

FINANCE COMMITTEE MEETING

The Finance Committee of the City of Norfolk, Nebraska met in the City's Conference Room, 309 Madison Avenue, Norfolk, Nebraska, on Monday, December 19, 2005, beginning at 7:00 a.m.

Mayor Gordon D. Adams called the meeting to order.

Roll call found the following Committee members present: Mayor Gordon Adams and Councilpersons Kaspar-Beckman, Brenneman, Lange, Saunders, Stauffer, and Wilson (7:02 a.m.). Absent: Fauss and Van Dyke.

Staff members present were City Administrator Mike Nolan, Public Works Director Dennis Smith, City Attorney Clint Schukei, City Clerk Beth Deck, Information Systems Manager Jim McKenzie, Human Resources Director Sheila Schukei, Police Chief Bill Mizner, Finance Officer Randy Gates and Property/Operations Manager Gary Miller.

The media was represented by Jim Curry, WJAG/KEXL, and Greg Wees, Norfolk Daily News.

Notice of the meeting was given in advance by publication in the Norfolk Daily News, and notice of the meeting was given to the Mayor and all members of the Council prior to the meeting.

The Mayor presided and the City Clerk recorded the proceedings.

Councilperson Saunders moved, seconded by Councilperson Kaspar-Beckman to approve the agenda with the deletion of Item No. 1 (at the request of Fred Fisher), discussion of Fred Fisher's request regarding horses on his property. Roll call: Ayes: Kaspar-Beckman, Brenneman, Lange, Saunders, Stauffer, and Mayor. Nays: None. Absent: Fauss, Van Dyke and Wilson. Motion carried.

The first item discussed was a request from the Parking District Advisory Board for sidewalk improvements to **Downtown Norfolk**. Nick Leuschen, on behalf of the Parking District Advisory Board, wrote a letter dated December 13, 2005 to the Mayor and City Council requesting the City create a paving district to implement sidewalk improvements. The improvements will be from 1st Street to either 6th Street or 8th Street, depending on expansion of the Business Improvement District. The improvements will be for sidewalk, landscaping and lighting. The funding sources for the sidewalk improvements are 1/3 Vehicle Parking District, 1/3 City of Norfolk and 1/3 adjoining property owners. The paving district is remonstrable and if 50% of the property owners sign a petition objecting to the proposed assessment, the paving district will be unable to proceed.

Councilperson Kaspar-Beckman questioned who will make the decision to expand the Parking District from 6th Street to 8th Street.

City Administrator Mike Nolan stated the City Council makes the decision on expanding the district. Nolan feels it doesn't make a lot of sense to make improvements to only a portion of the downtown area.

Public Works Director Dennis Smith stated a survey will be mailed to property owners in the area to get an idea how many may support the expanding the Parking District.

Councilperson Saunders feels the project needs to move forward.

This item was for informational purposes only at this time.

Finance Committee members discussed an Amendment to Agreement for engineering services with JEO Consulting Group, Inc. The Amendment, in the amount of \$198,898, is for the **Downtown Improvements** project along Norfolk Avenue from 1st Street to 8th Street. The amendment provides for design, bidding, construction and post-construction services to provide the following improvements: sidewalk replacement, street lighting, handicap ramps, mid-block “bump-outs” and landscaping. The proposed fees are as follows: design phase, \$81,470; bidding and negotiating, \$4,137; construction, \$46,121; RPR services, \$61,750; and post-construction, \$5,420.

City Administrator Mike Nolan stated the Business Improvement District requests moving forward with these improvements.

Kathy Jedlicka, BID representative, stated downtown merchants are “ok with losing some parking stalls” for the mid-block “bump-outs” to allow utilization of the pedestrian walkways in the middle of the block.

Councilperson Brenneman questioned how the JEO contract amendment is different from the existing design work or whether this is a duplication of services.

Public Works Director Dennis Smith explained this amendment provides detailed engineering. The first portion of the contract was for conceptual planning. This amendment includes engineering for elevation, ADA requirements, electrical, construction oversight, etc. Smith stated re-construction is more difficult than new construction.

Councilperson Brenneman moved, seconded by Councilperson Lange to approve and proceed with the Amendment to Agreement with JEO Consulting Group, Inc. in the amount of \$198,898 for the Downtown Improvements project from 1st Street to 8th Street. Roll call: Ayes: Kaspar-Beckman, Brenneman, Lange, Saunders, Stauffer, Wilson and Mayor. Nays: None. Absent: Fauss and Van Dyke. Motion carried.

The next item discussed was a request for authorization to advertise for bids for **healthcare** reimbursement account (HRA), the 501(c)(9) Veba Trust. Human Resources Director Sheila Schukei became aware of the HRA about two years ago as part of the benefit package offered by the City of Grand Island, City of Lincoln and Lancaster County. A healthcare reimbursement account is where the dollar value of any accumulated vacation and eligible sick leave would roll into a tax exempt trust established under Section 501(c)(9) of the Internal Revenue Code. Each individual would have their own account with investment options similar to the City’s current pension plan. The advantage to the employee is that this amount of money does not have state, federal or FICA taxes withheld. The City would also not be paying FICA tax. Upon separation of employment with the City, the funds from a HRA would be used for paying future health care premiums. Those premiums could include a premium payment of a future employer’s health plan, a spouse’s health premium, any individual health care plan, Medicare Part B, Medicare Part D, Medicare supplement, long-term care, etc.

The City of Norfolk's Employee Advisory Committee was interested in discussing the HRA with their divisions. As part of that process, a representative from the company who administers the plans in Grand Island and Lincoln came to Norfolk on November 3, 2005 and made a presentation to all City employees. Following the meeting, employees voted by ballot on how to proceed with a HRA. The outcome of the vote was 71% in favor of an HRA, 15% did not want a HRA and 14% didn't care one way or the other.

Staff request approval to move forward with a HRA and advertise for bids.

Councilperson Saunders moved, seconded by Councilperson Wilson to authorize staff to advertise for bids for healthcare reimbursement accounts, 501(c)(9), Veba Trust as discussed. Roll call: Ayes: Kaspar-Beckman, Brenneman, Lange, Saunders, Stauffer, Wilson and Mayor. Nays: None. Absent: Fauss and Van Dyke. Motion carried.

The last item discussed was the proposed purchase of an **E911** system with mapping capability from RACOM off State of Nebraska contract for an amount of \$161,812. City Administrator Mike Nolan explained the City's E911 equipment has reached the end of its life cycle. The company no longer manufactures this equipment and replacement parts are becoming difficult to obtain. The State has initiated a wireless E911 program to provide caller number and geographic location of cell phone users who dial 911 and the City of Norfolk's equipment does not allow geographic identification. RACOM is the provider of the Police Division's 800 MHz trunked radio system and has an E911 system on the State of Nebraska's purchasing contract. Public safety and administration staff have met several times to discuss needs and purchasing options for E911 equipment. After reviewing the equipment, mapping capabilities and the State bid contract, staff recommends purchasing the E911 system from RACOM.

Councilperson Brenneman questioned what Madison County decided about an E911 system.

Nolan stated Madison County did not want to regionalize on an E911 system.

Councilperson Lange questioned whether the new E911 system is expandable.

Public Works Director Dennis Smith stated the new E911 system is expandable with nodules.

Councilperson Brenneman stated some counties in Nebraska aren't even capable of providing E911 service and if Norfolk doesn't move forward with the new equipment the State will probably mandate it in the near future.

Councilperson Brenneman moved, seconded by Councilperson Kaspar-Beckman to proceed with the purchase of an **E911** system with mapping capability from RACOM off State of Nebraska contract for an amount of \$161,812. Roll call: Ayes: Kaspar-Beckman, Brenneman, Lange, Saunders, Stauffer, Wilson and Mayor. Nays: None. Absent: Fauss and Van Dyke. Motion carried.

Councilperson Kaspar-Beckman moved, seconded by Councilperson Stauffer to adjourn from regular session at 7:33 a.m. and convene into executive session to discuss benzene contamination litigation. Roll call: Ayes: Kaspar-Beckman, Brenneman, Lange, Saunders, Stauffer, Wilson and Mayor. Nays: None. Absent: Fauss and Van Dyke. Motion carried.

Councilperson Stauffer moved, seconded by Councilperson Saunders to adjourn from executive session and reconvene into regular session at 7:53 a.m. Roll call: Ayes: Kaspar-Beckman, Brenneman, Lange, Saunders, Stauffer, Wilson and Mayor. Nays: None. Absent: Fauss and Van Dyke. Motion carried.

Councilperson Saunders moved, seconded by Councilperson Kaspar-Beckman to authorize the Mayor to sign claims for a total amount of \$800,000 to \$1,000,000 to submit to the Attorney General's office regarding the **benzene** contamination. Roll call: Ayes: Kaspar-Beckman, Brenneman, Lange, Saunders, Stauffer, Wilson and Mayor. Nays: None. Absent: Fauss and Van Dyke. Motion carried.

Councilperson Wilson left the meeting at 7:54 a.m.

Councilperson Saunders moved, seconded by Councilperson Stauffer to adjourn the meeting at 8:01 a.m. Roll call: Ayes: Kaspar-Beckman, Brenneman, Lange, Saunders, Stauffer, and Mayor. Nays: None. Absent: Fauss, Van Dyke and Wilson. Motion carried.

Elizabeth A. Deck
City Clerk