

## Broken Bow City Council

### Meeting Minutes November 12, 2024

The Broken Bow City Council met in regular session on Tuesday, November 12, 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 were 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 Wassom, seconded by Holland to approve the consent agenda for November 12, 2024. Said motion includes approval of the Minutes of the October 22, 2024, Council Meeting, Bills to Date, and approval of the Amended Minutes of the October 8, 2024, Council Meeting. A mistake was made in the original minutes of October 8, 2024, when it was stated that the PILOT funds would be put into a CD. The amended minutes now state, "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." Roll call vote: Voting aye: Smith, Wassom and Holland. Nays: None. Motion carried.

AKRS Equipment \$122.52, Aflac \$563.75, \$119.50, \$108.18, \$563.75, \$119.50, Around The Block Catering \$1,000.00, Barco Products \$1,741.03, Beaver Bearing Co Albion \$12.65, Bound Tree Medical \$580.66, Broken Bow Airport Authority \$1,083.33, Broken Bow Ambulance Service \$109.94, Broken Bow Chamber of Commerce \$5,580.00, Broken Bow Municipal Utilities \$2,886.53, Broken Bow Rural Fire Board \$481.34, CEDC \$3,000.00, Capital One \$1,051.41, Card Services \$968.70, \$2,100.63, Card Services \$4,834 \$210.80, Card Services 0583 \$158.87, \$224.51, Card Services 0609 \$1,578.58, Carquest of Broken Bow \$21.78, Carroll Construction Supply \$3,103.48, Central Nebraska Bobcat \$560.00, Century Link \$89.36, \$292.42, \$135.66, \$82.49, \$333.54, \$99.09, City Flex Benefit Plan \$225.00, \$225.00, City of Broken Bow \$25.50, \$25.50, City of Broken Bow - Health Insurance \$3,661.81, \$3,661.81, \$26,931.72, City of Broken Bow Pension Fund \$2,324.80, \$10,883.50, \$1,540.72, \$2,324.80, \$11,077.46, \$1,618.71, Colonial Insurance \$548.14, \$335.79, \$589.62, \$577.42, \$332.10, Credit Management Services \$246.14, Custer County Chief \$65.00, \$65.00, \$724.42, Custer County Treasurer \$19,386.68, Custer Public Power \$56.26, Dr. Jordan Homan\$ 2,500.00, EFTPS Online Payment \$3,072.48, \$8,279.60, \$13,137.46, \$3,121.42, \$8,499.62, \$13,346.96, EZ IT Solutions \$62.58, \$2,765.00, \$4,776.41, \$3,907.04, Eakes Office Products \$560.03, \$124.80, \$285.06, Fairfield

Inn & Suites-Kearney \$374.85, First Response Billing Associates, LLC \$2,529.13, Freedom Munitions \$90.05, Frontier Family Pharmacy \$95.99, Grassland Vet Hospital \$20.35, Great Plains Communications \$84.95, \$154.76, \$150.00, \$185.00, Grocery Kart \$17.46, Hometown Leasing \$291.12, \$73.57, \$8,000.00, Island Supply Welding Co. \$51.20, Jill Smith \$35.00, Kirkpatrick Cleaning Solutions \$1,321.08, \$185.00, \$139.68, Kully Pipe & Steel \$249.63, LMJ3, LLC \$30,000.00, La Quinta by Wynham Kearney \$344.85, Mead Lumber \$2,270.77, Myers Construction Co \$409,535.68, Nebraska Child Support Payment Center \$899.09, \$899.09, Paper Tiger Shredding \$45.00, Platte Valley Communications \$47.50, Powermanager \$4,640.96, RT ACE, LLC \$1,138.66, RT Ace, LLC \$15.18, RT Ace, LLC \$254.47, Ranchland Ford \$72.22, \$21.35, \$1,100.72, S&L Sanitary Service \$58.30, Sandhills Custom Creations \$24.99, \$1,259.28, \$229.94, Sara J. Hulinsky \$837.00, Schaper and White Law Firm \$3,016.88, State Income Tax WH NE Online Payment \$4,093.16, \$4,184.71, Statewide Collection LLC \$15.95, \$15.95, Steve Scott \$99.19, TSYs Merchant Solutions \$229.00, TX Child Support SDU \$410.23, \$410.23, Tracker Systems \$16.99, Trotter Fertilizer \$985.67, Verizon Wireless \$320.08, \$129.67, \$249.12, Wenquist Inc. \$69.98, \$510.48, Total \$663,476.52 Bi-Weekly Payroll (10/23/24) \$74,110.20, Bi-Weekly Payroll (11/6/24) \$75,433.48, Grand Total \$813,020.20.

Under new business, moved by Holland, seconded by Smith to open a public hearing at 6:03 pm regarding Ordinance 1292, partial vacation of 9<sup>th</sup> Avenue. Roll Call vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried. Discussion was held. Jacob Holcomb explained that this request comes from property owner Jeff Boston at 850 S. K Street. He is requesting to vacate the first 125 feet of South 9<sup>th</sup> Avenue and the South K Street intersection, between parcel 479820 and parcel 1231500. He stated that there is a process laid out for the city by the State of Nebraska that allows the city to vacate any street when 75 percent of the property owners agree. He stated that Mr. Boston went above that and got signatures of all property owners to the south that reside on South 9<sup>th</sup> Avenue and that the only property owner right next to the property is Greg Wright. Mr. Wright attended the hearing and stated that he did not have any concerns about vacating the street. Mr. Holcomb also stated that both the Water/Sewer Superintendent, Ryan Jones and the Electrical Superintendent, Blake Waldow agreed that there are no issues with this street vacation because there are no utilities currently located there. He also explained that the city still has an easement that will stay in place and Administrator Schmidt and Mayor Sonnichsen further stated that they recommend the vacation of this street and see no issues. Mona Weatherly asked for clarification that the city is only vacating the first 125 feet and the Mayor confirmed that was the case. Moved by Holland, seconded by Smith to close public hearing at 6:12 pm. Roll Call vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

After discussing the matter, Councilmember Smith introduced Ordinance No. 1292 entitled "CITY OF BROKEN BOW, NEBRASKA ORDINANCE NO. 1292" and moved that the statutory rule requiring reading on three different days be suspended. Councilmember Holland seconded the motion. The Mayor stated the motion and instructed the Clerk to call the roll. The Clerk called the roll, and the following was the vote: Ayes: Smith, Wassom, and Holland. Nays: None. Motion carried. The motion to suspend the rules was adopted by three-fourths of the Council and the

statutory rule was declared suspended for the consideration of said Ordinance. Said Ordinance was then read by title and thereafter Councilmember Wassom moved for final passage and approval of the Ordinance, which motion was seconded by Councilmember Smith. Upon roll call vote, the vote was as follows: Ayes: Smith, Wassom, and Holland. Nays: None. Motion carried. The passage and adoption of said Ordinance having been concurred by a majority of all members of the Council, the Mayor declared the Ordinance adopted.

Moved by Wassom, seconded by Holland to open a public hearing at 6:13 pm regarding the nuisance property located at 118 S. 15<sup>th</sup> Ave, Broken Bow, Nebraska. Roll Call vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried. Discussion was held. Administrator Schmidt explained that he had toured the property and all concerns have been addressed by Mr. Barker. He further stated that the property is slated for future demo but that he considers this nuisance property remediated and closed. Moved by Holland, seconded by Smith to close public hearing at 6:17 pm. Roll Call vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Moved by Wassom, seconded by Smith to approve a course of action to be taken for property located at 118 S. 15<sup>th</sup> Ave. Discussion was held and the nuisance property was deemed remediated and closed. Roll Call Vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Moved by Smith, seconded by Holland to open a public hearing at 6:18 pm regarding the nuisance property located at 139 S. 14<sup>th</sup> Ave, Broken Bow, Nebraska. Roll Call vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried. Discussion was held. Administrator Schmidt explained that he had toured the property and feels that all concerns have been addressed by Mr. Barker except for a minor soffit issue that Mr. Barker has made a verbal agreement to complete. He further stated that he is comfortable with that verbal agreement and recommends council to consider this nuisance property remediated and closed. Moved by Wassom, seconded by Holland to close public hearing at 6:20 pm. Roll Call vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Moved by Holland, seconded by Smith to approve a course of action to be taken for property located at 139 S. 14<sup>th</sup> Ave. Discussion was held and the nuisance property was deemed remediated and closed. Roll Call Vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Moved by Smith, seconded by Holland to approve the Broken Bow Ambulance Bylaws for 2025. Roll Call Vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Moved by Holland, seconded by Wassom to accept the 2024-2025 snow removal bid. Discussion was held. Administrator Schmidt explained that the city ran the add in the paper twice and received only one bid from Myers Construction. He stated that the bid included a weekday and after hour rate increase of \$5 from the previous year. Roll Call Vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Moved by Smith, seconded by Wassom to approve the reappointment of Steven Parr of JEO Consulting Group, Inc, license number S-859, as the Street Superintendent for the City of Broken

Bow from January 1, 2025, to December 31, 2025. Roll Call Vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Moved by Smith, seconded by Holland to approve Resolution 2024-14, Authorizing the Signing of the Year-End Certification of City Street Superintendent. Roll Call Vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Moved by Wassom, seconded by Smith to approve the appointment of JEO Consulting Group, Inc, as the City Engineer for the City of Broken Bow for 2025. Roll Call Vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Moved by Smith, seconded by Wassom to approve Resolution 2024-15, authorizing the sale of S&L Sanitation Service and an agreement to novate contract with the new owner. Discussion was held. Administrator Schmidt explained that per our existing contract with S&L Sanitation, the city has the right of first refusal if the business were to ever sale as well as the condition to approve any sale to make sure that it meets the needs of the city. In alignment with that contract, this resolution essentially states that if Sherman Porter sells the business to Joe Roach, we think that Joe Roach will do a fine job meeting our needs and that we don't exercise our right of first refusal this time but that we don't give up that right in the future. The novation agreement is the second part of the process that essentially meets all of the legal conditions and basically puts it into effect, much like a contract. In the novation agreement it specially mentions that we want Mr. Roach to be aware that a letter of notice has been sent to renegotiate this agreement when the current term concludes in February of 2028 and that aspect is unchanged and will carry with the transfer of the business. Roll Call Vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Moved by Holland, seconded by Wassom to open a public hearing at 6:28 pm regarding Ordinance 1293, Water Rates. Roll Call vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried. Discussion was held. Ryan Jones, Water/Sewer Superintendent, explained that the last rate increase that the city did was in 2020 and since he has taken over as superintendent he has been looking into the budget and where rates need to be. He said he spoke with Nebraska Rural Water, reviewed both our expenses and reserves, and has concluded that to get to where we need to be on the water side, we need to have a 10% rate increase. He said that amounts to a 2.5% increase for each year since the last rate increase. Administrator Schmidt showed those in attendance a chart of the rates and fees compared to inflation and explained that the rates have remained relatively flat. He further explained that prices have continued to rise and to be able to keep a healthy department, build reserves for projects and repairs, and not have to bond everything, this rate increase would be necessary. He added that a separate standard annual increase is being worked on so that these steep jumps are not necessary, and the impact is easier on the consumers. He further stated that the rate increase will average \$11-\$14 per month per consumer for both the water and sewer increase and that the sewer rates will be discussed in more detail in Ordinance 1294. Mayor Sonnichsen explained that the city is headed into a situation where there are no reserves and that we need to have reserves to be able to make repairs when things break. He also advised that council not waive the readings so that the public has an opportunity to learn about the proposed rates. Moved by Wassom, seconded by Holland to close public hearing at 6:34 pm. Roll Call vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Moved by Holland, seconded by Wassom, to not waive the three readings of Ordinance 1293, Water Rates. Roll Call vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion Carried.

The first reading of Ordinance 1293 was performed by City Clerk Jennifer Waterhouse.

Moved by Holland, seconded by Smith to open a public hearing at 6:35 pm regarding Ordinance 1294, Sewer Rates. Roll Call vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried. Discussion was held. Ryan Jones, Water/Sewer Superintendent, said that after digging into everything, they have concluded that the sewer is the main issue, and that the city is losing money on the sewer side. He said that they went over everything to determine why and worked with Nebraska Rural Water to compare Broken Bow to comparable towns. He explained that one of the most noticeable things they are proposing is adding an industrial rate, per thousand gallons, for businesses that discharge a lot of water into our sewer system that can be harmful to the wastewater treatment process. He said that BD would fall into that industrial rate. He further stated that they had a sit-down meeting with BD, filled them in on what they were proposing to do, and said that BD was very receptive. He also explained that because we are doing an industrial rate, it will keep them from having to raise the city and the rural rates as much as they would have had to without the industrial rate. Administrator Schmidt asked Ryan where this puts Broken Bow compared to other peer communities if the rates were implemented. Mr. Jones stated that these rates fall right in the middle of them for both water and sewer. He also explained that the industrial rate will not apply to all businesses and will only apply to businesses that the city deems harmful to our treatment process. He explained that as they have explored this issue, they have found that many similar cities are implementing an industrial rate as well. Administrator Schmidt also states that the rate increase was discussed at length with the Board of Public Works and it does come with their recommendation. Both Mayor Sonnichsen and Administrator Schmidt also highly advised that council not waive the readings for public transparency. Moved by Holland, seconded by Wassom to close public hearing at 6:43 pm. Roll Call vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Moved by Holland, seconded by Wassom, to not waive the three readings of Ordinance 1294, Sewer Rates. Roll Call vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion Carried.

The first reading of Ordinance 1294 was performed by City Clerk Jennifer Waterhouse.

Moved by Smith, seconded by Holland, to adjourn into Closed Session at 6:45 pm for the purpose of protecting the public interest with a strategy session regarding a real estate purchase, to include the Mayor, City Council members, and Administrator David Schmidt. 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 7:50 pm. Roll Call Vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

Moved by Wassom, seconded by Holland to approve Resolution 2024-16, authorize and approve the City Administrator Dave Schmidt to pursue the purchase of real property, purchase agreement, and further actions for property described as the "Broken Bow Armory," parcel ID 001236600 in Broken Bow, Custer County, Nebraska. Roll Call Vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.



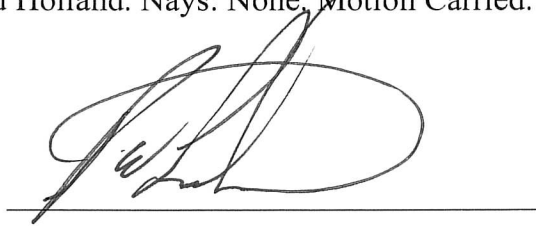
Moved by Wassom, seconded by Holland to approve Resolution 2024-17, approving the payment of \$409,535.68 to Myers Construction for work completed to date for the Eagle Crest Subdivision project #211489 for pay application #3. Payment has been recommended by JEO consulting and will be sourced from sales tax infrastructure fund account ending in 168. Roll Call Vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion carried.

There were no public comments.

Moved by Wassom, seconded by Smith, to excuse the absence of councilmember Myers. Roll call vote: Voting aye: Smith, Wassom and Holland. Nays: None. Motion carried.

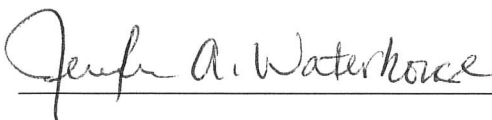
Under Mayor and council comments, Administrator Schmidt talked about the serious auto accident that occurred in town in the early morning hours of October 26, 2024. He explained that the accident unfortunately claimed the life of a young man that morning but that sometimes these sad incidents have a way of showing us just how great of a community we live in. He further stated that he had some very heartfelt thankyou's to extend to those that helped that morning: BB Police Department, BB Volunteer Fire Department, BB Ambulance Service, Melham Medical Center, Nebraska State Patrol, Custer County Sheriff's Office, Justin Miller, Hunters Towing, BB Street Department, Sargent Pipe, NAPA, Mayor Sonnichsen, and Council Members Smith, Wassom, Myers, and Holland. He concluded by saying that everyone came together to rectify a serious traffic situation relatively quickly and he greatly appreciated everything they did that morning. Councilmember Smith also commended the city employees and Administrator Schmidt for guiding everyone that morning and making everything go so smoothly. He stated that he was very proud to watch them in action that morning.

Moved by Wassom, seconded by Smith, to adjourn the City Council meeting at 6:59 PM. Roll Call vote: Voting aye: Smith, Wassom, and Holland. Nays: None. Motion Carried.



Rodney W. Sonnichsen, Mayor

ATTEST:



Jennifer A. Waterhouse, City Clerk

