

Kimball City Council  
Regular Meeting  
November 19, 2013

A regular meeting of the Mayor and City Council was convened in open and public session at 7:00 p.m. on November 19, 2013 at the City Council Chambers. Mayor Schnell and Council members Warner, Shields, Christensen and Morrison were present. Also present were City Administrator Ortiz, Deputy City Attorney Hoelsing, 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.

Schnell acknowledged the posted Open Meetings Act poster.

Schnell opened discussion on the proposals for property, casualty and workers compensation coverage. Three proposals were received and one company, JG Elliott, has withdrawn their proposal. Genie Andrews and Clint Simmons, representatives from the League Association of Risk Management (LARM), were present to provide information on their company. LARM was formed in the 1980's. It is a pool of about 75 municipalities from around the state of Nebraska. Two years ago, LARM went from a third party administrator service to an in-house service. Their loss control and risk management services vary widely. Andrews informed council members that beginning in January 2014, there will be a requirement for police officers to have 20 hours of certification. LARM assists with training for their certification. LARM also reviews any and all contracts. Their legal and general counsel is Harding and Shultz in Lincoln.

Since July of last year, LARM has had four large communities request proposals and LARM did retain all of those proposals. In the last 10 months, LARM has written 14 new accounts. Andrews thinks LARM is positioned well to continue to grow the pool.

Simmons commented on the proposals and spoke about the monetary difference. Insurance companies are there to make money and they rate for across the U.S. LARM is only a pool within the state of Nebraska and is not going to have the catastrophes that happen across the U.S. LARM doesn't have to pay those extra dollars that the typical insurance company does. Eighty five percent of public entities are insured through pools and the pooling system is not new.

Andrews commented on the workers compensation rates being lower than the private sector. LARM doesn't rate on the NCCI; they only have their pool mod and it is based on how their pool performs.

LARM's quote is \$159,000 which is based on the coverage the City currently has and Simmons explained the reinsurance. Their reinsurance carriers have A+ ratings. The \$159,000 is at a full rate for a one year commitment to LARM. There are discounts for municipalities who choose multiple years. The \$159,000 would be reduced by five percent for a three year commitment.

LARM's loss control specialist visits member communities about four times a year and assists with safety training among other things. Discussion was held on replacement cost and actual cash value and Andrews indicated LARM also offers functional replacement cost.

Ortiz inquired if they have any communities that have power plants and Andrews said yes. Morrison inquired about the automobile premium being so much lower and Andrews explained the rate is based on the pool exposure.

It was indicated that Clint Simmons would be Kimball's LARM representative and his office is in Grand Island. Andrews believes the City would be really happy with their service and would see a savings. Essentially, it is a big partnership of individuals that want to do the right thing.

Josh Enevoldsen and Drew Enevoldsen, representing Kimball Insurance, were present to provide information on their company. Kimball Insurance has made some big investments in Kimball and continues to invest in the community. They can provide the local service necessary to properly service the City of Kimball. Josh Enevoldsen spoke about his participation in the community. He and his staff are really dedicated to the community and try to make a difference in helping Kimball to succeed.

Riley Tonkin, EMC Insurance Company, thanked the City for allowing them to write their policy for over 20 years. EMC is a Midwest based company that has been in business for over 100 years. Their Omaha branch has been in business for 75 years. EMC has been loyal to the City even with a 91% loss ratio over the past six years. They are competitive and have about 40% of the market share in Nebraska. Cities are a major focus for EMC. They have paid \$114,175 in dividends over the past five years, an average of \$22,835 per year and Tonkin commented that the dividends helps to bridge some of the gap between proposals.

EMC has recently been upgraded as an AM Best "A" rated company. Their reinsurers are rated A or better. EMC has been named to the Forbes 100 most trustworthy companies list twice in the last three years. They have numerous loss control resources and they are tailored to cities.

Tonkin commented on the continuing education requirements for the police officers and helping them be met.

Enevoldsen hopes the council can see the value of staying with a local agency. The

biggest way to bridge the gap is to shop local and he commented on the tax revenues the City may lose. Hoelsing inquired if the dividend program is contingent on a safety rating and Tonkin said they are based on overall claims history on a three year basis.

Andrews said LARM awards dividends as well. A dividend program is pretty standard with most carriers.

Ortiz inquired about signing an interlocal agreement with LARM that binds the City to a two to three year period. Andrews said the City can choose to enter into a three year agreement; however, the City is only required to enter into a one year agreement.

Discussion was held on the Nebraska Statute which indicates awarding to lowest responsible bidder and Schnell commented on getting further information if council members feel they want to do so.

Discussion was held on the numbers of cities and villages that LARM insures.

Ortiz commented on pools and said that the one thing he has observed is that cities go up and down with the pools and spoke about risks when joining a pool. Andrews said that generally pools have an 8 to 8 ½ rate differential. LARM's board of directors is made up of members from their member communities.

Morrison inquired if LARM is going to support the local communities and Andrews said as far as supporting the community as an entity, they strongly support their communities and she commented on the League of Nebraska Municipalities who supports the cities legislatively.

Warner moved and Morrison seconded to award the bid for property, casualty and workers compensation coverage to Kimball Insurance. Hoelsing said the law is fairly clear and the award needs to be to the lowest responsible bidder. He said the council members cannot base their decision on a local company providing the same service. If council members think the services provided by the out of town company do not match the services provided by the local company, that is good criteria to consider

Andrews commented that this was a request for proposals and she doesn't want to seem adversarial. Christensen commented on the parameters and the local company being a phone call away. These are things that are valued in Kimball. Andrews invited the council members to call the other LARM communities and ask what they think.

Warner withdrew her previous motion and moved to table the action on the bid proposals for property, casualty and workers compensation coverage to the next meeting. Motion was seconded by Shields. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Warner, Shields, and Christensen. Nay: Morrison. Absent: None. Motion carried.

Schnell opened discussion on the underpass. Schnell and Ortiz met with Mark Bohl, Kimball's Responsible Charge, and Dave Schaff, from M. C. Schaff & Associates. Schaff presented information on the underpass. The City is at the point where they need to make sure they are at the next step in the underpass process. The next step is

to hire an environmental engineer, which will be HDR. Before that is done, there needs to be assurance that the council and the community are ready to move forward in the process. Schaff presented the alternatives: move forward with project and use the funds provided by the State, or stick with local funds and do the cosmetic enhancements, i.e. fix the rocks, do maintenance on the handrails and fix the sidewalks. Schaff is requesting to make sure the City is on board and make sure they are ready to move forward with the environmental process. If that is the case, the project needs to be under contract by 2015. The environmental portion will take at least six months. Schaff said the next step is to review the scope of the environmental services with HDR and then have a stakeholders meeting, and then hold a public input meeting.

Ortiz commented that there is a very tight timeline. If the City doesn't reach the point where they have the specifications done and award the contract to the contractor by 2015, the federal government will want the money they paid to the City so far returned. Ortiz said the amount the City would have to pay back would be \$100,000 or more. He said if the council members wish to go with the rock, it will entail more manual labor. The City can continue to move forward with the design the council approved a few years ago. Here is an opportunity to use federal funds for this project and here is an opportunity to move forward using Federal funds. The City is up against a tight timeline.

Morrison inquired about the bidding and Schaff indicated the Department of Roads will help with the contractor and bidding process.

Schaff informed council members that he could not get a contractor to give an accurate figure to remove the rock, clean it up and replace the rock. Warner commented on historical society input and the public hearing. Schaff indicated the historic preservation society should be contacted regardless of which direction the City opts to take. Shields commented on the ADA compliance and Schaff indicated if federal monies are used, the underpass would have to be ADA compliant. If federal dollars are not used, that would not be the case.

M. C. Schaff reengineered the design six years ago and it was just under \$6 million. Schaff said he cannot guess what the end product would be; however, it would incorporate some of the rock. Strauch said \$1.5 million has been budgeted.

Larry Stahla, representing the Historical Society, commented that the Historical Society and he feel there is significant historical values to the rock slopes being put back like they were. In 2010, there was an engineer's estimate of \$60,000 for replacing the rocks. After that, there was a motion made to submit the revised estimate. The State Historical Society says the Highway 71 underpass is potentially eligible for the historical register. Stahla thinks the City may run into some issues with removing the rocks. Stahla presented a photo that was taken when the underpass was built. All of the rock was quarried 23 miles south of town. He feels it is a part of the history of the city. Stahla has studied this for the last eight years and has tried to keep up with what is going on with this.

Morrison said it sounds pretty obvious that the City is going to have to go through a public hearing and everyone agrees that the underpass is historic. There are a lot of

people that don't agree with Stahla that the rocks are historic and he inquired of Stahla if the public doesn't agree with him, would he go along with that. Stahla said he would. However, he said that this means a lot to him and to others. He has a letter from the historical society that says he is authorized to speak for them. Schnell said that before this goes any farther, all the players have to meet.

Julie Schnell, 314 South Oak Street, spoke on the future of Kimball. She has been a part of Marketing Hometown America and said that one of the things that comes out over and over is that Kimball needs some curb appeal. She said the underpass is not going to get better by doing nothing and this is an opportunity to add some pizzazz to one of Kimball's entrances. Mrs. Schnell encouraged the council members to do something and use the best of both worlds.

Susie Abramson, 408 South Washington Street, inquired if everyone could be brought together to get their feelings on this.

Jim Schulte, 400 South High School Road, asked where the public hearing would be held and Ortiz said it would be held locally, most likely at the Event Center. The whole reason for the public hearing is to get public input for an idea of what it is going to look like.

Christensen asked if this community-wide meeting could be combined with the environmental aspect and Ortiz said it is part of the process. If the council members want to move forward, it needs to include the scope of what the environmental study is going to look like.

There being no further discussion, Christensen moved and Morrison seconded to proceed with setting up a public hearing and with hiring the environmental services in order to get everything needed to make a decision. 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 School Resource Officer agreement with the Kimball School Board. The City has received federal funds to implement a SRO program. This requires the City to enter into an agreement with the school district. Ortiz met with the School Board last week and they didn't have any concerns with the agreement. One change to the agreement is that it has to be signed by both the Mayor and the Police Chief. The interlocal agreement was drafted by City Attorney Hadenfeldt. Included in the council members' packets is a cost breakdown of funding received and funds allocated. The fourth year the funding will primarily come from the community. The costs not covered in the grant will be split 50-50.

Shields commented on the tracking requirement and Ortiz indicated the quarterly financial report will be administered by the City staff. The form will have to be submitted prior to the drawdown of funds for each quarter. There is also an opportunity to submit a request to extend the grant funding.

Shields also commented on the Community Policing description and Ortiz said that is just a suggestion. Shields asked where the SRO's training materials are received from

and Huff said the SRO is going through the NASRO Training and the information for the students comes from NASRO as well. They have all the education tools that the SRO can use. Schnell said the SRO also has access to what other officers have available.

Shields inquired if the school board has approved this and Ortiz said he has talked to the school board and the agreement was provided to the school board and they had no questions. There is also a requirement from the Department of Justice that the SRO is not going to enforce school discipline.

There being no further discussion, Christenson moved and Shields seconded to approve the Interlocal Cooperative Agreement with the School District for the School Resource Officer. 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 funding of the Kimball Main Street Design and Improvement Program Grant from Economic Development funds. Strauch indicated this has been funded previously and listed the businesses that have been granted funds. In 2012, the City Council refunded \$10,000 to the program and there have been a couple applications approved since that time. This has been budgeted. Schnell commented on how this program is available to everyone. It is a great program and it is from money collected through the ½ cent sales tax.

There being no further discussion, Warner moved and Christensen seconded to refund \$10,000 to the Kimball Main Street Design and Improvement Program Grant from Economic Development funds. 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 Kimball Main Street Design and Improvement Grant application from Prestige Manufacturing. Bowling has had a few conversations with Steve Pinkerton. They have done a lot of improvement to their façade. They have put in \$7,700 of their own and have requested the full amount of \$2,000 to be granted.

There being no further discussion, Warner moved and Shields seconded to award a \$2,000 grant to Prestige Manufacturing from the Kimball Main Street Design and Improvement Grant Program. 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 Kimball Main Street Design and Improvement Grant application from Kimball Family Dentistry. Bowling indicated they have replaced their doors and windows and have requested the full amount of \$2,000 to be granted.

There being no further discussion, Shields moved and Christensen seconded to award a \$2,000 grant to Kimball Family Dentistry from the Kimball Main Street Design and Improvement Grant Program. 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 Santa's Helpers. Jennifer Provance, representing the Chamber of Commerce, indicated that each year the City gives the Chamber keno money to assist with their holiday events. Once again, they are asking for keno funds for the events planned for the Christmas season. Provance said they are asking for \$1,000. They are planning to revamp the parade of lights this year. The grant money will help to award prizes for the parade entries as well as other activities. The Chamber's goal is to bring people downtown.

There being no further discussion, Morrison moved and Warner seconded to approve keno funds in the amount of \$1,000 for the Chamber of Commerce Santa's Helpers activities. 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 his appointment to the Kimball Housing Agency. He has recommended the appointment of Bob Kellner to replace Martha Mossberg who resigned. Mossberg has been on the Housing Agency Board for six to seven years. Kellner has agreed to serve on the board.

There being no discussion, Christensen moved and Shields seconded to accept the Mayor's appointment of Bob Kellner to the Kimball Housing Agency. 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 City of Kimball organization chart. Staff put together the revised organizational chart and this shows how everyone sits in the chain of command. The orange sections are appointed officials. Warner inquired if the organizational chart could be revised at any time and Ortiz indicated it could.

There being no further discussion, Morrison moved and Christensen seconded to approve the City of Kimball organizational chart 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.

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

1. Minutes from the November 5, 2013 meeting;
2. Claims; and
3. Financials

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

Ortiz reported on the School Resource Officer.

Ortiz reported the Board of Public Works has decided to make a change in the policy where notices are provided for delinquent utility billings. The original procedure was

very time-consuming and the Board wanted to make the change that the customers would receive their bill and only one courtesy notice 14 days after the bill due date. The changes will be effective January 1, 2014. Shields inquired about paying on line and Ortiz indicated he is working on that option for the City's website.

Ortiz reported the Cemetery Board met and decided to change the cemetery rates by \$100, with the exception of Serenity Garden which would be changed by \$50 and the baby rate would remain the same.

Ortiz reported City Hall offices and all City departments will be closed on Thursday and Friday for the Thanksgiving holiday.

Schnell commended the school and Mrs. Ferguson's civic class for the great Veteran's Day program and wished everyone a very Happy Thanksgiving.

Schnell encouraged everyone to attend the Marketing Hometown America wind-up on Thursday, November 21, 2013 at the Event Center.

The next regular City Council meeting is December 3, 2013.

There being no further business to come before the Council, Christensen moved and Shields seconded to adjourn at 9:17 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.

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James Schnell, Mayor

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Rosemarie Russell, City Clerk

City of Kimball-City Council General Claims-November 19, 2013-Action Communications-Radios-2,252.00; Amazon/GECRB-Flags-180.72; Arms Unlimited Inc.-Supplies-5,850.00; Baker & Taylor Books-Book Purchase-1,087.59; Barco Products Company-Receptiles-1,607.42; Bemis Drug-Supplies-9.68; Sheryl Biesecker-Contract Cleaning-330.00; Center Point Large Print-Book Purchase-127.02; CenturyLink-Telephone-649.11; Charter Communications-Internet-257.19; Combined Utilities-Utilities-119.42; Connecting Point-Copy Usage-72.52; Consolidated Management Company-Meal Plan-247.25; Culligan-Salt-48.00; Dale's Auto Glass-Door-2,516.54; Deutsche Tree Service-Tree Removal-4,350.00; Dollar General Corporation-Supplies-56.35; EBSCO Subscription Services-Subscriptions-908.93; Michael Frederick-Book Purchase-46.00; High West Energy-Utilities-1,371.28; Hometown Hardware-Supplies-181.00; Darren Huff-Expense Report-49.79; Ideal Linen Supply, Inc.-Supplies-185.64; Kimball County Clerk-Recording Fees-78.00; Kimball Auto Parts-Part-4.90; Kimball Bakery-Supplies-65.00; Kimball Service Center-Tires-910.08; Law Enforcement Intelligence Report-DVD-96.95; League of NE Municipalities-Conference-320.00; MicroMarketing, LLC-Book Purchase- 267.86; Miller Office Supply-Office Supplies-365.34; Napa Auto Parts-Parts-493.42; Off Broadway Business Products- Office Supplies-6.04; Panhandle Coop-Fuel-2,086.04; Panhandle Coop Association-Supplies-531.87; Police Chief's Association of Nebraska-Dues-30.00; Prairie Animal Hospital-Boarding-135.00; Prestige MFG.-Repair-201.25; Presto-X- Monthly Contract-76.91;

Robert Abramson, CPA-Accounting Service-2,718.00; Shopko Stores-OfficeSupplies-62.99; Simmons Olsen Law Firm, P.C.-Professional Services-4,019.50; SourceGas, LLC-Gas Service-612.17; Sysco Denver, Inc.-Supplies-1,028.04; The Right Impression-Signs-332.20; Viaero-Charges-32.75; Visa-Firstier Bank-Charges-4,830.47; WPCI-Review Data-60.00; Chad Wise-Credit Cards-223.25; Xerox Corporation-Copier Maintenance-148.41.

City of Kimball-Economic Development Claims-November 19, 2013-Wilson Bowling-Expense Report-50.85; CenturyLink-Telephone-51.24; Charter Communications-Internet-39.75; Connecting Point-Copy Usage-1.22; Kimball Insurance-Premium-336.00; Viaero-Charges-32.75; Visa-Firstier Bank-Charges-485.70.