



## 7/16/2024 - CITY COUNCIL REGULAR MEETING

TUESDAY, JULY 16, 2024 at 7:30 PM

COUNCIL CHAMBERS, ALBION CITY HALL, 420 W MARKET ST. ALBION, NE 68620

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# MINUTES

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A Regular Meeting of the Albion City Council of the City of Albion, Nebraska was convened in open and public session at 7:30 p.m. on July 16, 2024 at Albion City Hall, 420 West Market St., Albion, NE. Notice of this meeting along with the agenda was simultaneously given in advance to all members of the Board. Notice of this meeting was given in advance by publication, a designated method for giving notice; a copy of proof of publication is attached to these minutes. All proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public. The meeting was recorded using an audio recording device and such recording is available for inspection at the office of the City Clerk.

### CALL TO ORDER

A copy of the open meetings act is posted and is provided for the public on the billboard of the Council Chambers.

### ROLL CALL

Present were: Mayor Jarecki and Council Members Jon Porter, Marcus Johnson, and Jason Tisthammer. Absent was Jack Dailey.

City staff present were City Administrator Andrew Devine, City Attorney Darren Wright, Deputy Clerk Sharon Ketteler, Utility Clerk Amber Wynn, Chief Brent Lipker, Officer Brendan Christensen, and Economic Development and Housing Director Shelby Wetovick.

Councilman Porter made a motion to excuse the absence of Councilman Dailey, seconded by Johnson. Voting Yea: Johnson, Tisthammer, Porter. Voting Nay: None. Motion carried.

### MAYOR'S COMMENTS

Mayor Jarecki announced he will be having his semi-annual Department Head meeting soon, followed by the Budget Workshop.

### APPROVAL OF MINUTES

#### 1. APPROVAL OF MINUTES OF THE JUNE 11, 2024 CITY COUNCIL MEETING

The minutes of the June 11, 2024 City Council meeting were distributed to the Mayor and Council in the agenda packets. Councilman Porter made a motion to approve the minutes, seconded by Johnson. Voting Yea: Tisthammer, Johnson, Porter. Voting Nay: None. Absent: Dailey. Motion carried.

## OLD BUSINESS

2. NONE

## NEW BUSINESS

### 3. **CONSIDER REQUEST OF ALBION SOFTBALL TO REPLACE THE CURRENT SOFTBALL SCOREBOARD AT THE SPORTS COMPLEX**

Tiffany Curry, representative for the Softball Board, explained they have raised the funds to purchase and install a new scoreboard. Crouch Recreation has designed the scoreboard and Love Signs is working on the sponsor/ID panel portion of the scoreboard. A drawing of the new scoreboard, along with a proposal from Crouch Recreation, was provided for the council to review. Ms. Curry stated the new scoreboard would be placed a little further towards center field than where the current one is. Clerk Devine questioned if Crouch Recreation would take everything out and run electricity to the new scoreboard? Ms. Curry stated that Love Signs will remove the old scoreboard and posts, and also run the electricity. Devine asked that they let him know where the old scoreboard will be stored as it is city property.

Councilman Johnson made a motion to approve request of Albion Softball to replace the current softball scoreboard at the Sports Complex, seconded by Tisthammer. Voting Yea: Johnson, Porter, Tisthammer. Voting Nay: None. Absent: Dailey. Motion carried.

### 4. **CONSIDER REQUEST OF THE HEDLUND FAMILY TO DESIGNATE THE ALBION SOFTBALL FIELD AS THE TRACY HEDLUND MEMORIAL FIELD AND TO PLACE SIGNAGE REFLECTING THE SAME**

Tiffany Curry, acting on behalf of the Softball Board and the Hedlund Family, reported that Tracy Hedlund gave 20 years of service to youth sports, especially softball. The Hedlund Family wishes to use memorial funds to place signage at the Sports Complex softball field, designating the field as the "Tracy Hedlund Memorial Field". Randy Hedlund has designed two signs for Love Signs to create. Drawings of the signs were provided for council review. The 8' x 16' sign would be placed behind the fence at center field. The 2' x 4' sign would be placed on the back of the home team dugout.

Councilman Johnson made a motion to approve request of the Hedlund Family to designate the Albion softball field as the "Tracy Hedlund Memorial Field" and to place signage reflecting the same, seconded by Tisthammer. Voting Yea: Porter, Tisthammer, Johnson. Voting Nay: None. Absent: Dailey. Motion carried.

### 5. **CONSIDER APPOINTMENT OF MARGARET SMITH TO THE ALBION LIBRARY BOARD**

Clerk Devine noted that the Library Board recommended the appointment of Margaret (Maggie) Smith to the Albion Library Board.

Councilman Johnson made a motion to approve appointment of Margaret Smith to the Albion Library Board, seconded by Porter. Voting Yea: Porter, Tisthammer, Johnson. Voting Nay: None. Absent: Dailey. Motion carried.

**6. DISCUSS PLANNING COMMISSION RECOMMENDATION TO RELOCATE THE COMMUNITY BURN SITE**

Clerk Devine stated that the Planning Commission met on July 1, 2024 to discuss relocating the community burn site. They recommended moving it to the east side of the river, east of the Wastewater Treatment Facility where there is already an access driveway. Devine provided the minutes from the Planning Commission meeting, and a map of the area where the burn site could potentially be placed. Devine explained that Fire Chief Benne attended the Planning Commission meeting and spoke of safety issues where the current burn site is located near buildings. The new location would not be close to development and Chief Benne noted that the rural fire department has agreements with farmers in the area for access to irrigation wells if needed. Tisthammer questioned if the grass pile would be moved also. Devine stated it would. Devine spoke of concern in getting residents out of the habit of dumping in the current tree and grass piles. Council members suggested roping off the old areas and putting up signage to direct people to the new burn site. Porter added it might also be a good idea for the County to put up signage at the new location to slow traffic and watch for turning vehicles since there is a small hump right before the access driveway. Many people dumping grass and branches use a UTV, which can be harder to see. Following discussion, the consensus was to continue moving forward with relocating the community tree and grass sites. No action taken.

**7. BUDGET WORKSHOP – PRELIMINARY REVIEW OF 2023-24 BUDGET PERFORMANCE AND DRAFT OF 2024-25 BUDGET**

Administrator Devine provided a review of the preliminary budget draft as presented in the Mayor and Council's agenda packets. Devine explained the format of the report including the format of the department level budgets that show all sources of revenue and expenditures, and the spreadsheet that shows the valuation, property tax asking, and levy rates. Devine explained that the first source of budgeted revenue is any surplus of funds for each department that is expected to be available at the end of this fiscal year. Devine also explained how employee wages are allocated to various departments. Devine explained the increase in total property tax asking this year is due to less cash reserve available than previous years, increased wages and costs in areas, and expected additional bonded debt for projects. Devine also demonstrated a new chart he created that breaks down potential property tax obligation for property owners by each department that is supported by property tax. Devine reiterated that this is a preliminary draft for illustration of assumptions at this point and it will likely be little different at the workshop next month. After the workshop the accountant we hire will put this information in the State budget format for official consideration in September. No action taken.

**8. CONSIDER SUBDIVISION DEVELOPMENT AGREEMENT WITH ALBION DEVELOPMENT COMPANY, INC. AND AUTHORIZE THE MAYOR TO SIGN THE SAME**

Administrator Devine explained that he, City Attorney Wright, and AEDC have been working on a development agreement for the South Park Subdivision Development project for several months. The final proposed agreement notes that the City finds public benefit in: the extension of the water main by creating an additional looped water main entrance point from the water system's production wells and water tower sites to the public distribution system, as well as the extension of sewer main to the City's Public Campground site; therefore, the City will bear those costs as part of the agreement. In the Agreement, AEDC will be responsible for installation of all water and sewer service connections to individual lots and all street paving of Park View Street within 12 months of completion of the water and sewer main projects. Porter asked if this agreement would set a bad precedent regarding future subdivision developments. Devine noted that this situation is a little bit different insofar as the water and sewer main lines as there is an opportunity for the City to also provide public benefit with these improvements and that if such a situation were to occur in the future it could be replicated, if funds are

available. After lengthy discussion, Devine suggested that the item be tabled for now and addressed later in the meeting after action on the water and sewer bid opening is considered. Mayor Jarecki concurred and noted that this item would be considered further after the bid tabulation agenda item was addressed. \*

## **9. CONSIDER BID TABULATION AND AWARD OF CONTRACTS FOR WATER AND SEWER IMPROVEMENT PROJECTS**

Dale Bohac with JEO distributed bid tabulation sheets to the Mayor and Council. Mr. Bohac noted that six (6) bids were received, and several were very aggressive, extremely lower than the projected opinion of cost, and that he recommends approval of the base bid of Obrist Construction for the amount of \$622,549.00 and to discuss any alternate bids for award as well. He explained that JEO has worked with Obrist in recent history with positive experiences, but sometimes timelines would drag on and not complete work as communicated which created specific project coordination issues; however, quality of work has not been an issue. Obrist has recently brought on a new Project Coordinator to help address some coordination issues in the future. Contractual deadlines have been met and liquidated damages have not been pursued on other projects, but specific project coordination has been lacking at times. Councilmember Porter noted that the base bid difference from Rutjen's Construction was \$8,121.00 and asked if we would save that amount or more on hourly project management service costs from JEO and city employee costs by going with Rutjen's with whom we've had excellent project coordination experiences. Devine noted that this might be a valid concern but it is hard to predict and the city would need more than anecdotal evidence to support not awarding the lowest responsive bid. He said that he believes the City would need to have written documented contractual failures and City Attorney Wright agreed. Devine reviewed the bid form and noted that the city could hold bids for 60 days from the bid opening date of July 11<sup>th</sup> prior to award. The Council discussed waiting to award to see if any written documentation could be found, and discussed the risk of potential litigation if they decided to award the second highest bidder due to the positive experiences on past projects with that contractor.

Following discussion, Councilmember Marcus Johnson made a motion to approve the base bid of Obrist Construction and award the contract in the amount of \$622,549.00 to Obrist Construction; seconded by Jason Tisthammer. Voting Yea: Tisthammer, Johnson. Voting Nay: Porter. Absent: Dailey. Motion carried.

Devine then provided an explanation of all alternate bid project locations. Councilmember Porter noted that Project Group G that upsizes a 4" main to 6" main may not be necessary due to Group Project H on Walnut, awarded in the base bid, will create a 6" loop to the firehall and Cardinal Inn thus solving the (volume) problem (to those properties). Dale Bohac noted that Project Group G should have been in the base bid but was accidentally left out. Devine noted that there is a fire hydrant on the 4" line at 1<sup>st</sup> and Fairview that should be supplied by a 6" main. Devine printed out a map to illustrate the section of 4" line that is to be upsized by this project. Devine's opinion is that Project Group G should still be pursued for localized fire protection and volume redundancy in the area. Devine explained that he felt that if any of these items were not going to be considered if the budget supported them, then they should not have been approved at the time plans and specifications were approved. Porter explained that he thought that at the time plans and specifications were approved that Project Groups H and G were either or, depending on bids. Councilmember Johnson supported the upsizing of the 6" main because it provides volume redundancy. Councilmember Tisthammer noted his concerns weren't with the Alternate Projects themselves, but with awarding alternate bids to a contractor we're not completely comfortable with. Devine explained that he felt all project groups were designed because they were deemed necessary; however, the items placed on the alternate list were in case the bids came in high and the City would not be able to afford to do them all right now. If bids came in high, then we would be forced to pick and choose.

Following all discussion, Councilmember Marcus Johnson made a motion to approve alternate bids from Obrist Construction in the amounts of: Group C, \$50,170.50; Group G, \$58,131.50; Group I, \$28,330.00; Group J, \$44,735.00; and Group K \$92,579.50; seconded by Jason Tisthammer. Voting Yea: Johnson, Tisthammer, Porter. Voting Nay: None. Absent: Dailey. Motion carried.

**\*ITEM 8 {revisited}**

\*Following action on agenda item 9, the Mayor directed the Council's attention back to Agenda Item 8 and Councilman Porter made a motion to approve the subdivision development agreement with Albion Development Company, Inc. and authorize the mayor to sign the same; seconded by Johnson. Voting Yea: Tisthammer, Johnson, Porter. Voting Nay: None. Absent: Dailey. Motion carried.

**10. APPROVE AND AUTHORIZE MAYOR TO SIGN NEBRASKA DEPARTMENT OF ECONOMIC DEVELOPMENT RURAL COMMUNITY RECOVERY PROGRAM GRANT APPLICATION**

Economic Development Director, Shelby Wetovick, reported that she and Administrator Devine have been working on a \$1,000,000 grant from the Nebraska Department of Economic Development Rural Community Recovery Program. This grant would help to rehab the park on Clark Street; and to expand the recreational trail to connect Fuller Park to the Sports Complex and Clark Street Park. If the grant is awarded, they would use \$500,000 towards the trail; and \$500,000 for the Park. Devine added that it is a zero percent local match. The grant is dedicated to revitalizing rural community neighborhoods by public improvements or development activities such as adding sidewalks to vacant properties.

Councilman Johnson made a motion to approve and authorize the Mayor to sign Nebraska Department of Economic Development Rural Community Recovery Program Grant Application for a future rural community recovery project, seconded by Tisthammer. Voting Yea: Porter, Tisthammer, Johnson. Voting Nay: None. Absent: Dailey. Motion carried.

**RESOLUTIONS**

**11. CONSIDER RESOLUTION 112(24) REGARDING CITY UTILITY RATES**

Clerk Devine reported that Bud's Sanitary Service is anticipating a \$1.00 per customer increase this year due to increased insurance costs. He and Utility Clerk Wynn reviewed garbage rates and recommend increasing the City's residential rates by \$1.00 and restructuring of commercial rates for dumpster fees. This also includes an increase in commercial toter fees of \$7.25 per month to cover our costs. Devine is recommending an increase in Water rates based on known costs and on recommendations from the auditor that would result in an approximate 7.5-8% increase to the average bill. The 2024 Water rate comparison provided by Nebraska Rural Water Association shows that Albion Water rates are below average compared to most towns our size and proximity. The auditor has also been recommending an increase in Sewer rates the past few years to keep up with increasing costs. Clerk Devine is recommending an increase to sewer rates that would result in an approximate 3% increase to the average bill. Councilman Porter made a motion to introduce and approve Resolution 112(24) Regarding City Utility Rates, seconded by Johnson. Voting Yea: Tisthammer, Johnson, Porter. Voting Nay: None. Absent: Dailey. Motion carried.

**12. CONSIDER INTRODUCTION OF RESOLUTION 113(24), A RESOLUTION OF NECESSITY and SETTING A DATE FOR THE HEARING REGARDING THE SAME**

Brad Slaughter of Northland Securities was available to explain the Resolution of Necessity is a legal requirement in order for the City to issue General Obligation Bonds for the Sewer portion of the improvement projects. Part of the resolution is to set the date of the required public hearing. Mr. Slaughter noted that GO Bonds have lower interest rates than Revenue Bonds. After the resolution is in place, there are two ordinances that are required as well (see Items #13 and #14 below).

Councilman Johnson made a motion to introduce and place on file Resolution 113(24), a Resolution of Necessity, and to set the date of the required public hearing regarding the same for August 13, 2024 at the regular City Council meeting, seconded by Tisthammer. Voting Yea: Johnson, Tisthammer, Porter. Voting Nay: None. Absent: Dailey. Motion carried.

**ORDINANCES**

**13. CONSIDER INTRODUCTION AND PASSAGE OF ORDINANCE 336(24) AN ORDINANCE OF THE CITY OF ALBION, NEBRASKA, ISSUING GENERAL OBLIGATION WATER BONDS, SERIES 2024 IN AN AMOUNT NOT TO EXCEED \$300,000.**

Councilman Porter introduced Ordinance 336(24). Mayor Jarecki instructed Clerk Devine to read the ordinance for the first time. Councilman Porter made a motion to approve the first reading of Ordinance 336(24) and that the statutory rules requiring readings at three separate meetings be suspended, seconded by Johnson. Voting Yea: Tisthammer, Johnson, Porter. Voting Nay: None. Absent: Dailey. Motion carried. Mayor Jarecki instructed Clerk Devine to read the ordinance for the second and third time. Councilman Porter made a motion to approve the second and third readings and to move for final passage and adoption, seconded by Johnson. Councilman Johnson called the question. Mayor Jarecki sought further comment. With no further comment Mayor Jarecki declared Ordinance 336(24) having been read by title three different times, the rules have been suspended, the question is, "Shall Ordinance 336(24) finally pass?" Voting Yea: Porter, Tisthammer, Johnson. Voting Nay: None. Absent: Dailey. Motion carried.

**14. CONSIDER INTRODUCTION AND PASSAGE OF ORDINANCE 337(24) AN ORDINANCE OF THE CITY OF ALBION, NEBRASKA, ISSUING SEWER BOND ANTICIPATION NOTES, SERIES 2024 IN ONE OR MORE SERIES IN AN AMOUNT NOT TO EXCEED \$250,000.**

Councilman Johnson introduced Ordinance 337(24). Mayor Jarecki instructed Clerk Devine to read the ordinance for the first time. Councilman Johnson made a motion to approve the first reading of Ordinance 337(24) and that the statutory rules requiring readings at three separate meetings be suspended, seconded by Tisthammer. Voting Yea: Porter, Tisthammer, Johnson. Voting Nay: None. Absent: Dailey. Motion carried. Mayor Jarecki instructed Clerk Devine to read the ordinance for the second and third time. Councilman Porter made a motion to approve the second and third readings and to move for final passage and adoption, seconded by Johnson. Councilman Johnson called the question. Mayor Jarecki sought further comment. With no further comment Mayor Jarecki declared Ordinance 337(24) having been read by title three different times, the rules have been suspended, the question is, "Shall Ordinance 337(24) finally pass?" Voting Yea: Johnson, Porter, Tisthammer. Voting Nay: None. Absent: Dailey. Motion carried.

## REPORTS

### 15. NUISANCE REPORT

Nuisance Officer, Warren Myers, provided a written update on nuisances. Many of the declared nuisances have been abated by the property owners. City staff has conducted abatement mowing on two of the properties. Eight more declared nuisances are awaiting compliance by the property owners, or the City will step in to complete the abatements. No action taken by the council.

### 16. City Administrator Report

City Administrator report to the City Council regarding the status of various city departments, city activities, and city financial reports. \*Clean-up Days Report from Amber Wynn

Administrator Devine had previously provided a written report for council review. Devine added that the street sweeper is not working. The City has considered purchasing a skid steer attachment that has a brush and gutter broom to use while the street sweeper is being repaired. Devine also noted that the 2024 Clean-up Days report submitted by Utility Clerk Wynn showed that extenuating circumstances last year created higher costs, but increased efforts to recycle items this year greatly helped to keep expenses down. No action taken.

### 17. CONSIDER BILLS FOR APPROVAL

**\*REVIEW MONTHLY BILLS REPORT AND CONSIDER FOR APPROVAL AND PAYMENT**

Councilman Johnson made a motion to approve bills report for payment and affirm all paid claims as presented, seconded by Porter. Voting Yea: Tisthammer, Johnson, Porter. Voting Nay: None. Absent: Dailey. Motion carried.

## ITEMS TO BE PUT ON NEXT MEETING AGENDA

### 18. Next Regular Meeting: August 13, 2024 - 7:30pm

*Hearing on Resolution 113 (24) - Resolution of Necessity*

*Resolution 114(24) Regarding COLA for non-temporary City Employees*

*Budget Workshop with CPA Michael Hoback*

### 19. Public Comment for Future Consideration

None.

## ADJOURN

At 9:58 p.m. Councilman Johnson made a motion to adjourn the meeting, seconded by Tisthammer. Voting Yea: Tisthammer, Porter, Johnson. Voting Nay: None. Absent: Dailey. Motion carried.

I the undersigned Clerk hereby certify that the foregoing is a true and correct copy of proceedings had and done by the Mayor and Council; that all subjects included in the foregoing proceedings were contained in the Agenda for the meeting, kept continually current and available for inspection at the office of the Clerk; that such subjects were contained in said Agenda for at least 24 hours prior to said meeting; that at least one copy of all reproducible material discussed at the meeting was available at the meeting for the examination and copying of the public; that said minutes were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; that all news media requesting notification of meetings of said body were provided advance notification of the time and place of said meeting and subjects to be discussed at said meeting.

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James Jarecki, Mayor

ATTEST:

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Sharon Ketteler, Deputy Clerk