

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, May 2, 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, Fauss, Lange, Leshovsky, Saunders, Van Dyke, and Wisnieski. Absent: None.

Staff members present were City Administrator Mike Nolan, Public Works Director Dennis Smith, City Attorney Clint Schukei, City Clerk Beth Deck, Police Captain Leon Chapman, Property/Operations Manager Gary Miller, Records Supervisor Sue Beckman, Housing Development Manager Gary Hilkemann, and Housing Coordinator Charles Bronson.

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

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.

Councilwoman Kaspar-Beckman moved, seconded by Councilman Fauss to amend the agenda with the addition of a discussion regarding a request from the Salvation Army for financial support to implement an efficient recycling program for rags and cardboard and to approve the agenda as amended. Roll call: Ayes: Kaspar-Beckman, Brenneman, Fauss, Lange, Leshovsky, Saunders, Van Dyke, Wisnieski and Mayor Adams. Nays: None. Absent: None. Motion carried.

The first item discussed was a grant from the Nebraska Crime Commission for **mobile data terminals** (MDTs) for the Police Division. Police Captain Leon Chapman explained the Nebraska Crime Commission has committed six MDTs to the City of Norfolk. The MDTs cost approximately \$10,000 for each unit. However, there is no cost to the City of Norfolk for the MDTs. The State will provide the MDTs, mounting, scanning and printing hardware as well as the TRAC's software free of charge to participating agencies. Chapman stated there is a possibility that Norfolk could receive more MDTs depending on whether other agencies drop out of the program. Information collected with the use of the MDTs will be sent directly to Lincoln for the collection of statistical data.

Councilman Fauss moved, seconded by Councilman Lange to accept the mobile data terminals (MDTs) from the Nebraska Crime Commission as discussed. Roll call: Ayes: Kaspar-Beckman, Brenneman, Fauss, Lange, Leshovsky, Saunders, Van Dyke, Wisnieski and Mayor Adams. Nays: None. Absent: None. Motion carried.

Property/Operations Manager Gary Miller provided information to the Mayor and City Council regarding the proposed Capital Improvement Program (CIP) for 2005-2011. The 2005-2006 CIP includes the following:

Street Division: Dump truck, \$50,000, motor patrol, \$110,000; and radios, \$40,000

Park Division: Athletic field development, \$100,000 and entrance signs, \$25,000

Fire Division: Rescue unit to replace Rescue #3, \$154,875 and tanker to replace Tanker #11, \$157,500

Police Division: Thirteen mobile personal computers, \$130,000 and AS400 replacement, \$100,000

Water Division: 20" water main from 24th Street & Norfolk Avenue to 13th Street & Omaha Avenue, \$1,123,900; 12" water main from Victory Road & Maple north to existing 12" along Victory Road, \$171,700; 20" water main from 1st Street and Madison Avenue to 1st Street and Norfolk Avenue, \$83,400; and communication radios, \$10,000

Water Pollution Control: Influent Debris Screen, \$300,000 and RTU #1 & 3 replacement, \$90,000

Sanitary Sewers: Communications radios and portable and base radios, \$10,000

Sewer Bonds Principal: \$475,000

Sewer Bonds Interest: \$227,168
Water Bonds Principal: \$175,865
Water Bonds Interest: \$124,399
Transfer Station: Replacement semi-trailer, \$53,000
Solid Waste Bonds Principal: \$80,000
Solid Waste Bonds Interest: \$31,693
General Obligation Bonds: \$809,490

Councilman Brenneman would like to see the City entrance signs all replaced in 2005 if possible. The CIP includes \$25,000 in 2005 and \$25,000 in 2006 for the sign replacements.

Gary Miller stated the Police Division item for \$130,000 for 13 mobile computers can be reduced if the State of Nebraska Crime Commission gives the City of Norfolk the MDTs as previously discussed.

Councilman Van Dyke receives complaints about low water pressure from residents in the Bel Air area.

Public Works Director Dennis Smith stated this CIP doesn't have anything to help increase the water pressure. Smith stated another pressure zone would alleviate the problem but it would be very expensive to install. Smith stated the mandated standard is 20 psi water pressure and the City meets those requirements.

No action was necessary on this item. A public hearing on the CIP is scheduled for the May 2, 2005 City Council meeting.

The next item discussed was a request from the Norfolk Area Recruiters (NAR) for financial assistance to have 27-33 year-olds relocate back to Norfolk. The NAR is requesting the City of Norfolk fund the annual salary of the director which is \$25,000 to \$35,000 per year.

The Norfolk Area Recruiters was founded in the fall of 2004. Its goals and objectives are to create awareness, among 27-33 year-old who have moved from the Norfolk area, of the many opportunities in Norfolk and the surrounding communities and to invite these individuals to consider moving back home. To date, the NAR has made presentations to the Mayor, City Council and various city administration officials. NAR's efforts to date are the result of time and energy volunteered by more than 30 members. However, in order to capitalize on the momentum, NAR feels it is necessary to hire an employee. The employee would be supervised by the members of NAR and would be expected to handle the following:

Build relationships with area employers. All employers within a 50 mile radius of Norfolk will be personally contacted via phone or email four (4) times per year. The employers would be reminded of NAR's resources, including free job postings via the web.

Maintain, expand and streamline the database of prospects

Make presentations, regarding the NAR's mission, to all local graduating seniors. All area high schools would receive a personal presentation. In addition, Wayne State College and Northeast Community College have agreed to have the presentations scheduled for their graduation classes.

Distribute information and make presentations, where feasible, during area alumni weekends each year. The employee would be authorized to sponsor some of the activities.

Follow-up with prospects after any expression of interest. Despite not having formally launched the project, NAR has already received numerous resumes from prospects in various cities around the United States. An employee would assist the prospect in arranging interviews with potential area employers, show the prospect highlights of the Norfolk area, refer the prospect to additional resources in the area, and be available for any questions.

Manage the increasing number of volunteers and coordinate their efforts on behalf of the group. This would include arranging correspondence with various media,

including answering questions about NAR's mission and efforts and arranging local radio and newspaper interviews with members of the NAR.

The NAR submitted the following budget plan to the Finance Committee:

Mailings: \$14,220 annually

Web site: \$5,000 start-up cost with on-going annual expense of \$300

Office Space: NAR received an in-kind donation of office space, technology support, and furniture through a local employer. However, the estimated start-up cost is \$6,000.

Director: \$25,000 to \$35,000 annual cost

Marketing: \$50,000 annual cost

City Administrator Mike Nolan requested the NAR provide the City Council with other funding source information. Nolan explained to NAR representatives that the City needs the information by July 2005 to include in the next budget if the Council approves the funding.

Councilman Van Dyke moved, seconded by Councilwoman Kaspar-Beckman to give preliminary approval of \$25,000 to the Norfolk Area Recruiters based on the fact that other funding sources information will be provided to City staff by July 2005 for inclusion in the City's budget if approved by the City Council.

Councilman Brenneman feels the NAR is a positive move and will benefit Norfolk.

Roll call on the NAR motion: Ayes: Kaspar-Beckman, Brenneman, Fauss, Lange, Leshovsky, Saunders, Van Dyke, Wisnieski and Mayor Adams. Nays: None. Absent: None. Motion carried.

The Finance Committee discussed a letter request from The **Salvation Army** (Alex Velasquez, Captain) for assistance to implement an efficient recycling program for rags and cardboard. The Norfolk Salvation Army has been awarded funding from the Nebraska Department of Environmental Quality for the purchase of a Max-Pax Baler to produce 1,000 pound bales of cardboard and rags. A second request for funding has been submitted to the Nebraska Department of Environmental Quality for funds to purchase a skid loader to better handle the loading and storage of 1,000 pound bales or recycled materials with greater efficiency. Total cost of the project is \$77,000. The Salvation Army is requesting \$39,000 from the City of Norfolk, which is a one-time request for funding employee positions in the recycling program. Velasquez feels this project will also provide direct employment and indirect economic assistance for Norfolk. The project will provide recycling of 200,000 pounds of rags and approximately 100,000-250,000 pounds of cardboard the first year of operations.

Velasquez indicates the contribution would help defray employment costs and create jobs for the recycling program. The Salvation Army feels the program should be self-sustaining and income producing after five (5) years. Any excess revenue generated by this program will be used to supplant the emergency assistance and homeless prevention program to help people in the community with verifiable needs.

Mayor Adams, City Administrator Mike Nolan and Solid Waste Manager Gary Lund visited the Salvation Army site and determined the project should not impact the landfill waste stream.

Councilman Van Dyke feels anything of value to the community should be supported.

Mayor Adams stated the public needs to be educated about the need to recycle cardboard boxes.

Councilwoman Saunders stated a subcommittee of the City Council supported the project.

Councilman Van Dyke moved, seconded by Councilwoman Kaspar-Beckman to approve and support The Salvation Army's funding request of \$39,000 as a one-time cost to defray employment costs and create jobs for the recycling program as discussed. Roll call: Ayes: Kaspar-Beckman, Brenneman, Fauss, Lange, Leshovsky, Saunders, Van Dyke, Wisnieski and Mayor Adams. Nays: None. Absent: None. Motion carried.

The Finance Committee discussed **Oak Street** issues. City Administrator Mike Nolan stated this

item is on the agenda at the request of Joel and Denise Dendinger. Distributed at the meeting was an e-mail dated May 1, 2005 from City Administrator Mike Nolan to Joel Dendinger and a Summary Chronology for Oak Street from November 2001 through April 11, 2005.

A subcommittee of the City Council, consisting of Mayor Adams, Councilpersons Leshovsky, Brenneman, Van Dyke and Saunders, met with Mike Nolan and Dennis Smith on March 30, 2005 to discuss on-going negotiations and to try to resolve issues related to the reconstruction of Oak Street and Spruce Avenue. In an e-mail dated April 1, 2005, Councilwoman Saunders stated the project is needed to improve safety of the streets, particularly at the railroad crossing. The project should also eliminate some of the dust in the neighborhood. On February 9, 2005, the Dendinger's had the following interests:

- * Minimize the need to remove trees on the north side of driveway
- * No paving east of the new Oak Street
- * No assessments (staff believes Dendinger's made an offer to trade right-of-way for paving assessment)

Elected officials suggest the following:

- * Some trees will need to be removed for paving equipment
- * Paving of Spruce will terminate at the end of the east return of Oak Street
- * The City of Norfolk will pay the assessment for the north side of Spruce Avenue in exchange for Dendinger's donation to the City of Norfolk of the right-of-way necessary for paving Spruce Avenue from the railroad tracks to the end of the east return of Oak Street and the finger of property owned by the Dendinger's south of Spruce Avenue that will be separated by the paving of Spruce Avenue. The property needed for Spruce Avenue is approximately 40 feet north/south and 170 feet east/west. The finger to the south is approximately 36 feet east/west and 270 feet north/south.

Joel Dendinger has met with City staff on many occasions. Dendinger feels information from subcommittee meetings is not passed onto the entire City Council. Dendinger feels that negotiations should conclude with the satisfaction of both parties and that has not happened with this issue. Dendinger stated the City wants agreement on the project without presenting changes to the Dendinger's.

Nolan stated the City has been trying to defray enough of the cost of the assessment to accommodate the Dendinger's interests. Nolan stated the "finger" of ground has never been a critical issue. The critical part of this project has been to get the street and railroad crossing constructed.

Dendinger questioned the plans for the property. Dendinger questioned who will own the property on the east side.

Public Works Director Dennis Smith explained everything on the east side of the new street right-of-way will continue to be owned by the Jones'. The City is building the Jones' a new home necessitated by the fact that the new street will go through their property where the current house is located. Smith stated the City's long-range hope is to have a common ownership for the property on the west side of Oak Street for the potential of building new homes.

Denise Dendinger has concerns because the City is "only taking that tiny strip of ground from the Jones', letting them retain all of their property and building them a brand new house."

Nolan stated the Jones' are paying special assessments. The City is providing the Jones' with what the replacement cost of the house would be if the City had to raze the home.

Smith explained the special assessment will be against the Jones' property but will be deferred. Smith explained there are different issues involved when people are living in the property that is being taken by a governmental agency. Smith explained that part of the negotiation process is to create a variety of options.

Nolan explained the only difference from the discussion on February 9 to the April 1 e-mail is that the Jones' previously wanted to have more property paved. Nolan stated nothing has changed since the April 1 e-mail that outlined the Dendinger's interests. Nolan stated the

railroad has specifically requested the City close the street unless it is moved south.

Dendinger's did not receive a copy of the April 1, 2005 proposal until last week.

Denise Dendinger wants minimal removal of trees on their property.

General discussion occurred regarding the Oak Street property.

Smith explained recent discussions with the Jones' occurred because it impacted their property differently than originally presented. Smith is trying to get the normal 60 foot street right-of-way for the project. The amount of property needed from the Dendinger's is 40 feet to attain the 60' street right-of-way. Smith stated the City needs an area about 4-5 feet behind the curb, which is the first row of trees on the north edge of the graveled driveway.

Joel Dendinger wants the City to purchase their property and pay the special assessment.

Nolan questioned whether the Dendinger's are willing to trade property for the special assessment. Nolan stated that, based on the county valuation, the property is worth about \$.05/sq. ft. Nolan questioned whether the Dendinger's want the City to pay \$1.75/sq. ft., which is Benjamin Avenue right-of-way prices, as well as pay for the special assessment.

Joel and Denise Dendinger replied "yes".

Denise Dendinger stated the City wants some property that isn't for sale.

Smith questioned the Dendinger's as to what exactly is necessary to settle the matter and move forward with the project.

Dendinger wants the City to pay the special assessment and minimize damage to the Dendinger's shelter belt.

Smith said "that's not a problem". Smith has made that commitment and is only going 4-5 feet behind the back of curb, which will basically be on the north edge of the existing driveway.

Denise Dendinger questioned whether Smith will go out and show the Dendinger's how much of the shelter belt will be taken.

Smith stated that if the Dendinger's give Smith permission to have City staff access to the Dendinger property for surveying/staking then Smith will meet with the Dendinger's. Smith would like this done in a 3-step process: 1) Allow City staff to do the locate; 2) Smith review the information; and 3) meet with the Dendinger's. Smith stated the amount of trees that need to be removed will be much less by stopping at Oak Street.

Councilman Van Dyke stated the Dendinger's property in question has very little value, except for the trees, because of the drainage ditch to the north.

Dendinger questioned why "it is my responsibility to donate ground to the City".

Van Dyke doesn't feel the Dendinger's would be donating anything to the City.

Nolan feels the City should pay the legitimate value of the property, based on an appraisal, and the Dendinger's should pay the assessment.

Dendinger disagreed. Dendinger wants \$5,000 for the property as well as the City pay the special assessment. If the City "wants to go that route, we can get it done today."

Smith stated the property won't appraise at \$5,000. Smith feels the property was fairly priced when the City agreed to pay for the assessment in exchange for the L-shaped piece of land.

Van Dyke somewhat agrees that the street doesn't benefit the Dendinger property because of the drainage ditch. Van Dyke agrees with foregoing the special assessment. Van Dyke doesn't feel that Dendinger's proposal is "too bad".

Mayor Adams stated it sounds like "we are within \$5,000 of a deal."

Councilperson Kaspar-Beckman agrees with Dendinger's proposal.

Councilman Leshovsky questioned the assessed value of paving on Spruce.

Smith explained the current estimated paving assessment for the property on the north side is \$12,600. At \$1.75/sq. ft, the piece of Spruce right-of-way is \$11,000. The City is already offering the Dendinger's \$1,600 for the north/south leg of the L-shaped property. The assessed value of the Dendinger's entire property is \$.05/sq. ft. The \$1,600 amounts to about \$.15/sq. ft.

Councilman Brenneman questioned whether the Dendinger's proposal is: 1) Dendinger's deed the L-shaped piece of property (the satisfaction solution dated April 2005) to the City; 2) the City pays the Dendinger's \$5,000; and 3) the City pays the special assessment.

Denise Dendinger said "we also have to make sure that we have access to our place during the months of July and August" during construction.

Councilman Brenneman moved, seconded by Councilwoman Kaspar-Beckman to approve and accept Joel and Denise Dendinger's proposal as follows: 1) Dendinger's deed the L-shaped piece of property (the satisfaction solution dated April 2005) to the City; 2) the City pays the Dendinger's \$5,000; 3) the City pays the special assessment; 4) Dendinger's have access to their place during the months of July and August during construction; and 5) Dendinger's allow City staff to follow the 3-step process previously outlined by Smith to survey/stake the property. Roll call: Ayes: Kaspar-Beckman, Brenneman, Fauss, Lange, Leshovsky, Saunders, Van Dyke, Wisnieski and Mayor Adams. Nays: None. Absent: None. Motion carried.

Councilman Leshovsky moved, seconded by Councilwoman Kaspar-Beckman to adjourn from regular session and convene into executive session at 8:02 a.m. to discuss negotiations with NDEQ regarding the East Water Treatment Plant and for property negotiations. Roll call: Ayes: Kaspar-Beckman, Brenneman, Fauss, Lange, Leshovsky, Saunders, Van Dyke, Wisnieski and Mayor Adams. Nays: None. Absent: None. Motion carried.

Councilwoman Saunders moved, seconded by Councilman Leshovsky to adjourn from executive session and reconvene into regular session at 8:17 a.m. Roll call: Ayes: Kaspar-Beckman, Brenneman, Fauss, Lange, Leshovsky, Saunders, Van Dyke, Wisnieski and Mayor Adams. Nays: None. Absent: None. Motion carried.

Councilman Lange moved, seconded by Councilwoman Kaspar-Beckman to authorize staff to negotiate with NDEQ regarding the East Water Treatment Plant. Roll call: Ayes: Kaspar-Beckman, Brenneman, Fauss, Lange, Leshovsky, Saunders, Van Dyke, Wisnieski and Mayor Adams. Nays: None. Absent: None. Motion carried.

Councilman Van Dyke moved, seconded by Councilman Brenneman to approve and authorize staff to "finish the deal the Jeff and Carol Jones subject to whatever decisions were made affecting Joel and Denise Dendinger". Roll call: Ayes: Kaspar-Beckman, Brenneman, Fauss, Lange, Leshovsky, Saunders, Van Dyke, Wisnieski and Mayor Adams. Nays: None. Absent: None. Motion carried.

Councilman Wisnieski moved, seconded by Councilman Fauss to adjourn from regular session and convene into executive session at 8:18 a.m. to discussion personnel matters/communication. Roll call: Ayes: Kaspar-Beckman, Brenneman, Fauss, Lange, Leshovsky, Saunders, Van Dyke, Wisnieski and Mayor Adams. Nays: None. Absent: None. Motion carried.

Councilman Fauss moved, seconded by Councilman Kaspar-Beckman to adjourn from executive session, reconvene into regular session and adjourn the meeting at 9:05 a.m. Roll call: Ayes: Kaspar-Beckman, Brenneman, Fauss, Lange, Leshovsky, Saunders, Van Dyke, Wisnieski and Mayor Adams. Nays: None. Absent: None. Motion carried.

Elizabeth A. Deck
City Clerk