

City Council Meeting Minutes July 2, 2024

The Mayor and City Council of the City of Schuyler, Nebraska, met in regular session at the Schuyler Municipal Building on July 2, 2024 at 6:00 o'clock PM in a publicly convened session, the same being open to the public and having been preceded by posting a copy of the notice in three public places in the city, as evidenced by Attachment A hereto, said form of notice being the designated method for giving notice. The Mayor and City Council received advance notice of the meeting. A copy of their acknowledgment of receipt of such notice is attached to these minutes. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public. Mayor Lindberg convened the meeting and Clerk Lora Johnson recorded the proceedings. The following council members were present: Baumert, Kasik, Marron, Svoboda and Wolfe. Absent: Rodriguez.

Mayor Lindberg led the meeting in the Pledge of Allegiance.

Council member Baumert moved appointment of Dorothy Kohler to the Schuyler Housing Authority for a term of 2024-2029. Council member Kasik seconded the motion. Voting for: Baumert, Kasik, Marron, Svoboda and Wolfe. Voting against: no one. Motion carried.

Mayor Lindberg stated there was a good turnout for the Kenaston Music Festival. He thanked Chamber Director Jedlicka for helping to organize it.

Administrator DeRoos reported that the 23-24 Street project should be finished by July 15th. The Police Station had a meeting with Rogge to go over final issues to be taken care of. Rogge stated they will take care of all issues. Concrete will be replaced, add caulking to areas, fix a bubble in the tile and capping the threshold. He reported that the library construction issues will be discussed later on the agenda. He also encouraged everyone to attend the comedy night at the Oak Ballroom supporting the Veteran's Memorial.

Emergency Manager Evert reported testing will be next Monday due to cloudy weather. She also reported about a free app that residents can get to receive a text or phone call concerning different weather warnings. You can go to alertsense.com to sign up.

Library Director White reported that they are hosting movie matinees on Friday afternoons at 2 PM during the summer. They are planning their 3rd Annual Family Fishing Night on Thursday, July 27th at 6 to 8 PM at South Park Lake. The summer reading program is on Monday and Wednesday. Last, they are having a VR gaming truck on Thursday, August 8th.

Oak Ballroom Manager Rodriguez encouraged everyone to attend the comedy night for the Veterans at 6 PM Wednesday.

Community Development Coordinator and Housing Specialist Bywater reported that on July 24th at 11 AM the EPA Region 7 Director will be here to present a big check to award the Brownfields 2024 grant in the amount of \$500,000 by the old Power House and Grain Elevators. He is also working on processing a couple LB840 loans they will have on the City Council agenda in a couple weeks. Most of the loans are given at 0% interest and are paid back to be loaned again.

Council member Baumert moved to approve the June 18, 2024 council meeting minutes and dispense with its reading. Council member Kasik seconded the motion. Voting for: Baumert, Kasik, Marron, Svoboda and Wolfe. Voting against: no one. Motion carried.

Council member Kasik moved to approve payment of claims for the period from June 15, 2024 through June 28, 2024, in the amount of \$249,142.14 and the following exceeding \$1,000: Schuyler Home & Building Supply, Misc/Picnic Tables, Pool/Ballroom/Library/Police/Parks, \$3,101.36; Thiele Geotech, Material Testing, Streets, \$7,020.00; Aqua-Chem, Inc., Chemicals, Pool, \$2,369.30; Bayer Appliance & Hardware, Mower, Parks, \$26,295.11; Gene Steffy Auto Group, Dodge Durango, Police, \$47,646.00. All claims under \$1,000 listed on (Attachment 1). Council member Baumert seconded the motion. Voting for: Baumert, Kasik, Marron, Svoboda and Wolfe. Voting against: no one. Motion carried.

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Council member Rodriguez arrived at 6:20 PM.

Jill Clay with Regier Carr & Monroe, LLP, CPAs was on the phone to give a review of the Fiscal Year 2023 audit for the Department of Utilities. She thanked Utility Superintendent Sobota and his team for their hard work and assistance during the audit. They gave an unmodified opinion since this was just an audit of the Utilities and no City information. Income changes were credited to larger interest rates than the previous year. The report on Internal Controls did not identify any deficiencies in internal control that they consider to be a material weakness. The Utilities has always maintained the appropriate cash reserves of \$10 million in case of a disaster she can not say if that is the right amount today with today's prices.

Council member Baumert moved to authorize pay application #2 for the 2024 Schuyler Street Improvements in the amount of \$354,194.37 to Elkhorn Paving Construction Co., Inc. Terry Mead with JEO was present and stated this is 60% of the contract and they have a couple weeks left of work. This time next month the final paperwork will be on the agenda for approval. He believes they will also be coming in under budget. Council member Rodriguez seconded the motion. Voting for: Baumert, Kasik, Marron, Rodriguez, Svoboda and Wolfe. Voting against: no one. Motion carried.

Council member Baumert moved to approve a \$5,000 contribution to be paid from the Downtown Redevelopment Account to go toward the Schuyler Historical Society Museum and Annex Insurance Premiums. Council member Kasik seconded the motion. Schuyler Community Development Coordinator and Housing Specialist Bywater stated that the SCD board was going to ask the Historical Society to make some improvements with the commitment of these funds. They would like to see them expand the hours of operation and be open during special events in the community. Expand more of the displays to include our Hispanic population as they have been in the community for 35 years or more. They would also like to see more activities to include children such as partnering with the library and hosting a story hour. Voting for: Baumert, Kasik, Marron, Rodriguez, Svoboda and Wolfe. Voting against: no one. Motion carried.

Council member Kasik moved Resolution 2024-0702 authorizing that the City of Schuyler will execute a preservation easement agreement with the Nebraska State Historic Preservation Office/History Nebraska. Council member Baumert seconded the motion. Administrator DeRoos stated this states the City agrees to preserve the historic value of the Oak Ballroom for receiving the grant. Council member Kasik asked what this changes. DeRoos responded there can be no changes to the features and characteristics. There are 27 different aspects for the next 10 years to keep it on the Historical Registry. Voting for: Baumert, Kasik, Marron, Rodriguez, Svoboda and Wolfe. Voting against: no one. Motion carried.

Mayor Lindberg opened a discussion on a request by HoMe Development, LLC seeking modification of Promissory Note and Deed of Trust to extend the deadline to qualify for forgiveness relating to Lots 1, 2, 3, 4, 5 and 6, Water Tower Subdivision, Fourth Addition, to the City of Schuyler, Colfax County, Nebraska.

Utility Superintendent Sobota presented points to the council to move forward with the extension. The immediate return of the contingency payment would be far less than the tax and the utility payments over the lifetime of these units. Progress is being made on the structures. There was a similar situation on a lot owned by Antonio and Cecilia Rodriguez in the second addition that was handled in the same manner.

Housing Specialist Bywater gave a background of the HoMe Development, LLC which is owned by Cliff and Kathy Mesner and Kelby Herman. Since 2017 this group has finished 53 units with 8 units currently under construction. They also have the land to potentially build an additional 2 apartment buildings with 24 units each. He gave a handout of completed and possible units to be constructed with the total valuation of \$7.3 million. He has been in negotiations with Kelby Herman on the old Mares property now named Sky Haven Subdivision. This would contain 20 units of low-income housing tax credit housing, plus a mixed-use housing of 34 units. He reviewed the assistance Mesner has provided for tax credit assistance at no cost. Previous to 2017 the only development was being done by the High School Construction class and Neighbor Works. He commends the vision and investment of Jim McGowen and the Department of Utilities Board of Public Works for driving housing in Schuyler.

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Richard Seckman previous City Attorney addressed the Council with the previous history. In the 90's thru 20's the homes built were only about three homes a year. In 2006 the Department of Utilities acquired 73 acres of ground which is now the Water Tower Subdivisions. They sold 19 acres of land to the school. The school together with Utilities put in 22nd Street and Denver Street. The Utilities wanted to build housing to gain more utility revenue and property tax revenue. He told them they could not build houses but they could provide incentives. They began working with Mesner Development. The Utilities paid for all the infrastructure and land. The first subdivision that was 17 lots was turned over to the Schuyler Community Development Agency. They wanted housing and were not as concerned about being paid for the lots. He is currently working on a Rural Workforce Housing Loan and seen August 25th is the two-year anniversary for the forgiveness of the note or payment has to be made. He requested that a 12-month extension be given. They will not be finished by August 25th but will be close and then they will need time to get them sold. He feels these partners have really helped the housing and he is asking as attorney for the Department of Utilities and Schuyler Community Development to grant a 12-month extension.

Kelby Herman member of HoMe Development thanked the Council for their consideration of extending the agreement. They got a slow start in June of 2022 interest rates slowed getting construction started. Rates have now stabilized. He does have a list of prospective buyers when they are completed. The townhouses are slab on grade single family homes. He appreciates the Council's consideration and appreciates the help of Schuyler Economic Development and Brian Bywater over the years they have had a very good relationship. He is personally working on the 54-unit development. Mayor Lindberg asked where will he be on completion on August 25th. Herman responded exterior should be finished and to drywall stage by then. Then 60 to 90 days after that completion and could have some closed yet this fall. Fall does have a better selling market. Mayor Lindberg asked what the major cause was for him in not getting them completed. Herman stated interest rates didn't get them started as soon as they would have wanted. Administrator DeRoos asked if there are any other projects in Schuyler they have not finished on time with agreement with the City. Herman stated not that he is aware of. DeRoos then asked how would this not being extended affect him. Herman stated it will affect the buyers and lot cost will be passed on to the buyer which could cause these to become long term rentals if the price is too high.

Mayor Lindberg thanked Herman for attending the meeting. He asked for no action at this time and can have a decision made for the July 16th meeting.

Council member Rodriguez moved to approve for additional professional design and construction services for the Schuyler Police Station with JEO Consulting Group Inc. in the amount of \$39,000. Council member Wolfe seconded the motion. Ryan Dorfmeier with JEO was present and reviewed the additional services. The original agreement went through September 30, 2023 and have run into issues that extended the time. They have also been a part of coordination of security and data cabling that was not a part of the original agreement. There was additional coordination for a backup generator. They also spent additional time to review project close-out documents. This covers all time spent after September 30, 2023. Voting for: Baumert, Kasik, Marron, Rodriguez, Svoboda and Wolfe. Voting against: no one. Motion carried.

Mayor Lindberg opened a discussion about a dog park. Discussion was had with the Council about the location of a dog park in Schuyler and \$20,000 that was budgeted for this project. They are looking to construct 5' tall black chain link fencing with a double gate entrance. This will allow a space to take dogs off their leash. They plan to provide water and doggie bags for waste. They will use pea stone inside the dog park as grass will not grow well. Possible locations are between park area 1 and 2 near the highway or at the end of North B Street behind Dollar General or area 2 where the parking is to the west end or the lawn of the old power house. Administrator DeRoos will bring three options and drawings at a future meeting for them to consider.

Mayor Lindberg opened a discussion about vacating of streets. Discussion was had with the Council about streets around the trailer park that are owned and maintained by the city and the possibility of vacating the streets and they would turn the property to the trailer park owner. The benefits to the trailer park owner would be greater authority of the streets, maintenance and rules for vehicle operation on them. The City can either vacate the street and either maintain

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ownership or they can vacate and not maintain ownership. Half of the street will go to adjacent property owners which would be all to the trailer park owner. The City would maintain any utility easements or any necessary easements needed. Owner Ron Anderson was made aware this would be discussed and did not seem interested in this happening. Street at 20th and Fort Street was also discussed as it only serves one home, it was suggested to vacate that Street as well but maintain ownership.

Mayor Lindberg opened a discussion about ordering a Police Department vehicle. Discussion was had with the Council about the long wait time for the new models of vehicles that the Police are wanting to purchase. A February order is not coming in until now. Discussion over timing with budget being approved and timing of ordering are conflicting. It is a possibility to set up a sinking fund for replacement of vehicles to have budgeted every year. They have purchased used cars in the past but they come with 50,000 to 60,000 miles on them.

Mayor Lindberg opened a discussion on the LOMR. Discussion was had with Council about the status of the LOMR and community acknowledgement forms with Colfax County. The County requested review by the DNR for review before they will sign the acknowledgement form. Information has been sent to the DNR once they are heard back from, they are hopeful the County will sign. They will continue with the FEMA review after that form is received. This has been a long process and communication between FEMA and JEO has been ongoing.

Mayor Lindberg opened a discussion on transportation from Schuyler to Columbus. Discussion was had with the Council about joining with Columbus and others for transportation between Schuyler and Columbus at set times of day. The request was made that Schuyler contribute to a portion of the estimated \$120,000 needed to add this transportation service. Concerns about taking people away from shopping local were voiced. This would help citizens to get to employment in Columbus or possibly to Schuyler. This would get citizens to Columbus for work, shopping and appointments. Colfax County has decided not to partner with them but Platte County is. Concerns of who it will benefit more were voiced. There was also discussion if this would help with mental health issues and getting to East Central. It was discussed that East Central does have a van for transportation but the conditions to use it is unknown.

Mayor Lindberg opened a discussion regarding settlement of NEOC and EEOC claims asserted by former employee of the Department of Utilities.

Mayor Lindberg recommended that the Council go into a closed session for the protection of public interest, specifically to hold a strategy session with respect to the settlement of a claim. Council member Rodriguez moved to go into closed session. Council member Baumert seconded the motion. Voting for: Baumert, Kasik, Marron, Rodriguez, Svoboda and Wolfe. Voting against: no one. Motion carried.

Mayor Lindberg stated they are now going into closed session for the protection of public interest, specifically to hold a strategy session with respect to the settlement of a claim. The time is 7:40 PM. He requested the City Attorney, Administrator and Clerk to stay in the closed session.

Mayor Lindberg stated they are now ending the closed session and coming back into open session. The time is 8:01 PM.

Council member Baumert moved to approve the settlement agreements as drafted, pursuant to the terms discussed in the closed session. Council member Marron seconded the motion. Voting for: Baumert, Kasik, Marron, Rodriguez, Svoboda and Wolfe. Voting against: no one. Motion carried.

Mayor Lindberg opened a discussion regarding ongoing water issues at the Schuyler Public Library.

Mayor Lindberg recommended that the Council go into a closed session for the protection of public interest, specifically to hold a strategy session with respect to the settlement of a claim. Council member Baumert moved to go into closed session. Council member Kasik seconded the motion. Voting for: Baumert, Kasik, Marron, Rodriguez, Svoboda and Wolfe. Voting against: no one. Motion carried.

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Mayor Lindberg stated they are now going into closed session for the protection of public interest specifically to hold a strategy session with respect to litigation which is imminent. The time is 8:05 PM. He requested the City Attorney, Administrator, Clerk and Library Director to stay in the closed session.

Mayor Lindberg stated they are now ending the closed session and coming back into open session. The time is 8:32 PM.

Council member Svoboda moved to authorize the City Attorney to moved forward, as directed by the City Council during closed session, regarding the ongoing water issues at the Schuyler Public Library. Council member Kasik seconded the motion. Voting for: Baumert, Kasik, Marron, Rodriguez, Svoboda and Wolfe. Voting against: no one. Motion carried.

Council member Rodriguez left the meeting at 8:35 PM.

Council member Baumert moved to adjourn. Council member Kasik seconded the motion. Voting for: Baumert, Kasik, Marron, Svoboda and Wolfe. Voting against: no one. Motion carried.

ATTEST:

Mayor Art Lindberg

City Clerk

STATE OF NEBRASKA)
COUNTY OF COLFAX) SS
CITY OF SCHUYLER)

I, Lora Johnson, City Clerk for the City of Schuyler, Nebraska, hereby certify that all of the subjects included in the foregoing proceedings were contained in the agenda for said meeting, kept continually current and available for public inspection at the office of the City Clerk; that such subjects were in said agenda for at least twenty-four hours prior to said meeting; that the minutes of the City Council of Schuyler, Nebraska, from which the foregoing proceedings have been extracted, were in written form and available for public inspection within ten working days and prior to the next council meeting.

City Clerk Lora Johnson