

**THE OFFICIAL PROCEEDINGS OF THE SPECIAL MEETING OF THE GERING CITY COUNCIL,  
September 23, 2014**

A special meeting of the City Council of Gering, Nebraska was held in open session on September 23, 2014 at 5:30 p.m. at Gering City Hall at 1025 P Street, Gering, NE. Present were Councilmembers Smith, Christensen, Gibbs, Holliday, Allred, Shields, Morrison. Also present were City Administrator Lane Danielzuk, City Clerk Kathy Welfl and City Attorney Jim Ellison. Absent were Mayor Mayo and Councilmember Cowan. 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**

Council President Christensen called the meeting to order at 5:30 p.m. President Christensen noted there was a quorum of the Council and business could be conducted.

1. Recital of the Pledge of Allegiance
2. Roll Call

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

(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 or Council President.

**CORRESPONDENCE AND CITIZENS WITH BUSINESS NOT SCHEDULED ON THE AGENDA. None.**

**CURRENT BUSINESS:**

**1. Consider recommendation from the LB840 Economic Development Application Review Committee regarding 1720 10<sup>th</sup> Street, Gering, NE**

LB840 Committee Member Jim Cauble, 1650 Virginia, stated that the Committee's recommendation is not to do anything at this time regarding the property at 1720 10<sup>th</sup> Street. If the seller would reduce their price and/or if TCD still has an interest in being a conduit for the purchase of that property they would entertain an application at a later date. Councilmember Christensen said he sat in on the LB840 Committee meeting today. He said at this time there are no offers and no plans other than that it may be out there. He added that there are many "iffs" about this proposal. We have a recommendation from the committee not to do anything and that would be his recommendation also.

Councilmember Gibbs asked if anyone could give a report on the status of the existing LB840 funding going on at that location. Councilmember Christensen said the \$40,000 approved through a previous grant has been used for improvements in the building. If the present owners sell that building the City has First Right of Refusal if the building is sold to get the \$40,000 back. Administrator Danielzuk said that was well-stated for the current conditions under which the \$40,000 was used in the Business Retention Project. Councilmember Shields asked if we've seen receipts to make sure they did everything that was supposed to be done. Administrator Danielzuk replied yes. Rawnda Pierce added that the building at 2017 10th Street has been on the market; it has had some interest. There was a coffee shop there and one other business. Based on the fact that that lease (with the coffee shop) was terminated the owners have approached TCD about purchasing the building. TCD would be a conduit to improve the asset, make it available for businesses in Gering to locate there and once there was a cash flow it could be sold at some point. She said TCD doesn't have the funds to purchase it so that is why they considered LB840.

The number thrown out from the owner was \$200,000 for the building. She said they were approached months ago and TCD would have considered it if it was something the City wanted done. It has been identified as an asset in the Downtown Development Study. She thinks the price could be negotiated at some point. She thinks the City could design it for what they want to attract. She felt it was important to get on the agenda since they are willing to sell and wanted the Council to consider what they may want to do. Councilmember Shields said she was disappointed in how the Hughes handled everything with the Daily Grind. Ms. Pierce said she can't speak to that. Don said maybe it could be considered by the Downtown Revitalization Group sometime in the future if it ever comes about.

## 2. Consideration of purchase of Wagon Train property

### CLOSED SESSION:

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

**Councilmember Holliday moved according to Nebraska State Statute 84-1410 that the Gering City Council enter into closed session for the purpose of discussion of strategy and negotiation concerning a potential real estate purchase, the protection of the public interest, and strategy and guidance from legal counsel relating the Oregon Train Wagon Train property near Bayard, Nebraska. Seconded by Councilmember Gibbs.**

**Council President stated we have a motion and a second pursuant to Nebraska State Statute 84-1410 that the Gering City Council enter into closed session for the purpose of discussion of strategy and negotiation concerning a potential real estate purchase, the protection of the public interest, and strategy and guidance from legal counsel relating the Oregon Train Wagon Train property near Bayard, Nebraska. The Council President asked if there was any discussion.**

**Discussion:** Robin Kinney, 1720 Cedar, asked the Council "Why all the secrecy?" She asked why do we need a second closed session? City Attorney Jim Ellison replied that it involves the purchase of real estate and issues related to pricing; the Council is entitled to go into closed session. Ms. Kinney asked why the Council is entertaining the purchase of a property in another County. Councilmember Allred stated that he'd like to hear from the public.

Mark Kinney, 1720 Cedar, said he had a lot of years involved in the wagon train; he talked about the history and said he knew Gordon Howard. He added that "we're buying a dead horse". He said that Mr. Howard couldn't make any money on it at the end; that's why he sold it. He said we have Ft. Rob up the road that does the same thing. Why are we doing this? What do we need 23 miles away with broken down buildings? He asked why don't we build a building around here and feed people around here instead of down there. We expect (the Council) to do the thinking for us; from what he has heard it's not a move the community wants to make. He knows from personal experience that it wasn't making money; Mr. Howard's own son didn't want it.

Monnette Ross, 2242 20th Street, said whether we buy this as a City or not, Karla Neidan-Strecks can tell us how important tourism is in this area. In a three day stay in Gering one of the things we hoped people would see is the Wagon Train. She believes there is a lot of value to be considered in this and it's known worldwide. She'd hate to see it go by the way side. Whether we want to admit it or not tourism is one of the biggest industries we have here; it's worth consideration.

John Fertig Jr. stated the property in Bayard is junk; he walked through it all. He asked Council what are you buying; he doesn't understand. He's all for tourism but what are we buying. He said that was Gordon's passion; whoever takes it over will have that same passion. He said he knows construction and it's dilapidated. He said he wouldn't spend one dollar on that.

Tom Cozad said he's opposed to buying that property. If it had any economic impact it would have sold a long time ago; all you're buying is a name. He thinks the City could build the same thing right here and not run 23 miles to take care of it. He added that several people have tried to run it and make a profit and it never has.

Kirk Arnold, 1000 9th Street, said one of the things that disturbed him is the negotiations have been done after the fact. Negotiations imply you're going to buy it. He knows what it's like to start a restaurant. He survived eight years in Gering, moved to Scottsbluff and eventually sold it. He would hope we wouldn't spend tax dollars on something that's probably going to be short-lived.

Councilmember Gibbs said at this point we haven't made any decisions to buy anything. All we've done is explore possibilities. We'd be derelict not to explore it. He said we authorized the Administrator to look

into it. What we're getting tonight is a report on what has transpired. Nothing has been decided yet; we're just exploring.

Councilmember Gibbs called the question. Kevin Mooney, KNEB News Director, asked if he could say something; Councilmember Gibbs replied please. Mr. Mooney said it seems that we should be able to hear in general terms what the Administrator found out; he thinks it would be wise to see in general terms what Lane has to say before we do anything in executive session.

The Clerk repeated the motion:

**Councilmember Holliday moved according to Nebraska State Statute 84-1410 that the Gering City Council enter into closed session for the purpose of discussion of strategy and negotiation concerning a potential real estate purchase, the protection of the public interest, and strategy and guidance from legal counsel relating the Oregon Train Wagon Train property near Bayard, Nebraska. The motion was seconded by Councilmember Gibbs.**

**The Council President called the vote. "AYES": Smith, Christensen, Gibbs, Holliday, Morrison. "NAYS": Allred, Shields. Absent: Cowan. Abstaining: None. Motion carried.**

The Council entered into closed session at 6:00 p.m. Council President Christensen invited Karla Neidan-Streeks and City Attorney Jim Ellison into the closed session.

**Motion by Councilmember Gibbs to come out of closed session at 6:38 p.m. Seconded by Councilmember Smith. There was no discussion. The Council President called the vote. "AYES": Smith, Christensen, Gibbs, Holliday, Allred, Shields, Morrison. "NAYS":None. Absent: Cowan. Abstaining: None. Motion carried.**

**Councilmember Gibbs moved that based on the information they received through staff research at this point the City of Gering has no interest in making an offer on the Wagon Train facility. Seconded by Councilmember Holliday. There was no discussion. The Council President called the vote. "AYES": Smith, Christensen, Gibbs, Holliday, Allred, Shields, Morrison. "NAYS":None. Absent: Cowan. Abstaining: None. Motion carried.**

#### ADJOURN

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

Meeting adjourned at 6:39 p.m.

  
Edwin L. Mayo, Mayor

ATTEST:

  
Kathleen J. Welfl, City Clerk

