

**MINUTES OF THE REGULAR MEETING OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PAWNEE CITY, HELD ON MONDAY, JUNE 28, 2021, AT 7:00 P.M. AT THE PAWNEE CITY PUBLIC LIBRARY MEETING ROOM, 735 8<sup>TH</sup> 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: Susan Eisenhauer, Ric Helms, Bruce Haughton and Donnie Fisher (telephonically); Tammy Curtis, City Clerk/Treasurer, Kellie Wiers, Deputy City Clerk/Treasurer and Spencer Cumley, City Foreman. **Absent:** none.

Mayor 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.

Clerk Curtis reminded the Council that members who are absent from the meeting but present by telephone can participate in the meeting, but they are unable to vote according to City Attorney Emily Sisco. Therefore, Council Member Donnie Fisher will be able to make and second motions but he will be unable to vote.

Council Member Haughton made a motion to accept the June 14, 2021 regular meeting minutes. Council Member Eisenhauer 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: **5/25/21 Payroll:** 18,430.45; **Union Bank & Trust**, FWH 4981.67; **NE Dept. of Rev**, SWH 733.26; **John Hancock**, retirement 1118.39; **Allstate**, cancer/accid. ins. 228.46; **Ameritas**, vision ins. 116.60; **UHC**, health ins. 6488.37; **Madison National Life**, employee life insurance 74.26; **Amazon Capital Services**, repair supplies 159.52; **BHE**, gas service 11.39; **Constellation NewEnergy**, gas service, shop & fire dept. 65.21; **Spectrum**, internet & phone @ shop 164.97; **PCDC**, April 2021 sales tax 6112.14; **Capital Bus. Systems**, Elevate Phone System & library maint agree 247.44; **Nebr. Public Health Env. Lab**, wtr sample test 64.00; **U.S. Cellular**, monthly tablet service 52.97; **Verizon Wireless**, home connect/jetpack 37.09; **Windstream**, phone service @ swr plant 62.18; Council Member Haughton moved to approve the claims as submitted. Council Member Helms seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried.

**TODD ALBERS, Discuss Farm Lease, Spring Burn & CRP payments:** Todd Albers explained there are still two CRP contracts on the pasture yet except that corner SE of that (around 3 acres) is not part of that pasture. The total payments for 2021 and 2022 will be \$1019.00 each year and starting in 2023 it will be \$279.00/year. Council Member Eisenhauer added provided the one contract gets renewed. Albers stated he has been working on spraying thistles with 2-4-D. Three or four years ago there was a patch in there that Clint had sprayed and we had talked about that in one of the meetings. This patch is what used to be CRP and it is

South of the road. It's not as bad as what it used to be but it is still scattered out here and there but it should be sprayed with Remedy or something similar. Albers explained that if he could get more than a one-year lease on the pasture like a three-year or five-year he would spend the money to spray the pasture with Remedy otherwise, it isn't going to justify spending \$5000 and it will control thistles much better. Council Member Eisenhower asked Albers if he would consider a multi-year lease and he said that he would prefer it and would talk about it with the Council when it comes up for renewal in the Fall. Foreman Cumley had mentioned to Albers about burning off the CRP and he would be willing to help with that next Spring to help cut down on the brush that has grown up. Council Member Eisenhower explained that you have to have a burn plan for the CRP portion but you don't need one for the pasture. Foreman Cumley stated in the past, the crew would have to walk the property with a weed eater to cut down the brush that had started. The best time to spray is late Summer or early Fall. Council Member Eisenhower asked if Albers got any benefit from the CRP and he replied that he receives \$19.00 but the CRP could also be hayed. Council Member Eisenhower stated that Albers is actually paying more for the CRP than he is for the cash ground that he is using and the City needs to make a revision to the contract. Albers stated that he thought a government entity couldn't receive CRP payments but Council Member Eisenhower explained that they could receive a CRP payment but there is a drawing for it for all of the State of Nebraska and all of the subdivisions are included in this drawing. Council Member Eisenhower suggested reviewing the contract for next year unless the Council wanted to amend this year's contract? Albers asked what would be fair and Council Member Eisenhower replied "less than what you are paying." This is how the original agreement was stated and so it has been left this way every year. Since Albers isn't using the CRP, Council Member Eisenhower felt that he shouldn't be charged for it unless there was a disaster and he got permission to hay it but there are quite a few trees on it now and it would be hard to hay it. The City had recently received a letter from the FSA office that the thistles and overgrown brush need to be addressed by next year but Albers said he didn't receive that letter even though he is the tenant. Eisenhower suggested he contact the FSA office and ask for a copy of the letter. Clerk Curtis asked how many acres are in the CRP? There are 9.44 acres in the CRP, approximately 9.5 acres. Clerk Curtis said that right now, Albers is paying \$105.26 on the CRP and \$93.25 on the rest of the ground. Council Member Eisenhower asked Albers what he thought was a reasonable rate on the CRP ground? Council Member Haughton asked what if the CRP ground came out of the program? Council Member Eisenhower stated that she didn't think the rent on the CRP ground should be higher than the rate on the rest of the ground. Albers agreed. Council Member Eisenhower stated there is a possibility the ground would come out of the CRP program but it could also be re-enrolled in the program. Clerk Curtis calculated that if the CRP ground was charged the same rate as the rest of the ground, then there would be a difference of \$200.00. Council Member Eisenhower asked the rest of the Council if anyone else had an opinion on the matter. Council Member Haughton said it isn't a whole lot of difference but Albers stated he is fine with that. Council Member Eisenhower said before anything is decided, she will contact the State Office and ask about how much trouble this add-in to the lease causes for the State of Nebraska because it is possible that the City shouldn't collect anything for the CRP. Previously, the FSA office didn't require copies of leases on properties. When a person cash leases a property and the CRP payment is given back to the person that rented it out, then it raises red flags (possible evasion). Albers suggested leaving the contract as it is now and then the City can do some research and look at revising the contract for next year. Council agreed. Clerk Curtis suggested putting the lease agreement on the agenda in September and discussing it before

it comes due in October. Albers will work with Foreman Cumley to address the vegetation issues and get this done in July or August.

**Discuss decisions made on the Little Brown Jug ReUse Loan, etc. by ReUse Committee at the complete direction of SENDD & DED:** Mayor Hatfield explained as of today, the City has not received anything back from DED or SENDD on what are the requirements. The Mayor checked with Joe Stehlik today and they have not sent him direction on how to proceed with this issue. Part of the reason SENDD and DED are involved in this is because this money is not City money, it is Federal money so they have the control of what can and cannot be done. There is a lot of talk going on around town about this property being sold and new owners taking over but until we get the final okay from DED and SENDD, there will be no money changing hands. When the money does change hands, the money from the sale of the property cannot be deposited back into the ReUse account because there is going to be an audit of the account and if there is a problem, we cannot take this money back out of the account and if the audit shows that the City would be responsible for a sum of money, the funds cannot come out of the ReUse account. That is another reason why we haven't moved forward on this situation until we get confirmation from DED and SENDD. Helms asked if the City is still responsible for this money. Mayor Hatfield replied "basically, yes." Right now, the best thing would be if the Little Brown Jug were to sell, that money should be deposited into an escrow fund in case DED asks for it back and it won't come out of the ReUse money and it won't come out of the City's pocket. The last word the City received is that the Federal government is talking about no more revolving loans and stop the program so they could pull the entire balance in the ReUse account and keep it because it is their money. Until we hear something from SENDD and DED, our hands are basically tied. John Dahlgren was present and asked if part of the loan has been forgiven. Mayor Hatfield and Clerk Curtis replied that yes, part of the loan has already been forgiven through a memorandum that had been approved in March 2021. The amount of the loan had been reduced to \$89,775.00 to be in compliance with CDBG guidelines from \$141,107.76 (\$51,332.76). Turnbull asked why this property wasn't put out for bids? Mayor Hatfield said everybody knew it was for sale. The only way the City would have gotten involved with anything else if DED would have foreclosed on the loan and it would have come up for auction. The ReUse Committee knew it was for sale; everybody knew it was for sale; if you were interested, you needed to get ahold of Joe Stehlik, he is the attorney representing the ReUse Committee. If someone had offered \$80,000 and you had offered \$85,000, then there would have been a bidding war. Mayor Hatfield was told that nobody offered anything. Turnbull said he did inquire about it and he was told that there was close to \$141,000 owed on it. Mayor Hatfield asked if that was before the loan balance was reduced? Turnbull said he called the City Office for three weeks straight and asked what the plans were and was told that most likely, it will be put out for bids. Clerk Curtis explained that Turnbull could have called the City Office everyday and she would have told him the same thing. Turnbull stated that there was a lot of activity "taking place behind doors." Mayor Hatfield said there were a lot of things he knew nothing about and learned more in the past few weeks. Mayor Hatfield explained that he assumed the Little Brown Jug had two potential buyers and one backed out, the other backed out and then came back and that is the last he had heard. Clerk Curtis stated that the "talk on the town" is that there is a purchase agreement but the City has never seen that purchase agreement. Turnbull said that there has been a listing in the newspaper for an "LLC" so there has to be a lot more going on than what has been said. Mr. Dahlgren asked if the loan is still at \$89,000 against the property? Clerk Curtis explained that she

believed so but Kelly Gentrup from SENDD has been working with this loan and the ReUse Committee and the loan has been taken down to the \$89,000 but where it goes to the \$51,422.76, she doesn't know. Mayor Hatfield explained the ReUse Committee recently had a meeting with Kelly Gentrup and Tom Stephens but after the meeting, he felt more confused than before. Turnbull stated that he had talked with Tom Stephens on this date and he was told that the City has the authorization and is the controlling authority. Clerk Curtis stated that Tom Stephens had told them that "this is not City money, that is Federal money and we have the say." Dahlgren asked if the \$89,000 is not paid, is the City responsible for that loan? So now the loan is down to \$54,000, is the City responsible for that difference? At this point, there were multiple people talking at once discussing the details of the loan. Mayor Hatfield said the difference would be forgiven by DED, SENDD and the ReUse Committee. Turnbull stated someone could put a bid in for a \$1.00 and the balance of the loan would be forgiven. Helms asked if \$39,000 would be forgiven? Mayor Hatfield said "yes," if that is what DED and SENDD want to do. Turnbull asked if the City has to be responsible for the balance of the loan, wouldn't the property be put out for bids so the City could take the least amount to write off? Turnbull reiterated that the City is the controlling authority but Mayor Hatfield maintained that the City is not the controlling authority. Multiple people were talking again at the same time about the details of the loan. Clerk Curtis asked if the City is the controlling authority then why does the City have to follow all of SENDD's recommendations? Turnbull stated that when the Council discussed this loan at a previous council meeting he understood at that time the Council said the City was responsible for the loan but now, the story has changed. Clerk Curtis explained that is what the letter is stating that "there is no viable alternative that would meet the national objective for job creation. HUD, the source of federal funds could seek re-payment of a \$150,000 from the State of Nebraska which was loaned to the Little Brown Jug which in turn could seek repayment from the City. Any repayment of funds could not come from the City's Reuse monies." So, HUD (the Feds) is going to go after the State who is going to go after the City. That was from a letter dated, March 22, 2021. Clerk Curtis explained that if the City is responsible then how can DED take the reuse funds away from the City? Turnbull stated the Federal statute allows them to reduce the loan and they can pull it at anytime but the City is the controlling authority. It's just like the bank here. The bank makes all the loans but the money comes from Lincoln. They are the ones that control the money. However, the City controls who they loan the money to but the Union Bank is the trustee. This is how it was described to him, Clerk Curtis stated. So, when a loan goes through, for example when Blazin' Bull had their reuse loan all the paperwork was sent to SENDD. It was not submitted to the ReUse Committee. It was probably Craig Eberly at that time and he was more thorough than present day. SENDD reviews the documents and then makes the recommendation to the Reuse Committee to either approve the loan or not. Craig would come down from Lincoln and meet with the Reuse Committee and review the paperwork. Trey Ertmer replaced Craig Eberly. The Little Brown Jug and Pawnee Inn were the first loans that he had ever processed and these were new loans and took him quite awhile to do. He had made his recommendations but did not meet with the ReUse Committee in person. Clerk Curtis believes that the City lost steps because the City didn't have the SENDD involvement like they did before. Helms asked who makes the last decision on the loan? Clerk Curtis explained that it is the City Council. Helms asked why the City Council is never informed of all the information Curtis had explained. Clerk Curtis explained that is why there is a ReUse Committee to review information before it is submitted to the Council. Helms stated that is why the City was making loans that the Council was not checking into. Clerk Curtis explained that Tom Stephens said the

City could use the ReUse money for Public Works projects, for instance phase 2 of the Cornerstone Building or towards the Fire Hall project or the City could give all the money back to the State. ReUse money was approved to use on the Cornerstone Building because of “slum and blight,” a different national objective. Turnbull said that he thinks the reuse program is being eliminated because some bank probably sued the State for competing loans. He gave the example of the Table Rock bar offering lunch meals while the Table Rock Senior Center is providing lunch meals at a cheaper rate and the government subsidizes the meals. If the City is going to write down money behind closed doors then why wouldn’t the City take bids? Clerk Curtis explained when she asked Joe Stehlik that he replied that this was a private sale. Why is Stehlik involved in this if it is a private sale when he is the attorney for the ReUse Committee? John Dahlgren stated that when he was on the City Council, the Council approved to keep Joe Stehlik on the ReUse Committee because he had experience with the reuse loans from when the ReUse program was started but he didn’t remember that Stehlik was supposed to be the attorney for the City. Dahlgren requested to listen to the audio tape of the City Council meeting when Joe Stehlik wanted to remain the attorney on the ReUse Committee. Clerk Curtis explained that City Attorney Emily Sisco has sat in on the zoom meeting discussion from the other day and this was Stehlik’s idea. As Council members, they trust the Reuse Committee’s recommendations. Dahlgren gave the example of PCAL because the City is ultimately responsible for that loan and requested monthly reports and why isn’t the City requesting monthly reports from the businesses that have the reuse loans? Little Brown Jug didn’t meet the objectives of the reuse loan. (Discussion was had about this point and multiple people were speaking so clerk was unable to transcribe all of the conversations.) Clerk Curtis stated she agreed with this point and when Kevin Burnison worked for SENDD, he requested receipts and reports from the businesses that had reuse loans. Turnbull stated that Joe Stehlik is in the right place but if the City is going to have to write down a loan, then it should be put out for bids. Clerk Curtis explained from the last zoom meeting, Tom Stephens stated he would type up minutes from the zoom meeting and share it with everyone but Curtis has never received these minutes. She was hoping she would have received these minutes before tonight’s council meeting but never received them. Todd Albers asked if a sale had been made on the Little Brown Jug? Turnbull replied not officially, but a purchase agreement has been signed because it was published in the paper that a certain person had applied for an article of incorporation by the same office. Todd Albers asked who has to sign the purchase agreement but it has not been signed by the City. Helms asked if the City is responsible for making the loan why isn’t the City responsible for the process of selling the property? Clerk Curtis explained that Kelly Gentrup from SENDD had requested a zoom meeting to discuss the Little Brown Jug but that was only a small part of the discussion and most of the discussion was about getting rid of the ReUse funds. Mayor Hatfield explained that CJ Foods was the first business to use ReUse funds for a loan. CJ Foods needed financing to generate extra jobs. Stehlik and some other people met with Maxine Maul, to ask if there were funds available from the State. She said this is something that has never been done before and then Pawnee City was a trial run, 35 years ago. This went really well, so the State decided to expand it for county wide to include Richardson and Pawnee counties which became the Regional Reuse program. It didn’t do as well, so all of that money was given to ReUse and then there was a large balance in the ReUse account. At that time, the State said you cannot have more than \$750,000 in that account or the State would take it back so Clerk Curtis wrote the grant to use part of these funds on the Cornerstone Building. The Mayor is a member of the ReUse Committee. Turnbull asked Mayor Hatfield if the City’s portion of the money owed

against the reuse loan could be covered in a purchase agreement? Will the City's responsibility be covered by the sale of the property? Mayor Hatfield replied that is his understanding and the money from the sale of the property will be put into an escrow account in case SENDD and DED said they want the money from the ReUse account, then the City will not have to pay this out of their pocket. If they would find something in the audit for example, the balance is \$51,000 and they say they want it, then we will give it to them. If the City puts the money in the ReUse account, the City can't pull the money out of there. Turnbull asked where the rest of the \$30,000+ money is coming from? Mayor Hatfield said the "Feds" took it according to his understanding. Dahlgren asked Mayor Hatfield if the ReUse Committee decided upon a purchase agreement. Hatfield explained the Committee is waiting to here if they can approve a purchase agreement. The ReUse Committee has not met so they haven't seen a purchase agreement. The City received a copy of the "Notice of Right to Cure" letter from Kelly Gentrup that was sent to Jamie Graham and Steve Messing, dated April 30<sup>th</sup>, about the default of the loan and the failure to meet the job creation requirements. Several people asked at the same time how these decisions can be made when the ReUse Committee has not met. No action was taken at this time.

**Review email & Monitoring Notice Letter from Tom Stephens/DED on Little Brown Jug Project, Shirley's Place LLC Project & the Cornerstone Building Public Works Project:**

Mayor Hatfield explained that DED has requested an audit of the Little Brown Jug, Shirley's Place and the Cornerstone Building project accounts. The clerks had already sent the information on the Little Brown Jug and the Cornerstone Building to DED in March but they have requested this information again. Tom Stephens is supposed to send a detailed list of the documents he needs.

**Report & update from Mayor Hatfield: *Review/Approve Recommendation of ReUse Committee deferring SchillingBridge Winery, Shirley's Place, Richard Palmer & Sterup Enterprises, LLC ReUse Loan Payments to September 30, 2021 and shall be 0% interest loans from July 1, 2021 until September 30, 2021;*** Mayor Hatfield explained the reason the ReUse Committee recommended this is because many of the businesses are still trying to recover from the affects of Covid-19 and business is starting to pick up so this will give them a little more time to catch up and be able to afford their payments. Clerk Curtis explained that quite a few of the businesses have continued to make their payments but all of the payment has been applied to the principal on the loan which includes Palmer's Café, Schilling Bridge and Sterup Enterprises. Shirley's Place have not made any payments during the deferment. The amortization schedule will have to be updated for their loan. Dahlgren asked what the interest rate is on these loans but Clerk Curtis explained that it varies on each loan but could be around 3% to 3.5%. The loans have been deferred before due to the affects of Covid-19. Council Member Eisenhower explained one business had made the initial request and then it was applied to all of the business, equally. Transportation Tech has been paying the full amount every month for principal and interest. They were not granted a deferment because they do not have retail sales and the business is not located in Pawnee City anymore. Mayor Hatfield explained that their loan could be called up because they are no longer located in Pawnee City but they have continued to make their payments so why "look a gift horse in the mouth?" Clerk Curtis explained that the Little Brown Jug loan was written for a 3% fixed interest rate but that was the only file she had with her at tonight's meeting. Also, Schilling Bridge did pay off their third loan and they just have one loan left and were able to get it caught up. Dahlgren stated, as a citizen, he thinks it is a red flag when

you don't have people not paying interest on a loan. Clerk Curtis explained the businesses are paying the entire payment but the whole payment is being applied to the principal and no interest is being currently charged. This would give the businesses a chance to pay down the principal and save on interest later. Council Member Eisenhauer stated that she understands Dahlgren's point and deferring payments for another three months but she feels that the payments should not be deferred again. Helms made the motion to approve the recommendation of the ReUse Committee deferring SchillingBridge Winery, Shirley's Place, Richard Palmer and Sterup Enterprises, LLC ReUse Loan Payments to September 30, 2021 and shall be 0% interest loans from July 1, 2021 until September 30, 2021. Council Member Haughton seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried. At this point, Council Member Donnie Fisher said he agreed with Ric and that the Council shouldn't let this extend out too far. ***Discuss big cement roller packer setting at metal dump:*** Mayor Hatfield explained there is a cement roller packer at the metal dump and that his son, Corey Hatfield, would like to purchase it and take it to his home and repair it and restore it before it deteriorates. You can still see that it was built in 1936 by Albert Hatfield, Mayor Hatfield's great uncle. This item had come before the Council before that it will have to be put out for bids. Clerk Curtis asked if there was anything else to put out for bids? Council Member Haughton stated that there may be a lawnmower or two to put on there. Council Member Eisenhauer explained that if there is more than one thing to put out for bids, it can be included in the ad for the cement roller. Council Member Haughton made the motion to list the cement roller for bids and anything else that may need to be listed and have the bids be in by 5:00 pm. on July 26, 2021. Council Member Helms seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried. At this time, Council Member Helms asked why the City has an iron dump? Let's get rid of it. If someone wants to dump iron, why dump it on the City property? It creates more work for the crew. People can take iron out to Smith Auto and sell it. The City should get rid of the iron dump. Clerk Curtis explained that at one time, Smith Auto came and hauled off the items at the iron dump and the City got some money out of the items. Also, people will still dump items at that site even if the iron dump is eliminated because it is situated on a dead-end road and nobody will see this happen. If a camera was set up then, the crew would have to look at the camera to catch violators and check it everyday. Dahlgren suggested moving the concrete pile to the iron dump location. Mayor Hatfield suggested putting this item on the next agenda.

**Report & update from Council Member Eisenhauer:** ***Discuss updates on the pool;*** The pool is open and she hasn't heard any complaints yet. ***Discuss donation for new pool furniture;*** There is a person in town that would like to donate \$2400 for new pool furniture. This person has given Council Member Eisenhauer a list of items they want the City to purchase and then they will reimburse the City for the furniture. This person will come to the City Office tomorrow to meet with Clerk Curtis, Clerk Wiers and Council Member Eisenhauer to pick out and order the furniture. She doesn't want to disclose the name of the person at this time until she gets permission from that person and see if they want to remain anonymous. Council Member Haughton suggested if this person wanted their name to become public, then maybe there could be an article in the newspaper about the donation. Council Member Eisenhauer added that the article could include a picture of the furniture along with the patron. ***Review/Take Action on purchase of a new ExMark Mower;*** Council Member Haughton asked Foreman Cumley to explain to the Council why the City needs to purchase a new mower. Foreman Cumley explained

that the one ExMark mower we currently own has been in the shop twice a couple years ago but there is an engine noise even after a tune up and he is unable to determine the problem. There must be something in the motor that isn't right and it now has 1200 hours. It was purchased used from Dan Weddle. A new mower would cost \$13,039.00 as listed in the quote from Small Engine Specialists that was included in the agenda packet. The other mower is the old EverRide Warrior (yellow mower) that was purchased quite a few years ago. The crew doesn't use it much anymore. The Crew used to use it at the sewer plant because it has a hitch on it but now use the UTV at the sewer plant. It's steering isn't right. It could be one of the pump motors is going out or there could be air in the line. Council Member Eisenhower suggested putting it up for sale on the bid process. Foreman Cumley prefers using the ExMark mower over the other mowers the City owns and all of the mowers are "zero-turn." Cumley explained that since he has worked for the City, he has used three different brands of mowers which includes a John Deere, Grasshopper and EverRide but the ExMark has performed better than the other brands. Clerk Curtis remarked that the City needs to implement an equipment replacement plan with the mowers. The old Grasshopper mower was traded off for a new Grasshopper mower at no cost a year later and it already has 350 hours on it. Council Member Helms stated to Council Member Eisenhower "if you have the money in your budget to buy it, then you ought to buy it." Council Member Eisenhower made the motion to purchase the ExMark Lazer X-Series mower from Small Engine Specialists for \$13,039.00. Council Member Houghton seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried. Foreman Cumley suggested asking Small Engine Specialists if the City could trade in the EverRide mower on the purchase of the new ExMark mower since the City would probably get more money on trade-in for this motor than what the City would receive on a bid.

**Discuss/Take Action ARPA (American Rescue Plan Act of 2021: Review Memorandum; Proposed Amount Pawnee City's allotment will be \$73,627; Non-Entitlement Units of Local Gov't Application; OMB Approved No. 1505-0271; Correct e-mail address to send application & signed documents;** Clerk Curtis asked the Council if anyone had questions on this grant. Dahlgren asked what is ARPA for? Clerk Curtis explained it is for the Municipal Allocation of Coronavirus Local Fiscal Recovery Fund and the City is called a "non-entitlement unit of local government." There is an application to complete and the City should receive around \$73,627.00. FAQs come out about once a week and these funds could be used for water, sewer and broadband infrastructure. Eligible projects could include parks, public plazas and other public outdoor recreation spaces by promoting healthier living environments and outdoor recreation and socialization to mitigate the spread of Covid-19. Regardless, whether the Council wants this money or not, the application has to be completed and submitted by July 7<sup>th</sup>. Eligible projects (for water) include treatment, transmission and distribution including lead service line replacement, source rehabilitation and decontamination, storage consolidation and new systems development. A suggestion was made to use these funds to pay for the water tower repair since it mentioned storage. Clerk Curtis stated there are lots of "loopholes" and this is money from the federal government so this will require lots of documentation to justify the use, otherwise, the money will have to be paid back. Council Member Eisenhower added that another requirement is that an eligible project could not have been started before March 2021. If the money is used to help businesses cover losses from Covid-19, then you have to specify what type of loss they had and how much of a loss. Clerk Curtis asked if the money could be given to the Fire Dept. and the answer was that the use of the funds has to fit within the guidelines of the program. Clerk Curtis

explained that the deadline to use these funds is December 2023. Possibly, the City could purchase another generator because a new generator originally would have cost \$25,000 by Dave Pope but Sargent Drilling said it would cost more like \$62,000 with installation. The funds could also be used on wastewater treatment systems, storm water systems, water conservation efficiency and reuse measures, watershed projects, etc. Council Member Eisenhauer made the motion to apply for the American Rescue Plan Act financing of \$73,627.00. Council Member Haughton seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried.

**Review meeting minutes from 2018 when Council made motion to approve following all State Holidays; Add Juneteenth to the City Handbook as a paid holiday off:** Council Member Haughton made the motion to add Juneteenth to the City Handbook as a paid holiday off. Council Member Eisenhauer seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried.

**Review letter sent to resident from recommendation of the Tree Board on removing a tree from City ROW:** Deputy Clerk Wiers had contacted Tree Board Chairman Mary Moser about this item on the agenda and she said that she had a meeting scheduled this evening at 8:00 p.m. in Tecumseh but could be present by phone up until 7:45 p.m. The Council was not able to address this issue until after 7:45 p.m. but Council Member Helms is a member of the Tree Board and also a member of the City Council. Helms explained that he hasn't been to any meetings and is not familiar with this issue. Mary Luedders was present and wished to discuss the letter with the Council. Mary clarified that the tree she planted in the ROW is a tulip tree, not an oak tree. This tree is acceptable in Lincoln for planting trees. When she planted the tree, she checked where the water and sewer lines were on the ROW. She placed her tree so it would not be interfering with either line. Mary said "Lets beautify the City instead of ripping it apart." She feels that trees are being eliminated unnecessarily. Why does the Council target someone who is trying to make things pretty and yet her neighbor has had junk in his yard for ten years. She wants to keep her tree. Dahlgren asked if her sidewalk was a little higher than normal? Deputy Clerk Wiers explained that Mary Moser had looked it up and a tulip tree would have a 40 – 50 ft. spread and grow 50 – 60 ft. tall. She also had a concern about nearby power lines. Mary Luedders said there were no power lines nearby. Mary said "she was smart enough to look up and see." Mary Luedders did receive a copy of ORD 8-103 explaining trees cannot be planted in the ROW without permission along with her letter. Mary Luedders explained that she was not aware of ORD 8-103 before she planted her tree and that she needed permission and why aren't ordinances enforced to improve properties? Mary pointed out that there are trees already planted in the ROW around town that are less than ten years old when this ordinance was enacted. Helms explained that he wasn't on the Council ten years ago. Mary asked Council Member Helms if he wanted her to remove her tree and he replied that he thinks it should be removed unless she applies for a permit to plant the tree and bring it back to the City. Council Member Helms said he is going to let Mary Moser, the chairman of the Tree Board, make the decision. Mary stated if the tree isn't going to interfere with the water or sewer lines, why does it have to be removed? Too many trees have been removed around the City and let's plant more trees. Mayor Hatfield advised Mary to go to the City office and write a recommendation to the Board and when they bring it back, the Council will review it and the Mayor will talk to Mary, personally, so she doesn't have to come back to a council meeting. Mayor Hatfield explained that as the Mayor, he

cannot vote unless there is a tie but he can make recommendations and he understands her viewpoint. There are also sidewalks being removed and not replaced. He works in Seneca, Kansas and there are no sidewalks where they need to be. Mary informed the Council that she volunteers to work on the mini park by the post office. Helms explained that the sidewalk was taken out of the North Park and should have been repaired instead of removed. Mary Luedders said she feels frustrated. She was a member of the PRIDE Committee for awhile and she resigned because it was all paperwork and nothing seemed to get done. Mayor Hatfield said that he agreed. Council Member Helms stated the Council is trying to clean up properties and that Mary had a couple beside her that need cleaned up.

**Review/Approve Salary Ordinance #988 (First Reading):** Council Member Haughton said that he felt the Wage Committee members did an excellent job of preparing their report. Since Council Member Fisher is unable to attend the meeting in person and cannot vote, he asked the Council if this matter could be tabled until the next meeting? Council Member Haughton made the motion to postpone the first reading of Salary Ordinance #988 until the next meeting on July 12, 2021. Council Member seconded the motion. Roll Call vote indicated all present voting in favor of the motion, whereupon motion carried.

The City Council reviewed correspondence from April 2021 total Sales Tax of \$22,589.89 with ½% Street Repairs Sales Tax totaling \$4,074.76 and \$6,290.85 being Motor Vehicle Sales Tax. Blue Valley Community Action is looking for volunteers for the Pioneer Foster Grandparent Program. A flyer on the Mosquito Spraying schedule was included in the agenda packet. Council Member Haughton asked how would the City be able to monitor the effectiveness of mosquito spraying? Has anyone seen dead mosquitos around town the next day? It costs \$1678.00 per year. Mayor Hatfield explained that this issue has been discussed at previous meetings and everyone felt it was better to spray than not to spray. Haughton also said it was good community relations.

Council Member Helms made the motion to adjourn the meeting. Council Member Haughton seconded the motion. Roll Call vote indicated all in favor of the motion and meeting adjourned at 8:40 p.m.

ATTEST: Kellie A. Wiers, Deputy City Clerk

Charlie Hatfield, Mayor