

WORK SESSION
Retreat

The Mayor, City Council and City staff of the City of Norfolk, Nebraska met on Thursday, March 9, 2023, beginning at 9:00 a.m. at the Norfolk Public Library Meeting Rooms A, B and C, 308 W Prospect Avenue, Norfolk, Nebraska.

The following elected officials were present: Mayor Josh Moenning and Councilmembers Frank Arens, Shane Clausen, Corey Granquist, Kory Hildebrand, Andrew McCarthy, Thad Murren, Justin Snorton and Justin Webb. Absent: None.

Staff members present were City Administrator Andy Colvin, City Attorney Danielle Myers-Noelle, City Planner Val Grimes, City Clerk Brianna Duerst, Finance Officer Randy Gates, Public Works Director Steven Rames, Economic Development Director Candice Alder, Police Chief Don Miller, Parks and Recreation Director Nathan Powell and Director of Administrative Services Lyle Lutt. Also present were John Humphries with Norfolk Daily News and thirteen citizens.

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.

The Mayor informed the public about the location of the current copy of the Open Meetings Act accessible to members of the public.

Jim McKenzie, 1412 Longhorn Drive, expressed concern with the validity of the meeting and agenda items.

Colvin said the work session will be dedicated to planning and discussion on a variety of topics. Colvin said we are not looking for action, this session is more about discussion and giving staff direction.

Financial Review

Finance Officer Randy Gates reviewed the long-term financial plan and discussed assumptions, property tax summary, sales tax summary, general fund model, sales tax comparison, property tax comparison and Keno projections. Sales tax receipts are up approximately 10% from the prior year but Keno commissions are down about 14% from the prior year. Norfolk has been third lowest for property taxes amongst Nebraska first class cities but moved to fifth lowest in FY22-23. Fremont and Seward both lowered their levies this year and both dropped below Norfolk – Fremont dropped by 2.3 cents and Seward by 1.9 cents.

Strategic Plan

Community & Economic Development

City Administrator Andy Colvin said the city budget contains a set of goals and objectives, which gives direction to staff on how to move forward. The strategic plan helps set that direction for staff.

Colvin and Economic Development Director Candice Alder discussed Community and Economic Development goals and objectives.

- Increase Norfolk Area commercial and industrial planning efforts and resources
- Infrastructure development to support continued community growth
- Continue Norfolk Leadership in getting four lane expressways to Norfolk
- Retail Development in the community to grow as a regional retail hub
- Encourage and support small business development and entrepreneurial growth
- Support workforce development, recruitment, and retention for the Norfolk area
- Develop strategies for long term community growth
- Support placemaking efforts in Norfolk area
- Continue to diversify regional economy through business recruitment and development efforts
- Develop and support strategies for people attraction and retention – *change to: Strategies for tourism*
- Nurture the development of a vibrant downtown district
- **Potential additions: look at other areas of town for revitalization, childcare, homelessness and mental health issues*

Kay Francavilla, 1006 Verges Ave, said she has noticed how youth centered the city has become and said the Senior Center is vital to our community. There are no goals that refer to seniors, and discussed how much senior citizens contribute to the community. If the Senior Center were lost, it would be a huge loss for the city. Francavilla asked that, when doing the budget, to budget some money to the senior center. Francavilla also discussed the meals on wheels program and noted increased costs to run the program. Sources of revenue for the Senior Center include contributions, fundraising, and some money received from the State. The Center receives no federal funding or anything from the City. Most larger centers are either run by the City or 50% of their funding comes from the City. Colvin said two year ago, the City gave \$50,000 of CARES Act funding to the Senior Center as a one-time contribution. There have been conversations on what a potential partnership could look like moving forward. Need council to say how we want to do that. There was also discussion on potential opportunities to pursue grants, perhaps in partnership with the City.

Parks & Recreation

Colvin and Parks and Recreation Director Nathan Powell discussed Parks and Recreation goals and objectives.

- Complete master plan design for Ta-Ha-Zouka Park – *has been completed*
- Community trail plan
- Implement Johnson Park master plan/river restoration
- Indoor aquatic center – perhaps more wise to look at a partnership with YMCA – this needs to be community driven, not city driven. Should be off our radar – very clear voters did not want.
- Liberty Bell Park Redevelopment – in the works currently
- Forestry – part of overall landscaping plan for the city
- Comprehensive parks master plan

Street Expansion & Maintenance

Public Works Director Steven Rames discussed street expansion and maintenance goals and objectives.

- Accelerate street maintenance program and find long-term funding source
- Landscape Master Plan

Rames said staff is working to identify where the needs are. We are starting to better train staff around safety, training around the science of what we do, and working on upgrading snow removal equipment, etc. Have a lot of asphalt in the community. Looking at where staff resources are being consumed so they can understand the components of the operation.

There was discussion on accelerating street improvement program. Clausen would like to get more aggressive on street improvements. Rames noted the increased investment to street repair and maintenance in recent years.

Margo Chenoweth-Pospisil, 301 S Eastwood, asked about utilizing the emergency fund the city has toward more urgent street repairs instead of taxing citizens more and asked about the amount of emergency reserves. Colvin and Gates explained that the city budgets to have about \$4 million. Since we budget conservatively, that number is closer to \$8 million in actuality. As such, we could leverage some of that for one-time capital projects without too much concern about drawing that fund balance down; however, if something catastrophic were to happen, reducing those cash reserves could be detrimental.

Jim McKenzie, 1412 Longhorn Drive, expressed frustration and said he feels we have gone away from doing basic things on streets and have now stretched the budget too far to make things fancy. With limited funds, he would like to see us get back to basics and said we do not have enough money for all the beautification projects going on; common sense has been lost on how to spend money and we need to work within the budget and focus on streets.

There was discussion on trying to find a balance on beautification and basic maintenance. Clausen discussed utilizing the cash surplus on sales tax, in addition to drawing down fund balance and potentially using ARPA funds to pay for debt service on a bond for street projects. Moenning suggested that staff look at cash reserves, sales tax surplus, and council priority dollars to put something together over the next five years to get ahead of the game.

Moenning noted that historically, Norfolk streets were built to minimum design standards, which is the reason for current street conditions and we have inherited a problem we now have to fix. There has been a focus on reform on standards, staff and training, and we have put more resources into streets in the last five years than there had been in a long time. Moenning also noted that landscaping provides stormwater runoff, better drainage and public safety.

Gates noted that what is driving the property tax decrease shown in the long-term financial plan is the sales tax growth. Without that excess growth in sales tax, we will not see property taxes going down, property taxes will increase in the future. That sales tax growth is what has been driving the projected decreases in property taxes.

Public Works

Rames discussed Public Works goals and objectives

- Flood Control levee recertification – expect design to be wrapping up end of year, then into permitting, then construction, likely in 2026
- Solid Waste Transfer Station Master Plan – master plan completed in 2019, improvements currently wrapping up.
- Waste Water Resource Recovery – have submitted two grant proposals – one to help build a flood control wall; one for grit removal system
- Water supply – in final design for new, additional 2 million gallon storage tank. Currently, when in peak demand of 11 million gallons per day, we are being pushed against capacity. Looking at new production well – Well #14. With the addition of this production well, we will be at capacity at that aquifer and it will add 3-4 million gallons per day to capacity, This should cover needs to 2040-2045. Above ground storage tank on 25th Street will be demolished and down by early May. This location is a very important piece of ground for water supply system.
- Community sidewalk gaps and waived segments – interested in focusing on gaps, there are ten significant areas of gap.

Elected officials and staff took a lunch break from 12:26 p.m. to 12:53 p.m.

Community Engagement and Public Relations

City Administrator Andy Colvin discussed Community Engagement and Public Relations goals and objectives.

- Identify and implement new and creative ways to engage our citizens - One of the biggest disconnects is that people don't know what the city does. Communications office serves that dialogue and will continue to take input and feedback. We are seeing an increased presence on social media, spotlighting different areas in order to better communicate with citizens. Staff and elected officials discussed ways to improve communication.

Increase Emergency Cash Reserve

City Administrator Andy Colvin discussed Emergency Cash Reserve goals and objectives.

- Develop a sustainable plan to increase the budgeted emergency cash reserve to match the GFOA minimum standard of 16% of expenditures – Colvin asked if elected officials were desirous of having a long-term plan that we stick to in order to reduce the overall tax levy. Elected officials noted it is difficult to set an expectation as there are so many different variables. Discussed other ways to structure taxes and prioritization of spending based on what the community wants while maintaining a certain level of service in other areas. Elected officials expressed a desire to talk about budget process in more detail and give community better opportunity to understand the process. Detailed discussion on prioritization of balancing annual budget, levy impact and long-term plan.

Jim McKenzie, 1412 Longhorn Drive, noted that Norfolk's property tax levy does not include the airport, whereas all others that have an airport, do include that in their levy. If Norfolk were to include the airport levy, we would be thirteenth lowest, not fifth. To compare Norfolk with the airport to these other communities do, is disingenuous.

Property Maintenance

- Identify and remedy dilapidated property within the city limits - *change to Neighborhood Revitalization* – staff will look at rehab incentive packages and work on putting together a workshop with builders on potential incentives, including micro-TIF and Land bank. City Attorney Danielle Myers-Noelle said staff hopes to have the Land Bank up and moving this year. Housing agency has been busy with Kensington project. Hoping to get back up and running by October. Have bylaws prepared so should not take too much longer; there has just been a delay with Housing relocation and sale of Kensington. Discussion on seeing more enforcement in the south Norfolk area – will have staff assess and look at potential violations.

Public Safety Expansion

City Administrator Andy Colvin and Police Chief Don Miller discussed the Public Safety Expansion goals and objectives.

- Norfolk police station expansion – there will be an item on the next regular meeting to open another discussion on having a possible election with the focus on a potential occupation tax on alcohol to get some direction regarding if this the way council wants to move forward. Need to have plans in place – is a special election something people want to see happen? If we wait, numbers may continue to rise. We could not have another sales tax election until November 2024. This project is too large to fit into current budget if we want it done anytime soon. Need to weigh potential sales tax increase or occupation tax. Community decides what the priorities are – if this is a priority, we will find a way to pay for it. Miller feels like we currently have momentum and the longer we wait, the more momentum we will lose. We will work street improvements within current budget. With

this – set base with Council Priority dollars and ARPA funds, *then* ask for further funding to show we have “some skin in the game.” Dedicate enough funds to make it happen and reduce bonded amount. Discussed potential to include an occupation tax on tobacco. City Attorney Danielle Myers-Noelle noted there are some additional limitations to taxing tobacco products. Certainly something we can look at, but now not certain it is something we can do.

- Dispatch regionalization in northeast Nebraska – This is virtually complete. Recently joined dispatch center with Madison, which is different that dispatch regionalization. The dispatch regionalization is a separate process with northeast Nebraska. State has gone to regionalizing dispatch software. We are in the northeast region, which was the second to go live in the state. There is a main server in Norfolk, another in South Sioux City. We are the hosts and have several smaller hubs.

Zach Steiner, 106 Adare Road, discussed community pride and engagement, which starts at the school level to understand why being involved, is important. Steiner would like to see more community involvement and encouragement for citizens to do so and feels we are missing the youth side engagement.

Council Priority Dollars & ARPA Funds

Moening said he still likes the idea of allotting a certain amount of Council Priority dollars for each ward. Discussion on designating Council priority dollars to each ward or councilmembers collectively deciding the best use of those dollars community wide.

Need to determine if Transit funding should come out of Council Priority dollars or ARPA funds. Colvin would look to use ARPA funds first, unless the use of those funds is not authorized. Amount city has agreed to provide is \$131,306.

Discussion on upgrade to Council Chambers voting system. Staff has been reviewing options and will be looking to implement a new system. \$200,000 of ARPA funding has been committed to these upgrades.

New Topics

Brief discussions on possible addition of Employee Safety Director, staffing challenges, and employee morale.

Closed Session

Councilmember Hildebrand moved, seconded by Councilmember Murren to adjourn from regular session and convene into executive session at 3:44 p.m. to prevent the needless injury to the reputation of an individual to discuss personnel evaluations.

Councilmember Murren stepped out of the meeting briefly.

Roll call: Ayes: Arens, Clausen, Granquist, Hildebrand, McCarthy, Snorton and Webb. Nays: None. Absent: Murren.

Councilmember Arens moved, seconded by Councilmember Hildebrand to adjourn from executive session at 5:18 p.m. and reconvene into regular session.

Roll call: Ayes: Arens, Clausen, Granquist, Hildebrand, McCarthy, Murren, Snorton and Webb. Nays: None. Absent: None.

Mayor Moenning restated for the record that the only matter discussed during the executive session was personnel evaluations.

There being no further business, the Mayor declared the meeting adjourned at 5:18 p.m.

Josh Moenning
Mayor

ATTEST:

Brianna Duerst
City Clerk

(S E A L)