

MINUTES OF THE REGULAR MEETING OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PAWNEE CITY, HELD ON MONDAY, JANUARY 24, 2022, AT 7:00 P.M. AT THE PAWNEE CITY PUBLIC LIBRARY MEETING ROOM, 735 8TH STREET, ALL IN PAWNEE CITY, PAWNEE COUNTY, NEBRASKA.

Notice of this meeting was given in advance thereof by advertising in the Pawnee Republican, a designated method for giving notice as shown by the Affidavit of Publishing on file in the office of the City Clerk. Notice of this meeting was given to the Mayor and City Council and a copy of their acknowledgment of receipt of the notice and the agenda are on file in the office of the City Clerk. Availability of the agenda was communicated in the advance notice and in the notice to the Mayor and Council of this meeting. All proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public.

Present: Mayor Charlie Hatfield; Council Members: Ric Helms, Susan Eisenhauer (by telephone), Donnie Fisher and Bruce Haughton; Tammy Curtis, City Clerk/Treasurer, Kellie Wiers, Deputy City Clerk/Treasurer and Spencer Cumley, City Foreman. **Absent:** None.

Mayor Charlie Hatfield called the meeting to order at 7:00 p.m. informing all those present of the Posters stating the Open Meeting Law Changes on the West meeting room wall accessible to the public. At this time all those present stood to recite the Pledge of Allegiance.

Council Member Haughton moved to accept the January 10, 2022, regular meeting minutes. Council Member Helms seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried.

The Treasurer submitted the following claims for consideration: **1/18/22 Payroll: 11,277.19; Union Bank & Trust**, FWH 3276.05; **NE Dept. of Rev**, SWH, 513.87, Dec. Sales & Use Tax 2165.13, Lodging Tax 246.72; **John Hancock**, retirement 1552.52; **Allstate**, cancer/accid. ins. 267.74; **Ameritas**, vision ins. 116.60; **Madison Nat'l Life**, empl life ins. 61.48; **UHC**, health ins. 7103.33; **BHE**, gas service 713.09; **Spectrum**, internet & phone @ shop 169.97; **PCDC**, Nov. 2021 sales tax 5717.28, demo reimb 4000.00; **Windstream**, internet service @ city office 129.36 **NPPD**, electric service 3425.52; **Amazon Capital Services**, tools, shirts, oil change kits 906.15; **Nebr. Public Health Environmental Lab**, wtr samples 31.00; **Capital Bus. Services**, Elevate phone syst. 111.94; **Pawnee True Value**, maint. supplies 437.44; **Verizon Wireless**, home connect & jetpack 64.20; **Diversified Drug Testing**, alcohol & drug testing empty #605/1009 251.50; **Findlay HVAC**, swr plant heater 3400.00; **H&H Auto Parts**, gloves tools, welding jackets 176.29; **League Assoc. of Risk Mgmt.**, insurance on swr jet trailer 782.82; **Pawnee City Fire Dept.**, 4th qtr 2021 reimb 2660.12; **Pawnee City Thriftway**, trash bags, paper towels 11.08; **Pawnee Co. Reg of Deeds**, file RR deed 46.00; **Quill Corp.**, office supplies 268.14; **Northern Safety & Industrial**, Winter coats for crew 581.40; **Petty Cash Fund**, reimb 14.56; **State of Nebr. DOL**, FY 2021 4th qtr unempl tax 25.12; **Pawnee Co. Treasurer**, qtrly law enforce pymt 17,372.34. Council Member Helms moved to approve the claims as submitted. Council Member Haughton seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried.

JULIE BAUMAN, Present FY 2020-2021 Audit: Ms. Bauman presented the 2020-2021 audit to the Council as outlined in her auditor's report distributed to everyone present. Since there wasn't more than \$750,000 in federal award money, Ms. Bauman only had to complete one audit this year and there were no adjustments to the financials. Statement of net position (balance sheet) is a snapshot of one day which includes liquidities and working capital which totals

\$18,220,772. The reserve accounts have increased \$52,000 while debt has decreased \$265,000 which includes money saved by refinancing the water and sewer bonds. Governmental accounting/budgeting is a little different from regular business accounting on how it flows together and is a little bit more detailed. The City's Cash Position is really strong for a total of \$750,598. The income statement shows the revenue and expenses for a Total Net Position for \$5,616,576. The Statement of Cash Flows has a positive balance which it should. Total Notes Receivable (which is the balance of the ReUse loans) is \$311,515 and Clerk Curtis explained that there will not be anymore ReUse loans because the program has ended but DED has allowed the City to use the balance in the account (not the loan balances) to be used on the Fire Hall Project (approximately \$200,000). After that, the loan payments will be sent back to the State of Nebraska to be used for state revolving loan funds. This ReUse program actually lasted 35 years and started with CJ Foods, Inc. During the audit, Ms. Bauman did not identify any deficiencies in internal control that would be considered material weaknesses and there were no instances of noncompliance. Council Member Eisenhower asked about the money she requested to be earmarked for the General Reserve that wasn't spent from the previous year's budget. Clerk Curtis explained that money isn't shown in the audit report but it will be recognized in the Treasurer's Report. Clerk Curtis wasn't able to transfer this money yet because she needed to make sure there weren't any discrepancies in the audit in case adjustments needed to be made. Ms. Bauman explained that if there is cash left in one department budget, it is best to look at the cash flow in the total budget and it isn't always wise to spend down money left in one fund if it is needed in another fund. Council Member Helms asked if maybe it isn't a good idea to spend all of the budget left in the street fund on streets? Ms. Bauman said that this could have a snowball effect on the rest of the funds. Clerk Curtis also explained that you can't spend all of the funds in one budget at once because the money isn't received all at once such as money received from property taxes. Council Member Eisenhower stated that it is best to look at spending funds if it is really necessary. Is it going to help anything? Clerk Curtis said a good example is the purchase of the sewer jet trailer. Foreman Cumley will talk later in the meeting about how much they have used it and how much the City has saved from doing it themselves versus asking other towns to come "jet" sewer lines. The City has saved close to \$6,000. Ms. Bauman explained the audit report is due to the State by March 31st, electronically, and she will send it to them. Clerk Curtis explained that she is waiting on some receipts for demolition reimbursement requests but then she will be transferring \$50,000 out of the Demo Fund to pay back the General Fund. There will be around \$20,000 left in the demo fund and there have been a lot of properties cleaned up. Ms. Bauman will also send a copy of the budget report to Clerk Curtis.

Vickie Zelenka report on Pawnee County Task Force Meeting: Vickie reported the Task Force met Jan. 14, 2022 and a copy of the meeting minutes was included in the packet. She stated that cases have increased and more people are getting tested and she was recently tested but result was negative. The hospital/clinic used to stop people at the door but now people can step inside but still have to get their temperature taken and wear a mask. There was a recent case that a patient didn't have to be intubated because they were able to receive antibody treatment and stayed at home. Recently, there was a para from Lewiston school that was out with Covid-19 and had to go to a hospital out in Grand Island but is home now. There is also an increase in juvenile cases but schools are still in session and have increased their sanitation practices. The task force recommends that people wash their hands and wear a mask. Most hospitals are in

crisis mode because beds are taken up by Covid patients and elective surgeries have been postponed. The Task Force will meet again on February 11th.

Review DHHS Directive Health Measure Order 2022-001 effective January 14th February 13th, 2022 re: hospital capacity and health care resources being depleted: A copy of the DHM was included in the agenda packet and Clerk Curtis explained that Vickie Zelenka had basically summarized what was stated in the order.

Report and update from Council Member Helms. Items for discussion: *Review Proposal from Pavers, Inc. for Street Work to be completed towards the end of this Fiscal Year – to be paid out of FY 2021/22 & FY 2022/23 budgets;* Street work will be completed in phases and will save the City a lot of money. Pictures of the locations that are being repaired have been included in the agenda packet. The total cost for this project will be \$107,974.00. There are about six different sites that include patchwork on heavily traveled areas. After the patchwork is completed, then there will be overlay work on these areas in about two to three years. The patchwork has to be completed first or it will tear up the road. Council Member Helms stated this project doesn't necessarily need a vote but he wanted to let everyone know about the street plan. Helms explained that Foreman Cumley had stated that the City Crew could complete some of these patches themselves. Layed down asphalt costs \$1300/ton right now. Six years ago it was \$54/ton. Council Member Helms explained to Ray Kappel that no overlay would be completed until the patchwork is completed. Clerk Curtis asked about "P" street over by the Historical Society. Helms explained that those two blocks need a lot of patchwork and complete overlay. This road is heavily traveled when the Historical Society has events and Foreman Cumley explained that a lot of people in that corner of town also use that road. Council Member Helms explained that he and Foreman Cumley worked on this project together and asked for his input on the heavily traveled areas of town. Helms praised Cumley on his assistance. ***Discuss/Approve purchasing a Concrete Power Screed for the City Crew to do Concrete Patches;*** Helms explained that Foreman Cumley said the crew could complete some of this patchwork if they had a Concrete Power Screed which costs about \$2100 - \$2200 and concrete cost about \$110/yd. Clerk Curtis explained that she felt the Street budget shouldn't have to pay for the total cost since the crew has had to tear up streets to dig up water mains, replace lead lines and replace sewer lines. So that expense could be split three ways. Council Member Haughton stated that streets are very important to the people in town and people that visit Pawnee City. Council Member Helms moved to approve the purchase of the \$2100-\$2200 Concrete Power Screed and the cost will be divided among the Street, Water and Sewer budgets. Council Member Haughton seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried.

Report and update from Foreman Cumley: Items for discussion are: *Discuss/Approve purchasing metal markers to place where the manholes are so the metal detector can find them;* Foreman Cumley explained, recently, the crew has been jetting sewer lines and trying to find manhole covers. They had trouble finding manholes (even with a metal detector) because some were in the trees or buried deep or just hidden. They haven't found all of them but Cumley was working on an idea to make it less difficult to find manholes and he found some metal pins that are 3" wide (like a hockey puck) with a ½" piece of rebar sticking out of them and these would be placed on top of the manhole so it would be easier to find the manhole. They can also

be engraved to show what they are and the location. He suggests ordering two hundred of these, for a total cost of around \$1000, to mark manholes so it would make it easier to find manholes in an alley or along the creeks and tree lines. This would make it easier to find them and spend less time trying to find them with a metal detector especially in the wintertime when the ground is frozen, covered with snow and ice. Clerk Curtis explained that this would make it easier for future reference and future workers who don't know where all the manholes are located. Mayor Hatfield explained that one of the crew members told him that he had looked at the original blueprints from 1919 to find a manhole and the blueprints were wrong so you can't always rely on blueprints. The Mayor explained that it would be a good idea to install these items on the manholes for future reference because our current council and crew members won't be here forever to know where the manholes are located and this would eliminate future struggles. Also, sometimes manholes get covered up over the years and property changes hands and alleys get closed and a current property owner may have sewer problems but nobody can find the sewer manhole and you would have to dig down to find it. Vickie Zelenka talked about a property North of her that two houses share a sewer manhole and the original property owner wanted his own sewer manhole but the current property owners probably don't know that. Foreman Cumley explained that 200 markers should be enough to mark what they have with a few left over for replacement and the manholes in the street don't have to be marked because they are easily found. Council Member Helms moved to approve the purchase of these metal markers to identify the locations of the sewer manholes. Council Member Fisher seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried. Foreman Cumley explained that the crew has jetted 12 runs (a run is from manhole to manhole) for an average of 350 ft. but contractors normally charge us around \$500 to \$600 to do that so the total cost would have been around \$5500 to \$6000 so we saved that much by doing it ourselves plus we would have had to wait until that person was able to fit us in their schedule. Cumley plans to jet all the sewer lines after they are able to find all of the sewer manholes. ***Review Inspection and Assistance Exit Summary from NE Dept. of Environment and Energy (formerly NDEQ) on finding metal objects in the burn pile – Note: items have been removed & taken to Smith Auto where a receipt has been received to show proof of removal;*** Foreman Cumley explained that there was actually quite a bit of metal at the dump which included a metal barbeque grate, piece of metal plumbing pipe, piece of aluminum and a piece of rebar, and 15 ft piece of fence wire. Council Member Fisher suggested some of these items might have been in the back of someone's pickup when they dumped tree waste. This was supposedly a random check but there was a recent EPA complaint on the Graham property. Clerk Curtis explained the inspector said there was no fine but she will send a letter explaining that the City will need to provide a receipt that the metal has been disposed of so the crew took the metal out to Smith Auto and got a receipt. Clerk Curtis will mail the receipt to the Nebraska Dept. of Environment & Energy when the office receives the letter and the inspector was very professional about the matter. Foreman Cumley explained that the fence wire could have been stuck in some trees that were damaged from last month's storm and it's hard to see until after the wood burns away. The crew members check it on a regular basis.

Report and update from Clerk Curtis & Deputy Clerk Wiers: Items for discussion are: Review/Approve going through Diversified Drug Testing for the FMSCA Drug & Alcohol Clearinghouse for a fee of \$200: Clerk Curtis and Deputy Clerk Wiers explained that the Federal Motor Carrier Safety Administration requires all CDL drivers be registered on a

“clearing house” and that employers are required to check the clearing house on a yearly basis to see if the CDL driver has any violations and to check new employees. You also have to show proof that you complete annual queries. Previous Utility Billing Clerk, Laura Poskochil, had assisted DC Wiers with registering the crew members and making the annual queries. It is a very frustrating and not user-friendly process and sometimes, the Clearinghouse website doesn’t work. Clerk Curtis explained that this \$200 fee is cheaper than the time that has been spent on setting this up. DC Wiers referred to the information included in the agenda packet and explained that Lisa Bullard Eagles from Diversified Drug Testing had contacted the office and said that they would complete the annual queries, complete queries for new employees and assist with the registration process plus assist if a problem pops up. Employees do have to sign a consent form for the query to be completed. Council Member Eisenhauer moved to approve the \$200 membership fee to have Diversified Drug Testing assist with the FMCSA portal and clearinghouse to fulfill the yearly federal requirements. Council Member Helms seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried. ***Review email from Census Bureau and the memo from Matt Kuhlmann after doing the research on challenging the population count for Pawnee City in the 2020 Census;*** Utility Billing Clerk/Zoning Administrator, Matt Kuhlmann had researched whether the City could contest the Census Bureau’s calculations that the population for Pawnee City had decreased from 878 to 821. Mr. Kuhlmann checked the Census Bureau’s website and also called them to get more information. He found that the 2020 census figures cannot be changed until the next census is completed and he “didn’t find any errors as far as city boundaries or blocks being excluded.” A statement from Kuhlmann was included in the agenda packet. Clerk Curtis and DC Wiers praised Matt Kuhlmann on the work he did on this issue and feel that Covid-19 had an affect on the census workers ability to complete the census. Council Member Eisenhauer, Clerk Curtis and DC Wiers had completed their census information online but received another postcard that their information had not been completed. ***Review/Approve the Office Cleaning Position Advertisement;*** Council Member Haughton moved to approve the Office Cleaning Position ad for the City Office. Council Member Helms seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried. ***Review Overpayment Request Letter from LARM re: repairs being less than payments provided by LARM on 6/9/2020 Hail Damage Claims – (we owe LARM \$22,685.17);*** Clerk Curtis explained that the City now owes LARM money because the bids on the hail damage from June 2020 came in much lower than what LARM had estimated for damage. Nancy Muetzel from LARM explained the amount of money that the City pays to LARM every year is not actually a premium, it is a contribution to the LARM pool and the money in the pool is used to pay out insurance claims. So, if LARM is overpaying a claim, that money has to be returned. Clerk Curtis asked why LARM pays claims up front? This money was used in last year’s budget and now the \$22,685.17 has to come out of this year’s budget. Muetzel asked what happened to the overpayment and Curtis explained that it wasn’t budgeted in this year’s budget to pay back to LARM. Muetzel explained that the claims adjuster who came down to look at the damage may have had the amounts a little high for this area. Now, the City has wind damage from the December 2021 storm and it will have to be put out for bids. Curtis stated she would rather not have LARM pay up front again. Mayor Hatfield also explained that Muetzel had stated that LARM paid up front on this claim because most contractors want to be paid before they do the work. This may be correct for businesses or homeowners but we are a municipality. Contractors know they will get paid. Clerk Curtis commented that LARM is a good insurance carrier and had done well for the City compared to

the previous insurance company that paid \$70,000 to Jerry Graham on a sewer backup that wasn't the City's fault. Council Member Haughton asked if LARM refers to themselves as an insurance company? Haughton explained that there are similar instances in the health insurance industry where a person will pay so much, yearly, into a pool based upon their age and when there is a claim, money is pulled out of the pool to pay it but they are not called an insurance company. Clerk Curtis replied that LARM stands for the League Association of Risk Management so they are not actually an insurance company and they have their own claim adjusters. She suggested that Clint Simmons (LARM) could come to a meeting and the Council could ask him questions about how LARM is organized. Council Member Haughton stated there could be a problem if there was a natural disaster since this is a pool. There might not be enough money in the pool to pay these claims. Clerk Curtis stated that there could also be years where there isn't much money paid out so this money could be accumulating. LARM is also under the League of Municipalities so they are legitimate. Council Member Eisenhower stated that they would also be investing money and earning interest on it so the funds would be multiplying. Council Member Eisenhower suggested doing some research and see where it states in our "policy" that the City would have to pay money back if the actual costs came in less than the estimates and that money has to be refunded. They should tell you up front that the money not used has to be paid back.

Review/Approve the Sworn Statement in Proof of Loss to LARM from the 12/15/2021 Wind Damage Claim : Next Step will be to get the Adjustors Statement of Loss of each property and put the work out for bids; Council Member Haughton moved to approve the Sworn Statement of Proof of Loss to LARM from the 12/15/2021 Wind Damage Claim. Council member Helms seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried.

Review email from Alan Schmitz AHRS on progress; Review/Approve Change Order #4 – contract extension to 2/28/2022; Council Member Haughton moved to approve Change Order #4 – contract extension to 2/28/2022 on the Fire Station Project with AHRS. Council Member Fisher seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried.

Review letter from USDA-RD re: \$46,500 in Grant Funds have been received towards the purchase of the Sewer Jet Trailer: Clerk Curtis commented that this was like a reimbursement and the funds were received faster than other USDA grant funds. So, the sewer jet trailer has been paid in full.

Correspondence: The City Council reviewed correspondence from November 2021 total Sales Tax of \$17,021.65 with ½% Street Repairs Sales Tax totaling \$3,811.52 and \$1,775.57 being Motor Vehicle Sales Tax. Clerk Curtis plans to attend the 2022 MidWinter Conference on February 28th and March 1st in Lincoln, Nebraska. If anyone else would like to attend, please let her know by Febr. 11th. The Council reviewed the Chamber's 2021 Carolyn VanHorne Civic Award Nomination form. If anyone would like to nominate a person, please let Tammy or Kellie know as the form has to be submitted to the Chamber by March 1st. Council Member Helms said he has someone in mind to nominate: Randy Gyhra. DC Wiers explained the nomination has to be for a volunteer. Clerk Curtis and DC Wiers have someone in mind to nominate. The Council

decided to invite the Masonic Lodge to the February 28, 2022 City Council meeting to present a \$25,000 check to the Pawnee City Fire Dept. to help pay for finishing the inside of the new fire hall. Mayor Hatfield is a member of the Masonic Lodge and he wants the public to know that the lodge is still active. Other lodges around the area have disbanded but the local lodge received a generous donation and the current building was given to them for free. He would also like the newspaper to have someone present to take a picture of this presentation. Mayor Hatfield explained that in the past, the lodge had donated a large sum of money but never even received a thank you and they were also promised a plaque but never received it, so, the lodge members are reluctant to whom they donate money. He feels the City should be gracious to the lodge for this donation so that later, they might be able to receive more money to complete future projects such as the rest of the trail to the ball field. Council Member Haughton suggested that the Masonic Lodge could be recognized when the new Fire Hall has a dedication. Mayor Hatfield and Clerk Curtis explained that the actual building is not owned by the City and will not be until it is finished. Mayor Hatfield will contact the Lodge to invite them to the Febr. 28th meeting.

FILING DEADLINES: Incumbent – February 15th; Non-incumbent – March 1st
City Positions up for Re-Election: Mayor Hatfield; Council Members Eisenhower & Helms (Updated Certification) - Airport Authority Positions up for Re-Election: 2 yr. term: B. Willey & J. Schulthies. 4 yr. term: Larry Borchert

Council Member Helms moved to adjourn the meeting. Council Member Haughton seconded the motion. Roll Call vote indicated all in favor of the motion and meeting adjourned at 8:37 p.m.

ATTEST: Kellie A. Wiers, Deputy City Clerk

Charlie Hatfield, Mayor