

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 31, 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.

The media was represented by Jerry Guenther and Sheryl Schmeckpeper, Norfolk Daily News, and Jim Curry, WJAG/KEXL.

Staff members present were City Administrator Mike Nolan, Public Works Director Dennis Smith, City Attorney Clint Schukei, and City Clerk Beth Deck.

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 Leshovsky to approve the agenda as printed. Roll call: Ayes: Kaspar-Beckman, Brenneman, Fauss, Lange, Leshovsky, Saunders, Van Dyke, Wisnieski, and Mayor. Nays: None. Absent: None. Motion carried.

The first item discussed was the proposed rezoning at 1001 **Benjamin** Avenue. City Administrator Mike Nolan briefly reviewed discussions held at the May 24, 2005 meeting with staff, Council subcommittee members, developers and neighbors.

The "Satisfice Solution" discussed was as follows:

1. Drainage ditch results from easement obtained from Wagners – improve drainage
2. Paving financed by prospective purchase from Benjamin to Grant, return south
3. Rezoning of areas of two properties purchased:
 - a) buffering by Code and b) detention
4. Agreement (non-binding) with neighborhood – no further commercial development south

Options discussed:

1. Limitation on how far south commercial development goes
2. Reconstruct ditch between Bauermeister and railroad property, Wagner and railroad property

Nolan stated the drainage improvements will not include a cement lined ditch. Also, staff would provide cost estimates to property owners before extending the paving to the south.

Councilwoman Kaspar-Beckman was originally in agreement with the rezoning. However, Kaspar-Beckman's aunt lives north of the property at 1001 West Benjamin Avenue and does not support the rezoning. Therefore, Kaspar-Beckman will not support the rezoning.

Councilman Fauss questioned whether "neighbors are happy" since meeting with subcommittee members.

Nolan stated the meeting helped answer questions and, as a result, most of the neighbors don't oppose the rezoning.

Councilwoman Saunders has not received any phone calls since the subcommittee meeting.

Councilman Leshovsky questioned the feelings of those neighbors attending the Finance Committee meeting. Leshovsky doesn't want to make a final decision until hearing from the

neighbors.

Theoramae Bauermeister, 1204 Square Turn Boulevard, is in favor of improving the drainage but is opposed to the rezoning. Bauermeister would like to keep the area as residential.

No other comments were received.

Councilman Van Dyke feels it will be difficult to keep residential zoning on Benjamin Avenue. Van Dyke stated the drainage south of the proposed rezoning needs to be improved. Van Dyke assumes U-Save will be a good neighbor and could be an asset to the neighborhood.

Councilwoman Saunders agrees with the non-binding agreement discussed at the subcommittee meeting. The agreement says there won't be any commercial development to the south of Benjamin Avenue in that area.

Mrs. Ira DeWalt, 1104 Grant Avenue, questioned the reason for a non-binding agreement.

Nolan explained all parties involved sign a non-binding agreement. The agreement outlines points discussed and items of interest--namely that U-Save would not seek to rezone property south of 1001 West Benjamin Avenue. Nolan stated the agreement memorializes points made and shows the intent of the current City Council.

Mayor Adams explained that one City Council cannot bind a future City Council and that is why the agreement is non-binding. However, a future City Council would consider the agreement before making decisions.

Councilman Brenneman questioned the progress on the drainage improvements.

Public Works Director Dennis Smith explained the City Attorney recently mailed a letter to Jim Wagner seeking an easement for the drainage, as well as railroad right-of-way issues. The letter needed to be mailed to California so the City has not yet received a response.

Councilman Van Dyke moved, seconded by Councilman Lange to approve the Satisfice Solution discussed and move forward with the rezoning and drainage ditch improvements as discussed. Roll call: Ayes: Brenneman, Fauss, Lange, Saunders, Van Dyke, Wisnieski, and Mayor. Nays: Kaspar-Beckman and Leshovsky. Absent: None. Motion carried.

Ron Stauffer, 604 Hespe Drive, spoke on behalf of the **Power of Partnership** (POP) committee. Four local entities propose a partnership with the citizens and businesses of Norfolk to provide a financial boost to ensure their futures. The four entities are the Elkhorn Valley Museum & Research Center, Norfolk Family YMCA, Norfolk Arts Center and the Norfolk Community Theatre. The partnership involves an agreement made 13 years ago between the City of Norfolk and Nebraska Public Power District (NPPD). At that time, NPPD agreed to rebate to Norfolk 12 percent of the money charged customers for electricity as payment for leasing the City's electrical distribution system. Instead of collecting the entire 12 percent, the City chose to have NPPD return 2 percent directly to customers in the form of a rebate on monthly electric bills. Norfolk is the only community in Nebraska to return a portion of the rebate to local ratepayers. Stauffer said the four entities are asking the City to temporarily pre-empt the 2 percent rebate and use the funds to support the four organizations. Each organization will receive approximately \$125,000 per year or \$500,000 total over a four year time period. After 4 years the rebate will be restored to citizens.

Warren Cook, 601 Hespe Drive, proposed the idea last year. Cook previously served on the NPPD Board of Directors for 17 years. Cook said the partnership represents an opportunity for everyone in the community to support the four organizations.

Stauffer stated the financial impact to individuals will be minimal--between \$7 and \$40 per year. Stauffer said the Elkhorn Valley Museum has operated with a volunteer director for 1 1/2 years in an effort to trim its budget. However, the volunteer director is stepping down and a director needs to be hired. Stauffer said the additional funds will allow the museum to pay off debt, enhance its endowment and allow expansion of programming and exhibits.

Councilman Leshovsky questioned the museum's budget.

Stauffer explained the museum has a budget of \$100,000 with income of approximately \$50,000 to \$55,000 annually. Stauffer talked to approximately 60 major electric customers in Norfolk. Of those 60, only one business owner didn't agree with the proposal but wouldn't oppose it.

Cook proposes setting up separate accounts at local banks and having the City audit the funds.

Bradley Hughes, 2003 Clark, wants the Finance Committee to understand the proposal is not because of fiscal mismanagement by any of the four entities.

Councilman Van Dyke feels the proposal is a good idea but does have concerns with only those four groups being included in the proposal.

Stauffer and Cook were each contacted by 4-5 people in support of the proposal.

Councilman Fauss was contacted by several citizens who "weren't happy" with the proposal but wouldn't oppose it either. Fauss questioned whether all four entities needed the funds equally or whether the Norfolk Community Theatre may need more funds because it is renovating the old Cinema III movie theater in Downtown Norfolk to use for its productions.

Cook feels distribution of the funds needs to be made by "a body" whether it is a Board of Directors or the City Council.

Councilman Leshovsky agrees with the proposal.

Councilman Van Dyke moved, seconded by Councilwoman Saunders to move the Power of Partnership proposal to a City Council meeting for formal consideration. Roll call: Ayes: Kaspar-Beckman, Brenneman, Fauss, Lange, Leshovsky, Saunders, Van Dyke, Wisnieski, and Mayor. Nays: None. Absent: None. Motion carried.

Councilman Leshovsky moved, seconded by Councilman Fauss to adjourn from regular session and convene into executive session at 7:32 a.m. to discuss benzene litigation. Roll call: Ayes: Kaspar-Beckman, Brenneman, Fauss, Lange, Leshovsky, Saunders, Van Dyke, Wisnieski, and Mayor. Nays: None. Absent: None. Motion carried.

Councilman Van Dyke moved, seconded by Councilwoman Kaspar-Beckman to adjourn from executive session and reconvene into regular session at 7:57 a.m. Roll call: Ayes: Kaspar-Beckman, Brenneman, Fauss, Lange, Leshovsky, Saunders, Van Dyke, Wisnieski, and Mayor. Nays: None. Absent: None. Motion carried.

Councilman Van Dyke moved, seconded by Councilman Kaspar-Beckman to authorize staff to counter offer to the Nebraska Department of Environmental Quality on the benzene contamination litigation using the guidelines discussed by the City Council.

Councilman Brenneman feels the City should maintain status quo and request \$850,000 to \$900,000.

Mayor Adams agrees with Brenneman and said staff needs to use facts to justify the requested funds.

Finance Committee members agreed with Councilman Brenneman and Mayor Adam's statements.

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

Councilman Van Dyke moved, seconded by Councilwoman Kaspar-Beckman to adjourn the meeting at 7:59 a.m. Roll call: Ayes: Council members Kaspar-Beckman, Brenneman, Fauss, Lange, Leshovsky, Saunders, Van Dyke, Wisnieski and Mayor Adams. Nays: None. Absent: None. Motion carried.

Elizabeth A. Deck
City Clerk