

**THE OFFICIAL PROCEEDINGS OF THE REGULAR MEETING OF THE GERING CITY COUNCIL, July 27, 2015**

A regular meeting of the City Council of Gering, Nebraska was held in open session on July 27, 2015 at 6:00 p.m. at Gering City Hall at 1025 P Street, Gering, NE. Present were Mayor Kaufman, and Councilmembers Smith, Christensen, Gibbs, Holliday, Allred, O'Neal, Morrison, and Cowan. Also present were City Administrator Lane Danielzuk, Administrative Secretary Carol Martin and Acting City Attorney Matt Turman. Absent was City Clerk Welfl. Notice of the meeting was given in advance by publication in the Gering Citizen, the designated method of giving notice. All proceedings hereafter were taken while the meeting was open to the attendance of the public except as otherwise indicated.

**CALL TO ORDER**

Mayor Kaufman called the meeting to order at 6:00 p.m. The Mayor noted that there was a quorum of the Council and City business could be conducted.

1. Recital of the Pledge of Allegiance and Prayer
2. Roll Call
3. Excuse councilmember absence

**Motion by Councilmember Gibbs to excuse the absence of Councilmember Smith from the July 13, 2015 City Council meeting. Seconded by Councilmember Christensen. There was no discussion. The Mayor called the vote. "AYES": Smith, Christensen, Gibbs, Holliday, Allred, O'Neal, Morrison and Cowan. "NAYS": None. Abstaining: None. Absent: None. Motion carried.**

**OPEN MEETINGS ACT - NEB.REV.STAT. CHAPTER 84, ARTICLE 14**

Mayor Kaufman stated as required by State Law, public bodies shall make available at least one current copy of the Open Meetings Act posted in the meeting room. Agenda items may be moved up or down on the agenda at the discretion of the Mayor. As required by State Law, additions may not be made to this agenda less than 24 hours before the beginning of the meeting unless they are considered under this section of the agenda and Council determines that the matter requires emergency action.

**CONSENT AGENDA:**

1. Approve minutes of the July 13, 2015 Regular City Council Meeting
2. Approve Claims
3. Approve Financials
4. Twin Cities Development Quarterly Report
5. SDL Application – Soroptimist event at Five Rocks Amphitheater, August 20, 2015
6. SDL Application – American Legion picnic at Five Rocks Amphitheater, August 29, 2015
7. SDL Application – WBG dba Steel Grill, August 22, 2015

**7-10-15 to 7-20-15**

21<sup>st</sup> CENTURY EQUIPMENT \$653.87 RPR'S, ACUSHNET CO \$314.30 1 GOLF CLUB, B & C STEEL \$1,529.32 5 ROUND TUBES, METAL FOR STORM SEWER GRATES, BLUFFS SANITARY SUPPLY \$535.51 CLEANING SUPPLIES, BRIDGESTONE GOLF INC \$389.97 72 GOLF BALLS, BROADWAY OFFICE CENTRE \$767.25 COPY COUNT CHR, NAME PLATE FOR TAMMY – HR OFFICE, 2 CONT CLOROX WIPES, 1 TYPE WRITTER RIBBON, TAPE, BINDER CLIPS, SCISSORS, 6 POSTER BOARDS, 2 GLUE STICKS, BRUNTZ BRENDA \$738.34 TRVL EXP: BRENDA IWORQ TRAINING, BUDGE IT DRAIN SRV \$300.00 CLEAN GREASE IN LINE, BUDGET TIRE & SRV \$14.00 JOHN DEERE MOWER RPR, CADDIES \$2,551.64 RMBRSMNT: DEETER TOURN. MEALS, CALLAWAY GOLF CO \$159.28 2 GOLF CLUBS, CENTURYLINK \$2,418.58 MONTHLY TELEPHONE CHR, CHARTER COMM \$593.86 TV/INTERNET CHR FOR GOLF COURSE & RV PARK, CITY OF GERING – GENERAL AC \$65,000.00 ACH PAYROLL TRANSFER, CITY PAYROLL TRUST \$3,830.03 FSA MEDICAL 125, CLAIR THOMPSON \$75.00 CANCELLED RV ROOM RESERVATION, COMPANION CORP \$899.00 ALEXANDRIA RENEWAL, CONNECTING POINT \$62.00 COPIER SRV CONTRACT, CONTRACTORS MATERIALS \$87.00 1 LOG CHAIN, 1 HD HOLE SAW, CREDIT MANAGEMENT \$569.95 GARNISHMENT 2, CRESCENT ELECTRIC SUPPLY \$402.54 50 CLAMPS, 100 WINGNUTS, 20 CONDUITS, SPRINKLER RPR, CULLIGAN \$80.00 10 BAGS OF SOFTNER SALT, D & H ELECTRONIC SUPPLY \$104.92 16 CABLE BOXES, BATTERY RPR, DALES TIRE & RETREADING \$2,677.58 4 NEW TIRES FOR BACKHOE, 2 NEW TIRES & RPR FOR G1, FLAT RPR FOR FORKLIFT, DEX \$65.50 ADVERTISING, DILLMAN JOHN \$150.00 TREE REBATE, DOOLEY OIL INC \$200.00 1 PAIL MOBIL RARUS SHC 1025 OIL, DUTTON – LAINSON CO \$34.96 3 ELBOW PROBES, EADS SHARRON \$75.00 RV ROOM DEPOSIT REFUND, ECOLAB \$165.08 RODENT CONTROL, ELECTRIC PUMP \$451.42 WWTP RPR, ENVIRO SRV INC \$1,198.00 5 WW & 1 WATER LABS, FASTENAL CO \$795.89 BATTERIES. GLOVES, EAR PLUGS, TILES, SCREWS, 32 BOLTS, RPR, SHARPENING OF TOOL, FIRST STATE BANK \$362.81 IBEW UNION DUES, FLOYD'S SALES & SRV \$638.79 RPR & PARTS FOR G9 AND G8, FRAASS HEATING & COOLING \$82.00 TROUBLESHOOT AC UNIT, FRASER STRYKER PC LLO

\$4,167.20 LEGAL FEES, PERSONNEL MATTER, FREMONT MOTOR SCOTTSBLUFF \$241.05 1 SOLENOID, GERING CITIZEN \$538.13 ADVERTISING, GERING COURIER \$104.00 ADVERTISING, GERING MERCHANTS \$2,261.10 KENO FUNDS: 2015 ARTS FEST, GERING U-SAVE PHARMACY \$55.99 GLUCOSE TEST STRIPS, GERING VALLEY PLUMBING \$2,081.24 AC RPR, GERING WRESTLING CLUB \$495.00 RMBRSMNT FUND: DEETER TOURN, GREASE N GO \$39.14 OIL CHANGE FOR PICKUP, HD SUPPLY WATERWORKS LTD \$673.45 MAIN RPR, HEILBRUN \$1,446.79 ALTERNATOR: FORD CROWN VIC, STOPLIGHT SWITCH, OIL CHANGE, FILTERS, ATC FUSE BLOCK ETC, HIGH PLAINS AUTO CLUB \$3,500.00 KENO FUNDS: CAR SHOW BBQ, HOME DEPOT \$179.36 WWTP RPR, HONEY WAGON EXPRESS \$140.00 HORIZON WEST INC \$73.97 MOWER BLADE, HUBBARD BRADY \$193.49 RMBRSMNT FOR MEMBRSHIP DISCOUNT, ICMA ELECTRONIC RETIREMENT \$546.42 ICMA CITY ADMIN, IDEAL LINEN SUPPLY INC \$326.10 MAINT, SUPPLIES, SOAP, LINERS, MAT CLEANING, DUSTER, ETC, INDEPENDENT PLUMBING \$87.85 SPRINKLER RPR, INGRAM LIBRARY SRV \$545.34 33 BOOKS, INTERNAL REVENUE SRV \$49,137.82 FED/FICA TAX, INTRALINKS TECHNICAL SOLUTIONS \$1,500.39 COMPUTER SUPPORT, IRBY TOOL & SAFETY \$5,328.33 10 CUTOUTS & 4 CABINETS, JACOBS AUTOGLASS \$165.00 2002 CHEVY PICKUP RPR, JC GOLF ACCESSORIES \$1,258.92 GOLF BALL RPR TOOLS, JIRDON \$10,835.14 FERTILIZER & CHEMICALS, JOHN HANCOCK USA \$13,951.66 JH RETIRE, JOHNSON CASHWAY \$1,972.27 TRUSSES FOR TRAINING BLDG, SCREWS, 1 VISEGRIP PLIER, TAPE, LEVEL, PVC COVER, CAULK ETC., KATHLEEN A LAUGHLIN \$165.00 GARNISHMENT 2, KAUFMAN TONY \$71.00 MEAL EXP: MAYOR - LEAGUE CONF, KENNETH LEROY DODGE DOOR CLOSER SRV \$4,230.90 2 - EO PANIC DEVICES, 26D, 4-KABA SIMPLEX, 26D, 4 NORTON CLOSERS & INSTALLATION, KIWANIS FUND RAISER \$343.36 REIMBURSEMENT FOR MONEY COLLECTED WITH ENTRY FEE, KNEB \$357.00 RADIO ADVERTISING, KRIZ - DAVIS CO \$51,686.29 66 DISTRIBUTION POLES, KUXHAUSEN JUDY \$75.00 RV ROOM DEPOSIT REFUND, LANE DANIELZUK \$525.00 TRAVEL EXP: LANE - LEAGUE CONF, MASEK GOLF CAR CO \$15.93 GOLF CART RPR, MEAT SHOPPE \$20,747.66 CATERING COSTS, MENARDS \$20.22 6 PR OF GLOVES, MG TRUST CO LLC \$6,328.35 MG T-POLICE, MONEY WISE OFFICE SUPPLY \$188.73 PENS, MEMO BOOKS, INK, MONUMENT SHADOWS MENS \$50.00 RNTL FEE RMBRSMNT SPONSOR SIGNS, MUNICIPAL PIPE TOOL CO \$768.53 EQUIPMENT RPR, MUNICIPAL SUPPLY INC OF \$4,610.71 MAIN RPR, NDEQ - FISCAL SRV \$9,081.98 SOLID WASTE DISPOSAL FEE QRTL, NDOR - LODGING \$1,081.37 LODGING TAX - JUNE, NE CHILD SUPPORT PYMT \$738.53 CHILD SUPPORT 1, NE PUBLIC POWER DISTRICT \$160.95 UTILITIES - 240066 HWY 92, NE SAFETY/FIRE EQUIPMENT \$134.00 ANNUAL FIRE EXT. INSPECTION, NEBRASKA MACHINERY CO \$6,265.96 EQUIPMENT RENTAL, NORTHWEST PIPE FITTINGS \$19.53 RPR, ONE CALL CONCEPTS INC \$139.80 LOCATE FEES, OREGON TRAIL PLUMBING & HEATING \$110.00-SCHEDULED FILTER CHANGE, PANHANDLE COOP ASSOCIATION \$3,047.63 FUEL, PANHANDLE RD & D \$500.00 PROGRAM SUPPORT, PARAGON \$329.64 3 JR CLUBS, PAYROLL CHECKS \$139,641.59 PAYROLL CHECKS ON 7-10-15, PING \$109.19 1 GOLF CLUB, PT HOSE AND BEARING \$36.53 2 T-BOLT CLAMPS, R & C WELDING & FABRICATION \$825.00 CRANE RENTAL, RESPOND FIRST AID SYSTEMS \$39.34 FIRST AID SUPPLIES, ROBERTUS DARLENE \$75.00 RV ROOM DEPOSIT REFUND, ROBINSON ELECTRIC \$11,149.63 WWTP RPR & SQD LIMIT SWITCH, ROOSEVELT PUBLIC POWER DISTRICT \$26.00 ELECTRIC CHRQ FOR AMPHITHEATER SIGN, SANDBERG IMPLEMENT INC \$477.93 MOWER BLADES & OIL, JAMES M SARCHET \$1,150.00 BRWNSFLD ASSESSMENT CONSULTING, SCB CO DISTRICT COURT \$75.00 ALIMONY, SCHLAGER DARLA \$75.00 RV ROOM DEPOSIT REFUND, SCHWINDT KATHY \$75.00 RV ROOM DEPOSIT REFUND, SCOTTSBLUFF GERING UNITED \$10.00 UNITED WAY CTRB, SCS ENGINEERS \$7,366.61 WORK ON EXISTING LANDFILL, SHERWIN-WILLIAMS \$753.47 75 GALLONS OF PAINT, PAINT STRAINERS, 125 GAL SETFAST BLUE PAINT, SIMMONS OLSEN LAW FIRM \$1,500.00 CITY PROSECUTOR BILL, SIMON CONTRACTORS \$742.50 CONCRETE, SLAFTER OIL CO \$659.88 55 GALLON BARRELL OF OIL, 2 1/2 GALLON JUG OF OIL FILTERS FOR RPR, SNELL SRV INC \$1,088.90 CHECK HVAC SYSTEM OPERATION, STAR HERALD \$153.70 ADVERTISING, STATE OF NE /DAS COMMUNICATION \$294.83 LONG DISTANCE PHONE CHRQ, STERKEL ROD \$118.00 MEAL EXP: ROD - IWORQ TRAINING, SUGAR VALLEY FEDERAL CREDIT \$1,268.08 CREDIT UNION, TOTAL LANDSCAPE CONCEPTS \$2,446.85 21 TREES, TWIN CITY DEVELOPMENT \$260.70 BRWNSFLD GRANT ADMIN TIME, UNITED INDUSTRIES \$148.41 CIVIC CENTER FOUNTAIN FILTER, US AUTO FORCE \$51.86 2 MOWER TIRES, VALLEY BANK - POLICE \$280.00 PO UNION DUES, VALLEY BANK & TRUST CO \$23,875.21 LANDFILL SINKING FUND - JUNE, VALLEY BANK & TRUST CO \$350.00 COPORATE AGENT FEE, VAN DIEST SUPPLY CO \$4,777.90 MOSQUITO SPRAY, VAN PELT FENCING \$150.00 20 POSTS FOR AMPITHEATER, VERIZON WIRELESS \$672.37 IPAD FEES, WESTCO \$9,694.57 DIESEL, WESTERN PLAINS BUSINESS \$116.74 COPIER MAINTENANCE, WESTERN TRAIL SPORTS POST \$17.00 1 TALLY COUNTER, WESTERN UNITED ELECTRIC \$21,732.13 4/0 FS STR AL 15KV WIRE, WINCHELL CLEANING SRV \$940.00 CLEANING SRV, ZIKA GARY \$300.00 MOWING LOTS ON PAPPAS BLVD & K

**Motion by Councilmember Morrison to approve the Consent Agenda, second by Councilmember Cowan. There was no discussion. The Mayor called the vote. "AYES": Smith, Christensen, Gibbs, Holliday, Allred, O'Neal, Morrison and Cowan. "NAYS": None. Abstaining: None. Absent: None. Motion carried.**

**PUBLIC HEARINGS:**

**1. Public Hearing for a Re-Development Agreement using Tax Increment Financing (TIF) from real property For Gering Hotel Group, LLC (NE Corner of 10<sup>th</sup> and M Street) and will consist of a new hotel including, but not limited to; right-of-way improvements, utility extensions, intersection improvements, landscaping, ADA design and construction.**

Mayor Kaufman opened the Public Hearing for a Re-Development Agreement using Tax Increment Financing (TIF) from real property for Gering Hotel Group, LLC (NE Corner of 10<sup>th</sup> and M Street) and will consist of a new hotel including but not limited to: right-of-way improvements, utility extensions, intersection improvements, landscaping, ADA design and construction at 6:03 p.m. Rod Sterkel, Building Inspector presented the Administrative Record.

**Administrative Record:**

- The current legal description of the property encompasses the South Half of Block 7 and the Northeast Half of Block 7 specifically Lots 1 through 15, Block 7, Original Town Addition (see Table below), generally located in the Northeast Quarter of Section 2, Township 21 North, Range 55 West of the 6<sup>th</sup> Principal Meridian, City of Gering, Scotts Bluff County, Nebraska. The property will be platted prior to construction. The City has previously declared this Project Area to be blighted and substandard and in need of redevelopment pursuant to the Community Development Law, Chapter 18, Article 21.
- A Re-Development Agreement, Redevelopment Plan, Resolution 7-15-3, and Tax Increment Development Revenue Bond have been prepared for this Tax Increment Financing (TIF) Project.
- The Public Hearing Notice was published in the paper June 11, 2015, June 25, 2015, and July 2, 2015 and notice was sent per State Statute 18-2115 to Scotts Bluff County, Gering School District, Community College(s), Educational Service Unit, and Natural Resource District. The site was also signed per State Statute.
- Mr. Mayor and City Council Members, I have completed my entry regarding the Public Hearing for this Re-Development Agreement using Tax Increment Financing (TIF) for the Gering Hotel Group, LLC (NE Corner of 10<sup>th</sup> and M Street) and ask that you please keep this hearing open until all entries are put into this record.

**City Administrator Danielzuk added the following to the Administrative Record:**

- The City of Gering 1195 Comprehensive Plan
- Amendment #1 – November 2001 to the 1995 Comprehensive Plan
- Planning Commission meeting minutes July 21, 2015
- An overview of TIF: Tax increment financing (TIF) is the most widely used local government program for financing economic development in the United States. TIF is authorized in forty-nine states and the District of Columbia, and has been implemented in virtually every kind of community – central business districts, gritty urban industrial neighborhoods, small towns, suburbs, and even farmlands on the urban fringe. Typically, it is “the first tool that local governments pull out of their economic development toolbox.”
- In theory, the process is a closed circuit: the incremental revenues pay for the public expenditures, which induce the private investment, which generates the incremental revenues which pay for the public expenditures. Eventually, the TIF program expires, the bond is paid off, and the district's entire assessed valuation – base value and increment – become subject to taxation for the general purposes of all the local governments with jurisdiction over the area.
- TIF in Nebraska: In Nebraska, the use of TIF is restricted to a declared blighted and substandard area for a maximum of 15 years, which is a shorter time period than most states. The TIF tax base value in Nebraska increased from \$187.2 million in 1997 to \$601.9 million in 2012, while its excess value increased from \$520.6 million to \$2.5 billion. The total number of TIF projects in Nebraska increased from 183 in 1996 to 636 in 2012, while the amount of tax excess tax levied increased from \$11.3 million to more than \$54.2 million.
- The background of Gering: The City of Gering has been involved with TIF projects starting with Pizza Hut in 1988. The original TIF districts were formed based upon developer requests and written agreements with the developers. G-MARC was created in conjunction with the new City Hall construction. The Clubhouse Drive residential area

TIF was created to supplement the golf course expansion. The Microtel Motel TIF area was the council's enticement to solicit development of a motel next to the Civic Center.

- Fresh Foods - The number of dollars that are public to private for every dollar that was spent publically \$3.40 was returned from the private sector into that TIF project.
- Redevelopment is one critical way to improve the overall health of the City of Gering. Successful redevelopment initiatives can continue to revitalize blighted areas and support the long term economic growth of the community. These initiatives have resulted from public-private collaboration.
- Planning Commission meeting minutes December 8, 2009
- City Council meeting minutes December 14, 2009
- TIF Area #12 – Downtown Area Expanded the Legal Description
- Resolution 12-09-5
- Downtown Gering Redevelopment Plan and Strategy: Gering Nebraska Amended December 2009, Downtown Area #12
- Exhibits Index: A, B, C, D, E, F, G, H, I - are mentioned as a matter of reference and entered into the administrative record by reference
- Re-Development Agreement Gering Hotel Group LLC, Cobblestone Hotel TIF Area No 12
- Exhibit A Legal Description of Redevelopment Project Site, Exhibit B Redevelopment Plan Summary, Exhibit C Indebtedness Schedule, Exhibit D Estimated Project Costs, Estimated Property Tax per Scotts Bluff County & Estimated TIF Area No 12 consisting of three (3) pages. City of Gering Redevelopment Plan for Cobblestone Hotel and Resolution No. 7-15-3 passed and approved July 27, 2015.
- Community Development Agency of the City of Gering, Nebraska Tax Increment Development Revenue Bond (Gering Hotel Group, LLC – Cobblestone Hotel) Series 2015

Jeremy Griesbach, President of Development of Brimark Builders, the preferred developer for the Cobblestone Hotel project out of Neenah, WI, stated that they have the site plan completed and have a few architectural things to go forward assuming the TIF will be approved. He stated that there have been several interested investors and banks and they think they can move forward swiftly depending on getting the land vacated, getting the buildings removed and financing. Their goal is to keep pushing forward with the 54-room hotel and indoor pool. There are eight locations in Nebraska: Broken Bow, Cambridge, Fairbury, Grand Island, Hartington, Schuyler, Seward and Wayne and they should be starting two new projects in Nebraska yet this year where money is raised and TIF is approved. He added that this will be their third start in Nebraska by the end of the year and they are very active in Nebraska. They are looking at building a three story hotel here; most of the hotels in Nebraska are two story. Their first hotel opening in Nebraska was about two and a half years ago. Chain wise there are 56 hotels open in 13 different states, 13 hotels under construction and 10 more will begin construction by the end of the year in six different states. TIF is a very important part of what they are looking to do with the investor group; without TIF this project probably doesn't get done. About 40% of the total cost will be raised by TIF and investors.

Josh Berger has been involved with this project and has been working with the relocation of different businesses. They have been working with Darlene and Betty at Prairie Pines Quilt Shop and hope to relocate their business quickly and swiftly and have a successful transition. Councilmember Cowan asked if they will help relocate them to a decent spot. Mr. Berger replied that they are working on an agreed upon location, comp plan and to minimize their down time, out of pocket expense and the stress of the relocation.

Councilmember Christensen inquired that there are nine properties involved that are owned by the City of Gering and how does that transfer to this project. City Administrator Danielzuk replied that it becomes part of the TIF agreement and there is still one private parcel, Gibbons he believed, but he wasn't sure where we are on the status of that project. Those all take place the way we customarily do the sale of the property and there is a remonstrance period involved and they all follow the same procedures.

Mayor Kaufman asked if any Council Member wished to have the Administrative Record read aloud. Seeing none he asked if anyone in the Council Chambers wished to speak in favor or opposition of this application. With no further comments the Mayor closed the Administrative Record and the Public Hearing closed at 6:19 pm.

**Motion by Councilmember Morrison, second by Councilmember Smith to enter the Administrative Record including the Redevelopment Plan into the public record. There was no discussion. The Mayor called the vote. "AYES": Smith, Christensen, Gibbs, Holliday, Allred, O'Neal, Morrison and Cowan. "NAYS": None. Abstaining: None. Absent: None. Motion carried.**

**1a. Approve or deny Amended Redevelopment Plan in T.I.F. Area #12 for the City of Gering, Nebraska last Amended December 2009 for Downtown TIF Area #12, specifically the two-block area north and south of 'M' Street, between 9<sup>th</sup> and 10<sup>th</sup> Street, includes the northern section of Trails Edge Plaza Town and Block 7. The basic development options for the Two Block Redevelopment Area to include a hotel.**

**Also included in the Amendment is: Re-Development Agreement Gering Hotel Group, LLC Cobblestone Hotel T.I.F. Area #12, Exhibit A Legal Description of Redevelopment Project Site, Exhibit B Redevelopment Plan Summary, Exhibit C Indebtedness, Exhibit D Estimated Project costs, Estimated Property Tax per Scotts Bluff County & Estimated/calculated T.I.F. Area No. 12 consisting of three (3) pages. City of Gering Redevelopment Plan for Cobblestone Hotel and Resolution No. 7-15-3 passed and approved July 27, 2015.**

**Motion by Councilmember Gibbs, second by Councilmember Christensen to approve an Amended Redevelopment Plan in T.I.F. Area #12 for the City of Gering, Nebraska last Amended December 2009 for Downtown TIF Area #12, specifically the two-block area north and south of 'M' Street, between 9<sup>th</sup> and 10<sup>th</sup> Street, includes the northern section of Trails Edge Plaza Town and Block 7. The basic development options for the Two Block Redevelopment Area to include a hotel. Also included in the Amendment is: Re-Development Agreement Gering Hotel Group, LLC Cobblestone Hotel T.I.F. Area #12, Exhibit A Legal Description of Redevelopment Project Site, Exhibit B Redevelopment Plan Summary, Exhibit C Indebtedness, Exhibit D Estimated Project costs, Estimated Property Tax per Scotts Bluff County & Estimated/calculated T.I.F. Area No. 12 consisting of three (3) pages. City of Gering Redevelopment Plan for Cobblestone Hotel and Resolution No. 7-15-3 passed and approved July 27, 2015. There was no discussion. The Mayor called the vote. "AYES": Smith, Christensen, Gibbs, Holliday, Allred, O'Neal, Morrison and Cowan. "NAYS": None. Abstaining: None. Absent: None. Motion carried.**

**1b. Approve and authorize the Mayor to sign Re-Development Agreement using Tax Increment Financing (T.I.F.) from real property For Gering Hotel Group, LLC (NE Corner of 10<sup>th</sup> and M Street) and will consist of a new hotel including, but not limited to; right-of-way**

improvements, utility extensions, intersection improvements, landscaping, ADA design and construction.

Motion by Councilmember Morrison to approve and authorize the Mayor to sign Re-Development Agreement using Tax Increment Financing (T.I.F.) from real property For Gering Hotel Group, LLC (NE Corner of 10<sup>th</sup> and M Street) and will consist of a new hotel including, but not limited to; right-of-way improvements, utility extensions, intersection improvements, landscaping, ADA design and construction, second by Councilmember Christensen. There was no discussion. The Mayor called the vote. "AYES": Smith, Christensen, Gibbs, Holliday, Allred, O'Neal, Morrison and Cowan. "NAYS": None. Abstaining: None. Absent: None. Motion carried.

**1c. Approve and authorize the Mayor to sign Tax Increment Development Revenue Bond.**

Motion by Councilmember Gibbs to approve and authorize the Mayor to sign Tax Increment Development Revenue Bond, second by Councilmember O'Neal. There was no discussion. The Mayor called the vote. "AYES": Smith, Christensen, Gibbs, Holliday, Allred, O'Neal, Morrison and Cowan. "NAYS": None. Abstaining: None. Absent: None. Motion carried.

**1d. Approve Resolution 7-15-3**

**RESOLUTION NO. 7-15-3**

**BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF GERING, NEBRASKA:**

**Recitals:**

a. The City of Gering, Nebraska, a municipal corporation and city of the first class (the "City"), has determined it to be desirable to undertake and carry out urban redevelopment projects in certain areas of the City that are determined to be blighted and substandard and in need of redevelopment;

b. The Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended (the "Act"), prescribes the requirements and procedures for the planning and implementation of redevelopment projects;

c. The City has previously declared an area which includes an area legally described in Exhibit A (the "Redevelopment Area" or "Project Area") to be blighted and substandard and in need of redevelopment pursuant to the Act;

d. The City has received a Modified Redevelopment Plan ( the "Redevelopment Plan") prepared by Gering Hotel Group, L.L.C. (the "Redeveloper") for the redevelopment of the Redevelopment Area;

e. The Planning Commission of the City has reviewed the Redevelopment Plan on July 21, 2015 and recommended its approval by the Mayor and Council of the City;

f. The City published and mailed notices of a public hearing regarding the consideration of the approval of the Redevelopment Plan pursuant to Section 18-2115 of the Act, and has on the date of this Resolution held a public hearing on the proposal to approve the Redevelopment Plan; and

**Resolved that:**

1. The Redevelopment Plan has been reviewed and approved in form as presented.

2. The City has determined that the Redevelopment Plan is consistent with the general purpose of accomplishing a coordinated, adjusted, and harmonious development of the City and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity and the general welfare, as well as efficiency in economy in the process of development.

3. In compliance with section 18-2114 of the Act, the City finds and determines as follows: (a) the Redevelopment Area constituting the redevelopment project will require the Redeveloper to purchase the property owned by both the City and Public in order to redevelop the Project Area; (b) the Redeveloper and successors are in the process of acquiring the Project Area through private transactions, and not by condemnation; (c) the estimated cost of preparing the project site and related costs are approximately (Based on City standard estimates of 80% in the Redevelopment Agreement and Plan) \$1,088,000.00 for public improvements, property acquisition, Engineering/Architectural Services which the Redeveloper has and will incur to the extent tax increment revenues are available and approximately \$3,444,000.00 for new private improvements (d) the method of financing the Redevelopment Project shall be by (i) private funds from the Redeveloper for the private improvements and (ii) tax increment financing for the public improvements; and (e) no families or businesses will be displaced as a result of the

project.

4. The Redevelopment Plan is determined to be feasible and in conformity with the general plan for the development of the City as a whole, the Redevelopment Plan is in conformity with the legislative declarations and determinations set forth in the Act, the redevelopment project described in the Redevelopment Plan would not be economically feasible and would not have occurred within the Project Area without the use of tax-increment financing, and the costs and benefits of the redevelopment project, including costs and benefits to other affected political subdivisions, the economy of the City, and the demand for public and private services have been analyzed by the City and have been found to be in the long-term best interest of the community impacted by the redevelopment project.

5. The Redevelopment Contract between the City acting by and through its authority as the City of Gering Community Development Agency and the Redeveloper in the form negotiated between City staff and Redeveloper, as presented is approved and incorporated herein. This Resolution shall be construed consistently with the Redevelopment Contract.

6. A tax increment revenue bond in the aggregate principal amount of up to \$1,088,000.00 is ordered issued in accordance with Neb. Rev. Stat. § 18-2125 by the City and shall be designated as its "Tax Increment Development Revenue Bond (Gering Hotel Group – Cobblestone Hotel), Series 2015" (the "Bond"). The Bond shall be in substantially the form of the attached "Exhibit B" and shall be subject to the terms and conditions as set forth in the Redevelopment Contract.

7. The Mayor and Clerk are authorized and directed to execute such documents and take such further actions as are necessary to carry out the purposes and intent of this Resolution, Redevelopment Plan, and Redevelopment Contract on behalf of the City of Gering acting by and through its authority as the Community Development Agency.

8. This Resolution shall become effective immediately upon its adoption.

PASSED and APPROVED on July 27, 2015.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk (Seal)

Note: Exhibit A, B and the Provision for Registration are made part of this official record by reference.

**Motion by Councilmember Holliday to approve Resolution 7-15-3, second by Councilmember Morrison. There was no discussion. The Mayor called the vote. "AYES": Smith, Christensen, Gibbs, Holliday, Allred, O'Neal, Morrison and Cowan. "NAYS": None. Abstaining: None. Absent: None. Motion carried.**

#### **CURRENT BUSINESS:**

##### **1. Consider approval of Keno Requests**

- **City of Gering Golf Course**
- **Northfield Booster Club**
- **Gering Dance Team (POMS)**
- **Gering Legion Baseball**

Keno Committee Chairman, Darrell Bentley, addressed the Council and answered any questions they had. Mayor Kaufman complimented the Keno group. He said the Keno Committee is extremely conservative and asked good questions of our community and organizations that apply for Keno Funds. They do a great job and have funded some great projects in our community with the Keno money.

Mr. Bentley stated the money for the Golf Course will improve the golf cart paths on the oldest part of the golf course and is something that can be done with Keno money and doesn't have to come from the taxpayers. It is something that benefits the City of Gering and groups in the City of Gering.

Councilmember Christensen inquired if the Gering Public Schools is involved in the Northfield playground equipment. Mr. Bentley replied that is completely a Booster Club project. Volunteers help and donate money. It was all coming from the Booster Club; they have been saving money for this project.

**Motion by Councilmember Morrison, second by Councilmember Gibbs to approve Keno Requests as presented. There was no discussion. The Mayor called the vote. "AYES": Smith, Christensen, Gibbs, Holliday, Allred, Morrison, O'Neal and Cowan. "NAYS": None. Abstaining: None. Absent: None. Motion carried.**

## **2. Scotts Bluff County Communications Center Update – Ben Backus, Appointed Representative**

911 Advisory Board Report to Gering City Council 7/27/2015

- Old Projects
  - Comment on troubles with third party vendors
  - Mutual Aid base station
    - problems with microwave link.
  - Mayday System
    - waiting for parts from mutual aid base station.
  - Automatic Location Identification
    - misreporting GPS.
    - Turns out to be Centurylinks problem.
  - Mapping Issues
    - Susie Wick continues to update roads and maps.
- New Projects for next year
  - CAD/RMS
  - Fund for software update should be fully funded next year.
  - Chief Spencer is spearheading an effort to find out what LEAs want in the new system. Mr. Backus will try to get an update from him.

### **Upcoming Budget**

City Administrator Danielzuk inquired about the future capital outlays; does the \$441,709 cover all of those projects? Mr. Backus stated hopefully, yes. The target was to have that \$500,000 so next year it should be fully funded and they can move forward on that system.

City Administrator Danielzuk stated there is a line item for transfer – inter fund from communication, but he doesn't see a balance going forward, just an amount of \$60,000.00. Mr. Backus stated that item is there because before the board existed, that \$60,000 was sitting in the communications center "kitty" and that amount will be moved from Communication Center Fund budget into the Communications Board Fund.

City Administrator Danielzuk asked if that exhausts the fund balance? Mr. Backus said that is what he was told, yes.

**Motion by Councilmember Cowan to enter the Communications Center Update into the Public Record, second by Councilmember Christensen. There was no discussion. The Mayor called the vote. "AYES": Smith, Christensen, Gibbs, Holliday, Allred, O'Neal, Morrison and Cowan. "NAYS": None. Abstaining: None. Absent: None. Motion carried.**

## **3. Approve Charter Resolution 7-15-4**

Councilmember Gibbs stated that Charter is asking us for something and this would be a good time to ask for something in return. On a recent trip that he took passing through Jackson Wyoming, there happened to be a story in the paper that day about the Charter contract with Jackson Wyoming.

Councilmember Gibbs read the article in the paper:

*"In a franchise agreement that the council finally agreed upon elected officials added a stipulation that Charter officials meet with the town to talk about customer service two to four times a year annually during the next two years."*

Councilmember Gibbs stated we don't have this provision in our contract and it would be good to add it to our contract. Over the years the City and consumers have had a number of problems with Charter; if they had the opportunity to speak to Charter directly in person in the community a couple of times a year it might eliminate some of those problems from both sides. Councilmember Gibbs asked that the motion be tabled and we contact Charter and ask them to add this to our franchise agreement and then we will consider their request at our next meeting.

**Motion by Councilmember Gibbs to table the Charter Franchise Resolution 7-15-4, second by Councilmember Holliday. There was no discussion. The Mayor called the vote. "AYES": Smith, Christensen, Gibbs, Holliday, Allred, O'Neal, Morrison and Cowan. "NAYS": None. Abstaining: None. Absent: None. Motion carried.**

**4. Approve and authorize the Mayor to sign Contract No. 14-RMR-2553 between the City of Gering, Nebraska and United States Department of Energy, Western Area Power Administration - Rocky Mountain Region for FIRM ELECTRIC SERVICE**

**Motion by Councilmember Smith to approve and authorize the Mayor to sign Contract No. 14-RMR-2553 between the City of Gering, Nebraska and United States Department of Energy, Western Area Power Administration - Rocky Mountain Region for FIRM ELECTRIC SERVICE, second by Councilmember Cowan.**

**Discussion:** Councilmember Christensen asked if this was similar to the other contract as far as dollars are concerned. City Administrator Danielzuk stated we have not had a chance to review the last contract that was done in 1995. This one, from a termination standpoint, is nine years early. City Administrator Danielzuk asked the Mayor and Council to table this until we can do our due diligence on it.

Councilmember Christensen said he would like to see some figures on what it is about.

Councilmember Morrison inquired if WAPA is the only source we can purchase from? City Administrator Danielzuk stated that all the electrical providers, wholesale and retail, are going up in their contract prices. WAPA is still an excellent opportunity and deal for getting wholesale power. The issue that he has this evening is that normally we would have more of an opportunity to look at the contract and like Councilmember Christensen is saying, have an opportunity to have some of those normal questions available. He said we have a new agreement for your consideration but we don't have the old agreement. We need to review the old contract so we can review the two. He doesn't suspect there is anything different between the two contracts but that still doesn't prevent him from asking for the time to take a look at it. There are nine years before the term of the contract ends. Councilmember Morrison asked what their hurry is. Administrator Danielzuk replied that he doesn't have an answer for that.

Councilmember Gibbs stated that WAPA is primarily hydro-electric power from the Pacific North West and traditionally has been the least expensive power. Even though we have gotten less and less in recent years because of the Feds, it is still very competitive.

**Councilmember Christensen made a motion to table the agreement with WAPA for further review.**

Mayor Kaufman interjected that there is already a motion on the floor.

**Councilmember Christensen withdrew his motion, Councilmember Cowan withdrew his second.**

Councilmember Christensen made a motion to table the Contract No. 14-RMR-2553 between the City of Gering, Nebraska and United States Department of Energy, Western Area Power Administration - Rocky Mountain Region for FIRM ELECTRIC SERVICE, seconded by Councilmember Cowan.

**Discussion:** Councilmember Gibbs inquired since the next item on the agenda relates to this same item we would want to table both at the same time.

Councilmember Christensen made a motion to table Resolution 7-15-5 and Contract No. 14-RMR-2553, seconded by Councilmember Cowan. There was no discussion. The Mayor called the vote. "AYES": Smith, Christensen, Gibbs, Holliday, Allred, O'Neal, Morrison and Cowan. "NAYS": None. Abstaining: None. Absent: None. Motion carried.

5. Approve Resolution 7-15-5 with respect to Contract No. 14-RMR-2553 - Tabled

6. Approve and authorize the Mayor to sign Interlocal Cooperative Agreement for Economic Development Purposes

Motion by Councilmember Gibbs, second by Councilmember O'Neal to approve and authorize the Mayor to sign Interlocal Cooperative Agreement for Economic Development Purposes. There was no discussion. The Mayor called the vote. "AYES": Smith, Christensen, Gibbs, Holliday, Allred, O'Neal, Morrison and Cowan. "NAYS": None. Abstaining: None. Absent: None. Motion carried.

1. Approve Ordinance 2003 – Regular and Special Meetings

Councilmember Morrison made a motion to introduce Ordinance No. 2003: AN ORDINANCE TO AMEND TITLE 3, CHAPTER 33, SECTION 3 OF THE ORDINANCES OF THE CITY OF GERING, NEBRASKA, TO PROVIDE FOR THE CITY COUNCIL TO AMEND THE MEETING TIME OF REGULAR MEETINGS AND TO REPEAL THE EXISTING TITLE 3, CHAPTER 33, SECTION 3, OF THE CITY CODE. BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF GERING, NEBRASKA.

Seconded by Councilmember Smith. There was no discussion. The Mayor called the vote. "AYES": Smith, Christensen, Gibbs, Holliday, Allred, O'Neal, Morrison and Cowan. "NAYS": None. Abstaining: None. Absent: None. Motion carried.

Councilmember Christensen moved that the Ordinance be designated as Ordinance No. 2003 and the title thereof approved, and that the Statutory Rule requiring Ordinances to be fully and distinctly read on three different days be dispensed with, which motion was seconded by Councilmember Gibbs. The Acting Clerk called the roll. "AYES": Smith, Christensen, Gibbs, Holliday, Allred, O'Neal, Morrison and Cowan. "NAYS": None. Abstaining: None. Absent: None. Motion carried.

The motion to suspend the statutory rule having been concurred in by three-fourths of all members elected to the Council was, by the Mayor declared to have carried.

Whereupon Ordinance No. 2003 was read by title only, Councilmember Holliday moved that the Ordinance be passed as read, which motion was seconded by Councilmember Allred. "The question is shall Ordinance No. 2003 be passed?" There was no discussion. The Mayor called the vote. "AYES": Smith, Christensen, Holliday, Allred, O'Neal, Morrison and Cowan. "NAYS": Gibbs. Abstaining: None. Absent: None. Motion carried.

The passage and adoption of the Ordinance having been concurred in by a majority of all members elected to the Council was by the Mayor declared passed.

**CLOSED SESSION:**

(Council reserves the right to enter into closed session if deemed necessary.)

**REPORTS:**

**1. Recreation Committee Report – O.T. Park Upgrade to Ball Fields, Troy Cowan, Vice-Chairman**

Recreation Committee Chairman Allred gave an overview of the ball field upgrade project:

In late 2013 the City of Gering advertised for RFQ/RFP's for a Recreation and Leisure Services Master Plan. The City subsequently hired SFA, or Sports Facilities Advisory, to conduct the necessary research and prepare the plan. After an extensive process with SFA and Gering's Project Team, SFA presented a pro forma, Financial Model Summary and Market Report identifying key projects they believed the City of Gering could develop and potentially realize long-term economic viability primarily through sports tourism.

The Project Team carefully considered the options and costs and determined that developing a complex for softball and baseball to draw regional tournaments to the area would be the primary focus initially; realizing that the pool, amphitheater and other amenities were also important and should be carefully considered at some point as well.

The Project Team, along with City staff, developed a site plan for the new proposed ball field complex at Oregon Trail Park. SFA prepared estimated costs to develop the site. Staff then reviewed the numbers and prepared a spreadsheet showing how those numbers could be adjusted with in-kind resources and staff. The final figure is not set in stone, but sits in the two million dollar range which includes pathways, parking lots and infrastructure. This figure was whittled down from roughly 4 million.

The project, in phases, will take roughly five years to complete. Tournaments can be scheduled for the year 2018 and beyond. SFA and the Project Team believe, based on all available data, that this new complex will draw several tournaments each year to the Gering area and increase tourism substantially especially during the summer and early fall. This would increase hotel use, fuel, restaurant and shopping revenues and much more. Communication with area stockholders has indicated a great deal of enthusiasm and support for this project; it is strongly felt that this is needed in Gering.

Councilmember Gibbs asked about the Keno funds of \$25,000 just allocated for dugouts at the ball field. Mr. Bentley, Keno Committee Chairman, replied that Diamond 1 is not involved in this project at all.

**2. Staff Report – Water Meter Automatic Reading System Update, Pat Heath, Public Works Director**

Pat Heath, Public Works Director, stated that about five and a half years ago we began a process to change water meters in the city and add a radio adaptor so they could be read blocks away. We are down to the last 35 meters to install. There are roughly 25 residents that won't allow us in their homes to change the water meter which is where 90% of our water meters are. In case Council gets complaints from customers we will probably in the next few months be sending out disconnect notices for those. We have the right to do that. All the meters are over 20 years old and 20 years is the life of a water meter; they need to be changed out. Mr. Heath said they'll exhaust every option they have first however, even contacting people after hours and on weekends to see if we can get somebody in there. Many of them have been contacted several times already.

**OPEN COMMENT SECTION:** None

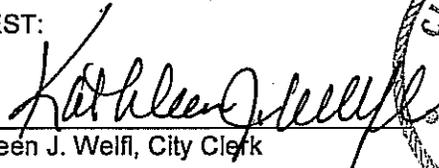
Discussion or action by Council regarding unscheduled business will not take place. This section is for citizen comment only.

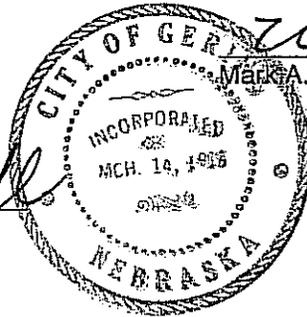
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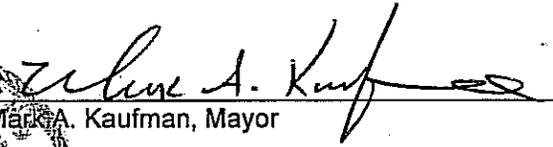
**Motion to adjourn by Councilmember Morrison, second by Councilmember Christensen. There was no discussion. The Mayor called the vote. "AYES": Smith, Christensen, Gibbs, Holliday, Allred, O'Neal, Morrison and Cowan. "NAYS": None. Abstaining: None. Absent: None. Motion carried.**

Meeting adjourned at 6:49 p.m.

ATTEST:

  
Kathleen J. Welfl, City Clerk



  
Mark A. Kaufman, Mayor