street, Meadowood Trail – Sweetwater to Meadowlark Avenues; and Box Butte Avenue, 1st to 5th Streets for the Streetscape. Maintenance Projects were reviewed, as well as an update for capital purchases. No action was taken.
 - The first reading of Ordinance No. 2715 was the next item before Council. This Ordinance will approve the Final 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. City Manager Cox provided the following background information:

[At the 9/6 Council meeting, the Preliminary Plat was approved on third reading. At that same meeting, Council also approved the Ordinance on final reading to rezone the parcel of land that was purchased from Good Samaritan from RP3 (which is the equivalent of Single Family Residential) to C-3 Highway Commercial.

With that, the Final Plat has now been considered by Planning Commission. The Planning Commission has reviewed and is now recommending its approval. The following are the only four changes from the Preliminary to the Final Plat:

1. The easement for the sanitary sewer on the front of the lot has been continued to the west edge of the property line.
2. A 10 foot utility easement has been added to the east edge of the new property line to allow the city of Alliance to provide primary electric to the new store.

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3. There has been a rededication of a portion of 7th street, 140 feet from the west property line to the east property line.
4. Dollar General has agreement to bring the front of the building and approximately 20 feet on the north and south sides.]

A motion was made by Councilman Yeager, seconded by Councilman Seidler to approve the first reading of Ordinance No. 2715. City Clerk Jines read the Ordinance by title which follows in its entirety:

ORDINANCE NO. 2715

AN ORDINANCE APPROVING THE FINAL 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 Final 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 the Evangelical Lutheran Good Samaritan Society and Kenneth W. Staab.

SECTION 2. The Planning Commission held a public hearing September 11, 2012, to consider the Final Plat, and after such hearing has recommended approval of the Final Plat.

SECTION 3. The City Council finds that all public improvements that are to be required at this time have been completed. No additional infrastructure or improvements are required at this time. No improvement guarantees are required.

SECTION 4. The City Council finds that the Final Plat contains the information required by Article 11-413 of the Alliance Municipal Code.

SECTION 5. The Final 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 by the City of Alliance and shall be filed with the County Clerk as provided by city code and state law within 30 days of this approval. The plat map which has been prepared is a part of these proceedings and is attached hereto and is incorporated herein and made a part hereof by reference.

SECTION 6. 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. 2715 with the following results:

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

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Voting Nay: None.

Motion carried.

- The second reading of Ordinance No. 2713 was the next agenda item for Council's considerations. This ordinance will allow the City of Alliance to 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:

[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.

**NOTE: Due to the current roll-out scheduled (as per the Ordinance) of 10/3, Staff would like to ask for Council's consideration of waiving the third reading.]

A motion was made by Councilman Seiler, seconded by Councilman Lewis to approve the second 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.

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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

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

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- 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.

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.

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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

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 on second reading with the following results:

Voting Aye: Seiler, Yeager, Lewis, Feldges.

Voting Nay: Benzel.

Motion carried.

- The next item on Council's agenda was consideration of Resolution No. 12-81 which authorizes the renewal of our health insurance program as well as our dental, vision, transplant, and life insurance programs. City Manger Cox provided the following background information:

[Staff has successfully negotiated a renewal of our health insurance programs with Regional Care Inc. (RCI). Unfortunately, our current reinsurance provider (Monumental Life) proposed an unfavorable renewal rate that was unacceptable and we are recommending moving our business to a new carrier, American National Life Insurance Company.

We are proposing to provide the same level of coverage for our employees and their families.

As you may know, the City of Alliance self insures our health insurance coverage and purchases re-insurance for our claims in excess of \$30,000 per covered individual. In our proposed renewal our actual premiums (hard dollar cost) have lowered slightly, but the

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requirement to fund for actual medical claims (soft dollar cost) have increased. The total increase for both hard and soft dollar expenses reflects an overall 15.5% change. This increase will only be incurred should the City reach our maximum exposure of approximately \$1,200,000 in actual claims.

The new insurance premiums will take effect on October 1, 2012; however new deductibles and premium obligations for the employees do not begin until January 1, 2013. Staff will be reviewing the funding requirements for each of our three plan options with the new carrier. Following that review recommendations will be brought back before Council to establish the contribution requirements for each of our plan by employees.

It is our intent to hire an insurance consultant this year to review our health benefit program and to determine if it is in the City's best interest to continue self-insuring or to move back to a standard fully insured program. This is a very comprehensive undertaking that will require the assistance of an outside qualified professional.]

A motion was made by Councilman Benzel, seconded by Councilman Lewis to approve Resolution No. 12-81 which follows in its entirety:

RESOLUTION NO. 12-81

WHEREAS, The City of Alliance has engaged in a process of evaluating its current health care benefit plans offered to employees; and

WHEREAS, Various options and proposals have been considered by staff and the City's Third-Party Administrator, and staff has recommended the options contained herein; and

WHEREAS, The City of Alliance has received a proposal to renew its contract with the Third-Party Administrator, Regional Care Incorporated; and

WHEREAS, The City of Alliance has received a proposal to contract with the reinsurance carrier, American National Life Insurance Company (ANTX), as set forth herein; and

WHEREAS, The proposals provide for three options from which benefit eligible employees may choose, which have varying deductibles and out-of-pocket expenses.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of Alliance, Nebraska, that the contract proposal with Regional Care Incorporated for Third-Party Administrator is hereby approved.

BE IT FURTHER RESOLVED, Monthly premium payments per employee for reinsurance provided by American National Life Insurance Company (ANTX) effective October 1, 2012, shall be as follows:

Specific Single Premium	\$ 135.61
Specific Family Premium	\$ 328.58

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Aggregate Premium	\$ 16.95
Transplant Coverage	
Single	\$ 7.98
Family	\$ 18.36
Vision Coverage	
Single	\$ 8.16
Family	\$ 21.49
Life Insurance	
Single	\$ 7.25
Family	\$ 9.00

BE IT FURTHER RESOLVED, administrative service fees to Regional Care, Incorporated, shall be \$29.75 monthly per covered employee, effective October 1, 2012.

BE IT FURTHER RESOLVED, the City of Alliance shall make monthly payments into its Health Support Fund, effective October 1, 2012 for a wellness program as follows:

Per Single Employee	\$ 21.00
Per Family Employee	\$ 42.00

BE IT FURTHER RESOLVED, the City of Alliance shall make monthly payments into its Health Support Fund, effective October 1, 2012 for a dental program as follows:

Per Single Employee	\$ 17.98
Per Family Employee	\$ 59.34

BE IT FURTHER RESOLVED, the City of Alliance shall make monthly payments into its Health Support Fund, effective October 1, 2012 for payment of medical claims as follows:

Per Single Employee	\$ 716.98
Per Family Employee	\$1,783.43

Roll call vote on Resolution No. 12-81 with the following results:

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

Voting Nay: None.

Motion carried.

- Resolution No. 12-82 which will authorize staff to enter into an updated Agreement with BNSF Railway Company for the discharge of wastewater was the next matter before Council. City Manager Cox provided the following background information:

[In 1985, the City entered into a wastewater discharge permit with BNSF, whereby treated wastewater from the company's site is discharged into the City sanitary sewer system.

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Before us is a request from BNSF to update the agreement. The changes are small and include:

- Changing company's name from "Burlington Northern Railroad Company to BNSF Railway Company.
- Changing City submission from "City Engineer" to "City Water Department Office"
- Changes reporting requirement from monthly to quarterly.

Other provisions include:

- BNSF cease discharge during periods of heavy rainfall;
- BNSF makes available the wastewater treatment plant & metering house for inspection at any time;
- BNSF cease discharge if their tested levels exceed parameters permitted;
- BNSF notifies of any situations of excessive discharge]

A motion was made by Councilman Lewis, seconded by Councilman Benzel to approve Resolution No. 12-82 which follows in its entirety:

RESOLUTION NO. 12-82

WHEREAS, The City of Alliance and BNSF Railway Company desire to cooperate together for the proper discharge of treated wastewater; and

WHEREAS, On August 26, 1985, the City and Burlington Northern Railroad Company entered into an "Agreement" in order to provide for the proper discharge of treated; and

WHEREAS, The existing Agreement between the parties has been reviewed and minor changes have been proposed to update the Agreement.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of Alliance, Nebraska, that the Mayor is authorized to sign the updated Agreement with BNSF Railway Company for the proper discharge of treated wastewater.

Roll call vote for Resolution No. 12-82 with the following results:

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

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 9:10 a.m."

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(SEAL)

Fred Feldges, Mayor

Linda S. Jines, City Clerk