

MINUTES OF THE REGULAR MEETING OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PAWNEE CITY, HELD ON TUESDAY, NOVEMBER 12, 2024, AT 7:00 P.M. AT THE CORNERSTONE BUILDING, 601 G STREET, ALL IN PAWNEE CITY, PAWNEE COUNTY, NEBRASKA.

Notice of this meeting was given in advance thereof by advertising in the Pawnee Republican, a designated method for giving notice as shown by the Affidavit of Publishing on file in the office of the City Clerk. Notice of this meeting was given to the Mayor and City Council and a copy of their acknowledgment of receipt of the notice and the Agenda are on file in the office of the City Clerk. The availability of the agenda was communicated in advance and in the notice to the Mayor and Council of this meeting. All proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public.

Present: Mayor Charles Hatfield, Council Members Pat Hatfield, Vickie Zelenka, Donnie Fisher and Susan Eisenhauer; Kellie Wiers, Deputy City Clerk; Foreman Spencer Cumley. **Absent:** Tamela Curtis, City Clerk/Treasurer.

Mayor Charlie Hatfield called the meeting to order at 7:00 p.m. informing all those present of the Posters stating the Open Meeting Law Changes on the West meeting room wall, next to the storage closet, accessible to the public. At this time, all those present stood to recite the Pledge of Allegiance.

Council Member Eisenhauer moved to accept the October 28, 2024, regular meeting minutes. Council Member Fisher seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried.

The Treasurer submitted the following claims for consideration: **11/5/24 Payroll:** \$11,478.38; **Union Bank & Trust**, FWH 3211.16; **NE Dept. of Rev**, SWH 476.30; **John Hancock**, retirement 1429.35; **Windstream**, phone & internet @ library 67.16, internet @ city office 119.92, phone @ pool (on vacation) 44.74; **Access Systems Leasing**, IT hardware & battery backup 313.43; **Binder Bros.**, concrete 453.00; **Amazon Capital Services**, pens adding machine tape, dog house 230.08; **Cornhusker Press**, dog tags & hooks 115.85; **D.P. Sawyer**, traffic control service 5700.00; **GPM Environmental Solutions**, calibration of flow meter 560.00; **League Assoc. of Risk Mgmt.**, insurance of equipment 2103.28; **Lincoln Winwater** wtr pit lids, curb stop risers 3254.43; **NPPD**, electric service at wells & swr plant 2186.59; **Pawnee Co. Rural Water**, wtr hydrants @ city pond 45.00; **Matt Kuhlmann**, zoning services 800.00; **OPPD**, electric @ wells 327.96; **Benefit Plans, Inc.**, annual retire plan & admin 560.00; **Casey's Bus. Mastercard**, equip fuel 454.54; **H&H Auto Parts**, repair parts & supplies 513.35; **Midwest Labs**, swr sample testing & labels 220.57; **One Call Concepts**, Digger Hotline Locates 18.32; **Pawnee City Thriftway**, toilet paper 3.99; **Pawnee True Value**, repair parts & supplies 420.17, library: 8.99; **Team Laboratory**, satu-rock road patch 3096.00; **Uribe Refuse Services**, porta potty rental 200.00; **Samuelson Law Office**, city atty fees 1000.00; whereupon motion carried. Council Member Zelenka moved to approve the claims as submitted. Council Member Eisenhauer seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried.

Approve Paying Council/Mayor in December (Payroll Date 12/3/2024): Council Member Eisenhauer moved to approve paying the Council Members and Mayor in December on the 12/3/2024 payroll date. Council Member Zelenka seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried.

Discuss date change needed for first meeting in December due to PC Elementary Christmas Program scheduled Monday, December 9th. Will Tuesday, 12/10 work? Is everyone able to meet on 12/23? Discussion was had that December 10th will not work for Council Member Eisenhauer so Council agreed Friday, December 6th will work.

Review Treasurer's Report on all City Funds as of 10/31/2024: Council reviewed the Treasurer's Report.

Sheriff Braden Lang: Discuss Camper at VanHorne Park: Sheriff Lang stated the person living in the camper was given a ticket, appeared in court, and then paid his fine but he is still living in the camper. Sheriff Lang expressed concern that the person could keep receiving tickets and paying the fine but continue to live in the camper because the fines would be cheaper than rent. This person also received a ticket for an unlicensed dog which he has tied to a tree in the park. Lang feels the camper ordinance should be updated with an escalating fine scale like \$75 to \$150 to \$300. Council Member Eisenhauer suggested talking with City Atty Samuelson to update the ordinance with escalating fines. Also, there is a lot of trash around and behind that camper which is close to the pickle ball and basketball courts which the dog gets into and scatters it around. Discussion was had whether the escalating fine should be by the day or by ticket. Council Member Eisenhauer doesn't want to hinder people who use their camper for extra family coming to visit for short periods of time but there shouldn't be people actually living in a camper. DC Wiers will contact city atty Samuelson about the camper ordinance. Sheriff Lang explained Deputy Stankoski's shoulder was injured during a recent arrest. Justyce has a muscle tear in his shoulder and will visit another specialist for treatment options under Workman's Comp, so he is on limited duty. Sheriff Lang stated the department had ordered a car which was going to be outfitted by Brad Willey but the person selling the car took the money (\$70,000) for the car and "ran." So, the department is out the money and doesn't have a car. Justyce found a Dodge Durango in Kentucky and would like to fly out and pick it up. Council Member Eisenhauer mentioned ARPA funds could be used to help the Sheriff's Dept. Sheriff Lang stated they are looking at an area in the courthouse building to use for an evidence room that used to be Mark Tegtmeier's office. Council Member Eisenhauer asked if the money returned from the "dog money" could be used towards the cost of the evidence room? Sheriff Lang suggested using that money for a gun safe.

Recommendation from the Pawnee City Chamber of Commerce—Alison Janecek Borer, Partner, Cline Williams, LLP to present housing proposition for discussion: Ms. Borer explained TIF (tax incremental financing) has been around for awhile but there is a newer program, (Micro-TIF) that can be used for small projects and cuts out the long notice and public hearing process so it doesn't require any public hearings but must be approved within 30 days of the application. Most communities administer it themselves. It is geared for projects located within Blighted and Substandard Areas for redevelopment, only allowed in counties with populations less than 100,000 and the property has to have been within the city limits for at least

60 years with up to \$350,000 for a single-family residential structure. The program divides the property taxes on the valuation of the property before development and the valuation after the project and you capture the taxes on the increase in the value of the property and that is what the City uses as a conduit for the developer to help finance the project. Essentially, the developer still pays the taxes but the tax goes back to the developer. The City issues a promissory note to the developer with a promise to pass through the property taxes for 15 years. It's not a general obligation for the City and there are no funds actually given to the developer up front. The developer has to find financing for the project and many times, a TIF note is used as collateral for financing. Council Member Eisenhauer reiterated the program would not cost the City anything and eventually there will be an increase in property taxes that would benefit the city plus more water/sewer customers, more kids in school and more people visiting local businesses. Council Members Zelenka and Hatfield expressed concern that the City has two big projects coming up (Streets & Parks) to manage and will not have time to administer this program. Council Member Eisenhauer stated that would only be if the City is designated as the administrator for this program. Alison explained the City can set an annual limit on the number of Micro-TIF projects approved. Alison has prepared an example of a Micro-TIF resolution for the Council to pass, if interested. If the Council would like changes made, she can do that and submit an updated example. The developer has two years to start the project and complete it. Micro-TIF is set up to streamline the TIF process so, you would wait all year for the incremental divided taxes to come in at the end of the year. When the payment is due on the note and when the taxes are received from the County, they are passed onto the developer and then you wait again until the next year. It is true, the City would not receive the benefit of the property taxes for 15 years but these houses would not have been built without this TIF incremental financing so there is nothing lost. On year 16, the value of those taxes will be distributed. Alison recommends putting the draft resolution on the agenda for the next city council meeting and then vote on it. If the Council would like to have an annual limit, they can do it but they can also repeal the Micro-TIF financing at any time and it doesn't affect any prior approved projects. Discussion was had about the map showing the areas of Pawnee City that would be eligible for development through Micro-TIF. Anyone can apply for TIF financing so it could also be a person who wants to build a house so it doesn't have to be a developer. A person could even build a "shouse." Mayor Hatfield suggested Zoning Administrator, Matt Kuhlmann, since he would have the knowledge concerning building. He has worked for the City as a crew member and as the utility billing clerk. Alison stated it should take less than an hour to review a Micro-TIF application as it would be evaluated similar to a building permit. Then, it would be up to the City Council to put the application on the agenda for approval. After that, there would be a promissory note to complete which is a "fill in the blank" form and shouldn't take more than a 3-hour commitment per project. It should just take a few minutes each year to write the check. Council Member Eisenhauer stated if Matt Kuhlmann isn't interested in administering the Micro-TIF project, she would be the administrator. Alison stated the Council could also be the administrator of the program. The actual check would have to be written by the City Clerk, though. Council Member Eisenhauer suggested starting with no more than 5 houses the first year. Discussion was had about Mr. Kuhlmann's pay if the TIF administrator is added to his responsibilities. Alison will update the resolution for the next council meeting for approval. Aaron Sawyer stated that Beatrice was able to pay off the TIF financing early because of the increase in property values. Aaron then discussed a program where people can divert their state tax to state licensed daycare centers and soon, there will be a press release in the newspaper.

Review email & letter on the City of Pawnee City receiving Notice of Award on the Rural Community Recovery Program (RCRP) Grant in the amount of \$535,000: Council Member Eisenhauer explained the grant will be used for the demolition, removal, purchasing and establishing a park with benches and a pavilion. Funds will also be used to add benches at Van Horne Park and hopefully, some of the pool resurfacing. DC Wiers said the contractor is still interested in demolishing the Raper building to build a park.

Review email & letter on the City of Pawnee City receiving Notice of Award for the CDBG Public Works Street Grant in the amount of \$480,000: There will be an asphalt overlay for 5 blocks plus a culvert. There is also a \$135,000 City match.

Discuss Nuisance Property Updates: Review City Attorney Betsy Samuelson's Nuisance Letters sent out (11/5/24) from Health Board's Property Reviews on 10/16/24 to property owners at: 417 2nd & 430 4th Street; 1241 F Street; 111 G Street; 200 11th Street; 1208 10th & 1129 G Street; 1038 7th Street; 1111 7th Street; 1025 8th Street. Review Notice to Abate and Remove letter sent to property owner at 738 3rd Street on 10/22: City Clerks sent addresses & legal descriptions to City Atty Samuelson on 11/7/2024 on additional complaints received on properties at: 1120 5th & 728 9th Street; 1106 5th Street; 1126 7th Street and also 848 I Street that the Health Board had added to their listing on 10/16: Mayor Hatfield explained the Health Board had met in October to look at 12 properties that were in violation of the nuisance ordinances and some have also been vacant for many years and took photos. Council Member Eisenhauer asked if the Council had officially decided to give the property owners two weeks to reply to the "letters of intent" and 5 days for the second letter? Eisenhauer has spoken with PCDC about the properties. PCDC is looking at property owners to donate properties to claim for a tax write off and it's close to the end of the year so they would like to send letters to the owners rather quickly to give them this opportunity. She would like to make sure the owners have received the second letter so that PCDC can suggest donating the property then PCDC can pay to demolish the buildings. Mayor Hatfield said he drove by 1145 G Street and it looks like the porch has been cleaned off so hopefully, the owner was able to remove the asbestos in the kitchen. The property at 112 12th Street has some items inside the new dumpster but there are many items stacked behind the dumpster. The owner of the property on the highway still has mattresses laying in the yard that were heaped in the old dumpster. Are they waiting for another dumpster since Seneca Sanitation has a waiting list for dumpsters? Mayor Hatfield said he will contact city atty Samuelson about this owner to make sure they know those mattresses have been left in the yard. Council Member Eisenhauer stated there are 12 properties on the Health Board list but there are actually 16 properties with nuisance issues that have been discussed. The second letter should be sent out Nov. 19th and the property owner would have 5 days to abate the nuisance issues.

Review/Discuss flyer from Premier Pyrotechnics on saving an additional 15% by paying for the fireworks by December 1st or additional 12.5% if paid by January 1st (Chamber Fireworks Budget is \$4000): Option 1 doesn't give a 15% discount on the price but adds an additional 15% of product. Council Member Eisenhauer moved to approve Option #1, payment in full by December 1, 2024 with an additional 15% product. Council Member Zelenka seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried.

Discuss the need for Cleaning Services at the Cornerstone Building: The walls at the Cornerstone Building have never been wiped down from the construction period. DC Wiers explained there are “dust bunnies” in the corners of the floors in the restrooms. The building has been rented out a few times and community organizations have been using the building. Council Member Eisenhauer has vacuumed the floor at least once and Brian Heinz has cleaned the windows. Discussion was had that the building should have a deep cleaning twice a year from ceiling to floor but have no idea how much it would cost. Coral Cumley has been cleaning the city office next door. DC Wiers will contact Coral to see if she is interested in cleaning the Cornerstone Building and what she would charge then report back to the Council. If Coral is not interested in cleaning the Cornerstone Building, then the Council will probably put the job out for bids.

Report and update from City Foreman Cumley: *Discuss updates to City handling Lead Service/Galvanized Lines (City only budgeted \$6300 in Water Budget to start replacing lead water service lines—but could amend water budget if needed):* Foreman Cumley reported he had contacted the State (NDEE—Nebr. Dept. of Environment & Energy, Drinking Water team) for clarification why the galvanized lines have to be replaced and he was told it is because you can't prove the galvanized line didn't follow a lead line at some time and the galvanized lines have a lead coating. Therefore, there are a total of 202 lines that have to be replaced including the 47 that have lead on the City's side and the 155 galvanized lines (on the homeowner's side). Foreman Cumley explained he is supposed to send out a notification by Nov. 15th to the homeowners that need to replace their lines but it took awhile to get clarification from the State. The notification is supposed to contain information about the City's lead service line replacement program which is not clear or opportunities to replace lead service lines. The State wants each city to have a lead service line replacement program in place. The State also wants the cities to list possible financing solutions for property owners but when Foreman Cumley asked the State what those are, they don't have any suggestions. The only financial solution at this time is the state revolving loan fund for cities. The EPA doesn't have a permanent deadline but their target deadline was 2035 to have all lead removed from the system but they are waiting on the lead line inventories to be submitted by all of the cities. Each city is responsible for taking steps to become a lead-free city. Now, the city crew has to test 10 homes every 3 years but because of this mandate, they will have to test for lead in every one of these homes every year until the home is lead-free and the City will have to pay for the testing. Plus, the City will have to install water filters, replace the filters twice a year and test for lead on the homes that still have lead water lines. Foreman Cumley has talked with plumber, Doug Daily, who has talked to other cities about this situation. One suggestion is writing an ordinance that states anytime there is a water leak on the customer's side on a galvanized line, require the customer to replace their entire service line. A second suggestion would be to make a 50/50 replacement cost plan with the homeowner so that the City would pay half the replacement cost and the customer would pay 50% of the replacement cost. The cost would be around \$900 - \$1200 for a 50 ft. service line. Brita is the only company that makes filters for lead and they are already on back order. Lincoln has ordered 2000 filters from Lincoln Winwater and they have only received 600 filters. The third option is for the City to apply for funding from the state revolving loan fund. It will cost roughly \$24,000 for the City to replace the lead service lines on our side (47 lines). On the homeowners side, it's \$186,000 (for everybody's line). There are some homeowners that will probably not replace the lead line “because there is nothing wrong with it,” so the City will have

to pay to test the water every year plus replace water filters in that home but then the City will not become “lead free.” Mayor Hatfield suggested waiting to see what happens with EPA in case they would offer funds to help cities pay for this because the EPA is probably going to receive a lot of negative feedback about replacing lead lines. Foreman Cumley is concerned if the City waits to apply for funding from the state revolving loan fund and there aren’t any funds left because other Cities have already applied. Foreman Cumley has heard from another town that they are going to make the customer pay for testing and filters if there is lead on the customer’s side. Council agreed this is a possible solution. Once the lead lines have been replaced, the City should never have to test for lead and copper ever again. Council Member Hatfield suggested budgeting for these expenses in next year’s budget. Discussion was had to put a notice of the lead-free service line program on the back of the water bill and or have a notice in the paper and the Falls City radio station. Council agreed the water ordinance should be updated to read “if there is a leak in the homeowner’s water line (lead or galvanized) between the curb stop and the house, then the homeowner will be required to replace the entire service line from the house (first shut off) to the curb stop.” Council Member Fisher commented there could be a lead line going from the first shut off to the rest of the house but that doesn’t have to be replaced? The wording on the lead and galvanized notices will state “the City Council is working on a plan to assist our customers with this process.” ***Discuss various projects throughout town that City Crew has been working on:*** The City Crew is still working on potholes. If someone has concerns about potholes, contact the City office and report them. They also got the snow equipment ready for snow. Discussion was had on the length of time to run ads on Auction Time and decided to go with Auction Time’s recommendation which is to run the ad no more than 5 weeks.

Review Letter from NDOT & Review/Approve Resolution #6 authorizing the Mayor to sign the Year-End Certification of City Street Superintendent form for calendar year 2024:

Council Member Eisenhower moved to approve Resolution #6 authorizing the Mayor to sign the Year-End Certification of City Street Superintendent form for calendar year 2024. Council Member Fisher seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried.

Review Correspondence from: Council reviewed the email from the League about a training opportunity for senior local gov’t officials (for mayor & council members) on their responsibilities under SS81-829.46 of the Nebr. Emergency Management Act. The training is offered on January 9, 2025 in Lincoln. Mayor Hatfield stated he might be able to attend. Council also reviewed the Pawnee City Chamber’s 2024 Christmas Festival flyer. Donnie Fisher and Vickie Zelenka retained their council member positions and will be sworn in again at the December 6th meeting. Julie Bauman will be at the city office on Monday, November 25th for the 2023 – 2024 fiscal year annual audit.

Council Member Eisenhower moved to adjourn the meeting. Council Member Fisher seconded the motion. Roll Call vote indicated all in favor of the motion and meeting adjourned at 9:09 p.m.

ATTEST: Kellie A. Wiers, Deputy City Clerk

Charlie Hatfield, Mayor