

Broken Bow City Council
Meeting Minutes October 8th, 2024

The Broken Bow City Council met in regular session on Tuesday, October 8th, 2024, in the Broken Bow Municipal Auditorium. Notice of the meeting was given in advance thereof by publication in the Custer County Chief, the designated method for giving notice. Advance notice of the meeting, a copy of the agenda, and related council materials was given to the Mayor and all members of the City Council and shared with various media outlets. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

Mayor Rod Sonnichsen called the meeting to order at 6:00 pm, with the following Councilmembers present: Russ Smith, Luke Wassom, and Paul Holland. Absent: Chris Myers. Mayor Sonnichsen announced the availability of the Open Meetings Act, followed by reciting the Pledge of Allegiance.

Moved by Smith, seconded by Wassom to approve the consent agenda for October 8, 2024. Said motion includes approval of the Minutes of the September 24, 2024, Budget Hearing, Minutes of the September 24, 2024, Council Meeting, and Bills to Date. Roll call vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Aflac \$442.79, \$119.50, \$67.02, Bohlmann Inc \$152.40, Broken Bow Airport Authority \$1,083.33, Broken Bow Chamber of Commerce \$5,985.00, Broken Bow Golf Club \$400.00, Broken Bow Municipal Utilities \$6,257.02, CapitalOne \$206.34, Card Services \$146.00, \$351.76, \$366.43, \$5,581.85, Century Link \$88.69, \$135.38, \$334.13, \$98.75, City Flex Benefit Plan \$225.00, City of Broken Bow \$25.50, City of Broken Bow – Health Insurance \$3,507.51, City of Broken Bow Pension Fund \$2,324.80, \$9,780.26, \$996.82, Colonial Insurance \$423.92, \$329.52, \$546.08, Consolidated Management Co. \$116.85, Credit Management Services \$5.48, Custer County Construction Inc. \$24,987.00, Custer County Treasurer \$19,386.68, Custer Public Power \$50.39, EFTPS Online Payment \$3,070.14, \$7,642.57, \$13,127.12, EZ IT Solutions \$2,765.00, \$2,330.08, \$10,239.87, Eakes Office Products \$255.60, First Response Billing Associates, LLC \$1,556.56, Great Plains Communications \$150.00, \$84.95, \$154.58, Grocery Kart \$45.33, \$3.23, Hometown Leasing \$291.12, \$73.57, JEO \$1,293.50, Kirkpatrick Cleaning Solutions \$1,043.00, Nebraska Child Support Payment Center \$899.09, Nebraska Law Enforcement Training Center \$500.00, \$50.00, Nebraska Mun Clerks Association \$150.00, RT Ace, LLC \$19.18, \$10.26, S&L Sanitary Service \$90.00, Sara J. Hulinsky \$837.00, Schaper and White Law Firm \$3,028.00, State Income Tax WH NE Online Payment \$3,763.71, Statewide Collection LLC \$15.95, Steve Scott \$58.29, Super Vacuum Manufacturing \$399.21, TX Child Support SDU \$410.23, The Olson Group \$2,534.00, Tracker Systems \$16.99, Ty Taylor \$268.11, Verizon Wireless \$320.08, Total \$142,018.52, Bi-Weekly Payroll (9/25/24) \$76,341.77, Grand Total \$218,360.29.

Under new business, moved by Wassom, seconded by Holland to approve partnering with the Broken Bow Library Foundation for the Broken Bow Story Walk at Melham Park. During

discussion, Library Director, Megan Svoboda explained that the project is a family-friendly activity that allows citizens to read a story as they walk the Melham walking trail. The project will consist of approximately 25 stands with story book pages. The stories will be switched out periodically and the exhibits will be maintained by the Library Foundation. She also explained that if the project is approved, the foundation will be working on obtaining grant funding as well as fundraising throughout the community. She concluded by explaining that the city parks department will assist by deciding where the exhibits should be placed and cementing the stands in place. Roll Call Vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Mayor Sonnichsen stated that new business items B through E are being pushed back and will take place after council comments later in the meeting.

Broken Bow Housing Authority Director Anna Martin presented the Annual Housing Authority Report and requested that the FY 2023 PILOT (Payment in Lieu of Taxes) Funds in the amount of \$27,950.18 be waived back to the Broken Bow Housing Authority. She also highlighted their 2023 capital improvements, the future plans for 2024, and the needs they meet throughout the community. Moved by Holland, seconded by Smith to approve the waiver of PILOT Funds back to the Broken Bow Housing Authority in the amount of \$27,950.18. Roll Call vote: Voting aye: Smith, Wassom, and Holland, Nays: None. Motion carried.

Greg Barker joined the meeting at 6:28 pm.

Resolution 2024-13, League of Risk Management (LARM), was introduced by Mayor Sonnichsen. During discussion, Administrator Schmidt stated that LARM is the insurance group coverage arm of the League of Municipalities and that they were invited to quote the city on liability and workers compensation insurance rates for 2024-2025. Clint Simmons of Simmons Insurance Services stated he was an independent insurance agent for LARM and he personally insures approximately 125 municipalities around the state. He discussed various member service programs provided by LARM at no extra cost. He highlighted the Lean on LARM Safety \$500 Grant and the LARM Armor Program that will reimburse the city \$700 for the purchase of bulletproof vests when departments have a mandatory wear policy. He further explained that LARM will have a property evaluation specialist come on site to review all city property to make sure it is all listed and valued properly, and also look for cost savings for the city. He said that he noticed today that there was some personal property content coverage that he was unaware of and that there is a possibility that the proposal could change a little. He said that is a common situation because it is a working document that is constantly changing as equipment, autos, and property is added and subtracted throughout the year. He said the proposal in front of council should be close to what it ends up being.

He also went over various parts of the coverages and explained that our current insurance carrier, EMC, is taking extremely high wind and hail deductibles across the state of Nebraska and Iowa. He stated that if we had catastrophic loss, our current deductible would be \$25,000 per event. With LARM our deductible will be \$5,000 per event. He did want everyone to know that the power plant engines are not covered due to reinsurance companies not covering those engines and that this is common issue for cities. He further explained the Resolution and Interlocal Agreement and stated that LARM is not

an insurance company but is instead an insurance pool. He said if the city moves forward, we would be entering into a Interlocal Agreement with LARM and passing a Resolution that chooses the length of time regarding providing a written notice of termination date. He went on to highlight each of the options available.

Mayor Sonnichsen spent time discussing the “90 day notice only” commitment and stated that this is all new territory for the city and even at that commitment level, the rate will already save the city approximately \$100,000. Administrator Schmidt asked Mr. Simmons if the city chose the “90 day notice only” option if we would be putting ourselves at a disadvantage with LARM when it came time to renewal next year. Mr. Simmons stated that that would probably not be the case because even if we liked everything that LARM had done, if we had any hesitation, we could give notice to go out to bid but we are not tied to that. Councilmember Wassom also clarified that the policy automatically renews each year if we do not give LARM notice, and that it is up to the city to track the dates for notice depending on what option they would decide upon. Administrator Schmidt asked if it is common for communities to go out for bids to test the water and see where prices are at. Mr. Simmons stated that it is less about testing pricing and more about the comfort level of councils that are new to LARM.

Mayor Sonnichsen stated that Administrator Schmidt had spent the most time reviewing these issues and working with LARM and asked if he had a recommendation for the board regarding the options available to choose from. Administrator Schmidt said that his recommendation would be the “90 Day Only Notice” commitment due to being new to LARM. He further stated that we have been very happy with EMC Insurance and Nate Bell, but that the market conditions have made it very difficult for them to be competitive. He also said that there is a significant savings for the city even at the “90 Day Notice Only” commitment, and that didn’t even count the changes in the deductibles. He ended by thanking EMC and Nate Bell for all they have done and said that in the future there may be opportunities to work together again if things change.

Administrator Schmidt also explained that we still have insurance under EMC until the decision is made to go with LARM. He explained that EMC currently does not cover the engines in the power plant either and we only have the power plant due to our agreement with MEAN which allows us to generate power during emergency situations. He explained that the plant is aging and only generates enough power to cover a small percentage of downtown. He said that the city will probably be looking into making some significant changes regarding it in the next year or two because there is hardly anyone available that can work on the engines and parts are extremely hard to find. Mr. Simmons further explained that power generation is extremely difficult in the market right now and unbelievably expensive because there is too much risk for any carrier. Dave Schmidt also asked if the LARM coverage would be able to start on October 13, 2024, because it will work better with the cancellation of the EMC insurance policy. Mr. Simmons said he could make that happen.

Moved by Wassom, seconded by Holland to approve Resolution 2024-13, League of Risk Management (LARM), and selecting the option of providing written notice of termination at least 90 days prior to the desired termination date, which date shall be no sooner than September 30, 2025 (90 day Notice only). Roll call vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Moved by Smith, seconded by Holland to approve the Interlocal Agreement between League of Risk Management (LARM) and the City of Broken Bow. Roll call vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Moved by Smith, seconded by Holland to approve the appointment of David Baltz as the Emergency Services Department Head. Roll call vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

During public comments, Administrator Schmidt invited Captain Anderson to the podium to talk about the grant that the police department had recently been awarded. Captain Anderson explained that in 2019 the police department purchased Mobile Data Terminals for the patrol vehicles and because they were all bought at the same time, they have started wearing out and having issues at the same time. The police department started the process of working towards getting them replaced and he explained that they just received word that they have received a grant from the Department of Highway Safety office for a little over \$25,000 to go towards the replacement of those computers. Administrator Schmidt explained that Captain Anderson led this charge and that he is responsible for Broken Bow being the recipient of that grant. He thanked him for all his work bringing that to fruition.

Under Mayor and council comments, Councilmember Smith thanked Megan Svoboda and the Library board for all they do to improve the community and the exciting new ideas they come up with for citizens. Councilmember Holland also thanked David Baltz for all he did during the last six months in getting the ALS program set up for the City of Broken Bow. He said he knew it was a challenge that David handled well and welcomed him to his new position.

Mayor Sonnichsen stated that he would now go back to the items listed under B through E under new business. City Attorney Jason White acknowledged that Mr. Greg Barker was in attendance and that prior to the meeting, Mr. Barker had requested to meet in Closed Session for the protection of his character and personal reputation. Mr. Barker confirmed that he had made that request and Attorney White stated that it was possible because it was a legitimate reason to enter into closed session. Mayor Sonnichsen also stated that once they exit closed session, Council will reconvene back in open session and make any formal action it deems appropriate and complete any addenda items.

Moved by Smith, seconded by Wassom, to adjourn into Closed Session at 6:55 pm regarding new business items B, C, D and E, for the purpose of protecting the personal reputation of Mr. Barker, to include the Mayor, City Council members, City Attorney Jason White, Administrator David Schmidt, Captain Anderson and Greg Barker. Roll Call Vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Moved by Holland, seconded by Wassom, to reconvene in regular session at 7:41 pm. Roll Call Vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Moved by Smith, seconded by Holland, to omit the public hearing for the nuisance property at 118 S. 15th Ave and postpone action for 30 days. The hearing and action item will take place at the

November 12, 2024, council meeting. Roll Call Vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Moved by Holland, seconded by Wassom, to omit the public hearing for the nuisance property at 139 S. 14th Ave and postpone action for 30 days. The hearing and action item will take place at the November 12, 2024, council meeting. Roll Call Vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Moved by Holland, seconded by Wassom, to adjourn the City Council meeting at 7:45 PM. Roll Call vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion Carried.

A handwritten signature in blue ink, appearing to read "Rodney W. Sonnichsen", written over a horizontal line.

Rodney W. Sonnichsen, Mayor

ATTEST:

A handwritten signature in blue ink, appearing to read "Jennifer Waterhouse", written over a horizontal line.

Jennifer Waterhouse, City Clerk

