

CITY OF NEBRASKA CITY, NEBRASKA
MINUTES OF CITY COUNCIL REGULAR MEETING
March 17, 2014

Pursuant to due call and notice thereof, a Regular Meeting of the City Council of the City of Nebraska City was conducted in the William F. Davis Room at City Hall, 1409 Central Avenue, on March 17, 2014. Notice of the meeting was given in advance thereof by posting in at least three public places, the designated method for giving notice, as shown by the Certificate of Posting Notice attached to these minutes. Availability of the agenda was communicated in advance to the media, Mayor and Commissioners of this proceeding and said meeting was open to the public.

Mayor Hobbie called the meeting to order at 6:00 p.m. The Mayor publicly stated to all in attendance that a current copy of the Nebraska Open Meetings Act was available for review and indicated the location of such copy posted in the room where the meeting was being held. Mayor Jack Hobbie then led in the Pledge of Allegiance. Upon roll call the following answered present: Jim Stark, Dean Handy, Mark Mercer and Mayor Hobbie. Absent: Jeff Crunk. The following City Officials were present: City Administrator Joe Johnson, City Clerk-Treasurer Arnold M. Ehlers, City Attorney David Partsch, Police Chief David Lacy, and Public Properties Director/Zoning Director Dan Giittinger.

Commissioner Handy moved to approve the minutes of the March 3, 2014, City Council Regular Meeting, seconded by Mercer. Upon roll call the following voted YES: Stark, Mercer, Handy and Mayor Hobbie. Voting NO: None. Motion adopted.

Commissioner Mercer moved to pay all claims except Claim #7250M, seconded by Commissioner Handy. Upon roll call the following voted YES: Stark, Handy, Mercer and Mayor Hobbie. Voting NO: None. Motion passed.

Moved by Commissioner Handy and seconded by Stark to approve Claim #7250M. Upon roll call the following voted YES: Stark, Handy and Mayor Hobbie. Voting NO: None. Abstain: Mercer. Motion passed.

Mayor Hobbie moved to re-appoint Cleon Popelka and Roger Claussen to the Dock Board. Commissioner Handy seconded the motion. Upon roll call the following voted YES: Mercer, Stark, Handy and Mayor Hobbie. Voting NO: None. Motion passed.

Mayor Hobbie proclaimed April 1, 2014 as Recognition of National Service Day.

Mayor Hobbie opened the Public Hearing on Spiral Communications request for a \$50,000.00 grant for start-up and hiring. Stephanie Shrader explained the conditions of the grant. Ms. Shrader continued the Spiral has decided to purchase a building and remodel it and hire six employees within 24 months of beginning operations. Mercer asked how this forgivable loan would alter Spiral's plans. Mercer asked "You are already coming to town. What would change if you did not get this grant?" Mercer could not understand the necessity for the forgivable loan, "What do taxpayers gain?" Evan Stanley with Spiral stated that his company would be providing free computer training in their building. Mercer then was satisfied. No one else spoke in support or opposition to the request. Moved by Commissioner Handy and seconded by Mercer to close the Public Hearing. Upon roll call the following voted YES: Stark, Mercer, Handy and Mayor Hobbie. Voting NO: None. Motion passed.

Mayor Hobbie opened the Public Hearing on Nebraska City Museum Association's request for \$16,000.00 to allow local residents to visit their local museums for free. Stephanie Shrader reminded the Council that this is the sixth year for this program and that it has been successful. Brian Volkmer added that museums generally only receive 15% of their operating funds from admissions, therefore need grants like this to keep their doors open. He added that Nebraska City has 10 museums and is known as the museum capital of Nebraska. No one else spoke in support or opposition to the request. Moved by Commissioner Handy and seconded by Mercer to close the Public Hearing. Upon roll call the following voted YES: Stark, Mercer, Handy and Mayor Hobbie. Voting NO: None. Motion passed.

Mayor Hobbie opened the Public Hearing to receive public input on proposed changes to the LB840 Downtown Revitalization and Redevelopment Program. Stephanie Shrader outlined the changes to the guidelines and how the changes could improve buildings in the downtown business district. Mercer had concerns with 'giving' money to existing businesses. Ms. Shrader stated that there is already interest in the revised guidelines. Mayor Hobbie stated that the committee looked at the problems with current buildings and that the business owner may not be the building owner and the committee wants the money used to repair roofs. Vic Johns said it is

about Return on Investment. Need to treat the historic downtown as a treasure. We need to protect what we have. “We want to give people a hand up, not a handout.” Mercer added that he still sees recruitment as the answer. No one else spoke in support or opposition to the revisions. Moved by Commissioner Handy and seconded by Mercer to close the Public Hearing. Upon roll call the following voted YES: Stark, Mercer, Handy and Mayor Hobbie. Voting NO: None. Motion passed.

Mayor Hobbie opened the Public Hearing on the proposed amendment to the “Fences and Walls” section of the zoning guidelines. Dan Giittinger explained that the Section 504.02 was a language cleanup but 504.03 actually changes the height of fence allowed on a corner lot. Currently a 6’ fence is not allowed on either side of a house on a corner lot. He stated that this issue has come up several times and the change in the zoning regulations will help the clear this up. He stated that the Planning Commission is recommending this change. No one else spoke in support or opposition to the zoning change. Moved by Commissioner Handy and seconded by Mercer to close the Public Hearing. Upon roll call the following voted YES: Stark, Mercer, Handy and Mayor Hobbie. Voting NO: None. Motion passed.

Andrew Snodgrass presented the Nebraska City Fire & Rescue Department – EMS Division Annual Report. The report showed that calls and revenue were down and that expected Medicare and Medicaid reimbursements will continue to be less due to federal expenditure reductions.

Joe Johnson provided the City Administrator’s Report and answered questions. The Treasurer reported a cash balance on hand as of February 1, 2014 of \$389,433.85; revenues of \$670,540.84; expenditures of \$607,847.88 leaving a cash balance on hand as of February 28, 2014 of \$452,126.81. Mayor Hobbie asked that the reports be placed on file.

Jim Kuhn addressed the Council concerning the Memorial Building. He was upset about the comment at the previous meeting; “When we start making fun of the Memorial Building and putting lights on the tree growing out of the roof.” Is just not right and made the hair on the back of my neck stand up. Mr. Kuhn proposes that he be allowed to fix the roof at no charge to the City. He added that his son is also a veteran and would be assisting him. Mr. Kuhn said he will seal the roof and check it every year, he asked “Do not let it sit there and rot away if you are going to kill it kill it quick.” Mercer responded “If we are going to save it we should have a very narrow plan to rehabilitate the building.” Bill Moore gave a plea to save the building for all the veterans. Moved by Commissioner Handy and seconded by Stark to approve the request by Mr. Kuhn to repair the flat roof on the Veterans Memorial Building. Upon roll call the following voted YES: Mercer, Stark, Handy and Mayor Hobbie. Motion passed.

Mayor Hobbie introduced Resolution 2626-14 approving the grant to Spiral Communications in the amount of \$50,000.00. Moved by Commissioner Handy and seconded by Stark to approve Resolution 2626-14. Upon roll call the following voted YES: Mercer, Stark, Handy and Mayor Hobbie. Voting NO: None. Motion passed and adopted. A true and correct copy of said resolution is as follows:

RESOLUTION NO. 2626-14

TO USE PROGRAM FUNDS FROM THE CITY OF NEBRASKA CITY ECONOMIC DEVELOPMENT PROGRAM (LB840)

WHEREAS, the **City of Nebraska City** has received Program Funds through the City of Nebraska City Economic Development Plan and,

WHEREAS, Program funds for Economic Development are allowed to be used for making forgivable loans to eligible businesses in accordance with the City of Nebraska City Economic Development Plan, program and governing regulations, and,

WHEREAS, the City of Nebraska City Economic Development Plan has previously been adopted, and,

WHEREAS, the Citizens Advisory Review Committee has recommended a project presented through application by an eligible business for a forgivable loan of \$50,000 under specified conditions, and,

WHEREAS, the City Council of Nebraska City conducted a public hearing upon the proposed use of Economic Development Program funds,

NOW, THEREFORE, BE IT RESOLVED by the City Council of Nebraska City, that the obligation of funds is approved according to the recommendations of the Citizens Advisory Review Committee and the Mayor is hereby authorized to execute all necessary and appropriate documents on behalf of the City and the City of Nebraska City Economic Development Program to complete the loan for “**Spiral Communications, L.L.C.**”, contingent upon approval of the City Attorney as to form.

Passed and adopted on the 17th day of March by the City Council of Nebraska City.

Jack Hobbie, Mayor

Mayor Hobbie introduced Resolution 2627-14 approving a grant of \$16,000.00 to the Nebraska City Museum Association. Moved by Commissioner Handy and seconded by Mercer to approve Resolution 2627-14. Upon roll call the following voted YES: Mercer, Handy and Mayor Hobbie. Voting NO: None. Abstain: Stark. Motion passed and adopted. A true and correct copy of said resolution is as follows:

RESOLUTION NO. 2627-14

TO USE PROGRAM FUNDS FROM THE CITY OF NEBRASKA CITY ECONOMIC DEVELOPMENT PROGRAM (LB840)

WHEREAS, the **City of Nebraska City** has received Program Funds through the City of Nebraska City Economic Development Plan and,
WHEREAS, Program funds for Economic Development are allowed to be used for making grants for spurring downtown revitalization, the attraction of new capital investment through business development and to promote tourism in accordance with the City of Nebraska City Economic Development Plan, program and governing regulations, and,
WHEREAS, the City of Nebraska City Economic Development Plan has previously been adopted, and,
WHEREAS, the Citizens Advisory Review Committee has recommended a project presented through application by an eligible entity for a grant of \$16,000 under specified conditions, and,
WHEREAS, the City Council of Nebraska City conducted a public hearing upon the proposed use of Economic Development Program funds,
NOW, THEREFORE, BE IT RESOLVED by the City Council of Nebraska City, that the obligation of funds is approved according to the recommendations of the Citizens Advisory Review Committee and the Mayor is hereby authorized to execute all necessary and appropriate documents on behalf of the City and the City of Nebraska City Economic Development Program to complete the grant project for **“Nebraska City Museum Association”**, contingent upon approval of the City Attorney as to form.

Passed and adopted on the 17th day of March, 2014 by the Mayor and Council of the City of Nebraska City, Nebraska.

Jack Hobbie, Mayor

Mayor Hobbie moved and Commissioner Handy seconded to approve the revised guidelines for the Downtown Revitalization and Redevelopment Program for a 12 month period. Upon roll call the following voted YES: Stark, Handy and Mayor Hobbie. Voting NO: Mercer. Motion passed.

Moved by Stark and seconded by Commissioner Handy to direct the City Attorney to draft an ordinance amending the zoning guidelines for fences and walls. Upon roll call the following voted YES: Mercer, Handy, Stark and Mayor Hobbie. Voting NO: None. Motion passed.

Moved by Commissioner Handy and seconded by Stark to approve the request to close the parking lot at 6:30 a.m. and allow an extended selling season. Upon roll call the following voted YES: Mercer, Stark, Handy and Mayor Hobbie. Voting NO: None. Motion passed.

Patrick Wehling addressed the Council requesting the use of a concession trailer at softball games and allowing banners to be hung on outfield fences. Mr. Wehling informed the Council that he has formed the Nebraska City Ball Field Improvement Association. The purpose is to raise funds to improve ball fields. Mr. Wehling also requested electric wiring, gravel, use of surplus poles, painting curbs red so that everyone would be aware that there is no parking allowed on the driveway. City Attorney Partsch informed the Council that the only items on the agenda were use of the trailer and hanging banners. Moved by Stark and seconded by Commissioner Handy to approve the request to use the concession trailer and hang banners. Upon roll call the following voted YES: Mercer, Handy, Stark and Mayor Hobbie. Voting NO: None. Motion passed.

Tammy Partsch, President of the Nebraska City Swim Team requested that swim team member fees remain the same as last year. Moved by Commissioner Handy and seconded by Stark to approve swim team fees the same as last year. Upon roll call the following voted YES: Mercer, Stark, Handy and Mayor Hobbie. Voting NO: None. Motion passed.

Sherri Chandler submitted a request to allow a Kick Ball Game on an unoccupied field April 2, 2014. Moved by Commissioner Handy and seconded by Stark to approve the request to allow a Kick Ball Game on an unoccupied field on April 2, 2014. Upon roll call the following voted YES: Mercer, Stark, Handy and Mayor Hobbie. Voting NO: None. Motion passed.

Mayor Hobbie introduced Ordinance No. 2930-14 entitled: AN ORDINANCE ESTABLISHING A SCHEDULE OF RATES TO BE CHARGED FOR NATURAL GAS SERVICE FURNISHED BY THE COMBINED UTILITY SYSTEM OF THE CITY OF NEBRASKA CITY, NEBRASKA; TO REPEAL ORDINANCE NO. 2578-03 AND ALL OTHER ORDINANCES AND PARTS OF

ORDINANCES IN CONFLICT WITH THIS ORDINANCE; AND TO DECLARE AN EFFECTIVE DATE; and moved that the statutory rule requiring reading on three different days be suspended. Commissioner Handy seconded the motion to suspend the rules and upon roll call the following voted YES: Stark Mercer, Handy and Mayor Hobbie. Voting NO: None. The motion to suspend was adopted by three-fifths of the Council and the statutory rule was declared suspended for consideration of said ordinance.

Said ordinance was then read by title and thereafter Mayor Hobbie moved for final passage of the ordinance, which motion was seconded by Commissioner Handy. The Mayor then stated the question: "Shall Ordinance No. 2930-13 be passed and adopted?" Upon roll call the following voted YES: Stark Mercer, Handy and Mayor Hobbie. Voting NO: None. The passage and adoption of said ordinance having been concurred in by a majority of all members of the Council, the Mayor declared the ordinance adopted and the Mayor, in the presence of the Council, signed and approved the ordinance and the Clerk attested the passage and approval of the same and affixed his signature thereto. A true and correct copy of said ordinance is as follows:

ORDINANCE 2930-14

AN ORDINANCE ESTABLISHING A SCHEDULE OF RATES TO BE CHARGED FOR NATURAL GAS SERVICE FURNISHED BY THE COMBINED UTILITY SYSTEM OF THE CITY OF NEBRASKA CITY, NEBRASKA; TO REPEAL ORDINANCE NO. 2578-03 AND ALL OTHER ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT WITH THIS ORDINANCE; AND TO DECLARE AN EFFECTIVE DATE.

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF NEBRASKA CITY, OTOE COUNTY, NEBRASKA, AS FOLLOWS:

SECTION 1. THAT THE SCHEDULE OF RATES TO BE CHARGED FOR NATURAL GAS SERVICE FURNISHED BY THE COMBINED UTILITIES SYSTEM OF THE CITY OF NEBRASKA CITY, NEBRASKA, IS HEREBY ESTABLISHED AS FOLLOWS:

- A. **UNIFORM PROVISIONS.** The following provisions shall be effective for all rates included in this ordinance.
 - 1. Effective Date(s): All charges imposed through this Ordinance shall be effective with billings rendered after May 1 of the years as shown in Subsections B, C, D, E, F, G, and H hereof.
 - 2. Rates and Charges: All bills shall be based upon the customer charge per month, plus the charges for demand and consumption, or other charges as applicable.
 - 3. Minimum Bill: The minimum bill will be the customer charge in all rate classifications except Business "B" where the minimum bill will be the demand charge, but not less than the customer charge.
 - 4. Purchased Gas Adjustment: All rates are subject to the Purchased Gas Adjustment Clause as set forth in Section 2, except the rate for large volume transportation service.
 - 5. Term of Payment: All bills are due and payable on date as indicated on bill. The Delayed Payment charge is five (5) percent of the amount due.
 - 6. Seasons: Applicable to bills for usage in the seasons as shown below:
 Summer: May through September
 Winter: October through April
 - 7. Contract Term: All non-residential users which elect, by signed request, to be served by Nebraska City Utilities, shall thereby agree to a service commitment of not less than twelve months duration, renewable, automatically and indefinitely until cancellation by consumer.
 - 8. Changing Rates: If more than one rate is applicable, the consumer shall have the right and responsibility to choose the rate, which is most advantageous. Consumer may not change rates more than once in any 12 months period, unless otherwise agreed by Nebraska City Utilities.
 - 9. Rules and Policies: All usage is subject to all rules and policies of Nebraska City Utilities.

B. RESIDENTIAL - URBAN RATES

1. Residential - Urban (Summer):

	<u>May 2014</u>	<u>May 2015</u>
Customer Charge (Per Month):	\$11.45	\$12.10
Commodity Charge (Per ccf):		
First 75 ccf	\$0.5440	\$0.5455
Balance	\$0.5240	\$0.5255

2. Residential - Urban (Winter):

Customer Charge (Per Month):	\$11.45	\$12.10
Commodity Charge (Per ccf):		
First 75 ccf	\$0.5440	\$0.5455
Balance	\$0.6740	\$0.6755

- 3. Subject to application of purchased gas adjustment as set forth in Section 2.

4. AVAILABLE:

Service is available within the City Limits of Nebraska City.

5. APPLICATION:

- a) To all residential consumers for customary domestic uses.
- b) To any combination residential and business consumer where their business is operated solely by phone or mail or away from the home, and goods and services are not made, rendered, shipped or stored from or at the home, and no one other than the resident is employed thereat.
- c) To all churches, for customary church uses.

6. SERVICE CONDITIONS:

- a) Each dwelling unit (house, duplex or apartment unit, trailer, etc.) is to be individually metered and billed.
- b) All uses are to be metered through a single meter.

C. BUSINESS - URBAN RATES.

1. Business "A"- Urban (Summer):	<u>May 2014</u>	<u>May 2015</u>
Customer Charge (Per Month):	\$27.00	\$33.50
Commodity Charge (Per ccf):		
First 270 ccf	\$0.5440	\$0.5455
Balance	\$0.5240	\$0.5255
2. Business "A" - Urban (Winter):		
Customer Charge (Per Month):	\$27.00	\$33.50
Commodity Charge (Per ccf):		
First 270 ccf	\$0.5440	\$0.5455
Balance	\$0.7514	\$0.7018

3. Subject to application of purchased gas adjustment as set forth in Section 2.

4. AVAILABLE:

Service is available within the City limits.

5. APPLICATION:

- a) To all business and institutional users, unless classified as Residential or Business "B".
- b) To any duplex, apartment building, trailer court, etc., where dwelling units are not individually metered unless classified as Business "B".
- c) To any combination residential and business consumer not qualifying as Residential, or who elect to be classified hereunder.

6. SERVICE CONDITIONS:

- a) Each meter is to be considered an individual customer.
- b) All uses for any one customer are to be metered through a single meter.

D. LARGE VOLUME FIRM BUSINESS RATES.

1. Business "B"- (Summer):

	<u>May 2014</u>	<u>May 2015</u>
Customer Charge (Per Month):	\$335.00	\$335.00
Demand Charge (Peak Month - ccf):	\$0.1200	\$0.1220
Commodity Charge (all ccf):	\$0.4056	\$0.4056

2. Business "B" - (Winter):

Customer Charge (Per Month):	\$335.00	\$335.00
Demand Charge (Peak Month - ccf):	\$0.1200	\$0.1220
Commodity Charge (all ccf):	\$0.4476	\$0.4529

3. Subject to application of purchased gas adjustment as set forth in Section 2.

4. Determination of Demand:

The demand shall be the maximum monthly usage in the months of October through April in the most recent twelve-month period.

5. AVAILABLE:

This rate is available at the option and sole discretion of Nebraska City Utilities.

6. APPLICATION:

- a) To all business, and institutional users which elect, by signed request, to be served hereunder. Such commitment shall be not less than 12 months duration, renewable automatically and indefinitely until canceled by the consumer or the Utility.
- b) To such other business, or institutional users as are assigned to this classification at the option of the Utility. Criteria for such assignment are:
 - 1) Whenever winter monthly requirements are 1,000 mcf or more for 3 consecutive months.

7. SERVICE CONDITIONS:

- a) Each gas meter will be considered an individual customer.
- b) All uses for any one customer are to be metered through a single meter.

E. INTERRUPTIBLE BUSINESS RATES.

1. Interruptible - Urban & Rural

	<u>May 2014</u>	<u>May 2015</u>
Customer Charge (Per Month):	\$335.00	\$335.00
Commodity Charge (all ccf):	\$0.4778	\$0.5050

2. Storage Gas Surcharge

All gas that is withdrawn from storage is charged an additional \$0.0120/ccf.

Subject to application of purchased gas adjustment as set forth in Section 2.

Minimum bill: The Customer Charge.

3. **AVAILABLE:**
Service is available within and outside the city limits of Nebraska City.
4. **APPLICATION**
 - a) To all business, institutional and farm users which elect, by signed request to be served hereunder. Such commitment shall be not less than 12 months duration, renewable automatically and indefinitely until canceled by the consumer or the Utility.
 - b) To such other business, or institutional users as are assigned to this classification at the option of the Utility. Criteria for such assignment are:
 - 1) Whenever winter monthly requirements are 1,000 mcf or more for 3 consecutive months.
5. **SERVICE CONDITIONS:**
 - a) Each meter is to be considered an individual customer.
 - b) All uses for any one customer are to be metered through a single meter.
 - c) Customer must demonstrate the capability to remain off the City distribution system for a minimum of 48 hours.

F. RESIDENTIAL - RURAL RATES.

1. Residential - Rural (Summer):

	<u>May 2014</u>	<u>May 2015</u>
Customer Charge (Per Month):	\$11.45	\$12.10
Commodity Charge (Per ccf):		
First 75 ccf	\$0.5440	\$0.5455
Balance	\$0.5240	\$0.5255

2. Residential - Rural (Winter):

Customer Charge (Per Month):	\$11.45	\$12.10
Commodity Charge (Per ccf):		
First 75 ccf	\$0.5440	\$0.5455
Balance	\$0.6740	\$0.6755

3. Subject to application of purchased gas adjustment as set forth in Section 2.

4. **AVAILABLE:**
All qualified retail consumers outside of Nebraska City.
5. **APPLICATION:**
 - a) To all residential consumers for customary domestic uses.
 - b) To any farm consumer, not classified as Electric-Business-Rural for domestic plus customary farm uses, where consumption does not exceed 50 mcf in each of any two winter months in any year, these being the months of October through April.
 - c) To any combination of rural residential and business consumers where the business is operated solely by phone or mail or away from the home and goods and services are not made, rendered, or stored at home, and no one other than the resident is employed thereat.
 - d) To all churches, for customary church uses.
6. **SERVICE CONDITIONS:**
 - a) Each dwelling unit (house, duplex, or apartment unit, trailer, etc.) is to be individually metered and billed.
 - b) All uses are to be metered through a single meter.

G. BUSINESS - RURAL RATES.

1. Business "A"- Rural (Summer):

	<u>May 2014</u>	<u>May 2015</u>
Customer Charge (Per Month):	\$27.00	\$33.50
Commodity Charge (Per ccf):		
First 270 ccf	\$0.5440	\$0.5455
Balance	\$0.5240	\$0.5255

2. Business "A" - Rural (Winter):

Customer Charge (Per Month):	\$27.00	\$33.50
Commodity Charge (Per ccf):		
First 270 ccf	\$0.5440	\$0.5455
Balance	\$0.7514	\$0.7018

3. Subject to application of purchased gas adjustment as set forth in Section 2.
4. **AVAILABLE:**
All qualified retail consumers outside Nebraska City.
5. **APPLICATION:**
 - a) To all business and institutional users, unless classified as Res. Rural or Business "B".
 - b) To any farm consumer, for domestic plus customary farm uses, where consumption exceeds 50 mcf in each of any two winter months in any year, or who is classified as Electric-Business.
 - c) To any combination residential and business consumer not qualifying as Residential, or who elects to be classified hereunder.
 - d) To any duplex, apartment building, trailer court, etc. where dwelling units are not individually metered, unless classified as Business "B".
6. **SERVICE CONDITIONS:**
 - a) Each meter is to be considered an individual customer.
 - b) All uses for any one customer are to be metered through a single meter.

H. BUSINESS TRANSPORT RATES.

1. Large Volume Firm Transportation Service:

	<u>May 2014</u>	<u>May 2015</u>
Customer Charge (Per Month):	\$335.00	\$335.00
Commodity Charge (Per ccf):	\$0.1386	\$0.1414

2. Subject to application of purchased gas adjustment as set forth in Section 2.

3. **AVAILABLE:**

All qualified retail consumers within the Nebraska City Utilities' Service area.

4. **APPLICATION:**

a) To all farm, business and institutional users, with usage equal to or greater than 1,000 mcf/month in the current month or within the past 12 months.

5. **SERVICE CONDITIONS:**

- a) Each meter is to be considered an individual customer.
- b) All use for any one customer is to be metered through a single meter.
- c) All requests for service must be submitted in accordance with, and meet the requirements of, the policies and regulations of Nebraska City Utilities.
- d) Customer may be responsible for the cost of installation of an electronic meter, accessible with the Nebraska City Utilities' SCADA equipment.

SECTION 2. When a rate schedule provides for the application of a "Purchased Gas Adjustment," such adjustment shall be determined as follows:

Purchased and produced gas costs shall be calculated for each month, summer and winter seasons, or as otherwise deemed appropriate by NEBRASKA CITY UTILITIES, to reflect changes in the cost of gas above the Base Cost. For these purposes, the "Cost of Gas" shall mean the total variable cost, including all variable transportation, commodity, fuel and other supply and storage related charges. Said calculations and adjustments shall be made and become effective with the first billing of each month or as NEBRASKA CITY UTILITIES otherwise deems necessary to fully recover additional gas supply costs.

The rates as defined above include a Base Gas Supply Cost of \$3.73 per mcf for both May 2014 and May 2015.

Any change in the basic rate structure due to factors other than increases or decreases in rates charged Nebraska City Utilities for natural gas shall be made only by action of the City Council of Nebraska City.

SECTION 3. In the event of the imposition of any new tax or the increase of any existing tax, or any increase in payments in lieu thereof, by any lawful authority; or in the event of increased costs of operation, the gas rates established by Section 1 of this ordinance may be increased by the amount of such tax or by such increased costs of operation.

SECTION 4. That Ordinance No. 2578-03 and all other ordinances and parts of ordinances in conflict with this ordinance are hereby repealed.

SECTION 5. This ordinance shall be in full force and effect from and after its passage, approval and publication as provided by law and city ordinance.

PASSED AND APPROVED this 17th day of March, 2014.

Jack Hobbie, Mayor

Mayor Hobbie introduced Ordinance No. 2931-14 entitled: AN ORDINANCE ESTABLISHING A SCHEDULE OF RATES TO BE CHARGED FOR ELECTRIC SERVICE FURNISHED BY THE COMBINED UTILITY SYSTEM OF THE CITY OF NEBRASKA CITY, NEBRASKA; TO REPEAL ORDINANCE NO. 2672-06 AND ALL OTHER ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT WITH THIS ORDINANCE; AND TO DECLARE AN EFFECTIVE DATE; and moved that the statutory rule requiring reading on three different days be suspended. Commissioner Handy seconded the motion to suspend the rules and upon roll call the following voted YES: Stark Mercer, Handy and Mayor Hobbie. Voting NO: None. The motion to suspend was adopted by three-fifths of the Council and the statutory rule was declared suspended for consideration of said ordinance.

Said ordinance was then read by title and thereafter Mayor Hobbie moved for final passage of the ordinance, which motion was seconded by Commissioner Handy. The Mayor then stated the question: "Shall Ordinance No. 2931-14 be passed and adopted?" Upon roll call the following voted YES: Stark, Mercer, Handy and Mayor Hobbie. Voting NO: None. The passage and adoption of said ordinance having been concurred in by a majority of all members of the Council, the Mayor declared the ordinance adopted and the Mayor, in the presence of the Council, signed and approved the ordinance and the Clerk attested the passage and approval of the same and affixed his signature thereto. A true and correct copy of said ordinance is as follows:

ORDINANCE NO. 2931-14

AN ORDINANCE ESTABLISHING A SCHEDULE OF RATES TO BE CHARGED FOR ELECTRIC SERVICE FURNISHED BY THE COMBINED UTILITY SYSTEM OF THE CITY OF NEBRASKA CITY, NEBRASKA; TO REPEAL ORDINANCE NO. 2672-06 AND ALL OTHER ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT WITH THIS ORDINANCE; AND TO DECLARE AN EFFECTIVE DATE.

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF NEBRASKA CITY, OTOE COUNTY, NEBRASKA, AS FOLLOWS:

SECTION 1. THAT THE SCHEDULE OF RATES TO BE CHARGED FOR ELECTRIC SERVICE FURNISHED BY THE COMBINED UTILITIES SYSTEM OF THE CITY OF NEBRASKA CITY, NEBRASKA, IS HEREBY ESTABLISHED AS FOLLOWS:

- A. **UNIFORM PROVISIONS.** The following provisions shall be effective for all rates included in this ordinance.
 - 1. Effective Date(s): All charges imposed through this Ordinance shall be effective with billings rendered after October 1 of the years as shown in Subsections B, C, D, E, F, G, and H hereof.
 - 2. Rates and Charge(s): All bills shall be based upon the customer charge per month, plus the charges for demand and consumption, or other charges as applicable.
 - 3. Production Cost Adjustment: All rates are subject to the Production Cost Adjustment Clause as set forth in Section 2 hereof.
 - 4. Term of Payment: All bills are due and payable on date as indicated on bill. Delayed payment charge -- five (5) percent.
 - 5. Seasons: Applicable to bills for usage in the seasons as shown below:
 Summer: June through September; Winter: October through May.
 - 6. Contract Term: All non-residential users which elect, by signed request, to be served by Nebraska City Utilities, shall thereby agree to a service commitment of not less than twelve months duration, renewable, automatically and indefinitely until cancellation by consumer.
 - 7. Changing Rates: If more than one rate is applicable, the consumer shall have the right and responsibility to choose the rate which is most advantageous. Consumer may not change rates more than once in any 12 months period, unless otherwise agreed by Nebraska City Utilities.
 - 8. Rules and Policies: All usage is subject to all rules and policies of Nebraska City Utilities.

B. RESIDENTIAL RATES.

1. Residential Service-Urban Summer (RUS):

	<u>Oct 1, 2014</u>	<u>Oct 1, 2015</u>
Customer Charge/Month	\$12.00	\$15.00
First 800 kWh/month/kWh	\$0.1040	\$0.1058
Balance (per kWh)	\$0.0990	\$0.1008

2. Residential Service-Urban Winter (RUW):

	<u>Oct 1, 2014</u>	<u>Oct 1, 2015</u>
Customer Charge/Month	\$12.00	\$15.00
First 800 kWh/month/kWh	\$0.0940	\$0.0958
Balance (per kWh)	\$0.0600	\$0.0618

3. Applicable To:

All domestic single-family usage and all churches for customary church uses. Customers with mixed domestic and non-domestic usages at the same meter location whose usage exceeds 5,000 kWh for three consecutive months shall be transferred to the applicable business rate. New three-phase service is not available for residential service under this rate.

C. BUSINESS - URBAN RATES.

1. Business "A" - Urban Summer (BAS):

	<u>Oct 1, 2014</u>	<u>Oct 1, 2015</u>
Customer Charge/Month	\$25.00	\$35.00
First 2,700 kWh/month/kWh	\$0.1017	\$0.1117
Balance (per kWh)	\$0.1167	\$0.1117

2. Business "A" - Urban Winter (BAW):

	<u>Oct 1, 2014</u>	<u>Oct 1, 2015</u>
Customer Charge/Month	\$25.00	\$35.00
First 2,700 kWh/month/kWh	\$0.0867	\$0.0967
Balance (per kWh)	\$0.0917	\$0.0867

3. Minimum Bill:

Customer charge or any higher minimum as stipulated in an individual service agreement.

4. Applicable To:

All business usage of less than 15,000 kWh per month, including apartment buildings and trailer courts where dwelling units are not individually metered.

D. INTERMEDIATE BUSINESS RATES.

1. Business "B" Summer (BB):

<u>Oct 1, 2014</u>	<u>Oct 1, 2015</u>
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Customer Charge/Month	\$64.00	\$64.00
Demand Charge (\$/kW)	\$15.00	\$15.00
Energy Charge (\$/kWh)	\$0.0635	\$0.0648

2. Business "B" Winter (BB):

	<u>Oct 1, 2014</u>	<u>Oct 1, 2015</u>
Customer Charge/Month	\$64.00	\$64.00
Demand Charge (\$/kW)	\$12.00	\$12.00
Energy Charge (\$/kWh)	\$0.0515	\$0.0528

3. Minimum Bill:

The Minimum Bill of the Customer shall be the Customer charge, plus the greater of the following:

- (a) Monthly demand and energy as metered;
- (b) 60 percent of highest billing demand occurring during the prior months of June, July, August, or September;
- (c) Any higher minimum as stipulated in an individual service agreement.

4. Applicable To:

At the discretion of Nebraska City Utilities: all urban or rural business usage with peak demands of greater than 40 kilowatts or 15,000 kilowatt-hours of usage for three consecutive months.

E. RESIDENTIAL - RURAL RATES.

1. Residential Service-Rural Summer (RRS):

	<u>Oct 1, 2014</u>	<u>Oct 1, 2015</u>
Customer Charge/Month	\$14.00	\$19.00
First 800 kWh/month/kWh	\$0.1130	\$0.1141
Balance (per kWh)	\$0.1080	\$0.1091

2. Residential Service-Rural Winter (RRW):

	<u>Oct 1, 2014</u>	<u>Oct 1, 2015</u>
Customer Charge/Month	\$14.00	\$19.00
First 800 kWh/month/kWh	\$0.1030	\$0.1041
Balance (per kWh)	\$0.0630	\$0.0641

3. Applicable To:

All domestic single-family usage and all churches for customary church uses. Customers with mixed domestic and non-domestic usages at the same meter location whose usage exceeds 5,000 kWh for three consecutive months shall be transferred to the applicable business rate. New three-phase service is not available for residential service under this rate.

F. BUSINESS - RURAL RATES

1. Business "A" Rural Summer (BRS):

	<u>Oct 1, 2014</u>	<u>Oct 1, 2015</u>
Customer Charge/Month	\$30.00	\$38.00
First 2,700 kWh/month/kWh	\$0.1152	\$0.1152
Balance (per kWh)	\$0.1052	\$0.1052

2. Business "A" Rural Winter (BRW):

	<u>Oct 1, 2014</u>	<u>Oct 1, 2015</u>
Customer Charge/Month	\$30.00	\$38.00
First 2,700 kWh/month/kWh	\$0.1002	\$0.1002
Balance (per kWh)	\$0.0877	\$0.0877

3. Minimum Bill:

Customer charge or any higher minimum as stipulated in an individual service agreement.

4. Applicable To:

All business usage of less than 15,000 kWh per month, including apartment buildings and trailer courts where dwelling units are not individually metered.

G. LARGE BUSINESS RATES.

1. Large Light and Power - Summer (LLP):

	<u>Oct 1, 2014</u>	<u>Oct 1, 2015</u>
Customer Charge/Month	\$80.00	\$85.00
Demand Charge (\$/kW)	\$15.00	\$15.30
Energy Charge (\$/kWh)	\$0.06253	\$0.06300

1. Large Light and Power - Winter (LLP):

	<u>Oct 1, 2014</u>	<u>Oct 1, 2015</u>
Customer Charge/Month	\$80.00	\$85.00
Demand Charge (\$/kW)	\$12.00	\$12.30
Energy Charge (\$/kWh)	\$0.05253	\$0.05300

A. Minimum Bill:

The Minimum Bill of the Customer shall be the Customer charge, plus the greater of the following:

- (a) Monthly demand and energy as metered;
- (b) 60 percent of highest billing demand occurring during the prior months of June, July, August, or September;
- (c) Any higher minimum as stipulated in an individual service agreement.

B. Applicable To:

All large light and power consumers with peak demands of greater than 1000 kilowatts

for three consecutive months.

H. MUNICIPAL RATES (charges are the same as INTERMEDIATE BUSINESS RATES)

1. Municipal Wholesale Rate – Summer (MWR):

	<u>Oct 1, 2014</u>	<u>Oct 1, 2015</u>
Customer Charge/Month	\$64.00	\$64.00
Demand Charge (\$/kW)	\$15.00	\$15.00
Energy Charge (\$/kWh)	\$0.0635	\$0.0648

2. Municipal Wholesale Rate – Winter (MWR):

	<u>Oct 1, 2014</u>	<u>Oct 1, 2015</u>
Customer Charge/Month	\$64.00	\$64.00
Demand Charge (\$/kW)	\$12.00	\$12.00
Energy Charge (\$/kWh)	\$0.0515	\$0.0528

A. Minimum Bill:

The Minimum Bill of the Customer shall be the Customer charge, plus the greater of the following:

- (a) Monthly demand and energy as metered.
- (b) 60 percent of highest billing demand occurring during the prior months of June, July, August, or September.
- (c) Any higher minimum as stipulated in an individual service agreement.

B. Applicable To:

Any municipal customer within the Nebraska City service area for resale.

SECTION 2. PRODUCTION COST ADJUSTMENT (PCA):

All rates are subject to a Production Cost Adjustment. The rates as defined above include a Production Base Cost of \$0.0359/kWh for October 2014 and \$0.0376/kWh for October 2015.

Whenever the monthly Production Cost exceeds, or is less than, the Base Cost, a Production Cost Adjustment may be included in the billing charges. The adjustment shall be calculated in accordance with the following formula and shall include an adjustment for losses based upon the previous year's sales and production data.

$$PCA = \text{Monthly Cost} * (1 + \text{Loss Factor}) - \text{Base Cost}$$

Production costs shall include all costs of purchased power and energy and all fuels and lube oil consumed by local generation or other related costs directly attributed to local generation. The loss factor shall be equal to the difference, expressed as a fraction, between net system energy purchased or generated for the previous fiscal year and annual retail sales for the same period.

SECTION 3. POWER FACTOR CORRECTION:

All demand rates included herein are subject to adjustment for power factors of less than ninety-five (95) percent lagging. If the power factor, by meter or test, is found to be less than ninety-five percent, at or near peak monthly demand, the billing demand shall be increased by the ratio of 95 divided by the measured power factor. In order to allow the customer appropriate time to correct a low power factor, the penalty correction shall be advisory for the first three bills rendered after the power factor determination has been made.

SECTION 4. SERVICE QUALITY:

Customers operating equipment having highly fluctuating or large instantaneous demands, or which require electric service quality exceeding customary industry standards, shall be required to provide adequate corrective and/or protective equipment, isolating transformers, or other equipment as necessary so as to not unduly interfere with or be affected by customary service to other customers. Such special service conditions shall be subject to such additional monthly charges as the Utility deems necessary and appropriate.

SECTION 5. DISCOUNTS:

A credit of one and one-half (1 1/2) percent of the energy charge shall be granted for primary metering of utility-owned transformers. A credit of three and one-half (3 1/2) percent of the energy charge shall be granted for customer-owned transformers where metering is located on the low voltage side of the transformers. A credit of five (5) percent of the energy charge shall be granted for primary metering of customer-owned transformers. No credit shall be allowed when energy is delivered through more than one bank of utility-owned transformers.

SECTION 6. DISCRIMINATION PROHIBITED:

No service shall be provided under any other rate than as provided in these articles, except by written contract.

SECTION 7. DEFINITIONS:

- 1. kW shall mean peak kilowatt demand.
- 2. kWh shall mean kilowatt hour consumption.

- 3. Summer shall mean the usage during the months of June through September.
Winter shall be the usage for balance of the year.
- 4. Urban shall mean customers located within the corporate limits of Nebraska City, Nebraska.
- 5. Rural shall mean customers located outside of the corporate limits of Nebraska City, Nebraska.

SECTION 8. SERVICE POLICIES:

All rates and services included hereinabove are subject to the standard service policies and regulations of the Nebraska City Utilities.

SECTION 9. TAXES:

In the event of the imposition of any new tax or the increase of any existing tax, or any increase in payments in lieu thereof, by any lawful authority; the electric rates established by this ordinance may be increased by the amount of such tax or charge.

SECTION 10. REPEAL:

That Ordinance No. **2672-06**, and all ordinances or portions of ordinances in conflict herewith are hereby repealed.

SECTION 11. EFFECTIVE DATE:

This ordinance shall be in full force and effect from and after its passage, approval and publication as provided by law.

Passed and Approved this 17th day of March, 2014.

Jack Hobbie, Mayor

Leroy Frana presented the BPW’s recommendation to approve Waste Water W. O. #402 in the amount of \$390,113.00 (City’s share of FEMA Grant) to provide additional flood protection at the waste water treatment facility. Moved by Stark and seconded by Mercer to approve Waste Water W.O. #402 in the amount of \$390,113.00. Upon roll call the following voted YES: Handy, Mercer, Stark and Mayor Hobbie. Voting NO: None. Motion passed.

Leroy Frana presented the BPW’s recommendation for vehicle and equipment replacement and upgrading in the amount of \$249,197.00. Moved by Stark and seconded by Commissioner Handy to approve the purchase of vehicles and equipment in the amount of \$249,197.00. Upon roll call the following voted YES: Mercer, Handy, Stark and Mayor Hobbie. Voting NO: None. Motion passed.

A-1 Locksmith	Maint	67.95	Konica Minolta	Contr	176.17
Action Tech	Contr	400.00	Landis	Equip	352.98
Adkins Signs	Sup	275.00	Larson Motors	Rep	306.96
Alamar	Unif	613.39	LaRue Coffee	Sup	52.36
Allied Recycling	Garbage	245.61	Laser Etched 4 U	Sup	20.00
AMG-SF, LLC	Mdse	47.11	Lincoln Financial	Inv	2376.04
Arbor Mart	Fuel	1965.63	Matheson Tri-Gas	Sup	237.05
AVAC	Contr	242.00	Mercer's	Sup	176.25
BAR-B-Q	Misc	1239.50	Meyer, J	Rfnd	200.00
Barrett Const	Contr	1312.50	Microfilm Imaginng	Contr	80.00
Bell, C	Misc	32.68	Midwest Farmers	Sup	1409.63
Berry	Adv	47.25	Midwest Service	Sup	54.53
Bill Walters	Rep	793.18	Mullenax	Sup	196.27
Bishop Plbg	Rep	66.00	Nationwide Trust	Inv	16189.40
BKD	Contr	18000.00	NC Utilities	Util	8410.01
Bob's Welding	Rep	428.00	NCTC	Contr	6250.00
Bohl Plbg	Rep	109.99	NE Dept of Rev	Sls Tax	942.87
Bound Tree	Sup	828.79	NE Law Enforcement	Dues	100.00
Bowser, E	Misc	50.00	NE Salt and Grain	Chem	2923.92
Callaway	Mdse	4066.10	O'Reilly	Sup	21.72
Card Services	Sup	926.34	Odey's	Sup	4214.00
Carrot-Top Ind	Sup	132.88	Orschlen	Sup	95.01
Casey's	Fuel	50.46	Paper Tiger	Garbage	35.00
Casey, J	Mileage	51.42	Payroll	Payroll	86468.22
CDA	Misc	4200.19	Pite, D	Contr	341.50

Century Lbr	Sup	81.71	Prochaska	Contr	4200.19
Denniston, R	Rep	85.53	River View Pest	Pst Cntrl	176.00
Eggers Bros	Sup	79.09	Schneider Elec	Rep	152.00
EMS Billing	Contr	2323.92	Sewing Basket	Misc	2.95
Fastenal	Sup	59.15	Shell	Fuel	2993.78
Fire Protection	Maint	34.90	Shiplely Flooring	Sup	74.73
First Class Flowers	Misc	40.00	Strong, M	Contr	308.50
Food Pride	Sup	7.12	Tielke's	Conc	29.51
Friesen, E	Rfnd	100.00	Tree City Tees	Unif	45.00
Gatehouse	Adv	376.95	Tri-State Office	Sup	149.82
Giittinger, D	Mileage	276.29	Tri-State Pumping	Rep	87.00
Guardian	Ins	3419.23	UHC	Ins	57914.42
Hobbie, J	Mileage	51.98	Unifirst Corp	Sup	71.50
Hopkins	Sup	131.34	Verizon	Tele	14.08
Ideal Pure Water	Sup	98.72	Watkins T	Sup	271.29
Jensen, C	Contr	110.50	Wieckhorst, M	Rfnd	200.00
JEO	Contr	1382.50	Windstream	Tele	2406.08
Johnson, J	Mileage	237.47	Zahn Const	Rfnd	200.00
Jones, C	Mileage	370.80			

Meeting adjourned at 7:47 p.m.

Arnold M. Ehlers, City Clerk - Treasurer

AFFIDAVIT

I, the undersigned City Clerk for the City of Nebraska City, Nebraska, hereby certify that the foregoing is a true and correct copy of proceedings had and done by the Mayor and Board of Commissioners, that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and available for public inspection at the office of the City Clerk; that such subjects were contained in said agenda for at least twenty-four hours prior to said meeting; that at least one copy of all reproducible material discussed at the meeting was available at the meeting for examination and copying by members of the public; that the said minutes 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 convened meeting of said body; that all news media requesting notification concerning meetings of said body were provided advance notification of the time and place of said meeting and the subjects to be discussed at said meeting.

Arnold M. Ehlers, City Clerk-Treasurer