

MINUTE RECORD
GIBBON CITY COUNCIL MEETING
JANUARY 19, 2016

The Gibbon City Council, Buffalo County, Nebraska met in an open public session at 7:00 p.m. at City Hall on Tuesday, January 19, 2016. The meeting was changed due to the observance of Martin Luther King Day on Monday, January 18, 2016. The Mayor, Council Members and the public were advised of the notice. No additional items were added to the meeting during the twenty-four hours immediately preceding the meeting.

Mayor Deb VanMatre called the meeting to order. The Pledge of Allegiance was recited. Mayor VanMatre advised every one of the Open Meetings Notice posted on the north wall of the Council Chambers. The City of Gibbon abides by the Open Meetings Act in conducting business.

Roll call was taken: Council Members present were: Derrick Clevenger, Kevin Hynes, Albert Krueger, and Leon Stall.

Absent: No one

A motion was made by Albert Krueger to approve the order of the agenda with the deletion of building permit #2016-01 which was denied by the planning commission, seconded by Kevin Hynes.

Yea votes: Derrick Clevenger, Kevin Hynes, Albert Krueger, Leon Stall

Nay votes: None Motion carried.

Submittal of Requests for Future Items: None

Reserve Time to Speak on Agenda Items: No one

Presentations and Proclamations:

Buffalo County Sheriff Department—Contract Law Enforcement Report: Captain Anderson was unable to attend. Sergeant Schleusener reviewed the monthly activity report.

People Service—Treatment Plant and Water Report—Matt Smallcomb: Matt was unable to attend the meeting.

City Administrator Report—Chris Rector: So far this year we have used 2 tons of salt on the streets. People Service guys have been working on Blower #1 at the WWTP. I will be out of the office the rest of the week. I will be attending classes for a Certified Public Manager Program. We have not received any response back from People Service concerning the termination of their contract.

Resignation City Treasurer—Judy Mead: Judy submitted her resignation as City Treasurer for the City of Gibbon effective with the completion of the December 2015 Financial Report for the January 2016 Council Meeting.

City Attorney Report—Barry Hemmerling: In regards to the past paving assessments that were delinquent we have about completed the process of getting them paid. We had two properties that were delinquent. One couple is going through divorce and the other property assessment was missed when the property was sold. We also need to get the assessment process started for the paving that has been done. I would request a closed session at the end of the meeting to discuss possible litigation.

Cargill Aghorizons Expansion Plan: Darrin Robinson with the Buffalo County Economic Development Council presented a spreadsheet with the figures of the annual estimated new valuation and real estate tax capture, and estimated new personal property tax amounts. The amounts contained in the spreadsheet included Tax Increment Financing (TIF) money and showed the tax generation with \$6,500,000 new improvements would be \$530,286 for the base estimate. The top estimate would be \$775,855 for new improvements of \$9,500,000. He also said by creating a Community Development Agency it would be an extra economic tool to help gain more business in town. He stated that Cargill has planned a quick timeline if this expansion goes forward. He introduced Phil Harders with Cargill and Mike Bacon legal counsel for Cargill to answer any questions of the Mayor and Council. Phil asked Steve who works at the Gibbon facility to also help answer questions. There are many concerns with the dust, noise and traffic this new structure may cause. Phil reviewed the design of the 500,000 bushel concrete silo. This is a significant increase for our storage facility. Council Member Stall asked about the blowers they currently have. The noise is so loud that when he is outside his house 5 blocks away you can't hear people talking right beside you. Phil said they could look into fans that operate less. Concerning the traffic, we still plan to use the storage units at the east end of town. The ultimate goal is to build enough storage on site that we do not need the east storage bins. This plan is the first phase of our building storage units. The Mayor advised them of their knowledge of investment, but we have to consider the quality of life concerning, dust, noise, smell, and traffic. Steve said every year is a bit different with conditions and the amount of corn coming in each day. We don't have a firm answer of how we will handle these issues. These are the plans of what the structure would look like. The TIF money would be primarily used for a new gas line, new road around the facility, and issues with the drainage. The goal is to be ready by harvest of 2017. The new leg would be partially on the UPRR property, but we don't anticipate any issues with that. Mike Bacon told the Mayor and Council that TIF is important to get the project. After TIF occurs you get the benefits from the valuation, it builds value. Cargill needs 100% to do this project. Council Member Stall stated that the percentage of TIF would be negotiated. Ron Robinson asked what benefit he would receive on his property taxes with the commitment of 15 years to TIF. Mr. Bacon explained that the valuation would be increased but an individual's personal taxes would not see much of a change.

Public Hearing—City of Gibbon 1 & 6 Year Street Improvement Plan: A motion was made by Leon Stall to open the public hearing for the 1 & 6 Year Street Improvement Plan at 7:51 p.m., seconded by Derrick Clevenger.

Yea votes: Leon Stall, Albert Krueger, Kevin Hynes, Derrick Clevenger

Nay votes: None Motion carried.

Jess Hurlbert with Olsson Associates reviewed the 1 & 6 Year Street Plan with the Mayor and Council Members. Several streets have been completed and will be removed from the 1 & 6 Year Street Plan which are as follows: Front Street—Niles to Garfield; Garfield Street from 1st Street North to Front Street; Road 61—From Railroad South 200'; On Road 61 (Gibbon Road) from Rd 244 (7th St.) South to 8th Street; Lawn Ave. from South City Limits for Approximately 500' and from west City Limits east; 3rd Street from Williams to Rice; and ½ of 8th Street from Rd 61 East to Pine Avenue. The streets left on the 1 & 6 year plan are; Road 63 from HWY 30 to 400' North; River Street from Murnen to Beatty Ave.; River Street from Beatty Ave. East 1.5 Blocks; Beatty Ave. from HWY 30 to River Street; Front Street from Garfield to Road 63; Garfield Street from 7th Street to 3rd Street; Williams Ave. from Front Street to 1st Street; Filer Ave. from Front Street to 1st Street; Rice Ave. from Front Street to 1st Street; LaBarre Street from 7th Street South to Drew Lane; LaBarre Street from Drew Lane to South City Limits; 7th Street from ½ Block West of Pine Ave. East to Court Street.

A motion was made by Derrick Clevenger to close the hearing at 8:04 p.m., seconded by Leon Stall.

Yea votes: Derrick Clevenger, Kevin Hynes, Albert Krueger, Leon Stall

Nay votes: None Motion carried.

Ordinance #589—Creating Community Development Agency: An ordinance of the City of Gibbon, Nebraska creating the Community Development Agency for the City of Gibbon, Nebraska, designating the membership thereof, and establishing the powers of such Community Development Agency; repealing all other conflicting ordinances or parts of ordinances; and providing for publication and for an effective date of this ordinance. Suspending rules to read and pass ordinance in one meeting. Council Member Albert Krueger introduces Ordinance No. 589. Council Member Kevin Hynes moves that Statutory Rule requiring reading on three different days be suspended. Seconded by Leon Stall.

Ye votes: Albert Krueger, Leon Stall, Kevin Hynes, Derrick Clevenger

Nay votes: None Motion carried.

City Clerk declares motion adopted by majority vote of Council and Statutory Rule suspended for consideration of said Ordinance. Council Member Albert Krueger moves for final passage. Seconded by Kevin Hynes. Mayor asks, "Shall Ordinance No. 589 be passed and adopted?"

Yea votes: Leon Stall, Derrick Clevenger, Albert Krueger, Kevin Hynes

Nay vote: None Motion carried.

Mayor declares Ordinance No. 589 adopted and signs name in presence of Council and Clerk who attests same. The Ordinance was passed according to law.

Consent Agenda: A motion was made by Derrick Clevenger to approve the Consent Agenda with the deletion of the building permit, seconded by Albert Krueger.

Yea votes: Kevin Hynes, Leon Stall, Albert Krueger, Derrick Clevenger

Nay vote: None Motion carried.

The items approved in the Consent Agenda were:

Minutes of the December 21, 2015 City Council Meeting

Claims for the month of January

Treasurers Report

Treatment Plant Report and Water Report

Buffalo County Sheriff Department Report

Gibbon Volunteer Fire Department Report

Planning Commission Report

Gibbon Community Center Report

Library Report

Resignation of City Treasurer—Judy Mead

Resolutions and Motions:

Water Tower Improvement Bid Results & Recommendation—Olsson Associates:

Five companies submitted bids for the Water Tower Improvement Project. Jess Hurlbert reviewed a spreadsheet he had prepared comparing each companies bid. The lowest bid was submitted by M & M Tank Coating Co., Inc. from Greeley, Colorado for \$90,938.00. After reviewing the bids and companies it is the recommendation of Olsson Associates to award the bid to M & M Tank Coating Co. Inc.. A motion was made by Albert Krueger to approve the bid for the Water Tower Improvements for M & M Tank Coating Co. Inc. in the amount of \$90,938.00. Seconded by Leon Stall.

Yea votes: Derrick Clevenger, Kevin Hynes, Albert Krueger, Leon Stall

Nay votes: None Motion carried.

Appoint City Treasurer—Tonniges & Associates: A motion was made by Derrick Clevenger to approve the appointment of Tonniges & Associates of Kearney, Nebraska for the position of Gibbon City Treasurer. Seconded by Kevin Hynes.

Yea votes: Leon Stall, Kevin Hynes, Derrick Clevenger, Albert Krueger

Nay votes: None Motion carried.

Memorandum Of Understanding—Cargill: The Memorandum Of Understanding (the “MOU”) is made and entered into this 19th day of January, 2016, between the City of Gibbon, Nebraska (the “City”) and Cargill, Incorporated, a Delaware corporation (the “Company”).

WHEREAS, the Company has indicated an interest in redeveloping certain real property within the City legally described on Exhibit A (the “Property”) and constructing additional grain receiving, processing, storage and shipping facilities thereon (the “Project”);

Whereas, upon completion, the Company intends to operate the Project and continue to do business on the Property;

WHEREAS, prior to making additional financial commitments and continuing due diligence, the Company desires to have an indication of interest from the City with regard to certain financing and other assistance necessary to develop the Project;

WHEREAS, the City finds it in the public interest to cooperate with the Company to promote the development of business activity in the City; and

WHEREAS, the parties desire to set forth their understandings and obligations to bring about the accomplishment of the foregoing recitals, all in accordance with the terms set forth in this MOU.

NOW, THEREFORE, in consideration of the foregoing recitals (which are specifically incorporated herein by this reference), the mutual covenants and agreements contained herein, and other good and valuable consideration, the parties hereby agree as follows:

1. Definitions. Capitalized terms used in the MOU shall have the meanings assigned herein.
2. Company’s Obligations. Upon execution of this MOU, the Company may proceed with the following actions:
 - a. Development of Project. The Company agrees to undertake an internal project feasibility assessment and preliminary engineering to define a redevelopment project scope, with a view to commencing construction on April 1, 2016.
 - b. Project Requires TIF. The Company verifies that: (i) the Project would not be economically feasible without the use of tax-increment financing (“TIF”) and (ii) the Project would not occur on the Property without the use of tax-increment financing.
 - c. Pay for Costs Incurred by City. The Company agrees to pay for the reasonable costs incurred by the City related to the TIF grant, including costs of a blight study, public notices and reasonable legal expenses related thereto. The Company shall be required to pay for all such costs if the City incurs such costs at the request of the Company, even though the Company, for any reason, terminates the development of the Project.
 - d. Redevelopment Plan and Contract. The Company will undertake development of a proposed redevelopment plan and contract under the Act to include a cost benefit analysis to support the Project and provide proposed ordinances and resolutions for consideration by the City related to tax increment financing grants.
3. City’s Obligations. In order to induce the Company to build the Project on the Property, the City shall use its best reasonable efforts consistent with applicable law to work in good faith to provide tax increment financing grants or other financial incentives which might be available to promote the Company’s economic development of the Project in the City. Specifically, the City shall undertake the following as soon as possible.

- a. Form Development Agency. The City shall form a community development agency pursuant to the Nebraska Community Development Law (the "Act") forthwith.
 - b. Blight and Substandard Determination. The City shall undertake a study to support a finding that the Property and surrounding areas are blighted and substandard pursuant to the Act. The City shall, after proper notice and hearings, proceed with such declaration prior to February 16, 2016, in accordance with the provisions of the Act.
 - c. TIF Revenue Funds. The City shall use its best efforts consistent with applicable law and public process to provide Company with tax increment financing which might be available in an effort to ease the financial costs Company will incur in connection with certain costs that are eligible for reimbursement as redevelopment project costs as defined by Neb. Rev. Stat. 18-2103(12). Such grant shall be payable only from City Funds generated by the Property pursuant to Neb. Rev. Stat. 18-2147(1)(b).
 - d. Develop Timeline. In conjunction with the Company, develop a timeline for studies, meetings and public hearings in order to provide for timely approval of actions required to declare areas blighted and substandard and approve a redevelopment plan and contract.
4. Redevelopment Contract. The City and the Company shall use their best reasonable efforts to negotiate and enter into a redevelopment contract in accordance with any timelines required by applicable law, subject to Section 3. The redevelopment contract shall outline the obligations and agreements with regard to the financing matters set forth in Section 3 above, including, without limitation, the amount of any tax increment revenue financing proceeds to be granted to the Company, along with any other agreements deemed necessary, including acquisition of property owned by the City required for roadways. Upon execution of the redevelopment contract, this MOU shall be deemed superseded and of no further force and effect.
 5. Intent of MOU. The undersigned parties each acknowledge and agree that the Company would be unwilling to pursue any further discussions with regard to locating the Project in the City without execution of the MOU. The Company acknowledges and agrees that, until the City and Company act in accordance with law with regard to each parties' obligations set forth in this MOU for the City and the Company are nonbinding with the exception of the Company's obligation to reimburse reasonable costs incurred at the Company's request. This MOU does not approve or create an obligation to approve any subsequent TIF application submitted by the Company. The City retains full legislative authority to approve or deny any TIF application submitted by the Company.
 6. Counterparts. This MOU may be executed in two or more counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument. The parties may execute this MOU and all other agreements, certificates, instruments and other documents contemplated by this MOU and exchange the counterparts of such documents by means of facsimile transmission. The parties agree that the receipt of such executed counterpart shall be binding on such parties and shall be construed as originals.
 7. Time. This MOU and all obligations contained herein shall terminate July 1, 2016.
 8. Governing Law. This MOU shall be governed by the laws of the State of Nebraska.

A motion was made by Kevin Hynes to approve the Memorandum Of Understanding between the City of Gibbon and Cargill Incorporated, seconded by Albert Krueger.

Yea votes: Derrick Clevenger, Kevin Hynes, Albert Krueger, Leon Stall

Nay votes: None Motion carried.

Resolution #2016-01—1 & 6 Year Street Plan: A motion was made by Albert Krueger to approve Resolution #2016-01, seconded by Derrick Clevenger.

Yea votes: Leon Stall, Albert Krueger, Kevin Hynes, Derrick Clevenger

Nay votes: None Motion carried.

RESOLUTION NO. 2016-01: Whereas, In accordance with the statutes of the State of Nebraska and as prescribed by the Board of Public Roads Classifications and Standards, Notice of Hearing has been given publication in the legal newspaper of Gibbon, Nebraska, and by posting in three public places within the City, of a Hearing on the One and Six Year Plans of Street Improvements of Gibbon, to be held at the City Office on the 19th day of January, 2016, at 7:15 p.m. for the purpose of hearing comments and objections to said plans.

Whereas, upon said Hearing, the City Council finds that the plans submitted are adequate for the purpose prescribed by law and that the same should be approved.

Now therefore, be it resolved by the Chairman and City Council of Gibbon, Nebraska that the One and Six Year Plan for specific improvements during the current year are hereby approved and adopted.

Resolution #2016-02—Redevelopment Area: A motion was made by Kevin Hynes to approve Resolution #2016-02, seconded by Derrick Clevenger.

Yea votes: Derrick Clevenger, Kevin Hynes, Albert Krueger, Leon Stall

Nay votes: None Motion carried.

Resolution #2016-02: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GIBBON, NEBRASKA, SUBMITTING TO THE PLANNING COMMISSION OF THE CITY OF GIBBON THE QUESTION OF WHETHER THE REAL PROPERTY DESCRIBED IN THIS RESOLUTION IS SUBSTANDARD AND BLIGHTED PURSUANT TO THE NEBRASKA COMMUNITY DEVELOPMENT LAW FOR ITS RECOMMENDATION AND REVIEW; DIRECTING THAT A PUBLIC HEARING BE HELD ON THE ISSUE OF WHETHER SUCH REAL PROPERTY SHOULD BE DECLARED AS SUBSTANDARD AND BLIGHTED; AND DIRECTING THAT PUBLIC NOTICE BE MADE ACCORDING TO THE NEBRASKA COMMUNITY DEVELOPMENT LAW.

WHEREAS, it is desirable and in the public interest that the City of Gibbon, Nebraska, a municipal corporation and City of second class, undertake and carry out urban redevelopment projects in areas of the City which are determined to be blighted and substandard and in need of redevelopment; and

WHEREAS, Chapter 18, Article 21, Nebraska Reissue Revised Statutes of 2012, as amended, known as the Nebraska Community Development Law, (the "Act") is the Urban Renewal and Redevelopment Law for the State of Nebraska and prescribes the requirements and procedures for the planning and implementation of urban redevelopment projects; and

WHEREAS, the City in accordance with the laws of the State of Nebraska applicable to cities of the second class has duly prepared and approved a general plan for the development of the City known as its Comprehensive Plan, all as required by Section 18-2110 of the Act; and

WHEREAS, Section 18-2109 of the Act, as amended, requires that, prior to the preparation by the City of a redevelopment plan for a redevelopment project, this Council as governing body of the City, should, by resolution, find and determine that the area is a blighted and substandard area as defined in the Act; and

Whereas, the City proposes to hold a hearing on whether the real property described in this resolution should be declared as substandard and blighted pursuant to the Act; and

WHEREAS, Section 18-2109 of the Act, as amended, require that, prior to the declaration of such area as a blighted and substandard, the governing body of the City shall submit the question of whether such area is blighted and substandard to the Planning Commission of the City for its review and recommendation.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF GIBBON, NEBRASKA:

1. The City Clerk is directed to forward the description of real property attached hereto as Exhibit "A" to the Gibbon Planning Commission for its recommendation and review as to whether the property described in the study should be declared blighted and substandard as defined by the Act.
2. The City Council shall hold a public hearing on February 16, 2016, in the City Council Chambers of City Hall, 715 Front Street, Gibbon, Nebraska 68840, at the hour of 7:00 P.M., to receive public comment prior to the consideration of a resolution of the City Council declaring such area blighted and substandard and in need of redevelopment pursuant to the Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended.
3. The City Clerk is directed to publish and mail notice of such hearing pursuant to Section of 18-2115 of the Act.

Passed and approved this 19th day of January, 2016.

Requests and Referrals:

A motion was made by Derrick Clevenger to enter into closed session at 8:19 p.m. to discuss possible litigation, seconded by Leon Stall.

Yea votes: Derrick Clevenger, Kevin Hynes, Albert Krueger, Leon Stall

Nay votes: None Motion carried.

A motion was made by Leon Stall to retire from closed session at 8:30 p.m., seconded by Derrick Clevenger.

Yea votes: Leon Stall, Derrick Clevenger, Albert Krueger, Kevin Hynes

Nay votes: None Motion carried.

While is session possible litigation was discussed.

Other Items:


The next Regular Council Meeting will be held on Tuesday, February 16, 2016 at 7:00 p.m. (Monday Observance of Presidents' Day).


A motion was made by Leon Stall to adjourn the meeting, seconded by Derrick Clevenger.

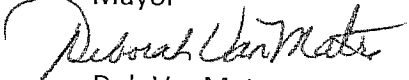
Yea votes: Derrick Clevenger, Kevin Hynes, Albert Krueger, Leon Stall

Nay votes: None Motion carried.

Mayor VanMatre adjourned the meeting at 8:32 p.m.

City Clerk

Vickie Power

City Administrator

Chris Rector

Mayor

Deb VanMatre

SEAL: