

November 17, 2020

ALLIANCE CITY COUNCIL

REGULAR MEETING, TUESDAY, NOVEMBER 17, 2020

STATE OF NEBRASKA)
)
COUNTY OF BOX BUTTE) §
)
CITY OF ALLIANCE)

The Alliance City Council met in a Regular Meeting, November 17, 2020, at 7:00 p.m. in the Alliance Learning Center Community Meeting Room, 1750 Sweetwater Avenue, Alliance, Nebraska. A notice of meeting was published in the Alliance Times Herald on November 11, 2020. The notice stated the date, hour and place of the meeting, that the meeting was open to the public, and that an agenda of the meeting, kept continuously current, was available for public inspection at the office of the City Clerk in City Hall; provided the Council could modify the agenda at the meeting if it determined an emergency so required. A similar notice, together with a copy of the agenda, also had been delivered to each of the City Council Members. An agenda, kept continuously current, was available for public inspection at the office of the City Clerk during regular business hours from the publication of the notice to the time of the meeting.

- Mayor Dafney read the Open Meetings Act Announcement.
- Mayor Dafney invited Lori Mazanec, Chief Operating Officer of Box Butte General Hospital, BBGH Hospitalist Terry Myers, and BBGH Physician Assistant Steve Vannoy to discuss with Council the current COVID pandemic and how it is affecting the community. The use of masks was discussed and Council was requested to encourage community members to wear a mask and follow all CDC recommendations.
- Council was next introduced to new City employees, Brian Kimmel – Golf Maintenance Worker II and Matthew Grundmeier – Public Safety Dispatcher.
- Council next proclaimed Saturday, November 28, 2020 as Small Business Saturday. Councilman Mischnick presented the following proclamation:

PROCLAMATION

WHEREAS, the government of Alliance, Nebraska celebrates our local small businesses and the contributions they make to our local economy and community; according to the United States Small Business Administration, there are 30.7 million small businesses in the United States, they represent 99.7% of all firms with paid employees in the United States, are responsible for 64.9% of net new jobs created from 2000 to 2018; and

WHEREAS, small businesses employ 47.3% of the employees in the private sector in the United States, 62% of U.S. small businesses reported that they need to see consumer spending

November 17, 2020

return to pre-COVID levels by the end of 2020 in order to stay in business, 65% of U.S. small business owners said it would be most helpful to their business to have their “regulars” return and start making purchases again, and three-quarters of U.S. consumers are currently looking for ways to Shop Small® and support their community; and

WHEREAS, 96% of consumers who shopped on Small Business Saturday® agree that shopping at small, independently-owned businesses supports their commitment to making purchases that have a positive social, economic, and environmental impact and 97% of consumers who shopped on Small Business Saturday agree that small businesses are essential to their community; and

WHEREAS, 95% of consumers who shopped on Small Business Saturday reported the day makes them want to shop or eat at small, independently-owned businesses all year long, not just during the holiday season; and

WHEREAS, Alliance supports our local businesses that create jobs, boost our local economy, and preserve our communities; and

WHEREAS, advocacy groups, as well as public and private organizations, across the country have endorsed the Saturday after Thanksgiving as Small Business Saturday.

NOW, THEREFORE, I Mike Dafney, Mayor of Alliance do hereby proclaim November 28, 2020, as:

Small Business Saturday

And urge the residents of our community, and communities across the country, to support small businesses and merchants on Small Business Saturday and throughout the year.

● The Consent Calendar was the next item on the agenda for Council. A motion was made by Councilman Bentley and seconded by Councilman Jones to approve the Consent Calendar as follows:

CONSENT CALENDAR – NOVEMBER 17, 2020

1. Approval: Minutes of the Council Meeting from November 3, 2020 and Special Meeting on November 10, 2020.
2. Approval: Payroll Costs for the period October 17, 2020 through October 30, 2020: \$316,922.82.
3. Approval: Claims against the following funds for October 28, 2020 through November 10, 2020: General, General Debt Service, Trust and Agency, Street, Electric, Refuse Collection and Disposal, Sanitary Sewer, Water, Golf Course, Downtown Improvement Districts, R.S.V.P., Keno, and Capital Improvement; \$973,484.53.
4. Approval: Authorizes the issuance of the following Cemetery Certificates:

November 17, 2020

The South Half of the Southeast Quarter of Lot Fourteen, Section Two, Block Seventeen, Alliance Cemetery Second Addition;

The West Half of Lot Sixteen, Section Five, Clock Twenty-two, Fourth Addition to the Alliance Cemetery;

The West Half of Lot Thirty-six, Section Ten, Block Twenty, Third Addition to the Alliance Cemetery.

5. Approval: Capital Budget Transfer in the Police Department in the amount of \$27,300 from Capital Outlay-Buildings to Other Contract Operating Services for the Zeurcher Software Maintenance Contracts that were not included in the annual operating budget.
6. Approval: Resolution No. 20-113 will certify the 2020 City Street Superintendent to the Nebraska Department of Transportation to qualify for an annual Incentive Payment.
7. Approval: Resolution No. 20-114 designating Ross Grant as the City's Street Superintendent for 2021.

NOTE: Interim Managers Johnson and Waggener have reviewed these expenditures and to the best of their knowledge confirms that they are within budgeted appropriations to this point in the fiscal year.

Any item listed on the Consent Calendar may, by the request of any single Council Member, be considered as a separate item in the Regular Agenda.

Roll call vote with the following results:

Voting Aye: Dafney, Mischnick, Jones, Reynolds, Bentley.

Voting Nay: None.

Motion carried.

- The next item on the agenda was the second reading of Ordinance No. 2914. This ordinance will authorize the vacation of the alley located in Block 1, Snedeker's Addition and a portion of the alley between Lots 1 through 3 and 12 through 14, Block 1, Reddish Addition. The following information was provided for Council:

[The Agreement with Cold Steel Metal, LLC is proposed to Council as a solution to several obstacles to development of the property. If the Council recalls, this property is subject to a conditional use permit that has been extended twice, both times allowing for the date of an opaque fencing requirement to be extended.

November 17, 2020

Following the second extension of the conditional use permit, the developer applied for a fence permit, and at that time realized the depth of the issues presented by the City-owned lots on the property and by the Alley. Both the Alley and the City-owned lots could not be fenced per City code, and the Alley and City-owned lots significantly hindered the use of the property as a whole.

Interim City Managers Johnson and Waggener met with the developer in September, and a proposal to modify the property platting and ownership was agreed in principal, in order to allow for the future development and use of the property. That agreement in principal has been drafted into the Agreement for Council consideration.

Accordingly, Council is presented for approval an Agreement which is intended to accomplish several goals:

1. Lots 11 and 12, Block 1, Snedeker's Addition will be sold from the City to Cold Steel Metal, LLC, using the current City rate per square foot for vacant City lots. The sale and transfer of those lots will allow for proper fencing of the property as a whole, and will put the lots back into use by the developer.

2. Cold Steel Metal, LLC has requested that the City vacate the platted Alley on the property, to allow for development of that land. City staff is not adverse to this approach, and the process for vacating the Alley will begin after the real estate sale closes in escrow. The City cannot "un"vacate the Alley once it is vacated, and this Council cannot bind future Councils to an Alley vacation action. For those reasons, the Alley vacation will wait for the real estate sale to close the real estate sale will close in escrow to ensure that the Alley vacation is beneficial to both parties.

3. There are currently underground utilities the City-owned Lots 11 and 12 (and additionally on Lot 1. There are also underground utilities in the Alley. The City will require that the developer execute a utility easement to preserve the City's rights and use of those utilities in the future. The easement will be binding on the property and will allow the City access to the utilities should any City modification, repair, or construction be required. Unlike an Alley or a City-owned lot, a fence can be built over an easement (subject, of course, to the City's right to remove the fence in the case that access is needed).

4. The City staff will not seek to enforce the current timeframes of the conditional use permit while this process is pending.

5. The developer agrees to replat the property moving forward, so that the property is one entire lot. A replat can probably be done administratively, and will simplify matters for any future building permit or zoning regulations.

November 17, 2020

6. Following this process, the developer will submit a new application for a conditional use permit. The review of the new application will hopefully be more streamlined and straight-forward, given the obstacles to development removed by this proposed Agreement. Since the property will still be used as a salvage yard, a conditional use permit will still be required.

Council has been provided for review a copy of the Ordinance with a depiction of the Alley to be vacated, the proposed Utility Easement (including map of utility locations), and the proposed Alley vacation ordinance for future consideration by the Council.]

A motion was made by Councilman Bentley, seconded by Councilman Jones to approve the second reading of Ordinance No. 2914. City Clerk Johnson read the ordinance by title which follows in its entirety:

ORDINANCE NO. 2914

AN ORDINANCE OF THE CITY OF ALLIANCE, NEBRASKA, VACATING AN ALLEY RIGHT-OF-WAY INTEREST OF THE CITY OF ALLIANCE, NEBRASKA IN SNEDEKER'S AND REDDISH ADDITIONS TO THE CITY OF ALLIANCE, BOX BUTTE COUNTY, NEBRASKA; PROVIDING FOR AN EFFECTIVE DATE.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF ALLIANCE, NEBRASKA:

Section 1. The owner of Lots 1 through 10 and 13 through 16, Block 1, Snedeker's Addition to the City of Alliance, Box Butte County, Nebraska, and Lots 1 through 3 and 12 through 14, Block 1, Reddish Addition to the City of Alliance, Box Butte County, Nebraska has requested, for the purposes of development, that the City of Alliance vacate any right-of-way interest in the following described real estate (the "Vacated Area"):

An alley approximately 20 feet wide running east to west and fifteen feet wide running southeast to northwest, described as follows: beginning at the intersection of Dakota Street (as platted) in Snedeker's Addition, then continuing northwest and west as an alley running along the east side of and in the middle of Block 1, Snedeker's addition, then continuing west into the middle of Reddish Addition to a line that is a straight line between the southwest corner of Lot 3, Block 1 of Reddish Addition and the northwest corner of Lot 12, Block 1 of Reddish Addition

Section 2. The City finds it is in the best interest to grant this request and to vacate any right-of-way interest the City of Alliance may have in the Vacated Area, in order to allow for development. The Vacated Area shall remain necessary for City utilities, and the vacation of the right-of-way is subject to a utility easement granted by the owner to the City of Alliance, Nebraska. Vacating the right-of-way interest in the Vacated Area is not contrary to any City ordinance or State of Nebraska statute.

November 17, 2020

Section 3. Wherefore, the Vacated Area is now vacated pursuant to Neb. Rev. Stat. § 16-611(2). Following passage, approval and publication of this Ordinance, title to the Vacated Area shall vest in the owners of the abutting property.

Section 4. This Ordinance shall take effect and be enforced following its passage, approval and publication as required by law.

Roll call vote with the following results:

Voting Aye: Dafney, Mischnick, Jones, Reynolds, Bentley.

Voting Nay: None.

Motion carried.

- The next item before Council was Resolution No. 20-115 which will approve the renewal contracts and rates with Regional Care, Inc., our third party administrator; Crum & Forster, our reinsurance carrier; and our other vendors of health services. This resolution also approves the new premium rates to be paid by employees for calendar year 2021. The following information was provided for Council:

[Hays Companies, the City's health benefit broker, has conducted the City's insurance renewal and shopped the market for competitive rates for benefits the City offers its employees. The City looks to continue to provide the same level of coverage without eliminating benefit options or removing spousal coverage as the national cost of health coverage continues to rise.

Administration for the health insurance program will continue through Regional Care Inc. (RCI) and Crum & Forster will provide reinsurance coverage. The City is expecting an overall increase of 14.6% from current year expenses. Most of this increase is due to the addition of a \$125,000 laser for a participant with a specific medical condition (which means the City will pay all claims up to this amount before stop-loss will contribute). The remainder of the increase is due to the influence of annual trend (7-10% national norm), as the small size of our group provides limited credibility on its own when projecting future costs. Lastly, claims decreased nationally as a result of COVID-19, but the degree to which is uncertain. As a result, there is an expectation of higher rates of utilization (already being seen) for the coming months and for claims costs to correspondingly rebound.

Employer dental and vision premiums increased by 20% and 5.5%, respectively; however, employee premiums will remain the same. The cost of both are also expected to increase from this year due to diminished utilization during COVID-19, which impacted dental and vision services more heavily. The hourly cost of benefits is \$5.47 per hour for single and \$13.49 for family coverage.]

November 17, 2020

A motion was made by Councilman Reynolds, seconded by Councilman Jones to approve Resolution No. 20-115 which follows in its entirety:

RESOLUTION NO. 20-115

WHEREAS, The City of Alliance has engaged in a process with Hays Corporation, our benefit broker, evaluating its current health care benefit plans offered to employees; and

WHEREAS, Various options and proposals have been considered by staff and Hays Corp., and staff has recommended the options contained herein; and

WHEREAS, The City of Alliance has received a proposal to renew its contract with the Third-Party Administrator, Regional Care Incorporated; and

WHEREAS, The City of Alliance recommends a proposal to change our contract for reinsurance carrier to Crum and Forster as set forth herein; and

WHEREAS, The City of Alliance has received a proposal to renew its contract with the Unum to provide term-life employee coverage; and

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of Alliance, Nebraska, that the contract proposal with Regional Care Incorporated for Third-Party Administrator is hereby approved.

BE IT FURTHER RESOLVED, Monthly premium payments per employee to Crum and Forster as the reinsurance carrier effective January 1, 2021, shall be as follows:

Specific Single Premium	\$ 165.49
Specific Family Premium	\$ 529.86
Aggregate Premium	\$ 18.50
Transplant Coverage	
Single	\$ 10.02
Family	\$ 24.88
Vision Coverage	
Single	\$ 8.26
Family	\$ 17.76
Life Insurance	
Single	\$ 7.61
Family	\$ 8.61

BE IT FURTHER RESOLVED, administrative service fees to Regional Care, Incorporated, shall be \$28.55 monthly per covered employee, effective January 1, 2021.

BE IT FURTHER RESOLVED, the City of Alliance shall make monthly payments into its Health Support Fund, effective January 1, 2021 for a dental program up to the following amount:

Per Employee	\$ 55.77
--------------	----------

November 17, 2020

BE IT FURTHER RESOLVED, the City of Alliance shall make monthly contributions to our Health Support Fund, effective January 1, 2021 for the payment of medical claims up to the following amounts:

Per Single Employee	\$ 684.07
Per Family Employee	\$1,814.27

Councilman Bentley stated she would like to see an option for and Employee Plus One as she believes it isn't fair for individuals without a family to pay the same premiums as those who do enroll in family coverage. The City has had a 3-tier health insurance plan in the past and would like for that to be considered.

Human Resources Director Carla Mayhew stated and Employee Plus One plan isn't comparable with other communities and the deductible would remain the same across the plans. Ms. Mayhew also stated that she has concerns if we were to go back to Crum & Forster now for a new quote, we will see a rate increase due to the high claims over the last couple weeks.

Councilman Jones stated that the City's costs will go up and those individuals on the Employee Plus One plan will receive more of a benefit as they will be receiving family coverage at a lesser premium.

Councilman Mischnick added that the health insurance premiums are low now and if this plan is not an industry standard we should remain with what is comparable.

With no further discussion, Mayor Dafney requested the Clerk to call the roll.

Roll call vote with the following results:

Voting Aye: Dafney, Mischnick, Jones, Reynolds, Bentley.

Voting Nay: None.

Motion carried.

- Resolution No. 20-116 which authorizes the purchase of a 2020 Grasshopper front deck mower from Sandberg Implement of Scottsbluff, NE. to be utilized in the Parks Department was next on the agenda for Council. The following information was provided:

[The Park Division's 2020-21 budget includes funds to purchase a front deck mower to replace a 2001 Walker front deck mower currently in use. The 2001 mower is experiencing significant mechanical issues which interrupt efficient maintenance of public grounds. The old mower will be sold on the next equipment auction.

November 17, 2020

Quotes were requested from the two manufacturers who offer front deck zero-turn mowers with grass hauling systems and a high dump. The following quotes were received for this equipment.

Vendor	Brand	Quoted Price
J & C Walker Mower Sales & Service, Alliance, NE	Walker	\$17,861.00
Sandberg Implement, Scottsbluff, NE	Grasshopper	\$19,954.56

The lowest price quote received was from J & C Walker Mower Sales & Service of Alliance, NE. Staff is recommending the award for the higher bid from Sandberg Implement of Scottsbluff, NE because of the following features which are included on the Grasshopper mower but are not available on the Walker mower:

- Power lift deck is included and will make maintenance exponentially easier
- Electric deck raise function for going over curbs and other substantial elevation changes
- Grass catcher is metal rather than plastic
- Hydraulic assist for mowing height adjustment which will allow infields and outfields to be easily mowed at different heights
- Heated hard cab
- Larger snow attachments

Budget authority of \$25,000 is included in the Parks budget (GL# 01-71-71-59-950).]

A motion was made by Councilman Reynolds, seconded by Councilman Bentley to approve Resolution No. 20-116 which follows in its entirety:

RESOLUTION NO. 20-116

WHEREAS, The City of Alliance Parks Division has on their capital improvements plan for this fiscal year, the purchase of a front deck mower to replace a 2001 Walker Mower; and

WHEREAS, Two quotes were requested, with the purchase being recommended from Sandberg Implement of Scottsbluff, NE in the amount of Nineteen Thousand Nine Hundred Fifty-four Dollars and 56/100ths (\$19,954.56).

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of Alliance, Nebraska, that the Mayor be and hereby is authorized to enter into a contract for the purchase of a Grasshopper Front Deck Zero Turn Mower in the amount of Nineteen Thousand Nine Hundred Fifty-four Dollars and 56/100ths (\$19,954.56) from Sandberg Implement of Scottsbluff, NE

BE IT FURTHER RESOLVED, that the purchase will be funded from Capital Outlay-Machine, Equipment - Account No. 01-71-71-59-950.

Roll call vote with the following results:

November 17, 2020

Voting Aye: Dafney, Mischnick, Jones, Reynolds, Bentley.

Voting Nay: None.

Motion carried.

- Next for Council was Resolution No. 20-117 which authorizes the purchase of a 2019 John Deere Gator work cart from 21st Century Equipment of Alliance, NE. to be utilized at the Alliance Cemetery. The following information was provided:

[The Cemetery 2020-21 budget includes funding for the purchase of a replacement work cart. The Cemetery work cart will be transferred to the Parks Division to replace a 2002 model that is currently being used by that department and the old work cart will be sold on the next city auction.

Staff is recommending the purchase of a 2019 John Deere Gator XUV835 M work cart from 21st Century Equipment of Alliance, NE. Attached is both a Sourcewell bid and a bid that includes the government discount. Staff recommends that the City of Alliance purchase a work cart for the government discount price of \$21,500 which is \$1,186 under the Sourcewell contract price. This price is \$3,500 under the budget amount of \$25,000 that is included in the current year budget (GL# 01-71-74-59-950).]

A motion was made by Councilman Mischnick, seconded by Councilman Jones to approve Resolution No. 20-117 which follows in its entirety:

RESOLUTION NO. 20-117

WHEREAS, The City of Alliance Parks Department has on their capital improvements plan for this fiscal year to replace a utility work cart; and

WHEREAS, Two bids were received, with staff recommending the bid of 21st Century Equipment of Alliance, NE for a John Deere XUV835 M in the amount of \$21,500; and

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Alliance, Nebraska, that the Mayor is hereby authorized to enter into a purchase agreement with 21st Century Equipment of Alliance, NE for a John Deere XUV835 M in the amount of Twenty-one Thousand Five Hundred and no/100th Dollars (\$21,500).

BE IT FURTHER RESOLVED that the purchase will be funded from Account No. 01-71-74-59-950 – Cemetery Capital Outlay-Machine, Equipment.

Roll call vote with the following results:

Voting Aye: Dafney, Mischnick, Jones, Reynolds, Bentley.

Voting Nay: None.

November 17, 2020

Motion carried.

- Finance Director Waggener next discussed some NDEQ Water Loan Refinancing options with Council. The following information was provided:

[The current market financing rates afford the City of Alliance an opportunity to save interest on borrowings by refinancing. Further potential savings exist by using reserves to reduce the outstanding debt and/or increase annual payments and ultimately shorten the term of the borrowing.

Mr. Craig Jones of First National Capital Markets has provided multiple projected scenarios in regard to the NDEQ 20-year water loans that started in 2010 in the amount of \$4.1 million at 3% and presently represent approximately two-thirds of the City's outstanding debt. NDEQ does not offer refinancing of their loans and there are still ten years of payments remaining on the debt. After the water bonds were paid in 2018, debt payments were decreased by almost \$300,000 annually resulting in increased cash reserves over the past couple of years. The water cash reserves at the end of the most recent fiscal year were just over \$1.8 million (around 18 months) with overall yields of .69%. Two avenues of refinancing are available with the public bond issue generally resulting in a lower yield but more administrative and reporting requirements than the private placement which would be a slightly higher yield (cost) but less administrative burden.

The scenarios presented in the attachments and summarized below are projected to save the City between \$192,000 and \$290,000 over the remaining life of the debt.

1. **Simple Refinancing** (no cash contribution and maintaining the same payment levels)

Projected Savings:	\$209,936 (or \$192,218 as a private placement)
New rate (projected)	1.09% (or 1.25% as a private placement)
PV Savings:	8.36% (or 7.50% as a private placement)
Final maturity	2030 (six months shorter than NDEQ payoff)
2. **Accelerated Refinancing** with \$250,000 contribution which eliminates final three maturities

Projected Savings:	\$245,876
New rate (projected)	1.00%
PV Savings:	9.75%
Final Maturity	2029 (1.5 years shorter than NDEQ payoff)
3. **Accelerated Refinancing** with \$500,000 contribution (eliminates the final five maturities)

Projected Savings:	\$276,033 (or \$265,650 as a private placement)
New rate (projected)	0.91% (or 1.06% as a private placement)

November 17, 2020

PV Savings:	11.55% (or 10.49% as a private placement)
Final Maturity	2028 (2.5 years shorter than NDEQ payoff – could eliminate the remaining half year and shorten to 2027 by contributing another \$85,000 in cash or spreading the \$85,000 through the earlier maturities)

4. **Accelerated Refinancing** with \$200,000 contribution and increase annual principal payments by \$150,000 (eliminates the last nine maturities)

Projected Savings:	\$290,444
New rate (projected)	0.75%
PV Savings:	10.147%
Final Maturity	2026 (4.5 years shorter than NDEQ payoff)

- Board appointments, resignations and announcements was the final item on the agenda for Council.

A motion was made by Councilman Jones, seconded by Councilman Mischnick to reappoint Sue Williams to the Golf Advisory Board. Mrs. Williams new term will expire December 31, 2024.

Roll call vote with the following results:

Voting Aye: Dafney, Mischnick, Jones, Reynolds, Bentley.

Voting Nay: None.

Motion carried.

Councilman Jones next acknowledged that Kristy Dietrich has been appointed as the new Women's Golf Club President with a term ending December 31, 2024.

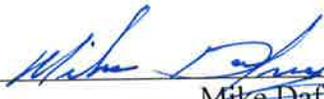
Currently there remains two vacancies on the A-2 Downtown Improvement District Board, one vacancy on the Economic Development Plan Citizen Advisory Board, one youth representative on the Library Board, one vacancy on the Library Board, the alternate position on the Planning Commission and one vacancy on the Police Advisory Board (Retired Rep).

Anyone interested in serving on these Boards should contact the City Clerk's Office. Information on all of the City Boards is also available on our web site, www.cityofalliance.net.

- Lastly, before the meeting adjourned, Mayor Dafney presented Councilman Reynolds with a Certificate of Appreciation for her service to the City of Alliance as member of the Alliance City Council from December 6, 2016 through December 1, 2020.

There being no further business before Council, Mayor Dafney adjourned the meeting at 8:06 p.m.

November 17, 2020


Mike Dafney, Mayor

(SEAL)


Tarrah S. Johnson, City Clerk

Complete minutes of the Alliance City Council may be viewed by the public during regular work hours at the City Clerk's Office, 324 Laramie Avenue, Alliance, Nebraska.

