

Kimball City Council
Regular Meeting
March 18, 2014

A regular meeting of the Mayor and City Council was convened in open and public session at 7:00 p.m. on March 18, 2014 at the City Council Chambers. Mayor Schnell and Council members Warner, Shields, Christensen and Morrison were present. Also present were City Administrator Ortiz, Police Chief Huff, Economic Development Director Bowling, City Clerk Russell and City Treasurer Strauch. The public was represented.

Notice of the meeting was given in advance by publication in the Western Nebraska Observer. Notice of the meeting was given to the members and a copy of their acknowledgement of receipt of notice and the agenda is on record at the office of the City Clerk. Availability of the agenda was communicated in advance notice and in the notice to the members. All proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public except as otherwise indicated.

Schnell called the meeting to order at 7:00 p.m. and the Pledge of Allegiance was recited.

Morrison moved and Shields seconded to excuse Council member Warner's absence from the February 18, 2014 meeting. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Shields, Christensen, and Morrison. Nay: None. Absent: None. Abstaining: Warner. Motion carried.

Schnell acknowledged the posted Open Meetings Act poster.

At 7:03 p.m. Schnell opened a public hearing to receive information on possible amendments to the Economic Development Plan. To continue with the rail spur is not feasible and Schnell commented on prices and land prices. It will be up to the Economic Development Loan/Advisory Committee to bring language forward for the ballot in November for the public to vote on which allows the City to collect four tenths of one percent that is collected as a tax.

Arne Christensen, 611 S. Cedar, inquired how much has been collected and where the money is. Ortiz indicated the money is currently being collected and a little over \$400,000 has been collected to date. Roughly \$200,000 of that was paid back to the utility fund and roughly \$200,000 was loaned to the CDA from the Economic Development fund, which needs to be paid back as well. Ortiz said trying to build a rail spur is no longer feasible. The \$3 million that was budgeted is not sufficient to fund it. Because this was passed by the voters of the City, it now has to be decided whether to continue to collect the tax to fund another project.

Mr. Christensen inquired if any sales tax money has gone towards this project and Ortiz said no. Schnell said the City has been collecting for three years so far and the ballot issue that was passed was for a 2031 ending date. Mr. Christensen inquired if the City Council is asking for the public to give them authority to continue collecting the tax and put it into a fund that is not determined yet. Schnell commented that the City Council would like the public to provide input on how it could be spent. He commented on golf course area homes; downtown improvement projects. All of those are on the table so the council can decide what to put for the ballot issue.

Mr. Christensen inquired about the money collected for Economic Development and why that cannot be used. Schnell said the Economic Development Committee has been making loans to companies as well as a few restaurant businesses. Mr. Christensen inquired if any of those funds are available and Ortiz said yes. Ortiz commented on Kimball expanding out of the City limits and annexing land. He said that infrastructure will have to be built.

Mr. Christensen said he has been paying the tax for a number of years and doesn't see anything for it. He said he would like to speak for the elderly that he doesn't really think the City needs another tax. He suggested the council come to the public with a proposal when they come up with a project so the public will know what they are buying. Schnell said if the ballot issue indicated what the money is going to be spent for specifically, then the City will have to go to a ballot issue every time. Schnell added that the City is going to be working with the City Attorney and with the bonding companies to make sure that the correct language is used to ensure that an election won't be required every four years to amend the plan.

Joel Linn, 519 S. Chestnut St., said he would like the City to just do away with the taxation for the rail spur. It was a bad project to start with and it was lumped in with economic development. He said making loans with different City entities encourages more spending and the rail spur just needs to end. He said to just pay everything off and just cancel it and put an end to taxation and an expense the City didn't need. Mr. Linn commented on the economic development projects, the theater, Performax and various restaurants. He said the restaurant business is not an easy one and the ones that have been financed by the City have gone out of business. The Economic Development Committee needs to look at a little bit tighter control and criteria on who they loan money to.

Mr. Linn suggested that the Economic Development Committee tighten their criteria and close out the rail spur tax or money and if there is anything left, put it back in the general fund or give it back to the tax payers as a credit. Schnell commented that the Economic Development Committee does have success stories and there has been quite a bit of success with other manufacturers that have come into town. Schnell explained how the committee operates and the loan application process.

Morrison said he has reviewed the plan and the rail spur is just one point of 15 points. The plan was amended in 2010 to include the four tenths and if the plan needs to be amended, it needs to be voted on. Discussion was held on Resolution 2010-02 and Hadenfeldt said the resolution adopted what the voters told the City to do with the program.

Mr. Christensen commented on the businesses coming into Kimball years ago without the economic development money, i.e. George Risk Industries and Forward Kimball Industries. He said the he and others went out and hit up all the businesses to collect money and brought in Clean Harbors. They did all that without tax money.

Discussion was held on the bond issue for \$3 million and Ortiz indicated the City has never purchased the bonds. The City never purchased a rail spur and has never gone out for the bond.

Discussion was held on how to amend the plan and Schnell commented on Mr. Linn's example of doing away with the tax. Schnell said the City Council wants the input of the public because there may be something they want it steered towards instead of just discontinuing the tax. The City Council had requested to take time to study this and that is the reason why a public hearing is being held.

Ortiz said this doesn't necessarily mean to try to fund a business or entity. There is a lot that goes into development and he commented on expanding and infrastructure and that is stuff that private entities are not going to pay for; the City has to provide that. Mr. Linn commented that when the development took place on some of the housing developments in Kimball, the developer paid for the utilities and the streets, the City did not. He thinks that anyone who wants to develop something in Kimball should know that they will have to pay for that. Ortiz said developers are no longer willing to pay. Now they are looking at areas that have the labor and workforce. Nebraska is at a huge disadvantage because they are competing with other states. Mr. Linn said Nebraska has one of the highest taxation rates in the nation. This is a great opportunity to cut taxes and delete the taxation rate. Morrison said sometimes you have to spend money to make money. Mr. Linn is not saying to do away with economic development, just cut out that part that isn't needed.

Discussion was held on bonding and it was indicated that there would be more support from the community with a bond. Warner commented that the issue is whether to continue to collect money for a different project. Mr. Christensen said he has a problem with the money being used for engineering and administrative costs and he would hate to see the same mistake made again. He doesn't think the monies should be spent for anything but infrastructure. Schnell said the breakdown of costs will be an agenda item at the next meeting.

There being no further comments, Schnell declared the public hearing closed at 7:48 p.m.

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Schnell opened discussion on the keno grant application from the Post Prom Parent Group. Geri Ferguson, representing the group, indicated they are in the process of trying to get the post prom put together. This has been very successful in the past and the kids do like it and attend it. They are requesting \$2,000.

Warner said it is a great project and moved to approve the keno grant application from the Post Prom Parent Group in the amount of \$2,000. Seconded by Shields. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Warner, Shields, Christensen, and Morrison. Nay: None. Absent: None. Motion carried.

Schnell opened discussion on the keno grant application from Kimball Ranch Rodeo. Sharon Baker said they are requesting \$4,000 for the production and marketing of the Kimball Ranch Rodeo to be held on June 14th at the Kimball County Fairgrounds. This event intends to provide entertainment and a competitive venue drawing ranch teams and spectators from Colorado, Nebraska, and Wyoming. The direct benefits include community entertainment, use of local merchants, use of the fairgrounds, local 4-H groups providing concessions as fundraisers, a portion of the proceeds is donated to local non-profits. The indirect benefit is that the event brings in additional commerce.

Baker commented on future plans. After five successful years producing this event and attracting local ranch talent, the Kimball Ranch Rodeo Committee was approached by the Western States Ranch Rodeo Association to consider sanctioning. This will provide additional exposure and marketing of the rodeo on a regional level, provide additional incentive for teams to compete on a national level and draw additional teams from nearby states. Baker said they have increased the team limit from 12 to 16 teams.

Officer Noah Thomas inquired about the 4H competition, specifically a greased pig competition. Baker indicated they are willing to look at these if they are asked. Alex Engstrom said every group that has participated are all youth oriented. He said they are more than willing to look at them. They want to have youth events prior to and during the event. Engstrom said they are trying to be self-sustaining and if they can incorporate such events, that will help them grow.

Christensen said this is an opportunity to do something with their organization that also promotes Kimball and brings people into the community. This is what the keno funds are for.

There being no further discussion, Christensen moved and Warner seconded to approve the keno grant application from Kimball Ranch Rodeo in the amount of \$4,000. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Warner, Shields, Christensen, and Morrison. Nay: None. Absent: None. Motion carried.

Schnell opened discussion on the interlocal agreement for the Visitors Center. Jo Caskey has gone out across the Western Panhandle to rally support and cooperation to

promote Western Nebraska and the Visitors Center in Kimball. The interlocal agreement is a way to establish an advisory committee. Hadenfeldt said the agreement doesn't specify what the City pays or what they are to do. It is a formal agreement of cooperation with the other entities. This will establish the City as a partner in an advisory capacity and the City can determine if they want to contribute financially at budget time.

There being no further discussion, Warner moved and Morrison seconded to approve the interlocal agreement with High Point Welcome Center of Western Nebraska. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Warner, Shields, Christensen, and Morrison. Nay: None. Absent: None. Motion carried.

Police Chief Huff presented an overview of the Kimball Police Department. There are currently seven officers who take care of the City 24/7 365 days a year and six of them were at the meeting. Huff introduced his officers and presented an overview of the Police Department goals and 2014 – 2015 initiatives. Schnell thanked all of the officers for attending the meeting and making themselves known to the City Council and to the public as well.

Schnell opened discussion on the ACE revenue return for FY 2013-2014. ACE is distributing \$2,130.85 to the City of Kimball as its share of more than \$100,000 being distributed to the 72 Nebraska member communities of the not-for-profit, community-owned natural gas supplier. To date, ACE has given \$35,754 back to the City of Kimball and the Choice Gas selection period will run from April 11th to April 24th.

Schnell said the City would like to continue to bring in the banners for the light poles and bring in a set than will change with the seasons. There being no further discussion, Warner moved and Christensen seconded to utilize the ACE revenue return of \$2,130.85 for the purchase of banners. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Warner, Shields, Christensen, and Morrison. Nay: None. Absent: None. Motion carried.

The City Council reviewed the following items under the consent agenda:

1. Minutes from the March 4, 2014 regular meeting;
2. Claims;
3. Financial Statements; and
4. Ratify the Kimball Volunteer Fire Department members.

Shields moved and Morrison seconded to approve the consent agenda items as presented. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Warner, Shields, Christensen, and Morrison. Nay: None. Absent: None. Motion carried.

Ortiz reported he is working on the Event Center design plans. He has received notification that the Kimball Event Center has been selected to move forward in the grant process. He has received preliminary plans and they are primarily focusing on the ADA issues. Schnell encouraged City Council members to review the plans.

Ortiz and Bill Hinton will be attending a MEAN Board of Directors meeting the end of the month and he will not be at the April 1st City Council meeting.

Schnell reported there was a good turnout at the Chamber banquet.

The next regular City Council meeting is April 1, 2014 at 7:00 p.m.

There being no further business to come before the Council, Morrison moved and Christensen seconded to adjourn at 9:02 p.m. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Warner, Shields, Christensen, and Morrison. Nay: None. Absent: None. Motion carried.

James Schnell, Mayor

Rosemarie D. Russell, City Clerk

City of Kimball-City Council Claims-March 18, 2014-PDR Distribution LLC-Book-59.95; Combined Utilities-Utilities-496.19; Combined Utilities- Funds-Loan-16,400.00; Napa Auto Parts-Parts-49.96; Daniel Ortiz-Reimbursement-230.21; Prestige MFG.-Control Arm- 100.11; Sandberg Implement Inc.-Part-810.73; Jeremy J. Williams-Reimbursement-595.64; SourceGas, LLC-Gas Service- -1,630.79; Jeremy J. Williams-Reimbursement-87.66; ALSCO-Supplies-108.41; Amazon/GECRB-Monitor-152.56; C & M Air Cooled Engine, Inc.-Parts-497.75; Combined Utilities-Utilities-5,096.86; Combined Utilities-Transfer-797.71; Component Fabricators Inc-Part-96.04; Consolidated Management Company-Meal Plan-115.25; Contractors Materials, Inc.-Tools-63.00; Fastenal Company-Parts-21.27; Frank Implement Company-Part-57.62; Galls/Quartermaster-Supplies- 439.95; Hometown Hardware-Supplies-528.26; Hotsy Equipment Co-Parts-321.05; Ideal Linen Supply, Inc-Mats-23.64; Inland Truck Parts Company-Cylinder-504.78; Interstate All Battery Center-Cards-25.04; Kimball Auto Parts-Parts-29.65; Kimball Event Center-Rent-500.00; Kimball Service Center-Repairs-77.00; L.W. Cartage Co.-Lot Rent-100.00; M.C. Schaff & Associates, Inc-GIS Services-135.00; Miller Office Supply-Supplies-61.82; Napa Auto Parts-Parts-209.08; Nebraska Department of Revenue-Refund-4.56; Nebraska Safety & Fire Equipment, Inc-Inspection-402.00; Nebraska Turfgrass Association-Membership-100.00; Pack Rat Enterprises-Garbage Collection-100.00; Prairie Animal Hospital-Charges- 60.69; Prestige Flag-Flags-765.99; Presto-X-Monthly Contract-172.59; Sandberg Implement Inc-Blades-214.93; Shopko Stores-Supplies-38.44; Staples-Charges-121.72; Star-Herald Newspaper-Subscription-139.00; Stotz Equipment-Parts- 356.85; The Right Impression-Signs-12.00; Western Nebraska Observer-Meeting Notices-183.81; Chad Wise-Golf Pro Compensation-2916.00; Combined Utilities-Rail Spur-214,000.00; Stotz Equipment-Parts-1,420.84; The United States Life Insurance Company-Long Term

Disabiity-392.27; Action Communications-Repair-1,490.00; Arms Unlimited Inc.-Helmet-450.00; Automated Police Systems Inc-Support-500.00; Baker & Taylor Books-Book Purchase-1,163.18; Sheryl Biesecker-Contract Cleaning-330.00; Center Point Large Print-Book Purchase-127.02; CenturyLink-Telephone-735.25; Charter Communications -Internet-223.00; Component Fabricators Inc-Parts-59.58; Connecting Point-Monitor-305.37; Consolidated Management Company-Meal Plan-9.50; Country Printer-Tags-98.00; Crafcoc Inc-Asphalt-5,860.40; Culligan- Bulk Salt-89.50; DP Electronic LLC/Radio Shack-PA System-742.50; Don Schmidt Carpet, Inc-Carpet-927.05; Frenchman Valley Coop-Fuel-224.28; Gale-Book Purchase-54.96; High West Energy-Utilities-1,031.02; Sterling Hitch-Expense Report- 342.26; Ideal Linen Supply, Inc-Supplies-126.00; Intralinks, Inc-Computer Support-1,812.63; Kimball Auto Parts-97.39; Kimball Handyman Project-Handyman Project-1,125.77; LPO-Book Purchase-215.07; Nina LaBate-Cleaning-120.00; League of NE Municipalities-Conference-95.55; MAS Modern Marketing-Supplies-98.87; Dawn Maier-CPR Course-50.00; MainStreet Designs, Inc-Banners-2,803.00; MicroMarketing, LLC-Book Purchase-15.19; MidAmerica Books-Book Purchase-187.60; Napa Auto Parts-Parts-124.37; Nebraska Law Enforcement Training Center-Tuition-100.00; Norberg Auto & Diesel Inc-Repairs-2,777.77; Page My Cell-Fire-Setup-675.00; Panhandle Coop-Fuel-3,568.45; Panhandle Coop Association-Supplies-497.72; Pepsi-Cola of Western Nebraska-Pepsi Products-80.00; Postmaster-Box Fee-84.00; Public Safety Center-Hoods-376.54; Quality Books Inc-Book Purchase-26.36; Deb Revell-Reimbursement-25.00; STP Auto Service-Vehicle Maintenance-499.68; Janet Sears-Reimbursement-481.49; Shopko Stores-Supplies-50.35; Simmons Olsen Law Firm, P.C.-Professional Services-1,298.50; SourceGas, LLC-Gas Service-1,331.30; Sysco Denver, Inc- Supplies-1,233.75; Katherine Terrill-Reimbursement-139.09; University of Nebraska-Registration-125.00; Viaero-Cell Phone Usage-159.29; Vince's Corner-Car Washing-5.00; Visa-Firstier Bank-Charges-1,589.19; WPCI-Screening-30.00; Windstream-Long Distance-11.94; Wolf Automotive Center, Inc-Vehicle Maintenance-111.34; Xerox Corporation-Copier Maintenance-135.54; Xerox Corporation-Copier Maintenance-135.54.

City of Kimball-Economic Development Claims-March 18, 2014-Wilson Bowling-Expense Report-53.11; CenturyLink-Telephone-51.24; Charter Communications-Internet-39.75; ED Suite-Registration-135.00; Interlinks, Inc.-Computer Support-67.50; Simmons Olsen Law Firm, P.C.-Professional Services-450.00; Viaero-Cell Phone-32.29; Visa-Firstier Bank-Charges-962.92.