



MINUTE RECORD
Regular Council Meeting City of Haven

Meeting: REGULAR

Date: July 15, 2013

THE CITY COUNCIL MEETING IN REGULAR SESSION WAS CALLED TO ORDER AT 7:00 PM BY MIKE ALFERS, MAYOR, WITH THE FOLLOWING COUNCIL MEMBERS PRESENT:

Council Member: Adam Wright

Council Member: Paula Scott

Council Member: Les Banman

Council Member: Daniel Loop

Absent: Don Etchison.

Others: Allen Blake, Tommy Hornbeck, Rob Pell, Leslie Warden, Jan Nolde, Chuck Beth, Steve Carmichael, and Tony Troyer.

Chuck Beth, Development Coordinator for SCKEDD: CDBG Application for EMS Facility / Grant Administration Contract

Beth provided information about the CDBG money available (up to \$400,000) and described the three criteria that must be met to qualify. First, a local match of at least 25% is required. Secondly, the applicant must prove that the planned project would benefit an area where the majority of the population falls at moderate income level and under. Finally, the preliminary report on the project that shows a floor plan and a cost estimate must be signed off on by a certified architect.

Beth also presented a grant administration contract for the Council's approval. He pointed out that no money would be due to SCKEDD if the grant requests were denied. If a grant request was approved, any money the City spent with SCKEDD would be counted as part of the local match. Because the grant applications are due at the end of October, Beth and City Administrator, Allen Blake, emphasized the need to continue moving forward. Beth asked for a commitment / show of readiness from the City Council. While the Council appeared quite interested, they were reluctant to approve the grant administration contract. However, they did approve expenditures to get the initial income surveys out to the service area. Scott moved to approve spending no more than \$2,000 on the mailing. Wright seconded, and the motion passed four to zero.

Stephanie Carlson, Booster Club: Request Permission to Utilize City Facilities

The Booster Club plans to hold a dance from 9:00 PM to 11:00 PM August 30, 2013, in conjunction with Spirit Night again this year. Carlson requested the use of the City's tennis courts for this purpose. All governing body members agreed this was permissible.

Jan Nolde of Swindoll, Janzen, Hawk & Loyd, LLC: Presentation of Proposed 2014 Budget

Members were provided with a draft of the proposed 2014 budget, a sheet outlining the mill levies in each of the taxable units in Reno County, and handouts showing the effect of a mill levy increase on housing. Nolde went over each of the fund pages of the draft budget in detail.

Mayor Alferts noted the large number of transfers being made within the budget and asked Nolde if this was a good / normal practice. Nolde advised that it really wasn't; however, it was what the City Council had decided to do long ago. It has continued that way ever since and would be very difficult to undo.



Based on the amount of time and work that had she and the City Clerk had already put into the 2014 budget, she thought attempting to eliminate / decrease transfers would be more conquerable with the 2015 budget. City Clerk, Leslie Warden, agreed with Nolde and advised that eliminating transfers would provide a more accurate picture of the self-sustainability of each of the funds.

For the General fund and each of the utility funds, Warden provided figures on the amount of cash that would remain on hand after 2014 to carry into 2015. Typically the auditor's recommend that Cities keep on hand 3-6 months cash reserve in case of emergencies to cover emergencies and unexpected expenses. Warden noted that keeping the mill levy the same and eliminating no expenditures, the General fund would carry less than one week worth of cash reserve into 2015. Because of this, if the Council intended to keep all expenditures intact, she recommended at least an increase of 8 to the mill levy. Scott, in particular, found such an increase hard to impose and suggested cutting spending instead. Blake recommended the removal of three items decreasing the load on the General fund by about \$57,000. Duplication of the backhoe item in the Capital Improvement fund made another decrease in the General fund possible as well. With those changes made, Scott asked if an increase of 5 mills would be acceptable. Warden responded affirmatively. Scott then moved to increase the mill levy by 5 mills for the 2014 budget year. Banman seconded, and the motion passed unanimously.

Scott then moved to adopt Ordinance 619 attesting to an increase in tax revenues for the budget year 2014. Loop seconded, and all voted in favor of the same.

Governing body members were provided with a standardized budget format, the product of department heads, Warden, Pell, and Blake, and the auditor. Warden said she would like to require departments to submit their budgets in the format presented starting for the 2015 budget. The Council was agreeable with this. Banman moved to adopt the format as the budget standard. Loop seconded, and the motion passed unanimously.

Approve Gerard Tank & Steel's Pay Estimate No. 1

Members were provided with a copy of Gerard Tank & Steel's first pay request, totaling \$114,930. Scott moved to approve payment contingent upon the approval of USDA Rural Development. Wright seconded, and the motion carried with four "yes" votes.

Electrical Work at Haven Steel Products

Blake presented two bids for the electrical work that needs to be completed by August 1 so that HSP contractors can begin dirt work for their expansion. Bids came in as follows:

Kenny's Electrical Co., Inc.	\$113,898
Kilian Power, LLC	\$120,600

Wright expressed his dissatisfaction with the inability of the City's public works department to accomplish more of the project in-house. Scott asked how this fell with the \$78,600 incentive the City previously agreed to provide. Blake said that anything beyond the \$78,600 would be billed to Haven Steel Products. Mayor Alfors asked how upgrades like this had been handled in the past, and Blake advised that customarily the upgrade is billed to the customer. All wondered if it had yet been discussed with Haven Steel. Blake advised it had not because he first wanted Council approval on the expenditure to get the work started and recommended approval of the low bid from Kenny's Electrical Co. Scott moved to approve the low bid from Kenny's Electrical not to exceed \$113,898, noting that Haven Steel Products would be billed for anything over the incentive of \$78,600. Banman seconded, and the motion passed unanimously.



Discuss Ordinance 492 Regarding the Use of Shipping Crates as Storage

Council member, Adam Wright, distributed copies of Ordinance 492 currently on the City's books. The ordinance prohibits the use of shipping crates as storage or anything other than their originally intended use. Wright requested the Council consider changing the ordinance because he is moving, has his house on the market, and would like to utilize pods to store some of his belongings for a period of time. Banman said if the area where the pods were to sit was fenced off he would be okay with that. Mayor Alferts suggested allowing Chief Pell to research the matter and provide a recommendation.

Minutes

Minutes from the July 1, 2013, meeting were unanimously approved with a motion from Wright and second from Scott.

Accounts Payable

Wright moved to pay bills totaling \$142,003.42. Banman seconded, and the motion passed unanimously.

Members were provided with a summary of disbursements and receipts for the month of June 2013. They were also provided with a comparison of budgeted to actual expenditures for year-to-date through June 30, 2013.

Adjournment

At 9:05 PM, Scott moved and Wright seconded for adjournment. The motion passed unanimously.

/S/
Mike H. Alferts, Mayor

Attest:

/S/
Leslie Warden, City Clerk