

June 21, 2016

The Seward City Council met at 7:00 p.m. on Tuesday, June 21, 2016, with Mayor Joshua Eickmeier presiding and Assistant Administrator /Clerk-Treasurer /Budget & Human Resources Director Bonnie Otte recording the proceedings. Upon roll call, the following Councilmembers were present: Jon Wilken, Ellen Beck, Sid Kamprath, Dean Fritz, Karl Miller, Chris Schmit, John Singleton, and Dick Hans. Other officials present: City Administrator Bruce Smith and City Attorney Kelly Hoffschneider. Absent: None.

Notice of the meeting was given in advance thereof by the method of communicating advance notice of the regular and special meetings of the City Council of the City of Seward, Nebraska, as stated in Ordinance No. 2015-08, which was adopted on the 5th day of May, 2015; said method stating that the notice of such meeting, with the agenda thereon, be posted in the following places: City Hall, Seward County Courthouse, Municipal Building, and Seward Public Library. The certificate of posting notice is attached to these minutes. Notice of this meeting was simultaneously given to the Mayor and all members of the City Council and a copy of their acknowledgment of receipt of notice and the agenda are attached to these minutes. Availability of the agenda was communicated in the advance notice and in the notice to the Mayor and Council of this meeting. All proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public.

THE PLEDGE OF ALLEGIANCE

Mayor Eickmeier announced that a copy of the Agenda for this meeting is posted on the north wall of the Municipal Building and copies are available on the north wall where a copy of the Open Meetings Act is also posted for public inspection. He also noted that any citizen wishing to address the Council should come to the podium, state their name and address and limit their comments to five minutes. All remarks should be directed to the Mayor/Chairperson, who will then determine who will make any appropriate response. The City of Seward reserves the right to adjust the order of items on this agenda if necessary and may elect to take action on any of the items listed.

1. APPROVAL OF MINUTES OF JUNE 7, 2016 COUNCIL MEETING

Councilmember Singleton moved, seconded by Councilmember Fritz, that the minutes of the June 7, 2016 City Council meeting be approved.

Aye: Wilken, Hans, Fritz, Miller, Beck, Schmit, Singleton, Kamprath
Nay: None
Absent: None. Motion carried.

2. CONSENT AGENDA CONSIDERATION ITEMS

Councilmember Singleton moved, seconded by Councilmember Wilken, that the following Consent Agenda items be approved in one single motion:

- A. Claims & Payables Reports
- B. City Codes Director Report
- C. Police Department Report
- D. Infrastructure Cost Items Reimbursable Back to the City

CLAIMS LIST
6-21-16
COUNCIL MEETING

Abbreviations: Bu, Building Upkeep; Eq, Equipment; Ex, Expense; Ma, Maintenance; Mi, Mileage; Misc, Miscellaneous; Re, Repairs; Sa, Salaries, Se,

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Services; Su, Supplies; Ut, Utilities, CI, Capital Improvements; GU, Grounds Upkeep.

Alamar Uniforms	Uniforms	297.95
All Road Barricades Inc	Su	286.69
Amazon.Com Credit Service	Su	477.12
American Fence Co Lincoln	Ci	13,138.00
Ameritas Life Insurance Co	Ins	5,796.46
Aqua-Chem Inc	Su	1,446.36
Baker & Taylor	Su	2,092.01
Barco Municipal Products	Eq	991.57
Barrett Valerie	Ex	75.00
Barrett Whitney	Ex	150.00
Berens-Tate Consulting	Se	3,000.00
Bizco Technologies	Se	3,831.50
Blackburn Manufacturing	Su	652.04
Black Hills Energy	Ut	4,057.51
Blue Valley Pest Control	Bu	75.00
Bruning State Bank	Lease	3,550.00
Calder Kathy	Trng	200.00
Capital Business-Cheyenne	Ma	91.00
Carroll Dist/Const Supply	Su	319.23
Cash-Wa Distributing Co	Su	285.55
City Seward Electric Fund	Ut, Incentive	42,355.22
City Seward Library Petty	Su	76.32
City Seward Merchant Serv	Fees	1,838.76
City Seward Payroll Account	Payroll	137,923.38
Constellation NewEnergy	Ut	656.15
Control Services Inc	Re	679.48
Cooksey Brian	Refnd	30.00
Cross Creek Animal Health	Se	660.00
D L T Solutions Inc	Su	1,046.37
Dan's Custom Works	Su	37.50
Dillon Jason	Trng	100.00
Ditch Witch Grand Island	Re	224.16
Donnelley R R	Su	109.79
Dutton-Lainson Co	Su, Re	3,393.35
Environmental Resource	Se	59.89
Farmers Coop Seward	Su, Re	6,124.87
Fast Mart	Su	19.56
Fastenal Company	Su, Gu	396.98
Fritts Richard B	Re	34.78
Fyr-Tek	Re	2,810.40
Geidel Jeremy	Ex	90.00
General Excavating	Ci	4,395.35
Gerhold Concrete Co Inc	Su, Re, Ma	2,143.06
Gonzalez Antonio	Ex	35.00
Graybar	Eq	1,302.96
Hach Company	Su, Eq	3,753.53
Hawkins Inc	Su	945.74
Hemmings Classic Car	Su	47.95
Hemphill Electric LLC	Re, Bu	433.40
Herpolsheimer's Inc	Re	451.58
Hobson Automotive & Tire	Re	119.00
Holtorf Paul	Refnd	60.00
Hydraulic Equipment Service	Re	749.42
Ideus David	Ex	75.00
Interstate All Battery	Su	72.00
J W C Environmental	Re	3,632.20
Jackson Services Inc	Ma	49.50

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Jones Automotive	Re	267.21
Komenda Matt	Ex	120.00
Kottich Isaiah	Ex	185.00
Kriz-Davis Co	Uniform, Re, Su	11,725.97
Kuhlman Construction	Refnd	144.52
Last Mile Network Consult	Se	235.30
Latsch's	Su	149.58
Layne Christensen Co	Se, Ma	2,142.47
Lee'S Refrigeration	Bu, Ci	31,329.04
Lewis Sam	Ex	75.00
Library Store Inc	Su	52.26
Marlin'S Plumbing Heating	Bu	70.35
Matheson Tri-Gas Inc	Su	111.12
Mattson Ricketts Law Firm	Se	4,000.00
Mclaughlin Kathy	Trng	200.00
Memorial Health-Drug	Se	93.00
Memorial Health-Meals	Su	2,672.00
Merle's Garden Center	Gu	2,158.77
Mid-American Benefits Inc	Ins	4,912.99
Midwest Auto Parts	Su, Re, Ma	185.41
Midwest Laboratories Inc	Se	1,454.08
Midwest Turf & Irrigation	Re	301.62
Mohrhoff Power Equipment	Re	114.05
Monkey Wrench Cycles	Su	291.00
Myers Ben	Ex	105.00
Nebraska Equipment Inc	Re	1,946.27
Nebraska Library Commission	Se	1,593.00
Nebraska Pub Pow-DesMoine	Ut, Incentive	404,947.86
Niemann's Port-A-Pot LLC	Ma, Misc	657.00
Nifco Mechanical Systems	Bu	250.00
O C L C Inc	Su	180.69
Odeys Inc	Gu	577.00
Olsson Associates	Se	2,148.00
One Call Concepts Inc	Se	141.09
One Source Background Check	Se	39.00
O'Reilly Automotive Inc	Gu, Re, Su	461.11
Orscheln Farm & Home	Bu, Su, Re	393.81
Pac 'N' Save Discount Food	Su, Gu	123.97
Paper Tiger Shredding	Se	30.00
Pavers Inc	Su	939.58
Pearson Dan	Misc	75.00
Pilcher Zachary	Uniforms	49.99
Pioneer Research Corp	Su	415.30
Pitney Bowes Inc	Su	105.00
Plains Equipment Group Inc	Re	41.24
Plunkett's Pest Control	Bu	59.32
Precision Tool & Machine	Re	150.00
Quill Corp	Su	30.70
Reader's Digest	Su	16.98
Reams Sprinkler Supply	Gu	66.79
Redbook Magazine	Su	24.00
Reed Electric	Bu	309.39
Reeves Monte	Refnd	70.00
Reimers Katerina	Ex	30.00
Rose Equipment Inc	Su	498.80
Rumery Lawn & Landscape	Su, Re	483.80
Sack Lumber Company	Su	405.28
Sam's Club (Lib-Rec-Pool)	Su	39.24
Sam's Club (Sen Center)	Su	48.61
Schindler Elevator Corp	Bu	3,100.00

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Seward Airport Authority	Misc		300.00
Seward County Attorney	Se		2,000.00
Seward County Chamber & Dev	Su		1,140.00
Seward County Clerk/Reg Deeds	Se		26.00
Seward County Independent	Se		725.71
Seward County Public Power	Ut		2,185.62
Seward County Treasurer	Se		15,188.50
Seward Lumber & Home Cent	Bu, Se		1,245.33
Seward School District	Fines		20.00
Seward Veterans Foreign War	Su		85.00
Simmerman Jaxson	Ex		30.00
Siteone Landscape Supply	Gu		3,223.49
Smith Cameron	Ex		75.00
Spickelmier & Son Inc	Se		2,665.00
Sports Express	Su		712.93
St P J Supply Inc	Su		87.50
Sysco Lincoln	Su		247.30
Time Warner Cable	Se		84.63
Treasures Magazine	Su		32.00
Trueblood Ryan	Ex		135.00
U S Postal Service	Su		300.00
Ultramax	Su		1,462.00
Union Bank & Trust Company	Loan Int		7,905.60
Univar USA Inc	Su		2,145.00
Verizon Wireless	Se		553.49
Visa - Pinnacle Bank			240.00
Walmart	Su	39.00	
Gotprint.com	Misc	149.29	
3D Systems	Su	29.26	
KidsYoga	Su	22.45	
Wesco Distribution Inc	Su		1,236.56
Windstream Nebraska Inc	Se		2,589.72
Wissmann Enterprises Inc	Se, Ma		11,591.20
Wolter Gary	Ut		171.88
Woods & Aitken LLP	Se		140.00
Youth Golf Foundation	Fees		1,260.00
	Claims Total		<u>\$801,093.66</u>

Aye: Fritz, Wilken, Beck, Hans, Miller, Schmit, Singleton, Kamprath

Nay: None

Absent: None. Motion carried.

3. PRESENTATION BY BLUESTEM FIBER

Greg Dynek, Bluestem Fiber, 8235 Dundee Dr., Lincoln, NE addressed the City Council stating Bluestem Fiber was organized on the premise that broadband internet connectivity delivered via fiber, at a reasonable price and available to the entire community, is no longer a luxury but a quality of life standard that communities large and small must have to attract and grow their population. He stated they are excited to bring their service to the community using overhead lines where available, but will also have the capability of running underground. He said they should have the entire community ready for access within one year of finalizing the buildout plan.

City Administrator Smith stated there is no exclusive franchise within the City for internet providers and there is no occupation fee required for internet providers. However, if they begin offering programming, then they would be required to pay the occupation fees. There is a fee for either hanging the lines from the City poles or using the City right-of-way for underground placement.

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Mayor Eickmeier stated Bluestem Fiber is not asking for anything from the City; the presentation was to inform the Council on their intention of providing this service within the community.

4. PRESENTATION BY CEMETERY BOARD AND CONSIDERATION OF AMENDING THE RULES AND REGULATION AT THE CEMETERIES

Roger Glawatz, Chairman of the Cemetery Board, presented the recommended changes to the Rules and Regulations for all of the cemeteries within the City. He stated The Cemetery Board, along with the City Park/Cemetery Department has been working on this project over the past several years with the goal of getting as much similarity between the locations as possible.

Councilmember Hans moved, seconded by Councilmember Beck, that the amended Rules and Regulations, as proposed by the Cemetery Board, be approved.

Aye: Fritz, Wilken, Beck, Miller, Hans, Schmit, Singleton, Kamprath

Nay: None

Absent: None. Motion carried.

5. DISCUSSION OF PROPOSED WIND TURBINE'S EFFECT ON SEWARD AIRPORT

Seward Airport Manager Greg Whisler addressed the City Council with concerns on the operational impact to the safety, operation, and potential negative effect on the instrument approaches, and permanent impact to the accessibility of the use of the airport, if the proposed wind turbine is built in the proposed location. He added that typically, where there is one turbine, additional ones are built. Mr. Whisler stated the proposed location for the turbine is less than five miles from the airport, which is within the Federal Aviation Administration (FAA) regulated instrument approach circle. He stated the airport was built at its current location because there were no obstacles within the approach area. He stated the preference would be for the turbine to be located an additional two miles further west, to alleviate the safety and use concerns. Mr. Whisler stated the FAA will not stop a project, even if they determine there is a hazard. They will issue the determination of a hazard.

Matt Robinette, Blue Stem Energy, addressed the Council stating he has been in contact with Mr. Whisler about the potential development of the wind turbine project and has shared all of the information requested by the airport. He stated it is not Blue Stem Energy's goal to negatively impact the airport or any City operation. The FAA is currently reviewing the project and will determine whether there is an obstruction hazard for the airport that may impact the operability or accessibility of the airport. He stated BlueStem Energy is only planning to put one turbine, at this time.

Mayor Eickmeier stated that the City still has to give the final approval to build the wind turbine. The agreement that is in place states that the City will purchase the power from BlueStem Energy and allow them to connect to the system, but only if the project is completed. If there are reasons for not completing the project, such as a negative impact on the airport, the City has the ability to cancel the project. No action was taken.

6. UPDATE ON GOLF COURSE MEMBERSHIPS AND OPERATIONS

City Administrator Smith presented an update on the Seward Community Golf Course memberships and a revenue and expense report for the facility. He stated there are a few more memberships than in the prior year and the City has received very positive comments. No action was taken.

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7. CONSIDERATION OF WATER WELL REPAIRS/REPLACEMENT AT SEWARD COMMUNITY GOLF COURSE

City Administrator Smith stated the City conducted a pump test of the well at the golf course and it appears to only be running at 40% of capacity. The City obtained a quote from Sargent Drilling to either repair or replace the pumping equipment, dependent upon what is determined to be the problem. He said this was not expected and is not included in the budget.

Dan Kahler, Golf Course Superintendent, stated the well is pumping at 360 gallons/minute and they can only run about 8 heads at a time, which increases the window of run time. He said it is really difficult to get everything watered and still get the course open for play. He stated Sargent Drilling confirmed that they maximum time the pump would be down would be 48 hours to limit the time when the course was not being watered. He stated that Sargent is confident there should not be additional maintenance on the pump once this is repaired/replaced.

City Administrator Smith stated the City obtained one other quote; however, the current well was installed by Sargent and they have all of the repair/replacement parts on hand. Comments were made by Council members that local quotes should be obtained for such services.

Councilmember Kamprath moved, seconded by Councilmember Hans, that Sargent Drilling be hired to repair/replace the water well at the Seward Community Golf Course for an amount not to exceed \$30,000.00, per the estimate dated April 15, 2016.

Aye: Fritz, Wilken, Beck, Miller, Hans, Schmit, Singleton, Kamprath

Nay: None

Absent: None. Motion carried.

8. CONSIDERATION OF A RESOLUTION FOR REFINANCING THE NOTE FOR PURCHASE OF LAND FOR DEVELOPMENT OF THE SEWARD REGIONAL RAIL SITE THROUGH A DIRECT BORROWING WITH A BANK PURSUANT TO SECTION 18-201, R.R.S. NEB

Councilmember Schmit introduced the following resolution:

RESOLUTION NO. 2016-16

WHEREAS, on April 15, 2014, the City of Seward authorized the purchase the following real property legally described as:

All that portion of the Northeast Quarter of the Southeast Quarter of Section Twenty-Nine (29), Township Eleven (11) North, Range Three (3), East of the 6th P.M., City of Seward, Seward County, Nebraska lying Westerly of a line drawn parallel with and distant 176.8 feet Westerly of, as measured by right angles to, the East line of said Northeast Quarter of the Southeast Quarter and lying Southwesterly of, as measured radially to, Burlington Northern Railroad Company's relocated main track centerline, as now located and constructed. LESS and EXCEPT the following parcel: That portion of the Northeast Quarter, Southeast Quarter of Section Twenty-Nine (29), Township Eleven (11) North, Range Three (3), East of the 6th P.M., City of Seward, Seward County, Nebraska, lying between a line drawn parallel with and distant 50.0 feet Southwesterly of, as measured radially to, Burlington Northern Railroad Company's main track centerline as now located and constructed and a line drawn parallel with, and distant 100.0 feet Southwesterly of, said centerline.

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WHEREAS, the City of Seward, consistent with the above-mentioned authorization entered into a Purchase Agreement for the purchase of the above-described real property on April 18, 2014.

WHEREAS, the City of Seward secured an interest only Commercial Promissory Note for the purchase of said property through Union Bank & Trust on June 30, 2014 for a period of two years; and

WHEREAS, the financing note comes due on June 30, 2016, the City of Seward City Administrator, Bruce Smith publicly provided notice for proposals to refinance said property and received two proposals for financing of said purchase with the lowest proposal from Union Bank & Trust in the amount of the principal refinancing amount of Four Hundred and Eighty Thousand Dollars (\$480,000) with an unsecured interest only Commercial Promissory Note to be executed on June 30, 2016 with payments based on a fixed interest rate of 3.24% per annum for Twenty Four (24) months, with a balloon payment of the unpaid principal and accrued and unpaid interest at the end of the term of the Commercial Promissory Note.

WHEREAS, the Governing Body have determined it is in the best interest for the City to obtain said refinancing for the above described real property.

WHEREAS, the refinancing of existing indebtedness through traditional bond financing would be impractical;

WHEREAS, the refinancing of existing indebtedness through direct borrowing will generate taxpayer savings over traditional bond financing.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA THAT:

The above described real property acquisition be refinanced through Union Bank and Trust and that the Mayor be directed to execute a Commercial Promissory Note in the principal amount of Four Hundred and Eighty Thousand Dollars (\$480,000) and any other bank resolutions and documents associated with the financing and closing of this real estate acquisition.

All previous resolutions in conflict with this resolution are hereby revoked.

Councilmember Kamprath moved, seconded by Councilmember Fritz, that the resolution be adopted.

Aye: Fritz, Wilken, Beck, Miller, Hans, Schmit, Singleton, Kamprath

Nay: None

Absent: None. Motion carried.

The Mayor declared the resolution adopted.

Dated: June 21, 2016

THE CITY OF SEWARD, NEBRASKA

ATTEST:

Joshua Eickmeier, Mayor

Bonnie Otte
Assistant Administrator/

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Clerk-Treasurer/
Budget & Human Resource Director

(SEAL)

9. CITY ADMINISTRATOR REPORT

Councilmember Beck moved, seconded by Councilmember Wilken, that the City Administrator's Report dated June 21, 2016 be accepted.

Aye: Fritz, Wilken, Beck, Hans, Miller, Schmit, Singleton, Kamprath
Nay: None
Absent: None. Motion carried.

10. FUTURE REQUESTS FOR COUNCIL AGENDA ITEMS OR ADMINISTRATIVE ACTION

None

11. ANNOUNCEMENT OF UPCOMING EVENTS

July 4 Celebration - Events throughout the community

12. MOTION TO ADJOURN

Councilmember Singleton moved, seconded by Councilmember Schmit, that the June 21, 2016 City Council Meeting be adjourned.

Aye: Fritz, Wilken, Beck, Hans, Schmit, Miller, Singleton, Kamprath
Nay: None
Absent: None. Motion carried.

THE CITY OF SEWARD, NEBRASKA

Joshua Eickmeier, Mayor

Bonnie Otte
Assistant Administrator
Clerk-Treasurer
Budget & Human Resources Director