

FINANCE COMMITTEE MEETING

The Finance Committee of the City of Norfolk, Nebraska met in the Council Chambers, 309 West Madison Avenue, Norfolk, Nebraska, on Wednesday, May 14, 2008, beginning at 7:00 a.m.

Mayor Gordon D. Adams called the meeting to order.

Roll call found the following Committee members present: Mayor Gordon Adams and Councilpersons Brenneman, Coy, Fauss, Lange, Reeder, Saunders, Van Dyke (7:11 a.m.) and Wilson. Absent: None.

Staff members present were Interim City Administrator Gary Miller, City Attorney Clint Schukei, City Clerk Beth Deck, Wastewater Plant Superintendent Todd Boling, Park Superintendent Pat Mrsny, Solid Waste Manager Gary Lund, Housing Director Sheila Miller, Street Supervisor Mark Miller, Water & Sewer Director Dennis Watts, Human Resources Director Sheila Schukei, Finance Officer Randy Gates, Information Systems Manager Jim McKenzie, Prevention Manager Scott Cordes, Library Director Ted Smith, Police Chief Bill Mizner and Fire Chief Shane Weidner.

Notice of the meeting was given in advance by publication in the Norfolk Daily News, and notice of the meeting was given to the Mayor and all members of the Council prior to the meeting.

The Mayor presided and the City Clerk recorded the proceedings.

The Mayor informed the public about the location of the current copy of the Open Meetings Act posted in the meeting room and accessible to members of the public.

Councilperson Brenneman moved, seconded by Councilperson Fauss to approve the agenda with the deletion of Item No. 2, discussion of request from Gary Erickson family to name the softball complex Gary R. Erickson Softball Complex. Roll call: Ayes: Councilpersons Brenneman, Coy, Fauss, Lange, Reeder, Saunders, Wilson and Mayor. Nays: None. Absent: Van Dyke. Motion carried.

At the request of Councilperson Van Dyke, the first item discussed was **street** maintenance. Interim City Administrator Gary Miller explained elected officials want to make citizens aware that the City's Street Division has a program in place for making miscellaneous street repairs. Miller encouraged citizens to call the Street Division with concerns.

Street Supervisor Mark Miller explained the Street Division has the City divided into 24 areas for repair/patching of pot holes. However, the Division currently has a heavy work load and is doing repairs on an on-call basis only at this time. Miller expects the patching crews to get back to doing regular repairs within the next 2-3 weeks. Miller stated the Street Division will start on ADA sidewalk compliance by the middle of June.

Councilperson Reeder stated alleys seem to have a lot of pot holes, especially those in Downtown Norfolk.

Miller stated the Street Division is using millings to make repairs until permanent repairs can be completed.

This item was for informational purposes only and no action was required.

Interim City Administrator Gary Miller reviewed the One and Six-Year Capital Improvement Plan (**CIP**) with elected officials. Miller explained the CIP is a pre-planning tool to be used at budget time and includes capital items over \$50,000. FY 2008-2009 includes the following items:

Administration – Administration building, \$3,000,000

Street Division – Front end loader, \$120,000; dump truck, \$60,000

Park & Auditorium – Ta-Ha-Zouka Park Campground Upgrade, \$130,000; ballfield lighting upgrade, \$25,000; entrance sign, \$20,000

Library – Parking lot replacement, \$36,960

Water Pollution Control – Raw lift pump replacement, \$157,590; grit dewatering equipment, \$105,060

Sewer Bonds – principal, \$513,000; interest, \$188,694

Water Bonds – principal, \$190,290; interest, \$109,441

Transfer Station – semi-trailer, \$58,800

Solid Waste Bonds – principal, \$97,000; interest, \$22,531

General Obligation Bonds – principal, \$118,813; interest, \$15,632 (VP Bonds); and principal, \$453,800; interest, \$134,896 (GO Bonds)

Miller stated the Water Division is waiting for completion of the Water Master Plan before entering items in the CIP.

This item was for informational purposes only and will appear on the May 19, 2008 City Council meeting for formal consideration.

The next item discussed was the proposed resolution extending an interlocal agreement with the League Association of Risk Management (LARM) for the City's **insurance** coverage. Interim City Administrator Gary Miller stated Resolution 2008-15 was tabled at the April 21, 2008 City Council meeting. The resolution extends the contract with LARM for an additional year, until September 30, 2011. The City receives a 5% participation discount on insurance rates by extending the contract. Miller stated staff met with several Council members to provide information regarding the insurance pool through LARM. Miller encouraged elected officials to move forward with the resolution at this time and stated City staff will "start earlier next year" with discussions regarding the City's insurance. Miller stated private insurers could also be included in the discussions next year.

Councilperson Van Dyke feels elected officials need to move forward with the resolution at this time. Van Dyke feels there isn't enough time now to look at changing insurance carriers or requesting proposals. Van Dyke suggests waiting one year to see how Kearney does with a private insurance carrier instead of LARM.

Councilperson Saunders moved, seconded by Councilperson Van Dyke to move forward and place Resolution No. 2008-15 on the May 19, 2008 City Council meeting agenda for formal consideration.

Councilperson Reeder has been contacted by "other entities that want to" provide insurance for the City. Reeder stated the City's current contract with LARM runs through September 30, 2010 and that allows two years for discussions.

Councilperson Saunders feels elected officials need to approve the resolution and then look review insurance options next year.

Councilperson Fauss was provided information regarding the insurance pool through LARM and now sees the urgency to adopt the resolution at this time. However, Fauss would like this item to be discussed at with the next budget cycle.

Councilperson Wilson questioned the deadline for receiving the 5% participation discount from LARM.

Miller stated LARM needs the signed resolution by May 23, 2008 to receive the 5% participation discount.

Scott Williams, Insurance Associates, provided a historical perspective of insurance rates and said there was an availability issue in the 1970s and 1980s but not now. Williams felt LARM was established to provide an insurance “option and not be the sole source” for coverage. Williams requested elected officials not adopt the resolution but move forward with hiring a consultant to write bid specs to provide the City’s insurance coverage. Williams said there are several municipal insurers including Travelers, Cornhusker Casualty, Continental-Western or Homestate and EMC. Williams also said the bid process may show LARM as the best provider for the City’s coverage; however, elected officials should “test the waters.”

Roll call on the motion to place Resolution No. 1008-15 on the May 19, 2008 City Council meeting agenda: Aye: Councilpersons Brenneman, Coy, Fauss, Lange, Saunders, Van Dyke, Wilson and Mayor. Nays: Reeder. Absent: None. Motion carried.

Solid Waste Manager Gary Lund discussed **recycling** with elected officials. Lund stated curb side recycling was initiated by a local hauler but it will not be easy to standardize for all haulers. Lund stated the City currently has a good, albeit costly, private collection system in place. As a recap of earlier discussions, in March 2008, FirstStar Fiber of Omaha promoted a co-mingled collection at the curb system. However, one semi load of that product shipped to Omaha would be worth less than the cost to transport it (according to a Sioux Falls vendor quote) and one local hauler refused to participate in a City transport system if the Sioux Falls vendor is used. Lund has researched trends throughout the country and found that co-mingled collection systems are gaining popularity in large metro areas. A local sorting system for the co-mingled product would improve market value and transport efficiency but the equipment cost is prohibitive in a community Norfolk’s size. As an alternative, the product could be baled locally to maximize the transport payload to the sorting location. It would also require an expansion of the Transfer Station but the construction costs could be minimized by a NDEQ grant. Lund stated the City should consider expansion of the Transfer Station for safety and operational reasons and a baling station could be incorporated into that plan. A second alternative would be to encourage a local paper/cardboard collection system; however, subscriber collection costs would likely be similar to a co-mingled system. Either of these collection systems could be provided by existing collection companies without investment in new equipment.

Lund stated a third alternative is a full-service recycling collection program that would require a multi-bin collection truck—something not currently in use in Norfolk.

Lund believes it is time for the City of Norfolk to take an active role in developing a recycling system for residents. Research would involve determining the systems available, the cost of the

various options, methods of funding, determination of citizen support as well as long-term viability. Any of the options would require community support, collector company participation and some level of regulation to ensure standardization and maximum efficiency. Lund requests approval to conduct a survey to determine support for recycling and have discussions with an engineering firm about the processes of curb side collection.

Councilperson Coy feels the City should, at the very least, have a drop off site for citizens who want to recycle.

Councilperson Wilson feels recycling is important and supports moving forward with Lund's requests.

Councilperson Wilson moved, seconded by Councilperson Lange to approve Lund's requests to conduct a survey to determine support for recycling and have discussions with an engineering firm about the processes of curb side collection. Roll call: Ayes: Councilpersons Brenneman, Coy, Fauss, Lange, Reeder, Saunders, Van Dyke, Wilson and Mayor. Nays: None. Absent: None. Motion carried.

The Mayor requested consideration to go into executive session to discuss personnel matters.

Councilperson Fauss moved, seconded by Councilperson Reeder to adjourn from regular session and convene into executive session at 7:40 a.m. to discuss personnel matters. Roll call: Ayes: Councilpersons Brenneman, Coy, Fauss, Lange, Reeder, Saunders, Van Dyke, Wilson and Mayor. Nays: None. Absent: None. Motion carried.

Councilperson Wilson left the meeting at 7:58 a.m.

Councilperson Fauss moved, seconded by Councilperson Van Dyke to adjourn from executive session and reconvene into regular session at 8:19 a.m. Roll call: Ayes: Councilpersons Brenneman, Coy, Fauss, Lange, Reeder, Saunders, Van Dyke, and Mayor. Nays: None. Absent: Wilson. Motion carried.

Mayor Adams re-stated for the record the only item discussed during the executive session was personnel matters.

Councilperson Van Dyke moved, seconded by Councilperson Saunders to approve announcement of the names of the four finalists for the City Administrator position as follows: Jeffrey Bridges, Andover, Kansas; Gerald Clausen, Carroll, Iowa; Albert Roder, Northfield, Minnesota; and Michael Stampfler, Portage, Michigan. Roll call: Ayes: Councilpersons Brenneman, Coy, Fauss, Lange, Reeder, Saunders, Van Dyke, and Mayor. Nays: None. Absent: Wilson. Motion carried.

Councilperson Van Dyke moved, seconded by Councilperson Fauss to adjourn the meeting at 8:23 a.m. Roll call: Ayes: Council members Brenneman, Coy, Fauss, Lange, Reeder, Saunders, Van Dyke, and Mayor Adams. Nays: None. Absent: Wilson. Motion carried.

Elizabeth A. Deck
City Clerk