

February 18, 2014

ALLIANCE CITY COUNCIL

REGULAR MEETING, TUESDAY, FEBRUARY 18, 2014

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

The Alliance City Council met in a Regular Meeting, February 18, 2014 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 February 11, 2014. 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.

Vice Mayor Seiler opened the February 18, 2014 Regular Meeting of the Alliance, Nebraska City Council at 7:00 p.m. Present were Vice Mayor Seiler, Council Members Benzel, Lewis, and Yeager. Also present were City Manager Cox, Assistant City Manager Waggener, City Attorney Olsen and City Clerk Jines.

- A motion was made by Councilman Benzel, and seconded by Councilman Lewis to excuse Mayor Feldges from the meeting as he was out of town.

Roll call vote with the following results:

Voting Aye: Benzel, Lewis, Seiler, Yeager.

Voting Nay: None.

Motion carried.

- Vice Mayor Seiler read the Open Meetings Act Announcement.
- A motion was made by Councilman Benzel, which was seconded by Councilman Lewis to change the order of the agenda by considering Item G – Refuse Truck Purchase Authorization prior to Item F – Electric PCA Consideration.

Roll call vote with the following results:

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Voting Aye: Benzel, Lewis, Seiler, Yeager.

Voting Nay: None.

Motion carried.

- The next agenda item was the introduction of Michael Vera, our new Library Clerk.
- Council next reviewed the Consent Calendar. Councilman Benzel made a motion, which was seconded by Councilman Lewis to approve the Consent Calendar as follows:

CONSENT CALENDAR – FEBRUARY 18, 2014

1. Approval: Minutes of the Regular Meeting, February 4, 2014.
2. Approval: Payroll and Employer Taxes for the period January 18, 2014 through January 31, 2014 inclusive: \$163,351.38 and \$11,412.48 respectively.
3. Approval: Claims against the following funds for the period January 30, 2014 through February 11, 2014: 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; \$292,470.89.
4. Approval: For the City of Alliance to renew our City Lottery License for 2014-2016 with the Nebraska Department of Revenue. This license is necessary to continue our Keno operations within the community. The renewal fee is \$100.00.
5. Approval: Resolution No. 14-17 which will terminate the Agreement for Cost Sharing and Training Services for the Panhandle Training Group with the Nebraska Municipal Power Pool.
6. Approval: Resolution No. 14-18 appointing our Utility Administrative Services Director as the City's representative to the Public Alliance for Community Energy (ACE) Board of Directors and our Assistant City Manager as our alternate.
7. Approval: Resolution No. 14-19 authorizing KCOW to serve alcohol on City owned property for their "Retroversary" celebration being held on Saturday, June 7, 2014 at the Alliance Airport. The event will be held in the hangar which is leased by the FBO. Box Butte County will be the authorizing governmental body for the Special Designated License as the Airport is outside of City limits. Council's approval is required to allow alcohol consumption on City property.

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8. Approval: The issuance of the following Contractor licenses:

General Contractor	Paul Reed Construction & Supply, Inc. Kone, Inc. Quality Structures, Inc. Christopher Mischnick dba Walter Mischnick Contractors & Builders K. L. Wood & Company LLC Beckenhauer Construction, Inc. Eddie Buettner dba Buettner Construction
Repair & Maintenance	Kucera Painting, Inc.
Tree Surgeon	Gordon Hoff dba Alliance Floral Hoffhuas
Master Plumber	K. L. Wood & Company LLC Mark V. Sitzman dba Independent P & H Inc. Dennis Meng dba Merritt, Inc. Ralph Burbach dba Snell Services, Inc. Lon Asselin dba Snell Services, Inc.
Journeyman Plumber	Thomas Murillo dba Snell Services, Inc. Randy Burbach dba Snell Services, Inc. Dominic Murillo dba Snell Services, Inc.
Gas Fitter	K. L. Wood & Company LLC Mark V. Sitzman dba Independent P & H Inc. Jess E. Cross dba Northwestern Heating & Cooling Dennis Meng dba Merritt, Inc.
Master HVAC	Mark V. Sitzman dba Independent P & H Inc. Jess E. Cross dba Northwestern Heating & Cooling Dennis Meng dba Merritt, Inc.
Sign	Eric Farrar dba Rosenbaum's Signs & Outdoor Advertising, Inc. Ferguson Signs, Inc.

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, Seiler, Yeager.

Voting Nay: None.

Motion carried.

● City Manager J.D. Cox gave his City Manager's Report which is shown in outline form:

1. Senior Center
 - SSI chose not to renew
 - We are very concerned about the disappearance of:

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Bookshelf & books

Bingo Board and Bingo Machine

TV and cart

Collection of crutches, wheel chairs, walkers, handicap shower seats etc.

At least 9 Card tables & 40 matching folding chairs (Golden Age)

8 white & 2 brown banquet tables and cart

2. Personnel –

- Advertising: Public Works Director
- ICMA, LNM, various other publications
- Seasonal positions on website

3. Upcoming Meetings:

A. March

- EDPARC Recommendation:
 - Funding of LB840 Application for Prairie Sky Seed Project
- Height of Grass/Weeds

B. April

- Demolition Projects

4. Amazing Places in North America

- Carhenge is the featured attraction

5. Upcoming Calendar:

- Feb 24 & 25 LNM MidWinter Conference (Lincoln)
- Feb 26 NDOR Plan in Hand Meeting
- Feb 27 @ 7:00am Joint Meeting with County Commission

- The next matter before Council was the second reading of Ordinance No. 2749 which will approve the Preliminary Plat and Final Plat requests of Maverik, Inc. The following background information was provided to Council:

[The City of Alliance is in receipt of application for replat from Maverik Inc. of North Salt Lake, UT. The replat request includes five lots presently owned by Clifford Coleman, Miller Brothers Automotive, Inc. and Lynn Douglas Anderson. The request is to replat five lots into one for the purpose of developing a convenience store/gas station on the site. The lots are currently under contract for purchase by Maverik Inc. conditional on the approval of the Preliminary and Final Plats.

Three of the lots were previously platted as part of the Eagles Addition to the City of Alliance and the other two are nonplatted lands within the Corporate City Limits. The legal description is Lots 2 through 5, Eagles Addition to the City of Alliance, Part of the Southwest Quarter of the Northwest Quarter of Section 35, Township 25 North, Range 48, West of the 6th Principal Meridian, Parcel Number 405, and Part of the Southwest Quarter of the Northwest Quarter of Section 35, Township 25 North, Range 48, West of the 6th Principal Meridian, Parcel Number 390. The property to be platted is located north of Nebraska State Highway 2, east of U.S. Highway 385, west of 1520 West 3rd Street otherwise known as The

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Fraternal Order of Eagles, and south of a parcel of nonplatted land addressed 2435 Nebraska Highway 2.

The land is currently zoned C-3 Highway Commercial. The land is bordered to the north, east, and south by C-3 zoning and to the west by Agriculture zoning. The current zoning would not change. There were no issues identified in regard to land use, lot size, structures or setbacks. The plat will create a 10' utility easement around the perimeter of the property and leave the 20' utility easement currently platted in the Eagles Addition. Electric, water and sewer service are readily available and no new streets are included in the proposal. Sidewalk installation would be required as well as a drainage plan at the time the property is developed. A new water main would require an assessment fee of \$14.44 per front linear footage plus the tap fee based on service; however, the owner would be able to reuse one of the existing water services and avoid the fees. Details regarding the zoning and public works elements are included in the attached document that was provided to the Planning Commission.

The City mailed eight Notification Petitions and as of January 14, 2014 had received two of them back with both in favor of the approval of the replat.

Staff has determined that the Preliminary and Final Plats meet the requirements of the City of Alliance Zoning and Subdivision regulations. The Planning Commission at its January 14, 2014 meeting voted to recommend to the City Council the approval of the Preliminary and Final Plat of Maverik Addition to the City of Alliance.]

A motion was made by Councilman Benzel, seconded by Councilman Lewis to approve the second reading of Ordinance No. 2749. City Clerk Jines read the Ordinance by title which follows in its entirety:

ORDINANCE NO. 2749

AN ORDINANCE APPROVING THE PRELIMINARY AND FINAL PLATS OF MAVERIK 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 and Final Plat of Maverik Addition to the City of Alliance, Box Butte County, Nebraska from Maverik, Inc. of North Salt Lake, Utah.

SECTION 2. The Planning Commission held a public hearing January 14, 2014, and has recommended the approval of the Preliminary Plat.

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SECTION 3. The Planning Commission on January 14, 2014 also conducted a Public Hearing on the Final Plat of Maverik Addition to the City of Alliance, Box Butte County, Nebraska.

SECTION 4. The Preliminary Plat and the Final Plat of Maverik Addition to the City of Alliance, Box Butte County, Nebraska are 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 5. This ordinance shall be in full force and effect from and after its approval, passage, and publication according to law.

Roll call vote on the second reading of Ordinance No. 2749 with the following results:

Voting Aye: Lewis, Benzel, Seiler, Yeager.

Voting Nay: None.

Motion carried.

- A Public Hearing and consideration of Resolution No. 14-20 granting approval of the One & Six Street Improvement Plans were the next items before Council. The following background information was provided to Council:

[The City is required to prepare and submit an annual street plan to the Nebraska Board of Public Roads no later than March 1 for the previous calendar year. The Planning Commission at its February 11th meeting reviewed and approved recommending the attached proposed One and Six Year Street Program to Council. The report was prepared by M.C. Schaff & Associates of Scottsbluff, NE in the absence of a certified streets superintendent on City staff at present. This year's report includes some smaller projects as a result of a reinterpretation of the reporting guidelines. The attached map identifies the projects in the proposed report.

The following eight projects are included in the One Year Program:

Project No	Street	Cross Streets	Material	Miles	Est. Costs
M-108(158)	Emerson Avenue	25 th to 31 st Street	Asphalt	0.3	\$200,000
M-108(159)	Tenth Street	Box Butte to Flack Avenue	Concrete	1.1	\$2,677,500
M-108(163)	Box Butte Avenue	3 rd to 5 th Street	Concrete	0.1	\$723,000
M-108(167)	Eighteenth Street	Colorado to Big Horn Avenue (west 200 ft)	Asphalt	0.3	\$100,000
M-108(169)	Ninth Street Eighth Street Niobrara Avenue	Niobrara Avenue (east 150 ft) Niobrara (west 250 ft) to Sweetwater Avenue 8 th Street (south 150 ft)	Concrete	0.3	\$200,000
M-108(170)	Fourteenth Street	Cheyenne Avenue Intersection	Concrete	0.1	\$70,000

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M-108(171)	Twelfth Street	Yellowstone Avenue Intersection	Concrete	0.1	\$70,000
M-108(172)	Fourth Street	Platte Avenue (west 220 ft)	Concrete	0.1	\$50,000

The following four programs appear in the Six Year Program:

Project No	Street	Cross Streets	Material	Miles	Est. Costs
M-108(168)	Sixteenth Street	Buchfinck to Platte Avenue	Concrete	0.3	\$1,000,000
M-108(164)	Sweetwater Avenue	18 th to 25 th Street	Concrete	0.5	\$1,200,000
M-108(166)	Third Street	Howard to Elkhorn Avenue (with NDOR)	Concrete	1.5	\$1,357,000
M-108(115)	West Third Street	Black Hills to Howard Avenue (underpass with NDOR and BNSF)	Concrete Asphalt	0.3	\$5,443,000

The recap also includes reference to the completion of the following four programs over the past year:

Project No	Street	Cross Streets	Material	Miles
M-108(161)	Potash Avenue	2 nd to Kansas Street	Asphalt	0.4
M-108(165)	Madison Road	BNSF Railroad Tracks to CR 61 (with BBC)	Aggregate	0.7
M-108(158)	Emerson Avenue	18 th to 25 th Street	Asphalt	0.7
M-108(163)	Box Butte Avenue	2 nd to 3 rd Street	Concrete	0.1

Vice Mayor Seiler 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 Brittan rezoning request. The Public Hearing opened at 7:13 p.m.

Jeff Wolfe, Scottsbluff, NE, acting Street Superintendent for the City of Alliance, and Interim Public Works Director Mike Hulquist were present and provided Council an overview of the One & Six Year Street Improvement Plans and answered questions.

No additional testimony was offered and the Public Hearing was closed at 7:32 p.m.

A motion was made by Councilman Benzel, seconded by Councilman Lewis to approve Resolution No. 14- 20 which follows in its entirety:

RESOLUTION NO. 14-20

WHEREAS, The Nebraska law requires that the City of Alliance develop and file with the Board of Public Roads Classifications and Standards, a long range six year plan of highway, road and street improvements; and

WHEREAS, Such plan must be extended annually on or before the anniversary date; and

WHEREAS, City staff has prepared a One and Six Year Plan to meet these legal requirements; and

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WHEREAS, The City published and held a public hearing on February 18, 2014; and

WHEREAS, The plan was submitted to Council and examined by the City Council at a regular meeting conducted on February 18, 2014; and

WHEREAS, Council believes the plan is appropriate and should be approved.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of Alliance, Nebraska, that the One and Six Year City Street Improvement Plan prepared by the City of Alliance Department of Public Facilities is hereby approved and the City staff is authorized to forward the Plan to the Board of Public Roads Classifications and Standards.

Roll call vote with the following results:

Voting Aye: Lewis, Benzel, Seiler, Yeager.

Voting Nay: None.

Motion carried.

- Resolution No. 14-21 authorizing the purchase of a 2015 Freightliner chassis with a 23 cubic-yard EMCO refuse body and accessories in the amount of \$184,286.00 was the next discussion item. The following background information was provided to Council:

[The Refuse Collection Department presently has a fleet of three refuse trucks with only two units operable at present. The 2001 International (Unit 1105) chassis is functioning; however, the refuse body no longer operates and is being used for parts. The older of the operable refuse trucks is a 2005 International (Unit 1101) which has required over \$17,000 in repairs within the past three years. The 2013 Freightliner (Unit 1102) was placed in service just over a year ago and has had several mechanical issues that were covered under warranty. Following is a recap of the refuse truck fleet:

Unit No	Year	In Service	Make	Price	Mileage	Hours
1105	2001	05/15/2000	INTERNATIONAL 4900	\$96,832	72,900	12,600
1101	2005	04/19/2004	INTERNATIONAL 7400	\$106,848	84,500	13,400
1102	2013	03/15/2013	FREIGHTLINER 108SD	\$178,515	12,000	1,500

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Staff has prepared a proposal for the purchase of a 2015 Freightliner chassis with a 23 cubic- yard EMCO refuse body with driver-side EMCO lift arm and triple camera system at the HGAC price of \$184,286 (including freight). The approved vendor for the purchase would be Kois Brothers Equipment Company, Inc. of Commerce City, CO with the chassis provided by Floyd's Truck Center, Inc. of Scottsbluff, NE in order to ensure more accessible warranty and service of the truck. (Warranty for the refuse body is two years.) The intent is to retain the 2005 refuse truck as a backup when the other refuse trucks require maintenance in order to ensure uninterrupted refuse collection services. The 2001 refuse truck will be retained for additional refuse body parts with the chassis eventually auctioned by the City.

The 2013-14 budget approved by Council included \$160,000 in the Refuse Fund (GL 06-41-42-59-960) for the replacement of a refuse truck. Since no trade is planned, the quoted price will be over the budget by \$24,262. The proposed resolution includes a request to transfer budget authority of \$24,300 from the annual refuse container fund budget (of \$60,000 in GL 06-41-42-59-950) to cover the difference.]

A motion was made by Councilman Yeager, seconded by Councilman Benzel to approve Resolution No. 14- 21 which follows in its entirety:

RESOLUTION NO. 14-21

WHEREAS, The City of Alliance Refuse Department had on their capital improvements for this fiscal year, the purchase of a refuse collection truck; and

WHEREAS, Pricing for this equipment was obtained from the government bid under the Cooperative Agreement with the Houston-Galveston Area Council "H-GAC"; and

WHEREAS, The proposed refuse truck will be mounted on a 2015 Freightliner chassis. The 23 cubic yard EMCO refuse body with driver-side EMCO lift arm and triple camera system will be provided by Kois Brothers Equipment Company, Inc. of Commerce City, CO with the chassis supplied by Floyd's Truck Center of Scottsbluff, NE for the total price of One Hundred Eighty-four Thousand Two Hundred Eighty-six and no/100ths Dollars (\$184,286.00); and

WHEREAS, The Alliance Refuse Department does not have adequate funds budgeted for this purchase; therefore they are requesting a transfer of \$24,300.00 from the refuse container line item (06-41-42-59-950) to the refuse truck line item (06-41-42-59-960); and

WHEREAS, Council believes that it is in the best interest of the City to approve this purchase as proposed.

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 purchase of a 2015 Freightliner Chassis with 23 cubic yard EMCO refuse body with driver-side EMCO lift arm and triple camera system for the price of One Hundred Eighty-four Thousand Two Hundred

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Eighty-six and no/100ths Dollars (\$184,286.00) from Kois Brothers Equipment Company, Inc. of Commerce City, CO.

BE IT FURTHER RESOLVED, that Council is authorizing the transfer of \$24,300.00 from the refuse container line item (06-41-42-59-950) to the refuse truck line item (06-41-42-59-960).

BE IT FURTHER RESOLVED, that the purchase will be funded from Refuse Account No. 06-41-42-59-960.

Roll call vote with the following results:

Voting Aye: Lewis, Benzel, Seiler, Yeager.

Voting Nay: None.

Motion carried.

- Resolution No. 14-14 was the next matter before Council, which will authorize a Production Cost Adjustment factor on electric bills beginning March 1, 2014. The following background information was provided to Council:

[The City of Alliance has been notified of two special adjustments to costs of purchased electric power as provided by Municipal Energy Assistance of Nebraska (MEAN).

The first adjustment is the City of Alliance's responsibility under the "Regulatory, Independent Transmission System Operator and Transmission Adjustment" (RITA). Southwest Public Power (SPP) alleged MEAN improperly "tagged" network paths thus resulting in violations of the Federal Energy Regulatory Commission's (FERC) approved tariff. The RITA is the result of an almost \$6.3 million settlement between MEAN and SPP which is essentially a power cost adjustment without the penalties as originally sought by FERC. Alliance's portion of the settlement is \$339,747.23 which will be paid to MEAN monthly over five years beginning in April 2014.

The second adjustment is the result of MEAN's implementation of a Pooled Energy Adjustment (PEA) which is used to recover average monthly costs of energy in excess of monthly budgeted power costs. The PEAs billed for the period April through September 2013 will be billed by MEAN from July 2014 through December 2014 with a total of \$184,026.63. Beginning with the month of October 2013, all additional PEAs are billed by MEAN in the following month with the October 2013 PEA in the amount of \$86,743.61, a November PEA of \$40,936.16 and December PEA of \$104,859.87.

None of these additional costs were incorporated into the rate study completed by Nebraska Municipal Power Pool (NMPP) in 2013 that served as the basis for

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electric rates approved by Council in the form of Ordinance 2736 on September 19, 2013. Based on the historic usage over the past five years, a Production Cost Adjustment on average of .5 cent per kWh should generate sufficient revenue to fund the RITA and PEA costs for the remainder of this fiscal year; however, if the PEA would remain at the December level, the PCA would approach 1 cent on average. It is recommended that the PCA be varied to recapture the extra costs in the fiscal year corresponding to the billings with the position re-evaluated each month. The resolution would allow the City Manager authority to utilize a PCA up to 1.5 cents beginning March 2014. The PCA at the maximum of 1.5 cents would result in an additional \$11.25 charge per month on the average residential billing.]

A motion was made by Councilman Benzel, seconded by Councilman Lewis to approve Resolution No. 14- 14.

Municipal Energy Agency of Nebraska (MEAN) staff members Tim Sutherland and Jamie Johnson joined the meeting through a telephone conference call. They described to Council the cost pressures in the current wholesale electric markets and how that has impacted MEAN participants. The primary factors for the pressure are reduced revenue from energy sales, generation ownership/fixed contract costs, continued low natural gas prices, and “negative pricing” which typically occurs with wind generation. They also discussed using cash reserve funds vs. rate increase/monthly PEA as MEAN must maintain a certain level of operating cash to fulfill its debt service and credit obligations to remain financially healthy. Failure to meet the financial targets will result increased costs to MEAN participants in the form of higher interest rate expense, bank charges/fees and loss of interest income. MEAN has financial target in four main areas: rate stabilization fund, days cash, debt service coverage, and fixed cost coverage. MEAN staff also stated that despite the rate pressures, MEAN’s wholesale rates remain competitive, and in some cases significantly lower. MEAN is strictly a wholesale power supplier and has fewer options/avenues to reduce internal costs and from whom to collect revenue. The same cost pressures affecting MEAN are impacting utilities across the country.

MEAN projects rates increases of approximately 4-7% from fiscal year 2016-2020 to build its rate stabilization fund toward established targets. The fund was utilized to help minimize rate increases the previous two years. MEAN’s board policy is to have 15% of operating expenses in its rate stabilization fund. In closing, MEAN staff stated they provide cost-based rates and operate solely to cover its costs. MEAN is a not-for-profit entity and their rates are cost based and set to “break even” each year. MEAN operates solely to cover the cost of operations for its wholesale electric participants. In comparison to other regional wholesale power suppliers, MEAN has minimal staff and very low A&G costs – 95 cents of every dollar MEAN spends goes directly toward purchasing/generating electricity.

Following several questions of Council and staff to MEAN, Councilman Benzel and Councilman Lewis withdrew their motion and second to approved Resolution No. 14-14 as presented.

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Councilman Yeager provided an amendment to Resolution No. 14-14 to change the amount of the Production Cost Adjustment from up to \$0.015 per kWh to up to \$0.01 per kWh and providing an ending date of September 30, 2014 for the Production Cost Adjustment. The motion was seconded by Councilman Lewis.

Roll call on the proposed amendment with the following results:

Voting Aye: Benzel, Seiler, Yeager.

Voting Nay: Lewis.

Motion carried.

AMENDED RESOLUTION NO. 14-14

WHEREAS, The City of Alliance provides electrical services to residents, businesses and others through the Alliance Municipal Electric System; and

WHEREAS, The City of Alliance is a member of the Municipal Energy Agency of Nebraska (MEAN); and

WHEREAS, The City of Alliance received billings from MEAN that demonstrate the cost of electricity purchased has increased and added additional cost to wholesale rates; and

WHEREAS, The City Council believes it is in the best interest of the City to approve administrative adjustments to billings for electrical services to reflect the additional charges as production costs.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Alliance, Nebraska, that pursuant to the Alliance Municipal Code, Section 28-161 (b) that the City Manager be authorized to employ a Production Cost Adjustment of up to \$0.01 per kWh, starting March 1, 2014 and ending September 30, 2014.

Roll call on amended Resolution No. 14-14 with the following results:

Voting Aye: Benzel, Seiler, Yeager.

Voting Nay: Lewis.

Motion carried.

- The next agenda item was Resolution No. 14-22, the request of the Alliance Housing Authority to waive their PILOT payment for 2013. The following background information was provided to Council:

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[The Alliance Housing Authority has requested the waiver of their in lieu of taxes (PILOT) payment to the City of Alliance. In past years, the Alliance Housing Authority was requested to go to each taxing entity to make said request. Last year when the request was made to the City, our legal counsel questioned our ability to make such a waiver and the need to approach the other taxing entities. As a result, our current research determined the City to be the sole agency involved with the PILOT and that our Cooperation Agreement does not provide for a provision to waive the payment.]

A motion was made by Councilman Benzel, seconded by Councilman Yeager to approve Resolution No. 14- 22 which follows in its entirety:

RESOLUTION NO. 14-22

WHEREAS, The City of Alliance has received a request from the Alliance Housing Authority to waive certain payments in lieu of taxes; and

WHEREAS, The City Council finds that it does not have legal authority to issue such waiver.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Alliance, Nebraska, that the payment in lieu of taxes waiver request of the Alliance Housing Authority is hereby denied.

Patricia Olson, Executive Director of the Alliance Housing Authority addressed Council regarding her request. She stated that after visiting with the Authority's attorney, she believes the City has the authority to waive the PILOT under contractual law. City Attorney Olsen asked if the Authority had any outstanding bonds or loans and if they owned other property that was not currently being used to provide income assistance housing. Ms. Olson responded no to each question.

Following a brief discussion, Councilman Benzel and Councilman Yeager withdrew their motions for the passage of Resolution No. 14-22. No additional action was taken on this matter at this time to allow further research to be conducted to allow for a permanent waiver.

- Board vacancies were the final agenda item.

The Council received interest from fifteen individuals to serve on the newly created Senior Facility Advisory Board. From the fifteen interested individuals the Council narrowed the candidate listing to five. A motion was made by Councilman Benzel, seconded by Councilman Lewis to appoint the following individuals to serve on the Senior Facility Advisory Board: Beth Bourn, Leah King, Joyce Christensen, Scott Miller, and Pete Taylor.

Roll call vote with the following results:

Voting Aye: Lewis, Benzel, Seiler, Yeager.

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Voting Nay: None.

Motion carried.

Motion by Councilman Yeager, seconded by Councilman Benzel to establish the following term assignments for the Senior Facility Advisory Board Board: Beth Bourn – 3 year term, Leah King – 3 year term, Joyce Christensen – 2 year term, Scott Miller – 2 year term, and Pete Taylor – 1 year term.

Roll call vote with the following results:

Voting Aye: Lewis, Benzel, Seiler, Yeager.

Voting Nay: None.

Motion carried.

A motion was made by Councilman Benzel, seconded by Councilman Lewis to appoint Kendra Schott to the Planning Commission with a term to expire December 31, 2016.

Roll call vote with the following results:

Voting Aye: Lewis, Benzel, Seiler, Yeager.

Voting Nay: None.

Motion carried.

Council received a letter of interest from an individual to serve on either the Police Advisory Board or the Economic Development Plan Citizen Advisory Board. A motion for appointment was not offered.

Councilman Seiler announced that the City of Alliance continues to have vacancies on the Economic Development Plan Citizens Advisory Board, Planning Commission and a homemaker representative on the Police Advisory Board. Anyone interested in serving on these Boards should contact the City Clerk's Office. Information on all of the City Boards is also available on our web site, www.cityofalliance.net.

- Vice Mayor Seiler stated, "there being no further business to come before the Alliance City Council, the meeting is adjourned at 9:25 p.m."

(SEAL)

Fred Feldges, Mayor

Linda Jines, City Clerk