

## MINUTES

### MCCOOK CITY COUNCIL

Monday, August 17, 2009  
7:30 P.M. - City Council Chambers

Call to Order and Roll Call.

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 Auditorium.

Present: Mayor Berry, Councilmembers Kircher, Anderson, Grant, Rogers; City Attorney Schneider; City Manager Fritsch; City Clerk Doak.

Absent: None.

Notice of the meeting was given in advance thereof by publication in the McCook Daily Gazette on August 13, 2009, 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 Auditorium and available for public review.

ITEM NO. 1 INVOCATION - THE MCCOOK MINISTERIAL ASSOCIATION - BRUCE LESTER, EVANGELICAL FREE CHURCH.

No one was present to give the invocation

ITEM NO. 2 Citizen's Forum.

No one was present for Citizen's Forum.

ITEM NO. 3 Mayor's Announcements & Recognitions.

Police Chief Ike Brown introduced John Smith and Don Smith, two new Patrol Officers for the City of McCook. Both have previous law enforcement experience and recently completed their Nebraska Law Enforcement Training in Grand Island.

ITEM NO. 4 ADVERTISED PUBLIC HEARINGS:

ITEM A PUBLIC HEARING - REQUEST FOR A SPECIAL EXCEPTION TO ALLOW PROFESSIONAL OFFICES IN A RESIDENTIAL MEDIUM DENSITY MOBILE HOME (RM-M) DISTRICT; LOCATED IN BLOCK ONE (1), LOT TWELVE (12), SOUTH MCCOOK ADDITION TO THE CITY OF MCCOOK, RED WILLOW COUNTY, NEBRASKA; APPLICANT - GARY HINZ, DBA AGRI-MARKETING SERVICE - 116 SOUTH STREET.

Upon a motion by Mayor Berry, seconded by Councilmember Grant, the Council voted to recess as a City Council and convene a public hearing for the purpose of receiving public comment on the request for a special exception to allow professional offices in a Residential Medium Density Mobile Home (RM-M) District; located in Block One (1), Lot Twelve (12), South McCook Addition to the City of McCook, Red Willow County, Nebraska; Applicant - Gary Hinz, dba Agri-Marketing Service - 116 South Street with the City Attorney to act as hearing officer. The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None.

The City Attorney offered and received into evidence Exhibit #1 - City Manager's Report prepared for the August 10, 2009 Planning Commission meeting; Exhibit #2 - Notice of Hearing published; Exhibit #3 - the Land Use Action Request Form and all attachments submitted by the applicant; - Exhibit #4 - minutes of the August 10, 2009 Planning Commission meeting; and Exhibit #5 - listing of area property owner's notified of hearing.

City Manager Fritsch stated that the terms of Mr. Hinz's purchase agreement require the property to receive a special exception to use as an office. This is an allowed use under the zoning ordinance in the RM-M District. The property has adequate space for the required three parking spaces. City Staff finds the use appropriate for the area.

Gary Hinz, applicant and the owner of Agri-Marketing Services, addressed the special exception request with the Council. He proposes purchasing the house at 116 South Street and using it as his business office. He is a commodities broker and has no employees. His office hours are from 7:30 A.M. until 5:30 P.M. and he averages three to five clients visiting his office daily. He would not generate any additional traffic to the area. He plans no structural changes at this time. There would be plenty of room in the front yard and driveway to provide additional parking if required in the future.

There being no one else present to comment, upon a motion by Councilmember Kircher, seconded by Councilmember Anderson, the Council voted to adjourn the public hearing and to reconvene as a City Council. The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None.

ITEM B

APPROVE THE REQUEST FOR A SPECIAL EXCEPTION TO ALLOW PROFESSIONAL OFFICES IN A RESIDENTIAL MEDIUM DENSITY MOBILE HOME (RM-M) DISTRICT; LOCATED IN BLOCK ONE (1), LOT TWELVE (12),

SOUTH MCCOOK ADDITION TO THE CITY OF MCCOOK, RED WILLOW COUNTY, NEBRASKA; APPLICANT - GARY HINZ, DBA AGRI-MARKETING SERVICE - 116 SOUTH STREET; THAT THE COUNCIL IS EMPOWERED TO GRANT THIS SPECIAL EXCEPTION; THAT THE GRANTING OF THE SPECIAL EXCEPTION WILL NOT ADVERSELY AFFECT THE PUBLIC INTEREST; AND THAT SATISFACTORY PROVISIONS AND ARRANGEMENTS HAVE BEEN MADE BY THE APPLICANT CONCERNING SPECIAL EXCEPTION CONSIDERATIONS A - H

Councilmember Kircher introduced a motion to approve the Special Exception request from

Gary Hinz, dba Agri-Marketing Service, to allow professional offices in a Residential Medium Density Mobile Home (RM-M) District; located in Block One (1), Lot Twelve (12), South McCook Addition to the City of McCook, Red Willow County, Nebraska - 116 South Street; that the Council is empowered to grant this special exception; that the granting of the special exception will not adversely affect the public interest; and that satisfactory provisions and arrangements have been made by the applicant concerning the following issues:

- a) ingress and egress to property and proposed structures thereon with particular reference to automotive and pedestrian safety and convenience, traffic flow and control, and access in case of fire or catastrophe;
- b) off-street parking and loading areas where required, with particular attention to the items in (a) above, and the economic, noise, glare or odor effects of the special exception on adjoining properties and properties generally in the district;
- c) refuse and service areas, with particular reference to the items in (a) and (b) above;
- d) utilities, with reference to locations, availability and compatibility;
- e) screening and buffering with reference to type, dimensions and character;
- f) signs, if any, and proposed exterior lighting with reference to glare, traffic safety, economic effect and compatibility and harmony with properties in the district;
- g) required yards and other open space;
- h) general compatibility with adjacent properties and other property in the district.

The motion was seconded by Councilmember Anderson and passed by the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None.

ITEM NO. 5 CONSENT AGENDA:

Councilmember Kircher requested that Item H and Item I be removed from the Consent Agenda and placed on the Regular Agenda.

ITEM A APPROVE THE MINUTES OF THE AUGUST 3, 2009 REGULAR CITY COUNCIL MEETING.

Upon a motion by Councilmember Grant, seconded by Councilmember Anderson, the Council voted to approve the minutes of the August 3, 2009 regular City Council meeting. The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None .

ITEM B RECEIVE AND FILE THE MINUTES OF THE AUGUST 10, 2009 PLANNING COMMISSION MEETING.

Upon a motion by Councilmember Grant, seconded by Councilmember Anderson, the Council voted to receive and file the minutes of the August 10, 2009 Planning Commission meeting. The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None.

ITEM C AWARD THE BID TO FRITZ TRUCKING FOR TRASH HAULING FROM THE MCCOOK TRANSFER STATION TO J BAR J LANDFILL IN THE AMOUNT OF \$13.50 PER TON, PLUS A FUEL SURCHARGE OF \$.08 PER \$.05 OF FUEL ABOVE \$2.75 PER GALLON AND AUTHORIZE THE MAYOR TO SIGN THE CONTRACT.

Pursuant to instruction given by the City Council on July 6, 2009, a Notice to Bidders was published asking for sealed bids for the McCook Transfer Station Waste Hauling. The following bids were received:

Fritz Trucking - McCook, Nebraska  
\$13.50 per ton with a fuel surcharge of \$.08 per ton for every \$.05 of fuel cost above \$2.75 a gallon

C & J Trucking - McCook, Nebraska  
\$15.75 per ton with a fuel surcharge of actual fuel cost above \$2.00 per gallon

Dan's Sanitation - McCook, Nebraska  
\$18.00 per ton with a fuel surcharge of actual fuel cost above \$2.00 per gallon

DFR - Indianola, Nebraska  
\$22.00 per ton with no fuel surcharge

Upon a motion by Councilmember Grant, seconded by Councilmember Anderson, the Council voted to award the bid to Fritz Trucking for Trash Hauling from the McCook Transfer Station to J Bar J Landfill in the amount of \$13.50 per ton, plus a fuel surcharge of \$.08 per \$.05 of fuel above \$2.75 per gallon and authorize the Mayor to sign the contract. The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None.

ITEM D APPROVE SUPPLEMENTAL LEASE AGREEMENT NUMBER 4 TO LEASE NUMBER GS-06P-30018 BETWEEN THE CITY OF MCCOOK AND GSA WHICH ESTABLISHES THE EFFECTIVE DATE OF JULY 8, 2009 FOR THE ADDITIONAL 180 SQUARE FEET OF OFFICE SPACE AT THE FIRE STATION

LOCATED AT MCCOOK REGIONAL AIRPORT TO BE USED BY THE TRANSPORTATION SECURITY ADMINISTRATION AND AUTHORIZE THE MAYOR TO SIGN.

Upon a motion by Councilmember Grant, seconded by Councilmember Anderson, the Council voted to approve Supplemental Lease Agreement Number 4 to Lease Number GS-06P-30018 between the City of McCook and GSA which establishes the effective date of July 8, 2009 for the additional 180 square feet of office space at the Fire Station located at McCook Regional Airport to be used by the Transportation Security Administration and authorize the Mayor to sign. The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None.

ITEM E

APPROVE THE SELECTION OF W DESIGN AND ASSOCIATES FOR ENGINEERING SERVICES AT MCCOOK REGIONAL AIRPORT FOR AIRPORT IMPROVEMENT PROJECTS WHERE ENGINEERING SERVICES DO NOT EXCEED \$100,000 THROUGH 2013.

Upon a motion by Councilmember Grant, seconded by Councilmember Anderson, the Council voted to approve the selection of W Design and Associates for Engineering Services at McCook Regional Airport for Airport Improvement Projects where engineering services do not exceed \$100,000 through 2013. The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None.

ITEM F

APPROVE THE APPLICATION FOR A SPECIAL DESIGNATED LIQUOR LICENSE SUBMITTED BY THE MCCOOK AREA CHAMBER OF COMMERCE FOR THE HERITAGE DAYS MIXER TO BE HELD AT MCCOOK NATIONAL BANK, 220 NORRIS AVENUE, ON WEDNESDAY, SEPTEMBER 23, 2009 FROM 5:30 P.M. TO 7:30 P.M.

Upon a motion by Councilmember Grant, seconded by Councilmember Anderson, the Council voted to approve the application for a Special Designated Liquor License submitted by the McCook Area Chamber of Commerce for the Heritage Days mixer to be held at McCook National Bank, 220 Norris Avenue, on Wednesday, September 23, 2009 from 5:30 P.M. to 7:30 P.M. The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None .

ITEM G

APPROVE THE MCCOOK AREA CHAMBER OF COMMERCE HERITAGE DAYS REQUEST FOR THE USE OF NORRIS PARK FOR THEIR ARTS & CRAFTS SHOW AND THE BANDSHELL FOR ENTERTAINMENT ON SEPTEMBER 26 - 27, 2009; FOR THE CLOSING OF NORRIS AVENUE FROM "G" STREET TO "H" STREET AFTER THE PARADE ON SATURDAY, THE 700 BLOCK OF EAST 1<sup>ST</sup>, THE 100 BLOCK OF EAST "G", AND THE 100 BLOCK OF EAST "H" STREETS FROM 5:00 A.M. SEPTEMBER 26, 2009 UNTIL THE EVENING OF SEPTEMBER 27, 2009; TO ALLOW OVERNIGHT PARKING FOR VENDORS AROUND NORRIS PARK; TO HOLD THE ANNUAL PARADE ON SEPTEMBER 26, 2009 BEGINNING AT 10:00 A.M. WITH THE PARADE ROUTE BEGINNING AT "F" STREET, PROCEEDING DOWN NORRIS AVENUE TO "C" STREET AND THEN WEST ON "C" STREET TO WEST 5<sup>TH</sup> STREET; TO HOLD THE UNITED WAY FUN RUN; AND TO USE NORRIS PARK ON THURSDAY, SEPTEMBER 24, 2009, BEGINNING AT 6:00 P.M. FOR THE "DEAL OR NO DEAL" ACTIVITY.

Upon a motion by Councilmember Grant, seconded by Councilmember Anderson, the Council voted to approve the McCook Area Chamber of Commerce Heritage Days request for the use of Norris Park for their Arts & Crafts Show and the bandshell for entertainment on September 26 - 27, 2009; for the closing of Norris Avenue from "G" Street to "H" Street after the parade on Saturday, the 700 block of East 1<sup>st</sup>, the 100 block of East "G", and the 100 block of East "H" Streets from 5:00 A.M. September 26, 2009 until the evening of September 27, 2009; to allow overnight parking for vendors around Norris Park; to hold the annual parade on September 26, 2009 beginning at 10:00 A.M. with the parade route beginning at "F" Street, proceeding down Norris Avenue to "C" Street and then west on "C" Street to West 5<sup>th</sup> Street; to hold the United Way Fun Run; and to use Norris Park on Thursday, September 24, 2009, beginning at 6:00 P.M. for the "Deal or No Deal" activity. The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None.

ITEM J

RATIFY THE MAYOR'S APPOINTMENTS TO THE HEALTH BOARD REAPPOINTING CITY MANAGER KURT FRITSCH, CHIEF OF POLICE ISAAC BROWN, MAYOR DENNIS BERRY, DR. RICHARD KLUG, AND MARY BETH EISENMENGER - TERMS EXPIRE JUNE 2010.

Upon a motion by Councilmember Grant, seconded by Councilmember Anderson, the Council voted to ratify the Mayor's appointments to the Health Board reappointing City Manager Kurt Fritsch, Chief of Police Isaac Brown, Mayor Dennis Berry, Dr. Richard Klug, and Mary Beth Eisenmenger - terms expire June 2010. The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None

## REGULAR AGENDA

### ITEM 5H

APPROVE AND AUTHORIZE THE MAYOR TO SIGN AN AGREEMENT WITH RED WILLOW COUNTY TO INCREASE FEES CHARGED FOR 24-HOUR PER DAY RADIO DISPATCH FACILITY SERVICES.

Councilmember Kircher introduced a motion to approve and authorize the Mayor to sign an agreement with Red Willow County to increase fees charged for 24-Hour Per Day Radio Dispatch Facility Services. Mayor Berry seconded the motion.

Councilmember Kircher introduced a motion to amend the presented agreement in Section 6 to provide for the annual sum of \$30,000 with no future increases. The motion died for lack of a second.

The Mayor then stated the question: "Shall the motion on the floor be approved?" Upon roll call vote the following Councilmembers voted YEA: Berry, Anderson, Grant, Rogers. NAY: Kircher. Motion carried.

### ITEM 5I

ISSUE A REQUEST FOR QUALIFICATIONS FOR A BROKER FOR PROPERTY, CASUALTY, AND WORKERS COMPENSATION AND SET THE DATE TO RECEIVE PROPOSALS AS SEPTEMBER 3, 2009 AT 4:00 P.M.

Councilmember Kircher introduced a motion to not issue a Request for Qualifications for a Broker for Property, Casualty, and Workers Compensation and set the date to receive proposals as September 3, 2009 at 4:00 P.M. Motion died for lack of a second.

Upon a motion by Mayor Berry, seconded by Councilmember Rogers, the Council voted to Issue a Request for Qualifications for a Broker for Property, Casualty, and Workers Compensation and set the date to receive proposals as September 3, 2009 at 4:00 P.M. The motion passed upon the following roll call vote: YEA: Berry, Anderson, Rogers. NAY: Kircher, Grant.

### ITEM NO. 6

APPROVE ORDINANCE NO. 2009-2826 AMENDING CHAPTER 6, ARTICLE 1, OF THE MUNICIPAL CODE OF THE CITY OF MCCOOK, NEBRASKA RELATING TO DOGS, CATS, AND HYBRID ANIMALS UPON ITS THIRD AND FINAL READING.

Ordinance No. 2009-2826 now came up for third and final reading. Ordinance No. 2009-2826 was read by title only and thereafter Councilmember Grant moved for final passage of the Ordinance, which motion was seconded by Councilmember Kircher.

Upon a motion by Councilmember Kircher, seconded by Councilmember Grant,

the Council voted to amend the first paragraph of Section 6-102 by striking August and inserting January and to strike provided. The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None.

Mayor Berry introduced a motion to strike Sections 6-102, 6-103, 6-104, 6-105, and parts of Sections 6-107 and 6-123 referencing reference licensing. Motion was seconded by Councilmember Rogers.

Councilmember Kircher stated that a licensing fee was not just about the revenue or funding for an animal control officer, but helped identify lost animals and would help fund a solution to the feral cat issue.

Councilmember Anderson did not feel that licenses were needed. It could be handled by better enforcement of the rabies vaccination and tag requirements.

Mayor Berry stated that better enforcement of current ordinances was needed. Adding, that as principal of two schools, he does not implement rules and regulations that penalize the majority of students, for the actions of a few disruptive ones. The same applies to responsible dog and cat owners who do not cause a problem.

Lori Prestes, Christine Walker, Sue Shaner, addressed the Council in support of the proposed licensing.

Fred Petsch, Bridget Matson, Jerry Nieman, Pam Wheeler, Angela Been, Bill Stewart, Fred Shepherd, Keith Delano, Randy Goltl, Vickie Drake, and Penny Beverlin addressed the Council in opposition of the required licensing, the lack of need for license fees, and that responsible pet owners should not be penalized for the non-responsible owners.

Councilmember Grant stated that responsible pet owners do not see licensing as a punishment. It would help encourage responsible pet ownership.

Upon a motion by Councilmember Rogers, seconded by Mayor Berry, the Council voted to call the question. The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None.

The Mayor then stated the question: "Shall the motion on the floor be approved?" Upon roll call vote the following Councilmembers voted YEA: Berry, Anderson, Rogers. NAY: Kircher, Grant. Motion carried.

Upon a motion by Mayor Berry, seconded by Councilmember Anderson, the Council voted to amend Section 6-106 by striking "without a collar or harness" and by striking "Uncollared" at the beginning of the second sentence. The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None.

Upon a motion by Councilmember Kircher, seconded by Councilmember Grant, the Council voted to amend Section 109 by inserting at the end of the first paragraph; "absent an order from a court of competent jurisdiction, that the owner may retain possession of the dangerous, vicious dog and/or hybrid dog." and Section 110 by inserting before the last sentence "absent an order from a court of competent jurisdiction, that the owner may retain possession of the potentially dangerous, vicious dog and/or hybrid dog." The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None.

Upon a motion by Councilmember Grant, seconded by Councilmember Kircher, the Council voted to amend the title of Section 6-107 by striking "Cats". The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None.

Councilmember Kircher introduced a motion to amend Section 6-107 by adding "An owner may apply for a permit to own more than three dogs and/or hybrid dogs, provided that evidence is given showing every dog and/or hybrid dog over the limit has been altered and appropriate shelter is provided for the additional dog(s) and/or hybrid dog(s). Councilmember Grant seconded the motion. The motion failed upon the following roll call vote: YEA: Kircher. NAY: Berry, Anderson, Grant, Rogers.

The Mayor then stated the question: "Shall Ordinance No. 2009-2826 be passed and adopted as amended?" Upon roll call vote the following Councilmembers voted YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None. Motion carried. The passage and adoption of said Ordinance having been concurred in by a majority of the Council, the Mayor signed and approved the Ordinance and the Clerk attested the passage and approval of the same and affixed her signature thereto.

Upon a motion by Mayor Berry, seconded by Councilmember Grant, the Council voted to publish Ordinance No. 2009-2826 in the McCook Daily Gazette, a legal newspaper, one time as required by law. The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None.

ITEM NO. 7 AUTHORIZE THE CREATION OF THE POSITION OF ORDINANCE OFFICER  
TO PROVIDE ANIMAL CONTROL DUTIES AND THE ADDITIONAL EXPENSE  
AND REVENUE TO THE 2009/2010 CITY BUDGET

It was the consensus of the Council not to authorize the creation of the position of Ordinance Officer to provide Animal Control duties at this time.

ITEM NO. 8 APPROVE ORDINANCE NO. 2009-2827 PROVIDING FOR THE ADOPTION OF  
THE BUDGET FOR FY 2009-2010 UPON ITS SECOND READING.

Councilmember Kircher introduced a motion to approve Ordinance No. 2009-2827 providing for the adoption of the budget for FY 2009-2010 upon its second reading. Councilmember Grant seconded the motion.

To see how it effects payments, Councilmember Kircher requested that Staff have prepared a new amortization schedule for the water loan maintaining a semi annual payment of \$295,000. He also requested new schedules for both the water and sewer loans to pay them ten years early.

Councilmember Kircher introduced a motion to remove \$250,000 from the Municipal Facility Proposed Sales Tax Project and earmark it as a payment of the Water Debt for Land Acquisition. Motion died for lack of second.

It was the consensus of the Council to wait until next fiscal year for the development of the Dog Park on the land received from Dorothy Burns.

Mayor Berry requested an estimation be presented at the next meeting of the costs involved in hiring a company or an individual to address the feral cat issue.

Upon a motion by Mayor Berry, seconded by Councilmember Grant, the Council voted to remove from the budget funds in the amount of \$72,000 for Animal Control, which were added upon first reading of the ordinance. The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None.

The Mayor then stated the question: "Shall Ordinance No. 2009-2827 approved upon its second reading as amended?" Upon roll call vote the following Councilmembers voted YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None. Motion carried.

ITEM NO. 9 APPROVE ORDINANCE NO. 2009-2828 PROVIDING FOR THE ADOPTION OF THE 2009/2010 FISCAL YEAR EMPLOYEE CLASSIFICATION PAY PLAN UPON ITS SECOND READING.

Upon a motion by Councilmember Kircher, seconded by Councilmember Grant, the Council voted to approve Ordinance No. 2009-2828 providing for the adoption of the 2009/2010 Fiscal Year Employee Classification Pay Plan upon its second reading. The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None.

ITEM NO. 10 INTRODUCE AND APPROVE ORDINANCE NO. 2009-2829 PROVIDING FOR THE AMENDMENT OF APPENDIX III, SOLID WASTE COLLECTION FEES, OF THE MCCOOK MUNICIPAL CODE, 1981 REVISED AND APPROVE UPON ITS FIRST READING.

Councilmember Kircher introduced Ordinance No. 2009-2829 entitled:

AN ORDINANCE PROVIDING FOR THE AMENDMENT OF APPENDIX III, SOLID WASTE COLLECTION FEES, OF THE MCCOOK MUNICIPAL CODE, 1981; ~~PROVIDING FOR A RATE TO BE CHARGED FOR SOLID WASTE COLLECTION AND DISPOSAL; PROVIDING FOR THE REPEAL OF ORDINANCE NO. 2008-2812 AND ANY AND ALL ORDINANCES IN CONFLICT HERewith; AND PROVIDING FOR PUBLICATION IN PAMPHLET FORM AND FOR AN EFFECTIVE DATE OF THIS ORDINANCE.~~

The motion was made by Councilmember Kircher, seconded by Councilmember Grant, that the number and title of said Ordinance be approved. Upon roll call vote the following Councilmembers voted YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None.

Ordinance No. 2009-2829 was read by title only. Motion was made by Mayor Berry, seconded by Councilmember Rogers, to approve Ordinance No. 2009-

2829 on its first reading. Upon roll call vote the following Councilmembers voted YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None. Motion carried. Whereupon the Mayor declared said Ordinance No. 2009-2829 approved on its first reading.

ITEM NO. 11 RECEIVE AND DISCUSS THE SEWER ENTERPRISE FUND FINANCIAL PLANNING MODEL AS PREPARED BY PUBLIC FINANCIAL MANAGEMENT AND DIRECT STAFF TO SET SEWER RATES FOR FISCAL YEAR 2009/2010.

Utilities Director Jesse Dutcher reviewed the Sewer Enterprise Fund Financial Planning Model as prepared by Public Financial Management with the Council.

Since 2005 the City has used Public Financial Management of Des Moines, Iowa to provide models showing the cash flow of the Sewer Enterprise Fund. This year two separate models are being presented. The models provide a projection of revenue verses expenses into the future based on a 0% rate increase and a 3% increase. This method of modeling has become the mainstay in calculating rates and their effects on the fund. As indicated in the report, sales have increased in the sewer enterprise. However it is still prudent to explore the possibilities and what effect a rate increase would have in the "out years".

By enacting a small 3% increase now the Sewer Fund is able to maintain a more adequate cash flow into the future and sustain itself on smaller rate increases in years to come. A zero percent increase now, is possible, and is the recommendation of staff. Not increasing rates at this time has only a slight effect on the future and should not cause adverse effects to the fund. As long as it is realized that rate increases are inevitable in the future to keep the Sewer Fund ahead of inflation.

Upon a motion by Councilmember Grant, seconded by Mayor Berry, the Council voted to receive and file the Sewer Enterprise Fund Financial Planning Model as prepared by Public Financial Management and direct staff to set Sewer Rates for Fiscal Year 2009/2010 at a zero percent increase. The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None.

ITEM NO. 12 RECEIVE AND DISCUSS THE WATER ENTERPRISE FUND FINANCIAL PLANNING MODEL AS PREPARED BY PUBLIC FINANCIAL MANAGEMENT AND DIRECT STAFF TO SET WATER RATES FOR FISCAL YEAR 2009/2010.

Utilities Director Jesse Dutcher reviewed the Water Enterprise Fund Financial Planning Model prepared by Public Financial Management with the Council.

Since 2005 the City has used Public Financial Management of Des Moines, Iowa to provide models showing the cash flow of the Water Enterprise Fund. This year two separate models are presented. The models provide a projection of revenue verses expenses into the future based on a 0% rate increase and a 3% increase. This method of modeling has become the mainstay in calculating rates and their effects on the fund.

The 3% model shows that enacting a modest 3% rate increase effective October 1, 2009 would slightly decrease future rate increases in the "out years" and keep the Cash Balance percent of Operation and Maintenance fairly high. While

this is good sound management it may be too sound. Currently this figure is above 140% with the industry standard at a 50% cash reserve.

Using that information and other factors shown in the model, staff is recommending delaying an increase in rates at this time. In examining the 0% model one sees that cash reserves do erode as we proceed into the "out years", but at a slow rate as long as rates are adjusted for inflation as the years go by.

In the past cash reserves have been held at higher levels because of the on going capital projects. The Water Plant and Injection Well construction were mostly funded by loans but required tremendous amounts of short term cash to keep the projects moving forward. The first couple of years of operation for the plant took some trial and error to determine what the operational costs would shake out to be. Now we have a bit of experience in the operation of the facility and feel that we have a handle on expenses and can allow the cash reserves to fall to a lower level.

Upon a motion by Mayor Berry, seconded by Councilmember Kircher, the Council voted to receive and file the Water Enterprise Fund Financial Planning Model as prepared by Public Financial Management and directed staff to set Water Rates for Fiscal Year 2009/2010 at a zero percent increase. The motion passed upon the following roll call vote: YEA: Berry, Kircher, Anderson, Grant, Rogers. NAY: None.

ITEM NO. 13 COUNCIL COMMENTS.

Mayor Berry informed the Council that he was in the process of filling vacancies on the various Boards and Commissions and asked that the Council get any recommendations of individuals to serve to him.

ITEM NO. 14 ADJOURNMENT.

There being no further business to come before the Council, Mayor Berry declared the meeting adjourned at 10:50 P.M.

Dennis Berry, Mayor

ATTEST:

Lea Ann Doak, City Clerk

[Return to Home Page](#)