

ALLIANCE CITY COUNCIL

REGULAR MEETING, TUESDAY, SEPTEMBER 5, 2017

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

The Alliance City Council met in a Regular Meeting, September 5, 2017 at 7:00 p.m. in the Board of Education Meeting Room, 1604 Sweetwater Avenue, Alliance, Nebraska. A notice of meeting was published in the Alliance Times Herald on August 30, 2017. 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 Yeager opened the September 5, 2017 Regular Meeting of the Alliance, Nebraska City Council at 7:00 p.m. Present were Council Members Yeager, Mischnick, Jones and Reynolds. Also present were City Manager Kuckkahn, Assistant City Manager/Finance Director Waggener, City Attorney Olsen and City Clerk Jines.

- Mayor Yeager read the Open Meetings Act Announcement.
- Councilman Jones made a motion to excuse Councilman Korber-Gonzalez from the meeting due to illness. The motion was seconded by Councilman Mischnick.

Roll call with the following results:

Voting Aye: Yeager, Mischnick, Reynolds, Jones.

Voting Nay: None.

Motion carried.

- The first item on the agenda was the introduction of new City of Alliance employees, Water/Sewer Maintenance Worker Dustin Graham and Street Maintenance Worker Cody Baker.

- The Consent Calendar was the next matter for Council's consideration. A motion was made by Councilman Mischnick, seconded by Councilman Reynolds to approve the Consent Calendar as follows:

CONSENT CALENDAR – SEPTEMBER 5, 2017

1. Approval: Minutes of the Regular Meeting, August 15, 2017.
2. Approval: Payroll Costs for the period July 29, 2017 through August 11, 2017 inclusive: \$217,648.61; and Payroll Costs for the period August 12, 2017 through August 25, 2017 inclusive: \$357,051.44.
3. Approval: Claims against the following funds for the period August 9, 2017 through August 30, 2017: 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; \$385,845.75.
4. Approval: An update to the Alliance Volunteer Fire Department roster to remove Colton Rolls as he will be attending college.
5. Approval: Resolution No. 17-79 authorizes the City to write-off charges that have remained uncollected over the past year, including balances that remain uncollected by the collection agency and other amounts that have not been collected by the City as of July 31, 2017. The charge-off action removes the items from the active financials of the City but does not limit further collection efforts by the City.
6. Approval: The issuance of the following contractor licenses:
 

Limited and Specialty	Douglas Swedal dba JD Canopy
Repair and Maintenance	Dan Gueck dba Dan Gueck Construction
	Stephen Hancock dba 3 Friends Construction
7. Approval: The issuance of a Cemetery Certificate to Marlyn D. Wilcox and Ellen R. Wilcox for the Southeast Quarter (SE1/4) Lot Seventeen (17), Section Two (2), Block One (1), Original Plat to the Alliance Cemetery.
8. Approval and Acceptance: The Certificate of Completion and Change Order No. 1 for the Hwy. 385 Water Main Replacement Project north of Kansas Street. The project has been completed by K. L. Wood & Co., LLC in the final amount of \$34,094.50 which includes Change Order No. 1. Change Order No. 1 was a deduction of \$1,506.75 which resulted in the project being completed below the authorized contract amount.

NOTE: City Manager Kuckkahn has reviewed these expenditures and to the best of his 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 with the following results:

Voting Aye: Yeager, Mischnick, Reynolds, Jones.

Voting Nay: None.

Motion carried.

- The next agenda item was the third reading of Ordinance No. 2845 which will amend the Alliance Municipal Code in Chapter 28 within the Water Service section. The following background information was provided to Council:

[The City of Alliance was approached by a mobile home park operator regarding the amount of the monthly meter charge for their master meters. Meter charges by ordinance, are based on the size of the meter. Recently a couple of mobile home parks required their tenants to install their own water meters which are supplied through the park's master meter. As a result the City is now collecting a meter charge on each individual mobile home with a meter. To reflect this additional revenue by the City, and the need for the mobile home parks to maintain their meter size to service their tenants we are recommending the master meter monthly charges be reduced by one meter size lower than their actual service. In order to receive the reduction, the master meter must service a minimum of five active individual residential meters. The below listing reflects the current monthly meter charges.

Meter Size	Monthly Charge
5/8 Inch	\$ 14.20
3/4 Inch	\$ 14.20
1 Inch	\$ 14.20
1 ½ Inch	\$ 30.61
2 Inch	\$ 61.24
3 Inch	\$101.64
4 Inch	\$130.68
6 Inch	\$193.16
8 Inch	\$275.86

The meter charge discounts for the four mobile home court owners with master meters is estimated at \$5,235 annually (or 38.6%) under the proposal. The owner's choice to require individual meters on the mobile homes transfers the water usage charge to the tenants (at a reduced amount) and should result in a more conscious effort to conserve water. For the owner requesting review of the meter charges, a total decrease of \$972 (or 72%) was recognized by the change to individual meters in July (several meters are pending installation) with the proposed meter discount

expected to net an additional \$61.26 in savings (only two of three meters qualify for discount).

The argument was made that the change to individual meters has resulted in an increase in the overall meter charges for the City with the \$14.20 charge applied to each billing. While there is more revenue generated and this makes residential charges more comparable to other households in the City, this change in mobile home parks has also resulted in a dramatic increase in administration for the mobile home parks. In addition to reading all of the additional meters, the service crews and meter readers are faced with a higher than normal number of meter issues (frozen meters, meters installed incorrectly, meters removed or transferred without reporting, broken remote wires, etc.). Also, complicating matters are that lines are not owned by the City and there are not individual curb stops. The master meter accounting requires that the tenants' registered usage be deducted from the master meter which necessitates continual monitoring of accounts with the turnover of residents within the park. This has transferred the water and sewer usage billing to accounts that have a higher volume of collection issues and ultimate losses with less opportunity for water liens as is the case for owned properties. (Of the accounts presently at Credit Management, 25% of the accounts are from previous mobile home tenants representing 28% of the dollar volume. Mobile home billings account for less than 10% of water bills.)

The ordinance was amended on second reading to allow reduction of the master meter monthly charge to the 1" meter rate when the sum of the individual meter charges exceeds the amount billed on the master meter based on the size of that meter.]

A motion was made by Councilman Mischnick seconded by Councilman Reynolds to approve the third reading of Ordinance No. 2845. City Clerk Jines read the ordinance by title, which follows in its entirety.

#### ORDINANCE NO. 2845

AN ORDINANCE OF THE CITY OF ALLIANCE, NEBRASKA, AMENDING THE MUNICIPAL CODE BY MODIFYING SECTIONS 28-263 RELATING TO WATER SERVICE RATES, REPEALING PRIOR PROVISIONS OF THE MUNICIPAL CODE WHICH ARE INCONSISTENT WITH THIS ORDINANCE, PROVIDING FOR PUBLICATION IN PAMPHLET FORM AND PROVIDING FOR AN EFFECTIVE DATE.

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

SECTION 1. The Alliance Municipal Code at Section 28-263 shall be amended as follows:

Sec. 28-263. - Water service rates.

(a) As a tariff or water rates based on monthly consumption of each customer from the water distribution system of the city and for services rendered, the following schedules are hereby established:

- (1) Residential, commercial, industrial park, manufacturing, urban and rural rate. Each residential, commercial, industrial park, manufacturing, urban and rural consumer connected to the city water distribution shall be liable and pay for the service charge for the meter and for all water used and consumed at:
- a. Residential rate. The residential rate will apply to any building which is used as the primary residence and any associated or peripheral use of that primary residence.
  - b. Commercial rate. The commercial rate will apply to any for profit use that does not qualify as manufacturing and is not within the industrial park.
  - c. Manufacturing rate. The manufacturing rate will apply when more than 50 percent of the water purchased is used or directly consumed in processing or manufacturing. The term "processing" or "manufacturing" means an action or series of actions performed on tangible personal property, either by hand or machine, which results in that tangible personal property being reduced or transformed into a different state, quality, form, property or thing. The term "processing" does not include repairing property, building erection, cold storage of food products, or preparation of food for immediate consumption.
  - d. Industrial park rate. The industrial park rate will apply to those customers that are located within an industrial tract like the industrial park to the city.
  - e. Municipal rate. The municipal rate will apply only to services for city facilities and will not include any meter charge.
- (2) Water consumption charges. The billing process shall commence when water service is established. Each residential and commercial customer shall pay the appropriate rate for each 100 cubic feet of water used in each of the applicable blocks. Once a user has used the allotment of water from one block, the water will be billed at the next higher block rate. The usage blocks established are:

Block 1	First 600 cubic feet
Block 2	Next 3,500 cubic feet
Block 3	Next 2,500 cubic feet
Block 4	In excess of 6,600 cubic feet

All water consumption for manufacturing, industrial park and municipal customers will be at a single rate as established by city council.

- (3) Monthly meter charges. The customer's monthly bill shall include a monthly meter charge based on the size of water service to the customer's property. The meter charge is in addition to the water consumption charges assessed under this

article. In the case of a mobile home park that has a master meter which services individual residential meters, if the revenue received from the individual meters exceed the revenue of the master meter, the master meter will be charged the rate of a one inch meter.

- (b) Commencing October 1, 2012, and annually thereafter all water rates shall be automatically increased by one percent for all rate and service charges unless increases in excess of one percent are specifically authorized by the city council.

SECTION 2. All ordinances or parts of ordinances passed and approved prior to passage, approval and publication of this ordinance in conflict herewith are now repealed.

SECTION 3. This Ordinance shall be published in pamphlet form, and shall be effective upon its passage and approval.

Roll call vote on the final reading of Ordinance No. 2845 with the following results:

Voting Aye: Mischnick, Yeager, Jones, Reynolds.

Voting Nay: None.

Motion carried.

Mayor Yeager stated, "the passage and adoption of Ordinance No. 2845 has been concurred by a majority of all members elected to the Council, I declare it passed, adopted and order it published."

- The next agenda item was the third reading of Ordinance No. 2846 which will adopt the 2017-2018 Budget.

The following written overview was provided to Council regarding the proposed budget:

#### Overall Assumptions and Comments

- Overall Budget. The submitted overall budget ordinance totaled \$47.3 million which is down \$800,000 from the prior approved budget. The primary differences are related to decreased electric and streets capital projects which are offset by another anticipated large airport runway project.
- Property Taxes. Property valuations increased by 1.1% to \$443,537,145 and the property tax levy increased slightly to \$0.374636 to net a 2.0% increase in taxes for the 2017-18 fiscal year budget. This year's budgeting formula eliminated the 5% uncollectible tax allowance resulting in a projected increase of \$108,300 or total property taxes of \$1,645,200 which will partially fund general, fire and airport operating and sinking fund budgets. The public safety levy was excluded from the budget for the second year in order to bolster revenues for the airport operating fund. (See Tab 21.
- Local Option Taxes. Local option (city sales) taxes are projected at \$2,000,000 for the second year in a row. This represents an increase of 6.67% from this fiscal year's anticipated revenues. Plans

are to retain reserves of at least \$60,000 at the end of the current fiscal year because of the uncertain windfall obtained in June 2017. Of the total transfer, \$1,470,000 will become general funds, \$260,000 for street improvements, \$110,000 for capital projects, \$110,000 for economic development (including \$25,000 for Community Redevelopment Authority projects) and \$50,000 to supplement the LB840 Fund.

- Enterprise Fees. Enterprise fees transferred to the general fund are maintained at a 12% rate of budgeted enterprise fee revenue. This source will provide approximately \$2,198,000 toward the general fund operations which is a \$33,000 (or 1.5%) increase over the prior year. Amounts will be evaluated and possibly adjusted downward at the end of the fiscal year based on actual general and enterprise fund results. (See Tab 16.)
- Salaries and Benefits. Salaries are budgeted with a 1.0% cost-of-living adjustment (COLA) compared to the 0% included in the prior budget year. This adjustment is reasonable when compared with the Social Security COLA (0.3%) and the CPI (1.3%) for the calendar year ending December 31, 2016. (See Tab 12.) With anticipated turnover and step increases, this represents a \$38,100 (.75%) increase in salaries. Budgeted Health Care Fund transfers from City operating funds are decreased by 11.9% (or \$220,000) with transfers in the current budget at a flat \$18,000 per full-time employee and actual transfers anticipated at a somewhat lower level. Other benefits changes are minimal. (See Tab 13.)
- Authorized strength is decreased by 1.35 FTE from the prior year with the removal of a transition staff position in the water/sewer departments and an additional adjustment of the public transit program (-.45 FTE). Other FTE adjustments are to realign staffing between departments. Classification levels and titles will be changed in accordance with findings in the comparability study. (See Tab 11.)
- Capital Projects. Capital projects of \$12.4 million are included in the submitted plan which is almost identical to the capital project requests of the prior fiscal year. The majority of the total consists of a runway renovation project at \$3.5 million, major streets projects at almost \$2.0 million, the electric automated meter reading installation at \$1.3 million and the parks/transit garage at \$1.0 million (with up to \$640,000 grants). Replacement of the Vitalix warehouse is included at \$500,000 (covered by insurance) and \$500,000 for the sunken gardens project (funded by donations). Large equipment purchases include a landfill dozer at \$350,000 and transit vans at 76,000 (with 90% grant funding).

Enterprise capital projects of \$3.52 million are included in the plan.

- The Electric Fund is focused on infrastructure improvements with \$1.3 million for the automated meter reading system and \$830,000 dedicated to urban and rural system rebuilds.
- The Refuse Fund budget includes \$45,000 toward the ongoing replacement of aging trash receptacles. A total of \$280,000 is included for building and other landfill improvements required for permitting along with \$350,000 for a replacement dozer and \$70,000 carried forward for the liquid applicator purchase.
- The Sewer Fund includes \$450,000 for the engineering and replacement of old lift stations with payment from retained earnings. Water and Sewer departments are replacing two service trucks estimated at \$70,000 total.
- A \$125,000 allotment is included in the Public Works warehouse budget to expand the yard and make other improvements at the public works facility. (See Tab 7.)

- Contingency “Reserves”. Total contingency reserves increased to \$855,000 compared to the 2016-17 fiscal year budget of \$345,000. The plan includes increases of \$200,000 for water main replacements, \$200,000 for building demolition and \$100,000 for pre-84 pension payments. (See Tab 20.)
- Debt Levels. External debt is expected to increase to just over \$6.5 million after trending downward over the past nine years. Possible new external funding includes \$2.0 million for streets projects; \$350,000 for airport runway renovation and \$350,000 for the landfill dozer. Internal funding from the Electric Fund in the amount of \$500,000 is proposed toward the transit/parks garage project. The largest remaining debt consists of just over \$2.7 million in the Water Fund and \$2.0 million planned in the Street Fund. As a side note, the highest recent external debt level was just over \$12 million at fiscal year-end 2008. The final Water Bond payment is scheduled in April 2018. (See Tab 8.)
- Utility Rates. Water, sewer and refuse rates will all increase in October 2017 by the automatic 1% implemented by Council in 2012. Electric rates will be adjusted in April 2018 based on the results of a rate study. The landfill rate study will also be reviewed prior to April 2018.
- Grants. The City could receive over \$8.2 million in Federal and State funding and grants within the upcoming fiscal year. The majority will be the result of the various joint road projects with the Nebraska Department of Roads (NDOR) in the amount just over \$4 million along with \$3.15 million anticipated from FAA toward the runway project. Up to \$640,000 is allocated by NDOR for the public transit bus barn. A total of \$300,500 of federal and state funding is expected in relation to the public transit program, including \$66,600 for van/bus replacements. Additionally, \$32,000 in federal and state revenues will assist in funding the school resource officer. RSVP funding will increase from \$32,000 to \$40,000 with Handyman Program funds constant at \$31,000. (See Tab 19.)
- Special Funding Requests. Staff has recommended special funding in the amount of \$125,300 which is decreased by \$2,800 from the 2016-17 budget. The only increase was \$1,000 for the Alliance Chamber of Commerce. The WNCC Foundation Lineman Scholarship was eliminated (\$2,000) and overall funding for Box Butte Development Corporation was decreased by \$1,800. Requests by Panhandle Area Development District (\$13,200) and Panhandle Resource Conservation and Development (\$300) were not recommended for funding. (See Tab 24.)

#### Miscellaneous Highlights

- Airport Fund. The major airport project totaling \$3.15 million will result in a funding need of almost \$350,000. The \$500,000 Vitalix warehouse building replacement is covered by insurance reimbursements. The base operating budget has increased only minimally. The airport levy is now 7.125 cents (or 19%) of the total levy of the City.
- Golf Course. General operating results of the golf course are relatively unchanged again in the 2017-18 budget. The funding for the golf pro was increased by 2% in accordance with the contract. No capital projects are included for the year. The annual transfer from General Fund is \$175,000.
- Retired and Senior Volunteer Program (RSVP) and Handyman. Federal base funding for the RSVP program increased by \$8,000 (or 25%) to \$40,000 after being stagnant for many years. The transfer from the Community Betterment (Keno) Fund will be decreased from \$23,000 to \$20,000. The Handyman program grant will remain unchanged for the next fiscal year. The revised grant

application will increase the in-kind services resulting in the elimination of most fund raising efforts.

- Public Transit. The public transit program has been approved by Nebraska Department of Roads for the third year of operation by the City. The base operating budget will be funded by up to \$182,700 in Federal funds; \$51,150 in state funds; \$51,150 in local matches; and \$24,000 in rider fares. Capital expenditures are included for the bus barn and van replacements as discussed elsewhere.
- Economic Development. Sales tax revenue of \$110,000 will be transferred to the economic development fund including \$25,000 for Community Redevelopment Authority projects. After no additions to the LB840 Fund in the last fiscal year, \$50,000 in sales tax revenue along with \$38,000 in loan repayments will add to the balance with \$400,000 allowed for potential new projects. Three TIF projects will generate around \$300,000 in tax increment payments passed through the Redevelopment Fund in 2017-18. Authority is included to pursue community development and housing funding up to \$150,000 in the CDBG Fund. The General Fund budget includes \$25,000 dedicated to building demolition with another \$200,000 included in Council Contingency. The transit/parks garage project includes the demolition of another old building owned by the City.
- Capital Projects Fund. The capital projects fund will be funded by sales tax revenue in 2017-18 in the amount of \$110,000. These funds (along with reserves) will provide funding of \$250,000 for library lighting and \$75,000 for tennis court wall construction. Funding for the parks/transit garage is anticipated through a \$500,000 loan from the Electric Fund in addition to the NDOR grant up to \$640,000. The sunken garden renovation will be financed through fund-raising efforts.

A motion was made by Councilman Jones seconded by Councilman Mischnick to approve the third reading of Ordinance No. 2846. City Clerk Jines read the ordinance by title, which follows in its entirety:

#### ORDINANCE NO. 2846

AN ORDINANCE TERMED "THE ANNUAL APPROPRIATION BILL" TO PROVIDE REVENUE FOR MUNICIPAL PURPOSES OF THE CITY OF ALLIANCE FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2017, AND ENDING SEPTEMBER 30, 2018, BY IMPOSING A TAX ON ALL PROPERTY WITHIN THE CITY, ADOPTING A BUDGET, AND ADOPTING APPROPRIATIONS.

WHEREAS, The City Manager, in accordance with the requirements of the Nebraska R.R.S. 1943, §19-646, has submitted to the City Council a preliminary budget to the City Council at a workshop that was held on July 26, 2017 with a proposed budget being produced thereafter. A public hearing will be held on said proposed budget on August 15, 2017, as required by law; and

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

SECTION 1. The budget for the fiscal year beginning October 1, 2017, submitted to and amended by the City Council, is hereby adopted.

SECTION 2. In order to provide revenue for municipal purposes, the following property tax revenues have been established for the City of Alliance:

	City	MFO	Public Safety	Airport	Airport Reserves	Total
Approved Budget Amount	1,180,410	149,090	0	261,300	54,400	1,645,200
County Treasurer's Fee (1%)	11,804	1,491	0	2,613	544	16,452
Total Property Tax Request	1,192,214	150,581	0	263,913	54,944	1,661,652

Using the following levies

Approved Mill Levy for 2017	.268797	.033950	.000000	.059502	.012388	.374636
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Based on Assessed Valuation 443,537,145

SECTION 3. In accordance with Reissue Revised Statutes Nebraska Chapter 16, Section 704, the following amounts shall be and hereby are recognized as the budget for the City of Alliance, Nebraska for the fiscal year 2017-18.

General	\$7,516,500
Electric	16,231,400
Refuse	1,862,400
Sewer	889,300
Water	2,004,700
Golf Course	356,700
Airport Operations	5,099,400
Public Transit	388,400
Streets	3,445,500
Handyman Services	59,700
RSVP	89,000
Museum Exhibit	14,600
BID #1 and #2	13,600
HUD/CDBG	150,000
Community Betterment (KENO)	20,200
Economic Development	150,000
LB 840 Fund	405,000
Redevelopment (TIF)	350,000
Sales Tax Fund	2,000,000
Lodging Occupation Tax	186,200
Capital Projects	1,825,000
State 911 Funds	55,000

General Internal Service	1,395,000
Enterprise Internal Service	647,400
Health Support Internal Service	2,035,500
General Debt Service	43,600
Airport Capital Reserve	60,000
<i>Gross Expenditures</i>	47,294,100

There is hereby included \$425,000 within the General Fund Budget [City Council Activity], \$10,000 within the General Fund Budget [Police Grant] \$60,000 within the Electric Fund, \$260,000 within the Water Fund, \$25,000 within the Sewer Fund, \$15,000 within the Refuse Fund, \$10,000 within the Airport Fund, \$50,000 and within the Streets Fund; to be known as "Contingency." Expenditures from any Contingency will not be authorized without an affirmative vote of the City Council for each amount to be expended.

SECTION 4. The City has a total Unused Restricted Funds Authority of \$54,498.91 for Fiscal Year 2018.

SECTION 5. The tax levied under this Ordinance shall become due and payable, shall become delinquent and shall be subject to penalties, the execution of distress warrants and sale of property levied upon as provided by law.

SECTION 6. The City Clerk is hereby authorized and directed forthwith upon the passage, approval and publication of this Ordinance to forward a certified copy thereof to the County Clerk of Box Butte County, Nebraska.

SECTION 7. This Ordinance shall become effective October 1, 2017.

Roll call vote on the final reading of Ordinance No. 2846 with the following results:

Voting Aye: Mischnick, Yeager, Jones, Reynolds.

Voting Nay: None.

Motion carried.

Mayor Yeager stated, "the passage and adoption of Ordinance No. 2846 has been concurred by a majority of all members elected to the Council, I declare it passed, adopted and order it published."

- The third reading of Ordinance No. 2848 which will adopt the Classification and Compensation Plans for the 2017-18 Fiscal Year Budget was the next item before Council. The following background information was provided to Council:

[The attached ordinance will adopt the Classification and Compensation Plans that will be incorporated as a part of the 2017-18 FY budget. The Compensation Plan includes three categories: Exempt, Non-Exempt and Fire Employees.

The Classification Plan has the following changes from the most recent version approved by Council:

COLA: Non-contract Pay Grids reflect a 1% increased based on a cost of living adjustment.

Finance: Account Clerk I pay grade increases from 210 to 211.

Streets: Street Maintenance Worker I pay grade increases from 211 to 213 and the Street Maintenance Worker II position is eliminated. Refuse Collection Driver and Street Maintenance Worker job descriptions are combined.

Water/Sewer: Water/Sewer Maintenance Worker I pay grade increase from 213 to 214, W/S Maintenance Worker II position is eliminated and W/S Maintenance Worker III pay grade decreases from 218 to 217.

Landfill: Landfill Operator pay grade will increase from 214 to 216 and position title will change to Landfill Heavy Equipment Operator. Landfill Supervisor pay grade will increase from 218 to 219 and position title will change to Landfill Foreman. The Landfill Baler Operator Clerk title will change to Landfill Transfer Station Operator.

Parks: The Parks Foreman title will change to Grounds Maintenance Foreman and the pay grade will increase from 219 to 220. The Parks and Cemetery Maintenance Worker positions will be combined into one Ground Maintenance Worker position with two levels.

Electric: The Electric Line Crew Chief pay grade will increase from 225 to 227 and the title changed to Electric Foreman. The Journey Line Worker pay grade will increase from paygrade 223 to 225. These changes will require adding two pay grades to non-exempt grid.

Miscellaneous: Title Change – Airport Manager to Airport Director; Golf Course Superintendent to Golf Course Foreman; Airport Maintenance Superintendent to Airport Maintenance Foreman. Eliminate Positions – Customer Service Clerk I and II; Cemetery Maintenance Worker I and II, Computer Operator; and RSVP/Handyman Director. Add position of Administrative Secretary in Human Resources at pay grade 212. Public Works Director position pay grade increases from 108 to 109.]

A motion was made by Councilman Reynolds, seconded by Councilman Mischnick to approve the third reading of Ordinance No. 2848. City Clerk Jines read the ordinance by title which follows in its entirety.

ORDINANCE NO. 2848

AN ORDINANCE ADOPTING REVISED CLASSIFICATION AND COMPENSATION PLANS FOR THE CITY OF ALLIANCE, NEBRASKA.

WHEREAS, Section 16-310 of R.R.S. 1943 authorizes the Mayor and Council to establish the compensation for employees and officers by stating that "The officers and employees in cities of the first class shall receive such compensation as the mayor and council shall fix by ordinance;" and,

WHEREAS, The Alliance City Council adopted the Fiscal Year 2017-2018 Budget which included funds for revised Classification/Compensation Plans.

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

SECTION 1. That the attached Classification Schedule for the City of Alliance dated to be effective October 7, 2017 and the attached Compensation Schedules for Exempt, Non-Exempt, Police Bargaining Unit, Communications Bargaining Unit, and Fire employees dated to be effective October 7, 2017 are hereby adopted by this reference.

SECTION 2. This Ordinance shall become effective October 7, 2017.

Roll call vote to approve Ordinance No. 2848 on final reading with the following results:

Voting Aye: Reynolds, Yeager, Jones, Mischnick.

Voting Nay: None.

Motion carried.

Mayor Yeager stated, "the passage and adoption of Ordinance No. 2848 has been concurred by a majority of all members elected to the Council, I declare it passed, adopted and order it published."

- A Public Hearing on the 2017 property tax request was the next matter before Council. Following the public hearing, Resolution No. 17-80 will be considered which will approve the tax request. The following background information was provided to Council:

[A formal public hearing is required any time the tax request amount changes from one year to another. Following the hearing for public input on the proposed property tax levy, the resolution in the Council packet is scheduled for consideration. Based on the original amount of property taxes included in the appropriations ordinance as set by Council at their budget workshop and affirmed during the first two readings of the ordinance, the City of Alliance has resolved to increase slightly the mill levy from \$0.371392 to \$0.374636 (.87% increase). The corresponding tax request in the amount of \$1,661,652 will generate an estimated

\$1,645,200 in property tax revenue for the City. This represents a 2% increase (or \$35,538) in the tax request over the prior year.

Also, enclosed for Council's information is a copy of the Box Butte County Assessor's certification of taxable value which has been set at \$443,537,145 representing an increase of 1.11% over last year's valuation of \$438,650,352.]

Mayor Yeager stated "now is the date, time, and place to conduct a Public Hearing to hear support, opposition, criticism, suggestions, or observations of the taxpayers relating to the 2017 property tax request and opened the public hearing at 7:09 p.m.

No testimony was offered and the Public Hearing closed at 7:10 p.m.

A motion was made by Councilman Jones to approve Resolution No. 17-80. Councilman Mischnick seconded the motion. The resolution follows in its entirety:

#### RESOLUTION NO. 17-80

*WHEREAS*, Nebraska Revised Statute 77-1601.02 provides that the property tax request for the prior year shall be the property tax request for the current year for purposes of the levy set by the County Board of Equalization unless the City of Alliance passes by a majority vote a resolution or ordinance setting the tax request at a different amount; and

*WHEREAS*, A special public hearing was held as required by law to hear and consider comments concerning the property tax request; and

*WHEREAS*, It is in the best interests of the City of Alliance that the property tax request for the current year be a different amount than the property tax request for the prior year.

*NOW, THEREFORE BE IT RESOLVED*, By the Mayor and Council of the City of Alliance, Nebraska, that the Council, by a majority vote, set the 2017 tax year request at \$1,661,652 and the City Clerk is hereby authorized and directed forthwith to forward a certified copy of this resolution to the County Clerk of Box Butte County, to allow Box Butte County Board of Equalization to levy the necessary taxes on or before October 15, 2017 and set the appropriate levy.

*BE IT FURTHER RESOLVED* that the City Manager is authorized to hire employees for the City of Alliance as set forth in the "Total Authorized Strength."

Roll call vote with the following results:

Voting Aye: Reynolds, Yeager, Jones, Mischnick.

Voting Nay: None.

Motion carried.

- The next agenda item was Resolution No. 17-81 which will adopt the Total Authorized Strength document. Council was provided with the following background information:

[The attached resolution provides direction to the City Manager for the hiring of City employees by adopting the Total Authorized Strength document. The document lists the number of employees by department for the 2017-18 fiscal year. The authorized strength will decrease 1.35 FTEs from the current authorized strength of 106.48 to 105.13 for the upcoming year. The total authorized seasonal budget is \$199,000 which is decreased by \$1,000 from the prior budget.]

A motion was made by Mayor Yeager seconded by Councilman Reynolds to approve Resolution No. 17-81. The resolution follows in its entirety:

RESOLUTION NO. 17-81

*WHEREAS*, The City of Alliance utilizes the Council-Manager form of government, in which the City Manager acts as the Chief Executive Officer for the City; and

*WHEREAS*, The City Manager, appointed by the City Council and serving at their pleasure, is responsible for planning, organizing, staffing, directing, coordinating, researching, and budgeting the operations of the City in order to implement Council policies in an efficient and effective manner; and

*WHEREAS*, To implement the policies of the City Council the City Manager has to be able to hire the necessary employees to fulfill the obligations of the City of Alliance to the citizens of Alliance; and

*WHEREAS*, The City of Alliance needs to account for, track and budget the expenditures for employees; and

*WHEREAS*, The budget is directly related to the number of employees that are authorized to be hired by the City of Alliance.

*NOW, THEREFORE, BE IT RESOLVED* by the Mayor and City Council of the City of Alliance, Nebraska, that the City approve and adopt the “Total Authorized Strength” as follows:

Fund	Department	FTE	Temporary Wages
01	ADMINISTRATION	3.20	
01	POLICE ADMINISTRATION	3.00	
01	POLICE OPERATIONS	15.00	
01	POLICE SUPPORT SERVICES	6.00	

01	ANIMAL CONTROL	0.75	
01	FIRE DEPARTMENT	2.00	\$1,000
01	AMBULANCE	2.00	
01	FACILITY MAINTENANCE	1.00	
01	COMMUNITY DEVELOPMENT	1.00	
01	CODE ENFORCEMENT	1.50	
01	NUISANCE ABATEMENT	0.25	
01	PARKS	5.55	\$36,000
01	CEMETERY	1.17	\$18,000
01	SWIMMING POOL	0.30	\$70,000
01	KNIGHT MUSEUM	3.98	\$5,000
01	LIBRARY	5.58	
01	SALLOWS MUSEUM	0.00	
01	TOURISM	1.00	
01	CARHEDGE	0.00	\$17,000
05	ELECTRIC ADMINISTRATION	1.25	
05	ELECTRIC TRANSMISSION	1.00	\$5,000
05	ELECTRIC URBAN DISTRIBUTION	3.85	
05	ELECTRIC RURAL DISTRIBUTION	3.15	
06	REFUSE COLLECTION	2.20	
06	REFUSE DISPOSAL	4.25	\$5,000
07	SEWER	1.35	\$5,000
08	WATER TREATMENT	1.45	
08	WATER DISTRIBUTION	3.00	\$5,000
21	GOLF	2.13	\$15,000
22	AIRPORT	3.00	
23	PUBLIC TRANSIT	6.69	
24	STREETS	5.50	\$12,000
25	HANDYMAN	0.45	
26	RSVP	1.00	
51	PERSONNEL	1.40	\$5,000
51	GIS/MIS	0.50	
51	FINANCE	3.40	
51	LEGAL/RISK	0.50	
55	UTILITY CUSTOMER SERVICE	3.63	
55	METER READERS	1.15	

55	WAREHOUSE	1.00	
	<b>Total Authorized Strength</b>	<b>105.13</b>	
	<b>Total Temporary Wages</b>		<b>\$199,000</b>

*BE IT FURTHER RESOLVED* that the City Manager is authorized to hire employees for the City of Alliance as set forth in the “Total Authorized Strength.”

Roll call vote with the following results:

Voting Aye: Reynolds, Yeager, Jones, Mischnick.

Voting Nay: None.

Motion carried.

- Resolution No. 17-82 which will adopt a Currency Management Policy for the Alliance Police Department. Council was provided with the following background information:

[The Alliance Police Department is proposing an additional policy for the management of currency coming into the custody of the Department. This policy develops a strict procedure with respect to the collection, packaging, labeling, handling, security and disposal of all currency in the possession of the Police Department. The goal is to have a consistent management of all currency, to establish accountability and ensure the integrity of personnel having contact with currency while limiting legal liability for the City.

This policy practices a two-person rule regarding collection and submittal to the evidence vault. It details the collection procedures along with documentation requirements. The policy allows the evidence custodian to move large amounts of currency to a custodial checking account opened by the City. The evidence custodian can then move currency on a quarterly basis from the evidence vault to the financial institution. If at any time during the quarter currency exceeds \$500, it will be deposited in the account sooner. The evidence custodian will be required to keep a ledger account of all monies received monthly and this ledger is to be reconciled against the monthly bank statement received by the Finance Department.

When monetary funds are no longer needed for law enforcement reasons, the policy allows checks to be written to disburse funds in accordance with the current Banking Entity Authorization procedure.]

A motion was made by Councilman Mischnick, seconded by Councilman Reynolds to approve Resolution No. 17-82. The resolution follows in its entirety:

## RESOLUTION NO. 17-82

*WHEREAS*, The City of Alliance Police Department maintains a Policy and Procedure Manual which has been adopted by the Alliance City Council; and

*WHEREAS*, The Alliance Police Department desires to create a policy for the management of currency coming into the custody of the Department; and

*WHEREAS*, In order to best serve our citizens and the needs of the Department a uniform policy and procedure has been prepared for the collection, packaging, labeling, handling, security and disposal of all currency in the possession of the Police Department; and

*WHEREAS*, The following policy has been added:

Policy 7.3 – Currency Management

*NOW, THEREFORE, BE IT RESOLVED*, by the Mayor and City Council of Alliance, Nebraska, that the City of Alliance Police Department Policy set forth herein, is hereby added effective September 6, 2017.

Roll call vote with the following results:

Voting Aye: Reynolds, Yeager, Jones, Mischnick.

Voting Nay: None.

Motion carried.

- The next agenda item was Resolution No. 17-83 which will award the bid for the replacement of servers for the City to CDW-G in the amount of \$22,800. Council was provided with the following information:

[City of Alliance computer network equipment is scheduled for replacement every three to five years to ensure reliability and advances to the most up-to-date technology. One server was added to the operating system to operate the new virtual desktop (VDI) environment in 2016 along with software license upgrades for the Microsoft Office and Adobe programs. The next phase is to replace additional servers that include the majority of storage space as well as additional space for the virtual desktops. The virtual desktop configuration has required more network storage space than the old Citrix system; however, utilizes low-cost workstations with longer life spans. The storage servers were last replaced in July of 2014.

The replacement servers were designed by Bytes using a Dell platform that would perform well in conjunction with existing City systems and allows for future expansion at reduced costs along with increased redundancy. Quotes were received

from both Bytes Computer and CDW-G with the latter being priced under the National Joint Powers Alliance (NJPA) contract costs with Dell. The pricing below includes two Dell PowerEdge VRTX servers along with associated hardware.

CDW-G	\$22,800.00
Bytes Computer	\$26,236.47

The installation of the system upgrade will be billed at the contracted rate under our current agreement with Bytes Computer in the amount of \$15,500.00. Budget authority is included in the Computer System account (GL 51-17-17-59-942). A portion of the upgrade will be paid from the current budget while a portion will be delayed until the 2017-18 year.]

A motion was made by Councilman Jones seconded by Councilman Mischnick to approve Resolution No. 17-83. The resolution follows in its entirety:

#### RESOLUTION NO. 17-83

WHEREAS, The City of Alliance has budgeted for a computer server scheduled replacement, and

WHEREAS, Replacement and upgrades of the computer servers are planned every three to five years; and

WHEREAS, The City secured two quotes for this purchase, with CDW-G utilizing the National Joint Powers Alliance (NJPA) contract costs with Dell being the lowest, responsive and responsible bid in the amount of \$22,800; and

WHEREAS, Installation of the equipment will be performed by Bytes Computer utilizing the rates of our current agreement in the amount of \$15,500.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Alliance, Nebraska, to approve the purchase the computer servers from CDW-G utilizing the National Joint Powers Alliance (NJPA) contract costs with Dell which was budgeted and is under the budgeted amount from Account No. 51-17-17-59-942.

BE IT FURTHER RESOLVED, The installation of the equipment will be completed by Bytes Computer utilizing the rates of our current agreement in the amount of \$15,500.

Roll call vote with the following results:

Voting Aye: Reynolds, Yeager, Jones, Mischnick.

Voting Nay: None.

Motion carried.

- The next item before Council was Resolution No. 17-84 which will adopt a policy for the use of public and park areas for commercial activity.

A motion was made by Councilman Jones to table Resolution No. 17-84 until the September 19, 2017 City Council meeting. The motion was seconded by Councilman Mischnick.

Roll call vote with the following results:

Voting Aye: Reynolds, Yeager, Jones, Mischnick.

Voting Nay: None.

Motion carried.

- The next discussion item was tabled Resolution No. 17-74 which will award the Engineering services for the new Public Transit Bus Barn/Parks Maintenance Facility.

A motion was made by Councilman Jones to consider Resolution No. 17-74 which was tabled at a previous meeting. Councilman Mischnick seconded the motion.

Roll call vote with the following results:

Voting Aye: Reynolds, Yeager, Jones, Mischnick.

Voting Nay: None.

Motion carried.

Councilman Reynolds informed Council he will abstain from conversation due to having a potential conflict of interest.

Councilman Mischnick motioned to acknowledged Councilman Reynolds conflict of interest. Councilman Jones seconded the motion.

Roll call vote with the following results:

Voting Aye: Yeager, Jones, Mischnick.

Voting Nay: None.

Motion carried.

Councilman Reynolds removed himself from the Council table for the duration of this item.

Megan Hayward representing Joseph R. Hewgley and Associates, Inc., 818 South Beltline, Scottsbluff addressed Council regarding the parameters of this project as a result of the grant requirements. Council expressed concerns on the anticipated high costs of the project. Ms. Hayward stated utilizing the grant would still be beneficial to the City. Joseph Hewgley also addressed Council regarding the project.

Roger Bunnell, 612 Sweetwater Avenue, Alliance addressed Council and expressed his opinion that the City did not need a new Parks Shop. He stated there is already a steel building that the City owns that just needs to be re-skinned.

A motion was made by Councilman Jones to table this matter until the October 3, 2017 Council meeting in order to consider alternative options. Councilman Mischnick seconded the motion.

Roll call vote with the following results:

Voting Aye: Yeager, Jones, Mischnick.

Voting Nay: None.

Motion carried.

Councilman Reynolds returned to the Council table at 7:48 p.m.

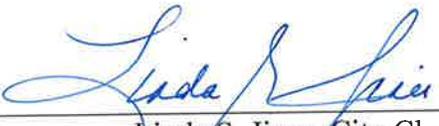
- The final agenda item were Board Announcements.

Council announced that the City is currently seeking interest from individuals to serve on the Board of Adjustment, Economic Development Plan Citizen Advisory Board and the Park and Tree Board. 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](http://www.cityofalliance.net).

- Mayor Yeager stated, "there being no further business to come before the Alliance City Council, the meeting is adjourned at 7:46 p.m."

(SEAL)

  
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 Ralph Yeager, Mayor

  
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 Linda S. Jines, City Clerk

