

MCCOOK CITY COUNCIL  
June 2, 2014  
7:30 P.M.

A MEETING OF THE MAYOR AND COUNCIL OF THE CITY OF MCCOOK, NEBRASKA convened in open, regular, and public session at 7:30 o'clock P.M. in the City Council Chambers.

Present: Mayor Berry, Councilmembers Gonzales, Calvin, Hepp, McDowell.

Absent: None.

City Officials present: City Attorney Schneider, Co-Interim City Manager/Public Works Director Potthoff, Co-Interim City Manager/City Clerk Doak, Police Chief Brown, Utilities Director Dutcher, and Fire Chief Harpham.

Notice of the meeting was given in advance thereof by publication in the McCook Daily Gazette on May 29, 2014, the designated method of giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to the Mayor and members of the City Council and a copy of the Acknowledgment of Receipt of such notice is attached to these minutes. Availability of the agenda was communicated in the advance notice to the Mayor and Council. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

Mayor Berry announced that a copy of the Open Meetings Act was posted by the entrance to the Council Chambers and available for public review.

(1) INVOCATION - THE MCCOOK MINISTERIAL ASSOCIATION - CLARK BATES, MCCOOK CHRISTIAN CHURCH.

Kyle Dellevoet, Minister of Discipleship at McCook Christian Church, was present for the invocation.

(2) PLEDGE OF ALLEGIANCE.

Mayor Berry led the Council and audience in the Pledge of Allegiance.

(3) CITIZEN'S COMMENTS.

There were no citizen's comments.

(4) MAYOR'S ANNOUNCEMENTS & RECOGNITIONS.

Utilities Director Dutcher informed the Council that the June 1 utility bill mailed out reflected the May 1 bill. A corrected bill was mailed out today. The regular due date of June 22, will remain in effect. Since that day is a Sunday, bills are due Monday, June 23, by 4:00 P.M. He apologized for the inconvenience and thanked the public for their patience and understanding.

(5) CONSENT AGENDA:

Wayne Michaelis requested that Item B be removed from the Consent Agenda and placed on the Regular Agenda.

ITEM A APPROVE THE MINUTES OF THE MAY 19, 2014 REGULAR CITY COUNCIL MEETING.

Upon a motion by Mayor Berry, seconded by Councilmember Calvin, the Council voted to approve the minutes of the May 19, 2014 regular City Council meeting. The motion passed upon the following roll call vote: YEA: Berry, Gonzales, Calvin, Hepp, McDowell. NAY: None.

ITEM C APPROVE MILLER & ASSOCIATES AS THE GENERAL ADMINISTRATOR OF THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FOR THE DOWNTOWN REVITALIZATION PHASE II.

Upon a motion by Mayor Berry, seconded by Councilmember Calvin, the Council voted to approve Miller & Associates as the General Administrator of the Community Development Block Grant (CDBG) for the Downtown Revitalization Phase II. The motion passed upon the following roll call vote: YEA: Berry, Gonzales, Calvin, Hepp, McDowell. NAY: None.

ITEM D APPROVE THE GRANT OF LICENSE BETWEEN THE CITY OF MCCOOK AND REYNALDO RODRIGUEZ FOR A PORTION OF THE CITY RIGHT-OF-WAY TO BE USED FOR OFF STREET PARKING.

Upon a motion by Mayor Berry, seconded by Councilmember Calvin, the Council voted to approve the Grant of License between the City of McCook and Reynaldo Rodriguez for a portion of the City right-of-way to be used for off street parking. The motion passed upon the following roll call vote: YEA: Berry, Gonzales, Calvin, Hepp, McDowell. NAY: None.

**REGULAR AGENDA**

ITEM 5B APPROVE MILLER & ASSOCIATES AS THE GENERAL ADMINISTRATOR OF THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FOR THE INDUSTRIAL PARK DRIVE PAVING PROJECT.

Mr. Michaelis questioned the estimated amount for the paving and who will be paying the required match.

Upon a motion by Mayor Berry, seconded by Councilmember Hepp, the Council voted to approve Miller & Associates as the General Administrator of the Community Development Block Grant (CDBG) for the Industrial Park Drive Paving Project. The motion passed upon the following roll call vote: YEA: Berry, Gonzales, Calvin, Hepp, McDowell. NAY: None.

(6) DISCUSSION AND UPDATE OF THE NORTH POINTE PROPERTIES LLC REDEVELOPMENT PROJECT REGARDING THE USE OF TAX INCREMENT FINANCING FOR SEWER IMPROVEMENTS WITH THE POSSIBILITY OF SAID IMPROVEMENTS BEING FINANCED BY THE CITY.

Morgan Farquhar, Eisenhart Law Office, Project Attorney for the developers presented the TIF funding request for the North Pointe Properties, LLC.

The request is for Phase I, funding for approximately 2000' of sewer line and electrical service. The sewer improvement will service six residential lots north of "R" Street immediately and will also service a line of lots north of the proposed sewer improvement as part of additional development.

Underground electrical service will also be put in place. The anticipated average value of the planned homes will exceed \$250,000.00 and all lots will be for sale to any individuals or contractors. Subsequent phases will create an additional 21-24 lots north of "R" Street and 15-18 lots south of "R" Street for a total of 36-42 possible lots.

Summary of Project Costs

Sewer cost:	\$160,970.00	
Electric service cost:	7,500.00	
Architectural & Engineering Fees:	35,000.00	
Legal Fees:	5,000.00	
	<u>\$208,470.00</u>	Total TIF Request

Summary of Economic Impacts

Total Estimated Fair Market Value after competition of Phase I:	\$1,750,000.00
Current Real Estate Taxes paid for entire property:	\$3,726.00
Estimated Real Estate taxes on estimated assessed value:	\$24,840.00

The economic impacts do not include increases in the taxable value of Phases II-IV, and only represent the economic impact of six homes built on lots north of "R" Street, serviced by the proposed sewer line.

North Point Properties, LLC requests that TIF funding be approved for Phase I sewer and electrical improvements in the amount of \$208,470.00. After approval the City of McCook can determine what source of revenue to use to fund the TIF grant that best conforms with the City's available resources.

Council discussion included the risk that would be assumed by financing the project and possible funding options.

Wayne Michaelis suggested this would be a great \$100,000 project for use the MEDC LB840 funds.

(7) SANITARY SEWER SYSTEM LOAN CONTRACT:

ITEM A INTRODUCE AND APPROVE ORDINANCE NO. 2014-2905, UNDER SUSPENSION OF THE RULE, AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF A \$300,000 PRINCIPAL AMOUNT SEWER REVENUE BOND, SERIES 2014, IN THE FORM OF A PROMISSORY NOTE OF THE CITY, TO PAY THE COSTS OF ACQUIRING, CONSTRUCTING, IMPROVING, EXTENDING, EQUIPPING AND FURNISHING IMPROVEMENTS TO THE CITY'S SANITARY SEWER DISPOSAL PLANT AND SEWER SYSTEM; APPROVING THE EXECUTION AND DELIVERY OF A LOAN CONTRACT WITH THE NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY (NDEQ PROJECT NO. C317739); PRESCRIBING THE FORM AND DETAILS OF THE BOND AND COVENANTS AND AGREEMENTS TO PROVIDE FOR

THE PAYMENT AND SECURITY THEREOF; PROVIDING FOR THE PUBLICATION OF THIS ORDINANCE; AND AUTHORIZING CERTAIN ACTIONS AND DOCUMENTS AND PRESCRIBING OTHER MATTERS RELATING THERETO.

Mayor Berry introduced Ordinance No. 2014-2905 by title. The Clerk read the Ordinance by title:

AN ORDINANCE OF THE CITY OF MCCOOK, NEBRASKA AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF A \$300,000 PRINCIPAL AMOUNT SEWER REVENUE BOND, SERIES 2014, IN THE FORM OF A PROMISSORY NOTE OF THE CITY, TO PAY THE COSTS OF ACQUIRING, CONSTRUCTING, IMPROVING, EXTENDING, EQUIPPING AND FURNISHING IMPROVEMENTS TO THE CITY'S SANITARY SEWER DISPOSAL PLANT AND SEWER SYSTEM; APPROVING THE EXECUTION AND DELIVERY OF A LOAN CONTRACT WITH THE NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY (NDEQ PROJECT NO. C317739); PRESCRIBING THE FORM AND DETAILS OF THE BOND AND THE COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; PROVIDING FOR THE PUBLICATION OF THIS ORDINANCE; AND AUTHORIZING CERTAIN ACTIONS AND DOCUMENTS AND PRESCRIBING OTHER MATTERS RELATING THERETO.

Ordinance No. 2014-2905 was introduced and read by title only. Mayor Berry moved that the statutory rule requiring reading on three different days be suspended. Councilmember Gonzales seconded the motion to suspend the rule and upon roll call vote the following Councilmembers voted YEA: Berry, Gonzales, Calvin, Hepp, McDowell. NAY: None. The motion to suspend the rule was adopted by three-fourths of the Council and the statutory rule was declared suspended for consideration of said Ordinance.

Councilmember Calvin moved for final passage of the Ordinance, which was seconded by Councilmember McDowell. The Mayor then stated the question: "Shall Ordinance No. 2014-2905 be passed and adopted?" Upon roll call vote the following Councilmembers voted YEA: Berry, Gonzales, Calvin, Hepp, McDowell. NAY: None. Motion carried. The passage and adoption of said Ordinance, having been concurred in by a majority of all members of the Council, the Mayor declared the Ordinance lawfully passed and adopted upon publication as required by law.

ITEM B        ADOPT RESOLUTION NO. 2014-08 AUTHORIZING THE MAYOR, CITY CLERK, AND UTILITIES DIRECTOR TO SIGN ALL NECESSARY DOCUMENTS, TO FURNISH SUCH ASSURANCE TO THE STATE OF NEBRASKA AS MAY BE REQUIRED BY LAW OR REGULATIONS TO FACILITATE LOAN PAYMENTS TO THE CITY FOR PROJECT NO. C317739

Upon a motion by Councilmember Gonzales, seconded by Councilmember McDowell, the Council voted to adopt Resolution No. 2014-08 authorizing the Mayor, City Clerk, and Utilities Director to sign all necessary documents, to furnish such assurance to the State of Nebraska as may be required by law or regulations to facilitate loan payments to the City for project No. C317739. The motion passed upon the following roll call vote: YEA: Berry, Gonzales, Calvin, Hepp, McDowell. NAY: None.

(8)        APPROVE ORDINANCE NO. 2014-2904 PROVIDING FOR THE REZONE OF BLOCK ONE (1), LOTS TWENTY-EIGHT (28), TWENTY-NINE (29), THIRTY (30), THIRTY-ONE (31), AND THIRTY-TWO (32), SOUTH MCCOOK ADDITION TO THE CITY OF MCCOOK, RED WILLOW COUNTY, NEBRASKA FROM RESIDENTIAL MEDIUM DENSITY (RM) TO BUSINESS COMMERCIAL (BC); PROJECT SPONSOR - JASON

MICHAELIS; LAND OWNER - DONNA BUTLER.

A motion by Mayor Berry to approve Ordinance No. 2014-2904 upon its second reading was withdrawn upon the consent of the second, Councilmember Gonzales.

Ordinance No. 2014-2904 entitled,

AN ORDINANCE OF THE CITY OF MCCOOK, NEBRASKA AMENDING ORDINANCE NO. 2013-2897 BY CHANGING THE ZONING CLASSIFICATION OF BLOCK ONE (1), LOTS TWENTY-EIGHT (28), TWENTY-NINE (29), THIRTY (30), THIRTY-ONE (31), AND THIRTY-TWO (32), SOUTH MCCOOK ADDITION TO THE CITY OF MCCOOK, RED WILLOW COUNTY, NEBRASKA FROM RESIDENTIAL MEDIUM DENSITY (RM) TO BUSINESS COMMERCIAL (BC); PROVIDED FOR THE REPEAL OF ANY OTHER CONFLICTING ORDINANCES; AND PROVIDING A TIME AND DATE FROM AND AFTER WHICH THIS ORDINANCE SHALL TAKE EFFECT AND BE ENFORCED.

now came up on its second reading.

Councilmember Calvin moved that the statutory rule requiring reading on three different days be suspended. Councilmember McDowell seconded the motion to suspend the rule and upon roll call vote the following Councilmembers voted YEA: Berry, Gonzales, Calvin, Hepp, McDowell. NAY: None. The motion to suspend the rule was adopted by three-fourths of the Council and the statutory rule was declared suspended for consideration of said Ordinance.

Councilmember Calvin moved for final passage of the Ordinance, which was seconded by Councilmember Gonzales. The Mayor then stated the question: "Shall Ordinance No. 2014-2904 be passed and adopted?" Upon roll call vote the following Councilmembers voted YEA: Berry, Gonzales, Calvin, Hepp, McDowell. NAY: None. Motion carried. The passage and adoption of said Ordinance, having been concurred in by a majority of all members of the Council, the Mayor declared the Ordinance lawfully passed and adopted upon publication as required by law.

(9) COUNCIL COMMENTS.

Rex Nelson, McCook Economic Development Corporation Executive Director, Aaron Thompson of the U.S. Bureau of Reclamation and Jim Ulrich, president of Community Hospital spoke in support of Agenda Item No. 6. There is a great need for housing in McCook and the lack of housing has affected their recruitment efforts.

Councilmember Gonzales reminded all of the open house to be held at the Library on Monday, June 9 from 4:00 P.M. to 7:00 P.M.

(10) ADJOURNMENT.

There being no further business to come before the Council, Mayor Berry declared the meeting adjourned at 8:25 P.M.

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Dennis Berry, Mayor

ATTEST:

Lea Ann Doak, City Clerk

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