

January 28, 2020

ALLIANCE CITY COUNCIL

SPECIAL MEETING, TUESDAY, JANUARY 28, 2020

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

The Alliance City Council met in a Special Meeting, January 28, 2020, at 10:00 a.m. in the Board of Education Meeting Room, 1604 Sweetwater Avenue, Alliance, Nebraska. A notice of meeting was posted starting on January 22, 2020 at three public places: Municipal Building, Regional Law Enforcement Center, and the Library/Learning Center. The notice state 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 Dafney opened the January 28, 2020 special meeting of the Alliance, Nebraska City Council at 10:00 a.m. Present were Mayor Dafney, Council Members Mischnick, Jones, Reynolds and Bentley. Also present were City Manager Sprock, City Attorney Hoelsing, Finance Director Waggener, Box Butte Development Executive Director Chelsie Herian, Deputy City Clerk Tarrah Johnson and City Clerk Jines.

- Mayor Dafney read the Open Meetings Act Announcement.
- Council conducted a discussion of an additional 1/2¢ sales tax being placed on the election ballot. The Nebraska Legislature has allowed Cities of the First Class to implement such a tax for public infrastructure projects. City Manager Sprock began the discussion by reviewing the conditions for implementing the tax:
 - Must be approved by the citizens of Alliance via a ballot initiative;
 - The additional tax would be for a 10 year period; and
 - Requires partnering with a political subdivision within the City or County.

The following is a listing of information gathered and the steps taken for consideration of the additional 1/2¢ sales tax:

- The Alliance Community Redevelopment Authority (CRA) has agreed to partner with the City to create an Interlocal Agency to administer the funds;

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- Based on current sales tax trends an additional 1/2¢ would be \$600,000 to \$700,000 in annual revenue to the City;
- There is currently a desire to utilize these funds to improve the condition of streets within Alliance;
- The City and the CRA are prepared to entered into an agreement that would contain provisions and benchmarks for projects to be performed; and
- Based on the scope of the project, municipal bonds would be obtained to pay for construction costs and the tax revenue would be used to pay off the bonds.

City Attorney Hoelsing has prepared drafts of both the resolution and the Interlocal Cooperation Agreement for Council's review and future consideration at a regular meeting.

Mayor Dafney reported that staff had met with a group of business community leaders which was arranged by Box Butte Development Corporation. At that meeting the additional 1/2¢ sales tax was discussed. The participants at that meeting felt street improvements are necessary and would benefit the citizens and visitors to Alliance. They would like to see a strong organized effort be in place to be successful in passing the ballot initiative.

Council was informed that Chadron had successfully passed their additional 1/2¢ sales tax and that Scottsbluff has made two attempts for the tax which have not been successful.

Council discussed the benefits of the use of bonding should the tax pass to achieve the street improvements quickly and including a larger number of streets. This is preferred over doing a small number of street projects over the ten year period. The discussion also included how best to insure public confidence in the use of the funds.

A motion was made by Councilman Jones to have the ballot language within the resolution state the proposed use of funds will solely be used towards street improvements. The motion was seconded by Councilman Mischnick.

Roll call vote with the following results:

Voting Aye: Jones.

Voting Nay: Dafney, Mischnick, Reynolds, Bentley.

Motion failed.

A motion was made by Councilman Mischnick to have the language in the draft resolution placing the 1/2¢ sales tax on the ballot state that (1) the first \$6,000,000 of revenue generated from the sales tax be used for street improvements and any additional water, storm sewer, and sanitary sewer infrastructure improvements related to a street improvement project, and (2) any revenue generated above the first \$6,000,000 may be used for general improvements to municipal buildings, property, and infrastructure used in the operation of government. The motion was seconded by Councilman Reynolds.

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Roll call vote with the following results:

Voting Aye: Mischnick, Jones, Reynolds, Bentley.

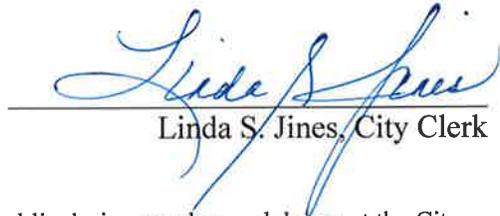
Voting Nay: Dafney.

Motion carried.

There being no further business before Council, Mayor Dafney adjourned the meeting at 10:36 a.m.


Mike Dafney, Mayor

(SEAL)


Linda S. Jines, City Clerk

Complete minutes of the Alliance City Council may be viewed by the public during regular work hours at the City Clerk's Office, 324 Laramie Avenue, Alliance, Nebraska.

