

March 3, 2015

ALLIANCE CITY COUNCIL

REGULAR MEETING, TUESDAY, MARCH 3, 2015

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

The Alliance City Council met in a Regular Meeting, March 3, 2015 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 24, 2015. 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 Yeager opened the March 3, 2015 Regular Meeting of the Alliance, Nebraska City Council at 7:00 p.m. Present were Mayor Yeager, Council Members Feldges, Jones, Seiler, and Korber-Gonzalez. Also present were City Manager Cox, Assistant City Manager/Finance Director Waggener, City Attorney Hoelsing and City Clerk Jines.

- Mayor Yeager read the Open Meetings Act Announcement.
- The Consent Calendar was the first item to be addressed by Council.

Councilman Feldges made a motion, which was seconded by Councilman Jones to approve the Consent Calendar as follows:

CONSENT CALENDAR – MARCH 3, 2015

1. Approval: Minutes of the Regular Meeting, February 3, 2015.
2. Approval: Payroll and Employer Taxes for the period January 31, 2015 through February 13, 2015 inclusive: \$166,925.06 and \$11,777.54 respectively.
3. Approval: Claims against all funds of the City of Alliance for the period February 11, 2015 through February 24, 2015 in the amount of \$1,033,894.61.
4. Approval: Update to the Alliance Volunteer Fire Department roster by removing Luz (Marina) Girard.

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5. Approval: The following contractor licenses:

General Contractor	Larry L. Grant dba SLG Contracting LLC David Hartline dba Morton Buildings Inc. Taylor Vap dba Vap Construction, Inc. Christopher Mischnick dba Walter Mischnick Contractors & Builders Inc. Doug Cullan dba Cullan Supply Contractors Herbert S. Hall dba Midwest Partitions Inc. Ray Hashman/Jay Dubs dba R&J Industries Plus, Inc.
Repair & Maintenance	Larry Lybarger dba Expedient Claim Services, Inc. Robert Teuss dba Straight Line Carpentry & Painting
Master HVAC	Robert L. Myer dba Jerry's Sheetmetal Scott Diehl dba Metal Products Company
Gas Fitter	Scott Diehl dba Metal Products Company
Master Plumber	Jock H. Faris dba Faris Plumbing & Heating Inc. Jock H. Faris dba Faris Plumbing & Heating Inc. Stanley Rutkowski dba Faris Plumbing & Heating Inc.
Limited and Specialty	Dawn Voelsch dba Tower Systems, Inc. Viaero Wireless
Roofer	Forrest Rose dba Tri-State Roofing Terry Schank dba Twin City Roofing & Sheetmetal Weathercraft Company of Scottsbluff-Gering
Cement and Masonry	Ronald F. Lee dba C & R Plastering
Tree Surgeon	Richie Garza dba Panhandle Tree Service

6. Approval: Resolution No. 15-14 authorizing staff to enter into Maintenance Agreement No. 3 between the City and the State of Nebraska Department of Roads which establishes a uniform standard of design, construction, operation and maintenance of highways within City limits. A copy of the Agreement has been included for Council's review.

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: Feldges, Seiler, Korber-Gonzalez, Jones, Yeager.

Voting Nay: None.

Motion carried.

- Resolution No. 15-15 was the next item before Council for their consideration. This resolution recommends the denial of a claim submitted by Scott Bolinger dba Bolinger & Associates. The following background information was provided to Council:

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[The City of Alliance is in receipt of an invoice from Scott Bolinger dba Bolinger and Associates in the amount of \$180 for alleged damages as a result of the City removing snow from the sidewalks surrounding the property at 715 Box Butte Avenue (former Central School) and for damages at 507 Niobrara Avenue (next door to the Police Annex) as a result of piling snow. Copies of his e-mail note, billing and his pictures (7) have been made part of the Council packet for your review.

The Alliance Municipal Code requires property owners to remove snow from the public sidewalks adjacent to their property as follows:

Sec. 24-8. - Snow removal.

(a) It shall be the duty of the owner of every lot or parcel of land adjacent to which a permanent sidewalk shall have been constructed, to clean off and remove all snow and ice therefrom within 24 hours after such snow and/or ice shall have fallen, drifted or accumulated thereon. If, after 24 hours, the lot owner has failed to make the removal set out herein, the city manager may authorize such snow or ice removal to be done by specially hired contractors or employees of the city. In such event, the city may charge the lot owner the actual cost incurred by the city in the snow or ice removal.

*(b) Any owner who fails to clean off and remove all snow and ice as required herein, upon conviction thereof shall be deemed guilty of a misdemeanor and shall be fined pursuant to a misdemeanor.
(Code 1986, § 6-109; Ord. No. 2596, 2-21-2008)*

As a result of public complaints regarding the lack of snow removal at 715 Box Butte Avenue, and following the failure of Mr. Bolinger to properly remove the snow after being notified by the Alliance Police Department, City Manager Cox did authorize the removal of snow from the property utilizing City employees. The City has billed this service in the amount of \$135. In addition, a violation was issued which will be pursued through the Court. There were two snow storms which took place the first was January 3rd and 4th, the second on the 11th and 12th; with the actual snow removal by the City being completed on January 14th. Mr. Bolinger indicated his pictures were taken on the 4th of January. The claim being made for damage at 507 Niobrara Avenue is being recommended for denial as the City did not pile snow onto the property. Any tire tracking which may have occurred on the turf will not result in permanent damage as the turf is dormant and will correct itself with spring growth. Pictures have been included as part of this packet reflecting before and after the snow removal by the City.

Mr. Bolinger has made two previous filings for damages/losses. The first was in the amount of \$450,000 and the second in the amount of \$8,895 both of which were filed with our insurance carrier. Both of these claims have been denied by

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our carrier more than once stating the City of Alliance did not do anything wrong. Following these denials, Mr. Bolinger continues making contact for payment.

The City also was required to abate nuisances on the 715 Box Butte Avenue property based on the determination of the Board of Health which he failed to complete. Following the completion of the abatement by City employees, an itemized billing statement was sent to Mr. Bolinger which resulted in many e-mail exchanges from him, and required the City's legal counsel to generate a letter stating no further responses would be made by the City on this issue. Although this matter is unrelated to the snow removal it reflects the chain of claims which Mr. Bolinger has made to the City that have been determined to be without merit.

The proposed resolution will deny payment of the bill received from Scott Bolinger dba Bolinger and Associates.]

A motion was made by Councilman Feldges, seconded by Councilman Korber-Gonzalez to approve Resolution No. 15-15 which follows in its entirety:

RESOLUTION NO. 15-15

WHEREAS, The City of Alliance has received a bill from Scott Bolinger dba Bolinger and Associates in the amount of \$180.00 for alleged damages as a result of the City removing snow from the sidewalks surrounding the property at 715 Box Butte Avenue and for turf damages at 507 Niobrara Avenue; and

WHEREAS, The City removed snow from the sidewalks as the property owner failed to do so as required by Section 24-8 of the Alliance Municipal Code; and

WHEREAS, City staff has investigated the claim, with a visual inspection of the property which included before and after photographs; and

WHEREAS, The City denies damaging the property as alleged by Mr. Bolinger.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Alliance, Nebraska, that the bill from Scott Bolinger dba Bolinger and Associates in the amount of \$180.00 for alleged damages as a result of the City removing snow from the sidewalks surrounding the property at 715 Box Butte Avenue and for turf damages at 507 Niobrara Avenue is denied.

Mr. Bolinger, 507 Niobrara Avenue, Alliance, addressed Council and informed them he had removed snow on the main sidewalk on either January 1st or the 5th and the snow coverage was a result of the wind blowing the snow back onto the sidewalk. He reported that his property did receive damage as the result of the City using improper equipment for the snow removal they performed on his property. Mr. Bolinger also expressed his frustration with previous dealings with the City and that he would be pursuing legal action on a lot of other things not just this issue.

Roll call vote with the following results:

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Voting Aye: Feldges, Seiler, Korber-Gonzalez, Jones, Yeager.

Voting Nay: None.

Motion carried.

- City Manager Cox gave his City Manager's Report which follows in outline form:
 1. Golf Course Project (KL Wood) is substantially completed
 - Lacking sodding work
 - Ran into a few more World War II unknowns that caused field changes, which net out under \$2000, and will require a final change order on the project (under 5%)
 - So abundance of caution will process final documents – C/O and Certificate of Completion for final ratification
 2. LNM Conference - Legislature Bills
 - TIF Bills (LB596 (Davis), LB238, LF445) – Tighten up TIF – taking out of local control
 - LB633 - \$20 million annually to municipalities for infrastructure – Call Senators
 - Gov signed LB151- Allows cities to obtain contact info property in foreclosure
 - Gov signed LB266- to clarified cities' nuisance abatement authority
 3. 10th Street Property Acquisition: NDOR/City beginning Condemnation Process
 4. Recycling: Councilmember Korber-Gonzalez Meeting with KAB on Thursday
 5. Public Transportation: Continues to be concern about lack of Friday service
 6. Community Development: Lots of inquiries are coming in already
 7. Staffing
 - Hired two new staff members for the landfill (introduce those next time)
 - First review of electric supt. applications
 - Dispatcher & Librarian

Upcoming Council:

- 3/17: Downtown Business Improvement District Funding Uses, Policy-Use of City facilities
 - 4/7: Comp Plan Update (Add Energy Component)
- The next agenda item was the Audit Presentation. Terry Galloway of Almquist, Galloway & Luth, P.C. was in attendance to review the City of Alliance's Audit of the Financial Statements for the period of October 1, 2013 through September 30, 2014. Following Mr. Galloway's highlights of the Audit, which is on file in the City Clerk's Office, he reported to Council bench marking comparisons with other communities. Bench marking indicates the "best practice" level and then compares the City of Alliance with the standard. In summary, Mr. Galloway reported to Council that Alliance is in very good to excellent overall financial shape,

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he would recommend monitoring the Sewer and Refuse Funds, Alliance maintains a good cash reserve, underspent on the budget allocations, and has low property taxes.

A motion was made by Councilman Seiler to accept the Audit as presented. The motion was seconded by Councilman Feldges.

Roll call vote with the following results:

Voting Aye: Feldges, Seiler, Korber-Gonzalez, Jones, Yeager.

Voting Nay: None.

Motion carried.

- Council next conducted a public hearing to amend the Alliance Municipal Code to allow publicly owned and operated community buildings, public museums, public libraries and churches in Rural Residential Zoning Districts. Ordinance No. 2768 is before Council on first reading and will approve the amendment. Council was provided with the following information:

[Iglesia Bethel has requested the City of Alliance to consider adding churches as a Permitted Use in Section 115-97 of the City Municipal Code dealing with Rural Residential Districts. The church desires to expand in the near future and is interested in purchasing property around the outer areas of the City limits that are zoned Rural Residential. Properties in the Rural Residential District are typically larger in size than their other Residential and Commercial counterparts. This makes the property more attractive for the church as it would allow for future expansion should their congregation require it.

Churches are permitted uses in all other types of residential and commercial zoning in Alliance. There is already a church in the Rural Residential Zoning District along Emerson Avenue and it does not appear to have had a negative impact on the intent of the zoning district. Churches in rural residential types of zoning are not uncommon. Churches are allowed in rural residential types of zoning in Scottsbluff, Sidney, North Platte, McCook and Nebraska City, among others. Conforming Lots in Rural Residential areas are required to be a minimum 2.5 acres which is enough for a large structure, such as a church building and its necessary appurtenances such as parking lots, and allows for future expansion.

Legal opinion is that there is no reason a church could not be included in Rural Residential Zoning. As a matter of fact, the Religious Land Use and Institutionalized Person Act requires that churches be treated the same as non-religious assemblies and institutions. So anywhere the City allows a community center, theater or other facility for non-religious assembly, it must allow a church.

The City of Alliance Planning Commission held a public hearing for the addition of churches as permitted uses in the Rural Residential Zoning District at their

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regular February 10th, 2015 meeting. The Planning Commission recommended adding “publicly owned and operated community buildings, public museums, public libraries” along with churches for two reasons to the Rural Residential District code. Their first reason for adding all Permitted Uses was to keep the language the same as it is in the other residential zoning districts and the second is to avoid adding other Uses identified at a later date.

The City of Alliance Planning Commission voted to recommend and staff concurs that the Alliance City Council amend Section 115-97 of the Alliance Municipal Code, titled RR, Rural Residential District, adding “publicly owned and operated community buildings, public museums, public libraries, and churches” as Permitted Uses.]

Mayor Yeager stated “now is the date, time, and place to conduct a Public Hearing to hear support, opposition, criticism, suggestions, or observations of the taxpayers relating to the amendment of the Alliance Municipal Code to allow publicly owned and operated community buildings, public museums, public libraries and churches in Rural Residential Zoning Districts.” He opened the public hearing at 7:37 p.m.

Brent Kusek, Community Development Director, was in attendance and spoke in favor of the amendment within RR (Rural Residential) Zoning District. Mr. Kusek stated he was actually surprised that the language was not already included as it is in all of the other residential designated districts. He reported that we currently already have a church located within a Rural Residential Zoning District, which if the ordinance was approved would no longer be a non-conforming use.

Hearing no further testimony, the Public Hearing closed at 7:40 p.m.

A motion was made by Councilman Feldges, seconded by Councilman Jones to approve the first reading of Ordinance No. 2768, which was read by Clerk Jines in its entirety:

ORDINANCE NO. 2768

AN ORDINANCE PERTAINING TO THE RURAL RESIDENTIAL (RR) ZONING DISTRICT AND AMENDING 115-97; PROVIDING FOR AN EFFECTIVE DATE AND REPEALING EXISTING PROVISIONS OF THE ALLIANCE CODE NOT CONSISTENT WITH THIS ORDINANCE.

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

SECTION 1. Section 115-97 of the Code of Ordinances of the City of Alliance, Nebraska is hereby amended to read as follows:

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Sec. 115-97. RR, Rural Residential District.

- (a) *Scope and intent.* This section applies to district RR. The RR, Rural Residential District is intended to provide a transition from agriculture and ranching to low density residential development. This district is intended to accommodate larger residential estates with accompanying agricultural uses that do not conflict with residential uses.
- (b) *Permitted uses.*
- (1) Animals, except the number of animals shall not exceed a density of more than 1.0 animal units per acre.
 - (2) Dwellings, one-family.
 - (3) Public parks and playgrounds, including public recreation or service buildings within such parks.
 - (4) Railroad rights-of-way not including railroad yards.
 - (5) Stable, private.
 - (6) Publicly owned and operated community buildings, public museums, public libraries and churches.
- (c) *Conditional uses.*
- (1) Golf courses and clubhouses and uses customarily accessory thereto, except miniature golf, driving ranges and other similar activities operated as a business.
 - (2) Towers, telecommunications facilities, and antennas as permitted in chapter 109.
 - (3) Reservoirs, wells, towers, filter beds, or water supply plants.
 - (4) Buildings, structures, and premises for public utility services, or public service corporations, which buildings or uses the council, after report of the city planning commission, deems reasonably necessary for public convenience or welfare.
 - (5) Confinement of animal units where the density of units exceeds the allowable standard described in this section or where any other animal unit condition not described in section 115-96 is proposed.
 - (6) Wind-driven electric generators with prior approval of the city electrical engineer.
 - (7) Irrigation wells and associated buildings and equipment, customarily incidental to the principal use of the property, only if approval is granted by the water superintendent.
- (d) *Performance standards.*

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(1) *Area and bulk regulations.*

Use	Minimum Lot Size	Minimum Lot Width	Minimum Number of Dwelling Units	Setbacks (feet)				Maximum Height (feet)	Maximum Building Separation (feet)
				Front	Rear	Side	Side Street		
Dwelling (single-family)	2½ acres	150 feet	1	50	50	15	50	30	6
Accessory building	—	—	—	50	5	5	5	30	—

Minimum dwelling size: 800 square feet.

(2) *Permitted accessory uses.*

- a. Sheds.
- b. Garages.
- c. Barns.
- d. Silos.
- e. Home occupations in conformance with section 115-171
- f. Signs as permitted in chapter 111
- g. Off-street parking and loading serving a principal use. All off-street parking shall be located on the same lot as the principal use. See section 115-173
- h. Fences as permitted in section 115-172
- i. Temporary construction, grading, and demolition activities which are necessary and incidental to the development of facilities on the same lot, or on another of several lots being developed at the same time.
- j. Temporary conduct of a real estate sales office which is necessary and incidental to, and located on the site of, a subdivision being developed into five or more lots.
- k. Open area devoted to decorative paving, swimming pools, tennis courts, and other similar uses, located on the same lot as the principal use.
- l. A single trailer, camper, motor home or a boat, incidental to and on the same lot as principal residential uses, but only if the trailer, camper, motor home, or boat is not intended for habitation while it is on the lot, subject to the setback provisions in section 115-170(e).

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- m. Television, radio receiving and transmitting equipment, and satellite dishes as permitted by chapter 109, subject to the setback provisions in section 115-170(e) and not exceeding 60 feet in height.

SECTION 2. 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 first reading of Ordinance No. 2768 with the following results:

Voting Aye: Feldges, Seiler, Korber-Gonzalez, Yeager.

Abstain: Jones*.

Voting Nay: None.

Motion carried.

*Councilman Jones stated he abstained from voting as he is on the Board of the non-conforming church.

- The first reading of Ordinance No. 2769 which will amend the current electric rates as recommended by Phil Euler with the Nebraska Municipal Power Pool, was the next item for Council's consideration. Council was provided with the following information:

[Mr. Phil Euler (Manager of Engineering with Nebraska Municipal Power Pool, known as NMPP) has completed a review for the midpoint of the four-year rate study contract with NMPP and will be present to review the information. The recommendation as a result of the study is to increase rates on average by 9% on May 1, 2015 with average increases of 1% projected in subsequent years beginning April 1, 2016. The proposed rate changes for 2015 are proposed for May 1, 2015 to allow for three readings of the ordinance. As a result, the authorized PCA of one cent will remain in affect for the month of April.

The recommended rates are impacted by the following assumptions:

- Energy consumption is projected to increase annually by 1.4%.
- The proposed rates encompass special MEAN assessments (RITA and PEAs) from the past as well as the revised purchased power rate increases as a result of MEAN's recent wholesale rate restructuring. Greater percentage increases are noted in the customer charge with generally smaller percentage increases in the energy rates.
- Transfers to General Fund are limited to a maximum increase of 1% per year with the overall contribution rate decreasing from 12% to 10% over the next five years.
- Anticipated capital budgets were included in the model at about one-half of the total. Debt is included for funding of the anticipated automated

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remote metering system and may be necessary if actual capital projects are more aggressive than in the past.

- Minimum cash reserves are maintained in accordance with debt covenants as well as recommended standards.

The detailed executive summary is attached. The proposal calls for the highest increases in May 2015 of 12.2% for Rural Three Phase and 12.0% for Irrigation. The increases in the largest revenue-producing categories are 8.7% for Urban Residential and 10.1% for Large Power consumers. April 2016 increases range from the high of 2.0% for the Irrigation to a low of .4% for Security Lights.]

A motion was made by Councilman Seiler, seconded by Councilman Feldges to approve the first reading of Ordinance No. 2769, which was read by Clerk Jines in its entirety:

ORDINANCE NO. 2769

AN ORDINANCE AMENDING ALL RATE SCHEDULE CLASSIFICATIONS OF ELECTRIC ENERGY RATES, REPEALING PORTIONS OF ORDINANCES OR RESOLUTIONS NOT CONSISTENT WITH THE CHANGES HEREIN AND ESTABLISHING AN EFFECTIVE DATE.

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

SECTION 1. Staff from the City’s Electric and Finance Departments has prepared amendments to all rate schedule classifications of electric energy rates resulting from the findings of the Cost of Service and Rate Design Study conducted by the Nebraska Municipal Power Pool for submission to the City Council.

SECTION 2. The City Council has received and reviewed the proposed changes and finds such changes to be in the best interest of the City of Alliance and should be therefore adopted. All is hereby amended with an effective date of this ordinance, in the following particulars:

RULES AND REGULATIONS GOVERNING SERVICE ON RESIDENTIAL RATE SCHEDULE (CLASS 1)

1. Urban Residential Rates: (within corporate limits)

Monthly Customer Charge	<u>May 1, 2015</u>	<u>April 1, 2016</u>
	\$18.00	\$18.90
 <u>Summer</u>		
First 600 kWh@	\$.1082 per kWh	\$.1082 per kWh
Excess kWh @	\$.1082 per kWh	\$.1082 per kWh

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Winter

First 600 kWh @	\$.1082 per kWh	\$.1082 per kWh
Excess kWh @	\$.0882 per kWh	\$.0882 per kWh

2. Rural Residential Rates: (outside corporate limits)

Monthly Customer Charge	<u>May 1, 2015</u>	<u>April 1, 2016</u>
	\$24.80	\$26.30

Summer

First 600 kWh @	\$.1082 per kWh	\$.1082 per kWh
Excess kWh @	\$.1082 per kWh	\$.1082 per kWh

Winter

First 600 kWh @	\$.1082 per kWh	\$.1082 per kWh
Excess kWh @	\$.0882 per kWh	\$.0882 per kWh

RULES AND REGULATIONS GOVERNING SERVICE ON GENERAL SERVICE RATE SCHEDULE (CLASS 2)

1. General Service Urban Rates Single Phase: (inside corporate limits)

	<u>May 1, 2015</u>	<u>April 1, 2016</u>
Monthly Customer Charge	\$22.25	\$22.25
<u>Summer</u>		
All use	\$.10760 per kWh	\$.10860 per kWh
<u>Winter</u>		
All use	\$.10760 per kWh	\$.10860 per kWh

2. General Service Urban Rates Three Phase: (inside corporate limits)

	<u>May 1, 2015</u>	<u>April 1, 2016</u>
Monthly Customer Charge	\$53.00	\$54.00
<u>Summer</u>		
All use	\$.10760 per kWh	\$.10860 per kWh
<u>Winter</u>		
All use	\$.10760 per kWh	\$.10860 per kWh

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3. General Service Rural Rates Single Phase: (outside corporate limits)

	<u>May 1, 2015</u>	<u>April 1, 2016</u>
Monthly Customer Charge	\$24.50	\$27.00
<u>Summer</u>		
All use	\$.11080 per kWh	\$.10860 per kWh
<u>Winter</u>		
All use	\$.11080 per kWh	\$.10860 per kWh

4. General Service Rural Rates Three Phase: (outside corporate limits)

	<u>May 1, 2015</u>	<u>April 1, 2016</u>
Monthly Customer Charge	\$53.60	\$53.80
<u>Summer</u>		
All use	\$.11410 per kWh	\$.11570 per kWh
<u>Winter</u>		
All use	\$.11410 per kWh	\$.11570 per kWh

RULES AND REGULATIONS GOVERNING SERVICE ON GENERAL SERVICE DEMAND RATE SCHEDULE (CLASS 3)

1. General Service Demand Urban Rates: (inside corporate limits)

	<u>May 1, 2015</u>		<u>April 1, 2016</u>	
Monthly Customer Charge	\$59.25		\$59.25	
Energy	Summer	Winter	Summer	Winter
	\$.08910	\$.08410	\$.08690	\$.08690
Demand	Summer	Winter	Summer	Winter
	\$9.00	\$9.00	\$9.00	\$9.00

2. General Service Demand Rural Rates: (outside corporate limits)

	<u>May 1, 2015</u>		<u>April 1, 2016</u>	
Monthly Customer Charge	\$63.30		\$65.00	
Energy	Summer	Winter	Summer	Winter
	\$.07940	\$.07940	\$.08050	\$.08050
Demand	Summer	Winter	Summer	Winter
	\$12.00	\$12.00	\$12.00	\$12.00

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RULES AND REGULATIONS GOVERNING SERVICE ON LARGE POWER RATE
SCHEDULE (CLASS 4)

1. <u>Large Power Rates:</u>	<u>May 1, 2015</u>		<u>April 1, 2016</u>	
Monthly Customer Charge	\$120.00		\$125.00	
Energy	Summer	Winter	Summer	Winter
	\$.06960	\$.06960	\$.07060	\$.07060
Demand	Summer	Winter	Summer	Winter
	\$13.00	\$13.00	\$13.00	\$13.00

RULES AND REGULATIONS GOVERNING SERVICE ON IRRIGATION RATE
SCHEDULE (CLASS 5)

<u>Irrigation Rates:</u>	<u>May 1, 2015</u>	<u>April 1, 2016</u>
Customer charge per month	\$60.00	\$73.00
Energy	\$.09260 per kWh	\$.09260 per kW
Annual Horsepower charges [#]		

[#] The following annual horsepower charges will be made available at the discretion of the City:

	Summer/Winter	Summer/Winter
No Load Control	\$84.00	\$84.00
One (1) Day per Week Control	\$70.60	\$70.60
Two (2) Day per Week Control	\$56.30	\$56.30
Three (3) Day per Week Control	\$42.60	\$42.60
Four (4) Day per Week Control	\$28.00	\$28.00
Full Load Control	\$13.75	\$13.75

RULES AND REGULATIONS GOVERNING MUNICIPAL SERVICE RATE (CLASS 6)

Municipal Rates will be charged on the applicable General Service Rates:

SECURITY LIGHT (CLASS 7)

1. Security Light Rates:

<u>Rates - Urban:</u>	<u>May 1, 2015</u>	<u>April 1, 2016</u>
150 W HPS/175 W MV	\$11.65 per month	\$11.70 per month
250 W HPS/MV	\$15.75 per month	\$15.80 per month
400 W \$24.15 per month	\$24.25 per month	

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Rates – Rural:

150 W HPS/175 W MV	\$12.90 per month	\$12.95 per month
250 W HPS/MV	\$17.00 per month	\$17.10 per month
400 W \$25.45 per month	\$25.55 per month	

SECTION 3. All other ordinances, resolutions, or policies of the City of Alliance not consistent with the amendment made herein are hereby repealed.

SECTION 4. This ordinance shall go into effect on meter billings rendered May 1, 2015 and thereafter

Mr. Euler reviewed the Financial Plan and Cost of Services Rates Study and answered questions of Council. He described to Council that load growth has leveled off with a large number of municipalities due to new efficiencies with lighting and appliances becoming available and in some cases mandated which has allowed new industry to be absorbed within expectations. He stated this is not the case for Alliance as new economic development projects within our service area has added load growth beyond the efficiencies. Wholesale power is currently 70% of the expense for Alliance. Some of the factors contributing to our recent wholesale expense level are over forecasting, a rate structure that did not take into account weather differences throughout the entire service area, which caused revenue erosion. He also reported that Alliance's electric debt is very small, and when planning capital improvements it may be more appropriate to spread out the funding to receive participation from future users of the electric service. This will allow Alliance to maintain their cash reserve target levels and not place undue burden of current users of the services.

Council inquired if average temperatures were calculated within the rates. Mr. Euler stated actual numbers were used in reviewing 2014 and future numbers were normalized for variances. Additional inquiries were made regarding the rate increase being sufficient to sustain minimum costs for "phantom load" growth and if steps were being taken to lessen the practice of some rate classes subsidizing other rate classes. Mr. Euler indicated that the proposed rate structure in two phases was designed to address these situations.

Roll call vote on the first reading of Ordinance No. 2769 with the following results:

Voting Aye: Feldges, Seiler, Jones, Korber-Gonzalez, Yeager.

Voting Nay: None.

Motion carried.

- Council next reviewed Resolution No. 15-16, which will authorize the recommendation of Boutique Air to the Department of Transportation to provide essential air service for the City of Alliance. Council was provided with the following information:

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[The Department of Transportation solicited proposals from carriers to provide Essential Air Service for Alliance and/or Chadron on November 12, 2014. The current contract with Great Lakes Aviation expires on May 31, 2015 and a new contract period begins June 1, 2015. The Department of Transportation received proposals from four carriers:

1. Great Lakes Airlines
2. ViaAir
3. Gem Air
4. Boutique Air

Alliance and Chadron Municipal Airports contracted with Sixel Consulting Group to obtain interest from airlines and was pleased to have four carriers interested in providing air service to Alliance and Chadron. All six bids included 12 flights per week which would allow Alliance to have two flights daily during the week and one flight each on Saturday and Sunday.

The airport "Fly Alliance" marketing and development groups, two City Council members and three "frequent flyers" were gathered as the core group to analyze the proposals. The group met in early February to review all bids and developed a priority list of criteria to be used during the selection process. The airports' consultant from Sixel, Mike Mooney, supplied a list of questions for each carrier. The core groups from Alliance and Chadron added questions to the list supplied by the consultant and this master list was given to each carrier. Each community invited all airline carriers to visit their community. These visits occurred between February 9 and February 20 with all carriers participating. During the visit, the carriers had a chance to tour the airport facilities, visit with Heartland Aviation (fixed based operator) and meet with the Airport's core group.

The final step was evaluating each carrier based on the prioritized list which consisted of:

1. Reliability
2. Pricing
3. Schedule
4. Simplicity
5. Communication/Responsiveness
6. Tourism
7. Marketing
8. Economic Impact
9. Comfort of Aircraft

Mike Mooney facilitated the discussion for the Alliance core group and City Manager of Chadron. Each carrier was rated on each priority with points determined by the entire group. With this process completed, the core group is

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unanimously recommending Boutique Air as the best choice for providing Essential Air Service for Alliance.]

A motion was made by Councilman Feldges, seconded by Councilman Seiler to approve Resolution No. 15-16 which follows in its entirety:

RESOLUTION NO. 15-16

WHEREAS, The City of Alliance owns and operates the Alliance Municipal Airport which provides commercial air service; and

WHEREAS, The Department of Transportation has solicited proposals from carriers to provide Essential Air Service to Alliance, Nebraska; and

WHEREAS, Our current carrier's contract to provide Essential Air Service ends May 31, 2015; and

WHEREAS, Four carriers submitted proposals which were evaluated and rated by our "Fly Alliance" marketing and development groups, two council members and three frequent flyer patrons; and

WHEREAS, Based on the evaluations and interviews with the four carriers the group is recommending the selection of Boutique Air, contingent upon receiving approval with the Transportation Security Administration for sterile operations, to the Department of Transportation to provide Essential Air Service for Alliance.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Alliance, Nebraska, that Boutique Air, contingent upon receiving approval with the Transportation Security Administration for sterile operations, be recommended to the Department of Transportation to provide Essential Air Service to the Alliance Municipal Airport.

Peggy Cooke, 1618 Bel Air Avenue addressed Council stating that she was surprised by the Boutique Air recommendation by the Airport Committee to City Council. In her opinion the "baggage issue" is a significant matter which should not be overlooked. Anyone flying from Alliance with Boutique Air will have to claim their baggage in Denver and then re-screen through TSA Security prior to boarding the next segment of their trip. Ms. Cook commented that Boutique Air's web page statement regarding baggage "We will accept additional baggage. However, we cannot guarantee available space for additional baggage on every flight." does not fit the needs of Alliance's travelers. In closing, she stated that a frequent customer uses Great Lakes to transport poodles as part of her business and that would no longer be an option with Boutique Air.

City Manager J.D. Cox recommended to Council to include Michael Mooney of Sixel Consulting Group into the conversation via telephone, which was done at this time.

The next individual to provide comment regarding this issue was Lorie Korber, 1328 Sheridan Avenue. Ms. Korber stated she is a former employee of Great Lakes but was not speaking as their representative. Ms. Korber relayed a story regarding a past traveler that landed

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at our Airport and was surprised to be in Nebraska instead of Ohio. The fact that Great Lakes had an affiliation with a larger airline allowed the traveler to make the destination correction quickly and at no additional cost. She did not believe that type of customer service will be an option with Boutique Air. Three of the priorities which were identified by the Airport Committee to be reviewed were: reliability, connections and simplicity which she believes would be better served by Great Lakes. The reliability rating for Great Lakes is being misconstrued by the review Committee as most of the issues that have been negatively attributed are through no fault of Great Lakes. Many of the reliability issues have been a result of changes made by the Federal Aviation Administration involving crew availability due to pilot certificate/licensing requirement changes. Connections are essential for Alliance travelers and the only bidding airline to have partnerships with larger airlines is Great Lakes. Finally, Ms. Korber did not believe Boutique Air would provide simplicity for the Alliance traveler as they would be difficult to book flights as they are not included with the mainstream travel websites, they do not serve unaccompanied children travel needs, and they do not have cold weather equipment available.

Airport Manager Lynn Placek then addressed Council and reviewed the process which was utilized to get Alliance to this point in time. Approximately two years ago she contacted Sixel Consulting to assist in the development of the airport to find ways to bring additional revenue and expansion to our current facilities. At about the same time two volunteer groups were created to assist in generating ideas for (1) how to market our Airport and (2) the development of our Airport. Shortly after this took place, a change was made which impacted Essential Air Service into Alliance relating to pilot qualifications for plans carrying more than 9 passengers. Sixel Consulting specializes in the smaller airline service and was therefore able to assist Alliance in navigating a new market of service providers. Therefore we took advantage of the opportunity to utilize Sixel Consulting with this round of bidding being conducted by the Department of Transportation for Essential Air Services to Alliance. It was also determined that to be successful it may be helpful to partner with Chadron, NE in our efforts. All four carriers were interviewed by members of the Advisory Groups, J.D., two Council members and herself. Each airline was also interviewed separately by the Chadron group.

John Aguillo, 920 Black Hills Avenue, Manager of Siemens and a frequent flyer from the Alliance Airport and Kristy Ellstrom, 1016 Niobrara Avenue, an employee of Box Butte General Hospital addressed Council as members of the Airport Advisory Groups. They began their presentation by stating their recommendation to the Council for the selection of an airline is Boutique Air. They then reviewed the priorities which were used in comparing the airlines in the order of their importance: reliability, pricing, schedule, simplicity, communication, tourism, marketing, economic impact and aircraft comfort. Due to the fact that Great Lakes has not been reliable over the past year they were not a viable option at this time. When addressing pricing Great Lakes was the highest quote with the other three airlines indicating flexibility with one-way tickets priced between \$49 to \$150. Scheduling was the third priority and the afternoon flight being proposed by Great Lakes is not ideal for passengers with a destination further than Denver, as most connections are not available. When the groups reviewed simplicity Great Lakes definitely has the advantage with the ability to ticket using various web services and baggage transfer because of their agreement with the larger carriers; however it appears that most of the larger airlines are opting out of these arrangements.

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Council asked if baggage agreements are being pursued by the other three carriers. Mr. Mooney stated they were, but it will be very difficult to acquire as the industry in general is moving away from that direction. He advised Council to not count on that effort being successful.

A question was asked by Council regarding the ability of Boutique Air to operate in cold weather. Mr. Mooney of Sixel Consulting Group addressed this concern and reassured Council that this was specifically discussed with Boutique Air and did not believe it was a problem.

Councilman Korber-Gonzalez asked for a clarification if this decision has already been made, and if so why is this coming before Council.

Ms. Placek stated that the decision has not been made and that the recommendation to the Department of Transportation for a carrier is the Council's responsibility. She informed Council that her main concern was that Alliance has a reliable airline service that the citizens had confidence that flights will take place and return using our airport in order to continue to receive Essential Air subsidy. Her goal was to provide Council with more than one air carrier option and one of the best means of accomplishing this was to join together with Chadron to entice interest from additional carriers. The fact is the number of passengers using the Alliance Airport has significantly decreased over the last two years and Great Lakes has not been able to provide the services they have assured us they could provide. Ms. Placek stated her focus is to ensure the viability of our commercial air service in Alliance and secure a service that our citizens and surrounding residents can depend upon. The proactive recruitment efforts in securing additional air carrier interest produced four bids to provide service to Alliance. Our consultant, the established Airport Advisory Groups along with two Council members were requested to assist in comparing the bids. A representative of Chadron was also included, although their recommendation to the Department of Transportation will be independent of Alliance's recommendation.

Mr. Jeff Jensen, the City's Fixed Base Operator at the Alliance Airport provided an overview of the types of airplanes that each carrier is proposing to use. All airplanes are acceptable; however, the airplane proposed by Boutique Air is a newer single engine which is one of the most sought after planes at this time. The plane will seat 8 passengers with first class type seating, two crew members and is pressurized, one of the best aircraft for maintenance reliability. Mr. Jensen was asked if he could provide cargo service if it is not available by the carrier selected. He responded that his company could provide that service.

Councilman Korber-Gonzalez asked if a new carrier is selected and is not successful what financial impact that would have on the City. Airport Manager Placek replied minimal as the only revenue to the City from the airline is the rental of terminal space which is nominal. Should the airline decide to pull out of Alliance, the Department of Transportation would step in and conduct an emergency bid process which would leave us without service for a short time period.

Mr. Mooney explained the pilot requirement changes based on aircraft size. He then summed up the recommendation to Council stating that our current air service provider is not meeting the requirements of their contract and are continuing a downward trend. The City now

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has several other vendors eager to offer their services and the recommendation of Boutique Air is an excellent option for Alliance. He believes it is in the City's best interest to change carriers.

Roll call vote with the following results:

Voting Aye: Feldges, Seiler, Jones.

Voting Nay: Korber-Gonzalez, Yeager.

Motion carried.

- The next agenda item was Resolution No. 15-18 which will authorize the purchase of two police cruisers with the associated law enforcement package from Cover Jones Motor Company in the amount of \$55,520. Council was provided with the following information:

The Police Department is currently in need of two replacement patrol vehicles. Two 2010 Ford Crown Victoria cruisers (acquired in mid 2010) now have high mileage (Unit 113 in excess of 150,000 miles and Unit 107 in excess of 115,000) and mechanical issues. The replacement of Unit 113 was delayed last year and a new transmission was installed in the vehicle at a cost of \$2,550. That Unit is presently inoperable due to a pending ignition flywheel repair estimated at \$1,000. Unit 107 has a wiring short and emits smoke from the steering column. (See pictures depicting the condition of the two cruisers in the packet.)

The following chart details all current Police Department vehicles including purchase date and age, miles, original price and City depreciated value, value remaining and projected replacement year. There are five cruisers that are shared by patrol staff shifts. Currently, two shifts overlap and there may be four of the cruisers on the street at the same time. With the recent down time of two vehicles, the Department found that it did not have a cruiser available for a sergeant to respond.

Unit ID	Description	Use	Purchased	Age	Miles	Price	Book	%	Replace
V120	2005 HARLEY DAVIDSON CYCLE	Cruiser	03/01/05	9.98	64,000	16,751.00	0.00	0.0%	2020
V108	2005 MERCURY SABLE	Investigator	11/02/05	9.31	54,000	11,906.00	0.00	0.0%	2019
V151	2007 FORD F150 4x4 PU	Animal Control	04/04/07	7.89	64,000	15,458.45	0.00	0.0%	2018
V105	2009 FORD CROWN VICTORIA	Canine Unit	04/29/09	5.82	102,000	25,324.11	0.00	0.0%	2016
V113	2010 FORD CROWN VICTORIA	Cruiser	05/01/10	4.81	150,000	24,791.05	2,879.84	11.6%	2015
V107	2010 FORD CROWN VICTORIA	Cruiser	07/01/10	4.64	115,000	10,796.18	1,614.97	15.0%	2015
V116	2009 JEEP GRAND CHEROKEE	Investigator	10/01/10	4.39	85,000	15,243.00	6,088.85	39.9%	2016
V102	2013 FORD AWD INTERCEPTOR	Cruiser	06/29/12	2.65	51,000	29,393.97	16,300.23	55.5%	2017
V103	2013 FORD AWD INTERCEPTOR	Cruiser	06/29/12	2.65	75,000	29,393.97	16,300.23	55.5%	2017
V106	2013 FORD AWD INTERCEPTOR	Cruiser	03/15/13	1.94	28,000	30,065.11	20,887.03	69.5%	2018
V104	2014 FORD AWD INTERCEPTOR	Chief Unit	08/18/14	0.51	5,000	25,078.00	24,473.38	97.6%	2024
11	Units	Age/Miles as of	02/20/15	FYE 2014 Value	234,200.84	88,544.53	37.8%		

Generally, auditors have recommended maintaining average book value of equipment at 35% or higher with the Alliance Police Department vehicle book

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value at 37.8% on September 30, 2014. A recent survey of 13 police departments of similar-sized cities revealed that the departments retain vehicles between 85,000 and 140,000 miles with the average being 110,000 miles. The two vehicles identified for renewal both exceed that average. As an additional point of reference, it has been estimated by local mechanics that engine hours would be at least double the amount of recorded miles for police cruisers.

The Police Chief has investigated alternative vehicle replacement models for this year and is recommending that both of the patrol vehicles be replaced with Ford Explorers. The State of Nebraska bid and Cover-Jones Motor Co. prices are displayed below for the 2015 Ford Taurus and 2016 Explorer Interceptors. Delivery time for the vehicles is estimated at 90 to 120 days.

Vehicle	State of Nebraska	Cover- Jones Motor Co.
2015 Ford Taurus Interceptor AWD	\$25,688	\$24,928
2016 Ford Explorer Interceptor 4WD	\$27,042 (2015 closed)	\$27,760
2015 Ford Expedition 4WD	\$30,941	
2015 Dodge Charger AWD	\$27,836	

Both the Gering and Chadron Police Departments include Explorers in their fleet operations and reported they are highly functional. The City police officers have also suggested the change because of the ease of entry and exit, better visibility, improved driving experience in inclement weather and extra space for equipment storage. The 2015 Ford Explorer Interceptor has the same size engine as the Ford Taurus Interceptor with four-wheel drive for mobility during snowy conditions. The estimated city gas mileage of the Explorer is the same as the Taurus with the highway mileage being slightly lower for the Explorer.

Each new vehicle will require new decals, camera, radar unit and docking station. The cost of this equipment per vehicle will be approximately \$8,500 with the majority being priced from the Nebraska State Bid listing. The security cage, console and light bar/siren package cost including installation will be \$4,329 plus a maximum installation of \$2,750 per vehicle as quoted by Action Communications of Scottsbluff. (The dollar breakdown is attached.) The mobile radio, laptop and a portion of the docking station table will transfer from the previous vehicles.

The proposed resolution would authorize the purchase from Cover-Jones Motor Co. of two 2016 Ford Explorers for \$27,760 each. The equipment and installation would be \$15,579 for each vehicle for a total of \$43,339 for each. The approved authority in the police operations budget (Capital Outlay–Vehicles G/L 01-31-32-59-960) was \$45,500 with additional budget authority in the police administration budget of \$27,000 (Capital Outlay–Vehicles G/L 01-31-31-59-960). An approved purchase of two Explorers would require a transfer from Council

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Contingency of up to \$15,000. (Note: The 2014-15 budget included a contingency of \$36,000 for a police cruiser.) Public Safety Funds up to \$60,000 have been allotted for police vehicles and grants for the equipment are estimated at \$8,800. A transfer of Public Safety Funds in the amount of \$45,000 is recommended by Staff.]

A motion was made by Councilman Jones, seconded by Council Seiler to approve Resolution No. 15-18 which follows in its entirety:

RESOLUTION NO. 15-18

WHEREAS, The City of Alliance Police Department has an immediate need to replace two 2010 Ford Crown Victoria police vehicles as a result of mechanical issues requiring additional major repairs and high mileage; and

WHEREAS, Police Chief Kiss is recommending the purchase of two 2016 Ford Explorers from Cover-Jones Motor Co. in the amount of \$27,760 each for a total of \$55,520 which is below the State of Nebraska bid; and

WHEREAS, Each of the vehicles will require the purchase and installation of the required safety and emergency equipment with an approximate value of \$8,500 each for a total of \$17,000 with the majority being priced from the Nebraska State Bid listing and installed through Action Communications of Scottsbluff; and

WHEREAS, Staff is recommending that Cover-Jones Motor Co. and Action Communications are the lowest responsive, responsible bidders for these purchases; and

WHEREAS, In order to complete this purchase additional funding will be required from the City Council Contingency Fund in the amount of \$15,000.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Alliance, Nebraska, that City Manager J.D. Cox be and hereby is authorized to enter into a contract with Cover-Jones Motor Co. for the purchase of two 2016 Ford Explorers in the amount of \$27,760 each for a total of Fifty-five Thousand Five Hundred Twenty Dollars and no/100ths (\$55,520).

BE IT FURTHER RESOLVED, that City Manager J.D. Cox is authorized to enter into a contract with Action Communications for the purchase and installation of the safety and emergency equipment in the amount not to exceed \$8,500 per vehicle for a total of Seventeen Thousand and no/100^{ths} Dollars (\$17,000).

BE IT FURTHER RESOLVED, that the City Council is authorizing the use of \$15,000 from their Contingency Fund Account No. 01-10-10-47-791 along with \$27,000 from the Police Administration Capital Outlay-Vehicle Account No. 01-31-31-59-960 to be transferred to the Police Department's Capital Outlay – Vehicle Account No. 01-31-32-59-960 to allow for the purchase of two police vehicles and the associated safety and emergency equipment.

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Council discussed the movement from the Taurus to the Explorer models and the additional cost of safety and emergency equipment necessary for each model.

Roll call vote with the following results:

Voting Aye: Seiler, Jones, Korber-Gonzalez, Yeager.

Voting Nay: Feldges.

Motion carried.

- The final agenda item was a board appointment and board vacancy announcements.

Councilman Jones announced that the City of Alliance has the following current openings: one vacancy on the A-1 Downtown Improvement Board, two vacancies on the Planning Commission, two openings on the Senior Center Advisory Board, two openings on the Park and Treed Board and a Hispanic Representative on the Police Advisory Board. There are also two youth ex-officio positions on the Library 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.

A motion was made by Councilman Korber-Gonzalez, seconded by Councilman Seiler to appoint Howard Jensen to the Planning Commission with a term to expire December 31, 2017.

Roll call vote with the following results:

Voting Aye: Feldges, Jones, Yeager, Seiler, Korber-Gonzalez.

Voting Nay: None.

Motion carried.

A motion was made by Councilman Korber-Gonzalez, seconded by Councilman Feldges to appoint Miriam Bowen to the Park and Tree Board with a term to expire February 28, 2018.

Roll call vote with the following results:

Voting Aye: Feldges, Jones, Yeager, Seiler, Korber-Gonzalez.

Voting Nay: None.

Motion carried.

A motion was made by Councilman Korber-Gonzalez, seconded by Councilman Feldges to re-appoint James Joule to the Park and Tree Board with a term to expire February 28, 2018.

Roll call vote with the following results:

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Voting Aye: Feldges, Jones, Yeager, Seiler, Korber-Gonzalez.

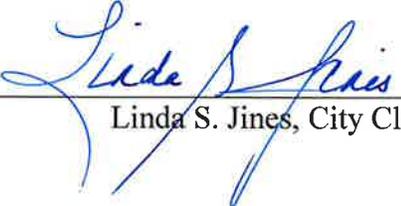
Voting Nay: None.

Motion carried.

- Staff was requested to research the possibility of preparing a Request For Proposal to provide public transportation.
- Mayor Yeager stated, "there being no further business to come before the Alliance City Council, the meeting is adjourned at 10:03 p.m."



Ralph Yeager, Mayor



Linda S. Jines, City Clerk

(SEAL)