

**MINUTES OF THE REGULAR MEETING OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PAWNEE CITY, HELD ON MONDAY, OCTOBER 25, 2021, AT 7:00 P.M. AT THE PAWNEE CITY PUBLIC LIBRARY MEETING ROOM, 735 8<sup>TH</sup> 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. Availability of the agenda was communicated in the advance notice 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:** Council President Bruce Haughton; Council Members: Ric Helms, Susan Eisenhower, and Donnie Fisher; Tammy Curtis, City Clerk/Treasurer and Kellie Wiers, Deputy City Clerk/Treasurer. **Absent:** Mayor Charlie Hatfield and City Foreman Spencer Cumley. Council President Bruce Haughton 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 accessible to the public. At this time all those present stood to recite the Pledge of Allegiance.

Council Member Helms made a motion to accept the October 12, 2021, regular meeting minutes. Council Member Eisenhower 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: **10/26/21 Payroll:** 10,040.09; **Union Bank & Trust**, FWH 2762.85; **NE Dept. of Rev**, SWH, 407.22, Sept. Sales & Use Tax 2446.25; **John Hancock**, retirement 1300.00; **Allstate**, cancer/accid. ins. 224.24; **Ameritas**, vision ins. 127.80; **UHC**, health ins. 6472.68; **Madison National Life**, employee life insurance 67.87; **BHE**, gas service 111.79; **Spectrum**, internet & phone @ shop 164.97; **PCDC**, August 2021 sales tax 7610.96; **Windstream**, phone service @ swr plant, internet @ office 190.31; **NPPD**, electric service 296.97; **Seneca Sanitation**, September garbage service & dumpster @ pond 6242.00; **Amazon Capital Services**, tools @ swr plant 140.00; **Lincoln Winwater Works**, water parts 656.88; **Nebr. Public Health Environmental Lab**, wtr samples 134.00; **Pawnee Co. Treasurer** qtrly law enforcement pymt. 17,372.24; **Capital Bus. Services**, Elevate phone syst. 111.94; **Benson Building Contractors, Inc.** repair walls @ well house 5499.97; **Dollar General**, office supplies 36.23; **Pawnee Republican**, publications 319.19; **Logan Contractors, Inc.**, tar for street repair 3780.00; **Pawnee City Ball Assoc.**, 2021/2022 Donation 650.00; **Pawnee City Public Schools**, tobacco & liquor license fees, dog & parking tickets 1970.00; **Pawnee Co. Mem. Hospital**, pre-employment physical empl #1035 \$150.00; **Pawnee Gun Club**, 2021/2022 Donation 650.00; **State of Nebr. DOL**, FY2021, 3<sup>rd</sup> qtr unemployment 33.74. Council Member Eisenhower moved to approve the claims as submitted. Council Member Fisher seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried.

**CDBG-EDRLF Public Hearing (second) on Stonebridge Vineyard, Inc. dba SchillingBridge Winery and Microbrewery:** Council Member Eisenhower moved to open the public hearing on Stonebridge Vineyard, Inc. dba SchillingBridge Winery and Microbrewery. Council Member Fisher seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried, and hearing opened at 7:03 p.m. Liz Cody from the Southeast

Nebraska Developmental District (SENDD) was present to answer any questions. Clerk Curtis explained the Dept. of Economic Development (DED) required a second public hearing be held in regard to the outstanding reuse loan the Winery owes. There was no public input. Council Member Helms moved to close the public hearing. Council Member Eisenhower seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried, and public hearing closed at 7:06 p.m.

**Open Public Hearing for Repurposing of Remaining CDBG Funds for Existing Fire Station Project (19-PW-014) and to Amend Current Economic Development Plan Ceasing any Economic Development Activities:** Council Member Eisenhower moved to open the public hearing for repurposing of remaining CDBG Funds for existing Fire Station Project (19-PW-014) and to amend the current Economic Development Plan ceasing any Economic Development Activities. Council Member Helms seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried and meeting opened at 7:07 p.m. Liz Cody from SENDD explained that Pawnee City has a fire station project that is progressing and the City also has revolving loan funds that they have held for quite a while but DED stated that it is time for the revolving loan program to end so the funds have to be used locally or returned to DED immediately. DED stated that these funds could be used on a current public works project. The current amount as of Oct. 5<sup>th</sup>, \$188,325.00 can be applied directly towards the public works Fire Station project and DED has requested these funds be spent down as soon as possible and no funds will be paid out of the grant fund until these funds have been spent. If there are no community concerns about repurposing the Reuse funds and if the Council has any questions, we can address them. After the public hearing is closed then Council could vote on whether to approve the resolution and that would amend the RLF to repurpose those funds for the Fire Station. At that point, the \$188,325.00 held by the City would be committed to the Fire Station project. That amount could be reduced by the penalty fee of \$2200.00 charged to cash in the Certificate of Deposit. The renewal date for that CD is August of 2022 and the Fire Station has bills that need to be paid now, so DED advised to cash in the CD now and have the Mayor or someone from the City talk to the bank and see if the penalty fee could be waived and explain that it probably wasn't the best idea to deposit those funds into a CD and that the State is forcing the City to cash in the CD and see if the bank would waive that fee. If not, the fee will come out of the balance and the balance will be reduced by the fee amount, but the remaining funds will go towards the Fire Hall project. There are currently about \$140,000 in outstanding invoices from AHRS and JEO waiting to be paid. That will take out a big chunk of the Reuse funds. The remaining funds of about \$46,000 will be used to pay the next invoices. Since these funds are held by the City, the City will not need to request a draw down from DED to use those funds to pay AHRS. Whatever invoices are left to cover from the November meeting will then be submitted to DED for payment. Clerk Curtis asked how payment from these funds will be made so that the transactions are completed properly. Ms. Cody recommended the City talk with the City Attorney. Also, the Reuse funds should be spent down as quickly as possible. The resolution will need to be signed by the Mayor before the City can write the check to AHRS on the Reuse funds, but SENDD will work on the next draw down so that there isn't a delay in paying invoices. These Reuse funds cannot be considered a local match and will be taken off the top of the total cost. Liz Cody explained that these Reuse funds are not considered a loan or a grant but are considered money owned by the City and they do not have to pay it back. The City can use these funds on the Fire Hall project, or they can write a check and give the funds to DED. Since the Fire Hall project will cost more to build than what was originally planned, the City may not

have to ask for more funding from USDA if these funds are used on the project. DED has had some conversations about the program income from the payments on these loans after this moment in time which would be around \$3500/month. The income from these payments can be used to fund the Fire Hall project until the project is completed. After the Fire Hall project is completed, the City will have to work out a plan with DED to find out if there is a way these funds could be used locally or if the funds would have to be given to DED. The Fire Hall project is moving rather quickly but an extension may still have to be filed to meet the November deadline. Liz Cody will continue to be the grant administrator for the Fire Hall Project. Clerk Curtis explained that there is a discussion meeting scheduled tomorrow between DED, SENDD, the City Clerk, the RLF Committee and City Atty Sisco. They would like two members of the Council to also be present at the meeting. Council Member Eisenhower stated earlier in the day that she would be available to attend this meeting. Council Member Haughton stated that he would try to attend the meeting tomorrow but can confirm this tomorrow. Liz Cody mentioned the City's Cornerstone Building Project. She recommended spending down as much of the RLF funds as possible by the end of this year in order to obtain funding for the Cornerstone Project. Council Member Helms moved to close the public hearing. Council Member Eisenhower seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried and public hearing closed at 7:20 p.m. **Approve Resolution No. 2 – Repurposing Remaining Community Development Block Grant (CDBG) Program Income from the Economic Development Revolving Loan Fund (EDRLF) for Fire Station Project costs (19-PW-014) and Amend the Current Economic Development Plan to Discontinue the Fund, Ceasing any Economic Development Activities:** Council Member Helms moved to approve Resolution No. 2 – Repurposing Remaining Community Development Block Grant (CDBG) Program Income from the Economic Development Revolving Loan Fund (EDRLF), which includes surrendering the ReUse CD #102888 held at the State Bank of Table Rock for Fire Station Project costs (19-PW-014) and Amend the Current Economic Development Plan to Discontinue the Fund, Ceasing any Economic Development Activities. Council Member Fisher seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried. **Discuss a Repurposing Discussion Meeting being set up later this week between DED, SENDD, Clerk Curtis, RLF Committee Members, City Attorney Sisco and two members of the City Council:** Clerk Curtis explained a “zoom” meeting has been scheduled for Oct. 26<sup>th</sup> at 1:00 p.m. at the City Office.

**Review/Approve Recommendation of ReUse Committee that Stonebridge, Inc. dba SchillingBridge Winery & Microbrewery, Sterup Enterprises, LLC, Shirley's Place & Richard Palmer's ReUse Loan Payments be converted to 0% interest loans starting October 1, 2021:** Council Member Eisenhower asked what the interest rate was on these ReUse loans. Clerk Curtis explained that most of the loans have a 2.5% to 2.75% interest rate. Council Member Eisenhower commented that all of the loans have a low interest rate. Interest is paid on the unpaid balance. Council Member Helms stated that he didn't get his house loan deferred for 18 months and his income has decreased due to less passengers on the handi-bus. Council President Haughton stated that there are many businesses that have existed in Pawnee City that have never received a Reuse loan but the businesses that do have a Reuse loan received a low interest rate. Council Member Helms stated, “Your business has to be open to make money, does it not?” Clerk Curtis explained that Schillings wrote the letter to the ReUse Committee requesting that the duration of the loan be 0% interest effective October 1, 2021, but the ReUse Committee included the other local businesses that have ReUse loans in their recommendation.

Council Member Helms commented that Transportation Tech has a ReUse loan and has been making their payments, but they never received deferred loan payments or 0% interest on payments and we should have given this to them. Clerk Curtis explained that the City Office received a phone call from a local business owner that wants to remain anonymous and asked why would Stonebridge be given a 0% interest on their loan when this local business owner has to pay interest on their outstanding loans with the bank and how fair is this to other local businesses? Deputy Clerk Wiers had invited this person to attend tonight's meeting but declined because they want to remain anonymous. Council Member Eisenhauer moved to deny the recommendation of the ReUse Committee to convert the ReUse Loan payments of Stonebridge, Inc. dba SchillingBridge Winery & Microbrewery, Sterup Enterprises, LLC, Shirley's Place & Richard Palmer be converted to 0% interest effective October 1, 2021. Council Member Fisher seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried.

**Todd Albers--Review/Discuss Well Farm Pasture Lease for a 3-year lease:** Todd Albers was present to discuss the Well Farm Pasture lease with the Council. Council Member Eisenhauer explained the rate of \$93.25/acre would stay the same on the 177 acres as it had been last year and the year before with 50% of the rent due on May 1<sup>st</sup> and 50% due on October 1<sup>st</sup> for each of the three years. Then, on the 9.44 acres of CRP, previously, Mr. Albers had paid \$1000.00 as his cash rent. Council Member Eisenhauer explained that she has issue with this because Mr. Albers can't make use of this CRP ground, so he is not really benefiting from this ground but according to the contract, he is still responsible for maintaining control of noxious weeds and she added invasive trees and brush. This is expensive to do, and we know that this needs to be taken care of because of the warning letter received earlier this year. Council Member Eisenhauer proposes to reduce the rent from \$1000 (on a contract that only produces \$1019/yr. and the cost involved to take care of the vegetation) for the next three years to \$378/yr. to help with the cost of the chemicals necessary to take care of the issues. The current contract states the length of the pasture season will be May 1<sup>st</sup> to October 1<sup>st</sup>, but this is in direct violation of the CRP contract. You cannot start grazing May 1<sup>st</sup> because that is the beginning of the primary nesting season. So, Eisenhauer proposes the contract be revised to not violate the CRP regulations as enforced by the Farm Service Agency. When the CRP contract expires, the rental rate will increase to the \$93.25/acre if this CRP doesn't get re-enrolled. Another update will be that the Lessee doesn't have to get permission from the Lessor (the City) to spray for the noxious weeds. The best time to spray is late July until freeze according to the NRD so there is still time to spray. It is in the City's best interest to assist Mr. Albers with this process. Mr. Albers stated since the lease has been changed to a three-year term, then it will be feasible for him to pay for the necessary chemicals to take care of the noxious weeds. Mr. Albers said that he had received this year's and last year's CRP payments. Council Member Eisenhauer asked Mr. Albers if he has paid the City for the CRP ground rent. Mr. Albers stated he had not. Therefore, Council Member Eisenhauer proposes to update the contract to include payment of \$378.00 rent on the CRP for the past two years, not the \$1000 as previously stated for 2020 and 2021. The new contract starts 2022. Council President Haughton stated that the current trend is for farm leases to cover multiple years because of the cost of carry over on chemicals including fertilizer. Todd Albers agreed with the terms of the new contract and the revisions from the past two years. Council Member Eisenhauer moved to accept the Well Farm Pasture Lease for a 3-year lease with the discussed revisions of the contract. Council Member Helms seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried.

**Gary Droge, Jr.—Review/Discuss Hay Ground Lease:** This hay ground is located by the Sewer Plant and next to the Metal Dump consisting to 16.2 acres. Council Member Eisenhauer suggested changing this contract to a 3-year contract for a term from January 1, 2022, to December 31, 2024, at the same rate of \$20.00/bale. Gary Droge, Jr. agreed to these updated terms. Council Member Eisenhauer moved to renew this contract with Gary Droge, Jr. with the stated changes. Council Member Fisher seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried.

**Drew Case—Discuss signed Waiver re: pond repair @ Well Farm Pasture:** Mr. Case explained that he has a home-based business and lives just South of the Pawnee City wells. One of the things he does is raise fish which include small-mouth bass, walleye, wipers and yellow perch. He has an aqua culturist's permit. It started out as a hobby and now has become a business. About five years ago, Mr. Case stated he contacted then City Foreman, Clint Johnson when there was a drought and the water in the well pond was about two feet deep and he asked permission to sterilize the pond knowing if there were fish left in there, then they could come into the pond Mr. Case had just dug. Foreman Johnson did not give Mr. Case permission to do this. Mr. Case thought the pond was low enough that whatever fish were left in there probably died. A couple years later, there were largemouth bass in the well pond which Mr. Case reported got into his pond and ate the smallmouth bass. Three years ago, Mr. Case had attended multiple City Council meetings about this issue and Mr. Case claims there was dishonesty involved. Things were said that didn't happen and the fish were taken care of but there are still largemouth bass in the pond. Mr. Case had signed a waiver (included in the agenda packet). Mr. Case stated he signed the waiver on the condition that the pond would be repaired and completely drained. He claims the fish were never taken care of and the pond still contains largemouth bass. He spent \$5000 two years ago and had two short trap/grow ponds dug so that he could either slow down the process of bass coming into his large grow pond or grow out other kinds of fish such as yellow sunfish or perch. Mr. Case claims "it never got anywhere," so he gave up. He had seen a few of the largemouth bass get into his pond but had never really taken off. Last Spring, he put 1000 to 2000 smallmouth brine into the grow ponds which would have been worth \$3000 to \$5000 and then there was a big rain and then he saw at least 100,000 largemouth bass come through the pipe in the first grow pond and they ate every one of his smallmouth bass that he had captured and transferred to the grow pond. So, last Summer he was hoping to have a nice crop of smallmouth and all he got was largemouth and now all he has in his main pond is largemouth bass. He has talked with Todd Albers, who rents the pasture around the pond, about this issue. Mr. Case also has an Airbnb which is a big part of his business for the last couple years. A big reason that people rent that cabin is because they can come and fish for walleye, largemouth, smallmouth and yellow perch in a farm pond in Nebraska. This Summer, people caught more largemouth per day of fishing than smallmouth by far. There were some crappie in there but the crappie will not make the smallmouth go extinct, but the largemouth will, and they are growing and reproducing fast. So, Mr. Case would like to again address sterilizing the well pond and then he can sterilize down through his grow ponds. If that is all cleared out above, then he can make the decision whether to sterilize his main pond and completely start over, which is what he had thought about doing using electro-shock and try to collect as many of the fish as he could, but this is futile to spend the time and money doing this if the largemouth bass are going to continue coming into his pond. Mr. Albers explained the pond on the southwest corner of the well property drains South into Mr. Case's property. Council President Haughton said he would like

to visit the area and asked Mr. Case if the people that stay at the Airbnb and fish in the pond, fish for certain fish or do they care what they catch? Case said some don't care but there is a fair amount of people who want to catch smallmouth bass that are trophy size. Two years ago, the biggest one he caught was 23 inches long. A largemouth bass can eat a smallmouth bass a third of its size, but it doesn't go the other way and smallmouth spawn once a year in May and they have a very small egg count while largemouth bass spawn multiple times and have a lot of eggs and are very aggressive. Council President Haughton asked Mr. Case if he ever had any problems with turtles and Mr. Case explained that he doesn't have much of a problem with turtles, but he usually just shoots them when he sees them. Case had a beaver problem last year because they were eating the trees, so he hired somebody to take care of that problem. Council Member asked Mr. Case if the well pond had ever been redone? It was supposed to be built up higher. Case answered that yes, the pond had been redone but it wasn't drained before it was rebuilt. So, this Spring, the largemouth bass were minnow size, and they came down the tube from the well pond into the Case pond and they were small enough to pass through the screens Case had put over the tubes that drain into his pond. Todd Albers was present during this discussion, and he explained that there was still two to three feet left in the pond when it was rebuilt. Council Member Eisenhower asked if the pond should be pumped out? Albers said right now would probably be a good time because his cows were not grazing there at this time. Mr. Case explained the other option is the Rotenone which then you don't have to pump out the pond. Eisenhower explained if the pond isn't deep enough then you can't use that anyway based upon previous information. Case explained this would sterilize the water and that the research says the water would be safe to drink but you may not want to take that chance with Mr. Albers' cattle and Case had previously talked with Mr. Albers about this. Council Member Helms stated if the cattle are out now and we did that then when the cattle are put back on the pasture, then it would be safe? Case and Albers agreed it would be. Council Member Eisenhower read from the September 10, 2018, City Council meeting minutes: "Foreman Johnson stated that he had discussed with Nebr. Game & Parks stirring Rotenone into the pond, but it was stated that the pond is not deep enough to get a motorboat in it to get it stirred up well enough for a good kill." Mr. Case stated that Foreman Johnson was not reliable in his information because Case had talked to the same people and was told different information. No, you couldn't get a motorboat in there, but you still could use Rotenone. Case had contacted another person with a professional license and that person said they could do it. Rotenone is basically a controlled substance, and you have to be a licensed professional to be able to use this chemical. Pumping the water out is another choice but you would have to get the pond dry because fish can survive in two feet of water. Case said he has a lily pond that has largemouth bass, and it gets down to two feet deep and the largemouth are surviving and reproducing. Council Member Eisenhower asked Case what he recommends. Case replied that he just wants the well pasture pond to be sterilized. Eisenhower asked Case if he was willing to pay for the pond to be sterilized? Case said he would do the groundwork to get this done but he felt the cost should be covered by the City because he has already lost income because the largemouth have killed last summer's fish and he had to buy more fish. Case said he didn't think it would cost more than a \$1000.00 to get this done. Also, the more water you pump out, the less Rotenone you have to use and the easier and quicker process it is. He would like to work something out with the City with the Rotenone and before this is done to the city pond, he would sterilize all three of his ponds to be able to start out with a clean slate all the way down to the main pond and he would restock with more fish. Council Member Helms asked if the City does this, is there any possibility that the city well pond will get

contaminated again with largemouth bass? Case stated that is why the waiver was written, to clear the City of any liability if they sterilized the well pond. Council Member Eisenhauer stated the City completed the pond repair but didn't eliminate the fish. Case said the fish don't come in on duck's feet. Case said he knows how the fish got into his pond because he asked around and found out a local put them there and very likely, they won't get in there again. There are no other drains above this particular pond. Council Member Helms asked if people are allowed to go out to the well pond to fish? No. Todd Albers stated the only gate that is not locked is the one on the southwest corner. Albers said there are a couple "No Trespassing" signs posted in the area. Council President Haughton asked Albers if there is another pond on the pasture that he can use for his cattle. Albers stated there is a small pond in the East half of the pasture, but it is pretty well dry. Council President Haughton asked Mr. Case to come back to the Council with a proposal in writing about how to take care of the pond. Council Member Eisenhauer stated that she sees that the City didn't follow through on their part and she doesn't expect Mr. Case to pay the total cost but the City shouldn't have to pay the total cost either. That is her point of view and asked Mr. Case to come back to the Council with a reasonable proposal and the Council will discuss it. Case stated this could have a substantial affect on his income if the problem isn't fixed as he supplies fish every year to Cabella's and had other people lined up that would have purchased smallmouth bass, so he probably lost \$3000 to \$4000. The Summer was terrible and his pond had moss in it but he couldn't get any smallmouth bass out of this pond because it had largemouth in it. He also dug new grow ponds with windmill aerators this Summer to put "fry" in them and grow them out over the Summer. These ponds would not be affected by the well pasture pond. Case said he would put a proposal together and come back to the Nov. 8<sup>th</sup> city council meeting. Todd Albers stated the East Pond on the well pasture also needs dug out as there is no water in it at all, but it is just a small pond. Council Member Eisenhauer asked the clerks to make a note of this for Foreman Cumley. Albers suggested contacting Andy Wellensiek to dig out this pond and it should only take an hour or two to fix it. Case stated he "wouldn't use anybody else."

**Review Pawnee City Assisted Living (PCAL's) Treasurer's Report & September Meeting Minutes:** Clerk Curtis explained that USDA took one payment out but did not take out the deferred payment from last year so, Clerk Curtis called Marshall with USDA. John DeFreece left a message with Deputy Clerk Wiers that they voted at the last meeting to set up ACH for the monthly payments that started Nov. 19<sup>th</sup>. Council President Haughton explained that the fees at PCAL will increase and the \$60,000 still owed to the City was discussed. Haughton also mentioned that there has been discussion of PCAL purchasing the land North of the building, currently owned by Derek Niss, with plans for possible development. Eventually, the land to the South of the building will be transferred to PCAL. Council Member Helms stated that PCDC has purchased the property North of the building from Derek Niss. If the City and PCAL want to develop this property, then it will be given to PCAL from PCDC. Haughton stated if PCAL decided to build housing on that spot then you will want it to pay for itself in eight years. Helms stated they are considering senior citizen independent living. In the past, Haughton had talked to Summerfield about this idea, and you would have to charge \$800 to \$850/month to make it work for a small living quarter about 650 sq. ft. Discussion followed about a similar housing development in Tecumseh, Nebraska.

**Review Payroll Time Off Report:** Council Member Eisenhauer stated she had looked in the employee handbook and an employee can carry over 40 hours of vacation leave to the next year

and anything above the 40 hours is paid at the regular rate of pay. There are a couple employees (Tammy & Lola) that need to use up vacation leave by the end of December. Clerk Curtis explained that Lola will take time off in December to be with her grandchildren. Deputy Clerk Wiers will be off the month of November for knee replacement surgery so Clerk Curtis will not be able to take vacation next month.

**Report and update from Foreman Cumley: *Items for discussion; Review Work Status Update on City Crew Member's WC injury:*** Foreman Cumley was absent from tonight's meeting, so Clerk Curtis explained that Sean McAhon had submitted a "work status report" from Dr. Bott which is included in the agenda packet. The report states that Sean's status is "return to work will be full duty without restrictions" effective 10/11/2021.

**Report and update from Clerk Curtis: *Items for discussion are: Review/Discuss email on 2022 CCCFF Application Cycle:*** (Cornerstone Building). This funding comes from arenas and convention centers so this year there are less funds available because of Covid-19. The requirements for this funding are not as restrictive as USDA funding. You don't have to follow Davis/Bacon rules and you can hire local contractors; you don't have to have an environmental review and it is a 50/50 match. Clerk Curtis had budgeted \$100,000.00 to finish the inside of the Cornerstone Building because she didn't know for sure how much to budget and this would include the 50/50 match. Council Member Helms stated that it should cost less than \$100,000 to finish the inside of the building. ***Julie Bauman's office will be here on November 12<sup>th</sup> in person to do the City FY 2020-21 Audit;*** Clerk Curtis explained that Julie Bauman's office completed a "virtual" audit last year and didn't visit the City Office but will complete an in-person audit this year on Nov. 12 and she will bring her audit team with her.

**Report and update from Clerk Curtis & Deputy Clerk Wiers: *Items for discussion are: Discuss ongoing issues with Capital Business Services on the IT side and Elevate phone system and review/discuss Copier proposals and IT services from Access Systems:*** Clerk Curtis explained that Access wrote a proposal with the same machine that has been purchased from Capital Business Systems (CBS) but not yet received from CBS, but it would be for less money. Since we have paid for the new photocopier but not yet received it, we could go with the Access proposal and then ask for a full refund from CBS. No delivery date had been set. It will cost \$3824.00 from CBS but \$3289.00 from Access. Also, the overage cost for black & white copies and color copies from Access will be less (Access: B&W will be .0045/page, Color will be .05/page; CBS: B&W will be 0.01/page, Color will be 0.06/page. The maintenance contract from Access will be \$99.00 qtrly versus \$180.00 for CBS. Overall, it will be cheaper and the same machine with Access. CBS has been pretty good with photocopier service. CBS would have taken the old machine away but will not give us any credit for it. Access also submitted a quote for a Sharp brand photocopier, but office personnel would like to stay with the same brand. Council Member Helms asked if Access would give the City a trade-in on the Ricoh. They didn't offer a trade-in, but Clerk Curtis will ask. Access also offered a lease option of \$103.06. Deputy Clerk Wiers explained that the IT services from CBS cost \$673.00/month and today, the City received a bill for \$281.00 for services they said were not covered under the IT agreement. This charge was for just one of the days that Matt could not print from his computer, so he contacted the Help Desk and told them he wanted it on record how many times he has called about the printing issue, and they charged the City for this. Clerk Curtis explained that in the past eleven days, she looked up the call record that showed the office either called CBS or CBS called the



City 21 times in regard to IT problems and Clerk Curtis printed off ten pages of emails of correspondence with CBS in regard to IT problems. Council Member Helms asked if Clerk Curtis had any figures from Access in regard to IT services. It is Clerk Curtis's opinion that Access would be a much better and more reliable company to go with than CBS. Clerk Curtis and Deputy Clerk Wiers had a conference call with Brett Kittrell, the IT manager at Access this morning. We couldn't access the zoom meeting with Brett because it asked for the administrative log in and password for the computer system before we could log into the meeting, and we don't have that information and CBS will not give it to us. So, Clerk Curtis contacted the help desk and was put on hold; therefore, Brett called the City Office so that we could hear what he had to say. The current IT person from CBS that we have been working with is Dale. Recently, Dale had been in the office in person or remotely on our computers trying to fix things for a period of two weeks and one day we had to call Dale about a recurring issue and he said he wouldn't have time to help us because he had to drive to Seward to work on computer issues at another office. We constantly received an "error 15" message on our computers which meant the computer wasn't connected to the server and we were unable to process payments from customers. This was the "last straw" in regard to our IT service with CBS. Access said they would need to complete an assessment of our computer system and it would cost \$500.00. This assessment would include looking at the server, how the computers are networked, the Power Manager program, off-site backups, cyber security, etc. Then, they would complete a forecast for the City showing where they should be in two years, five years, etc. The council members agreed this is a necessary step. Council Member Helms made the motion to pay \$500.00 for Access to complete an assessment of the City's computer system. Council Member Eisenhower seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried. Deputy Clerk Wiers stated "This has been a nightmare." Council Member Eisenhower explained that she had set in on a conference call at the City office with CBS three months ago and they said then that these problems would be fixed. Council Member Fisher stated that this is a poor performance, looks bad to the public when you have to turn away their payment and the employees don't need the stress wondering if their computer is going to work or not. Council Member Helms moved to purchase the photocopier and maintenance agreement with Access if the City can get a refund from CBS on the photocopier that has been purchased but never received. Council Member Fisher seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried. Clerk Curtis said she will contact Access in the morning to start the process. She also explained that the latest IT services invoice states that the IT contract ended 10/31/2020 so, the City is not bound by an IT contract with CBS right now.

**Correspondence:** The City Council reviewed correspondence from August 2021 total Sales Tax of \$22,413.77 with ½% Street Repairs Sales Tax totaling \$5,073.97 and \$2,117.89 being Motor Vehicle Sales Tax. Council reviewed the Certification of Tax Levies from the Pawnee County Clerk. Council Member Helms 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 8:39 p.m.

ATTEST: Kellie A. Wiers, Deputy City Clerk

Bruce Haughton, Council President

