

MINUTES OF SPECIAL MEETING OF THE NELIGH MAYOR AND CITY COUNCIL
March 31, 2017

A special meeting of the City Council of the City of Neligh was held on Tuesday, March 31, 2017 at 5:30 P.M. at the City Council Chambers. Present were Mayor Joe Hartz, Council Members Steph Wanek, Ted Hughes, Leonard Miller and Dale Wilkinson. Also in attendance were City Attorney James McNally, Attorney Joe McNally, City Supt. Dean Bly, Economic Development Director Greg Ptacek, news reporter Carrie Pitzer and City Clerk Danielle Klabenes. Notice of the meeting was given in advance thereof by posting in four public places on March 28, 2017. A copy of their acknowledgement of receipt of notice and the agenda is attached to the minutes. Mayor Hartz offered a prayer before opening the meeting. All proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public. Mayor Hartz presided over the meeting and noted that a copy of the Open Meetings Law, located on the east wall of the Council Chambers is available for the public. Clerk Klabenes recorded the minutes. The Pledge of Allegiance was recited.

POWER REVIEW BOARD DECISION

City Attorney McNally reported the Power Review Board had ordered a settlement of \$490,445.90 that the City of Neligh would pay to Elkhorn Rural Public Power for the loss of revenue for customers and the facilities in the south annexation and for service to a neighboring farm as a result of the facilities transfer. He reported the decision conformed with the state law, however Elkhorn Rural Public Power had the option to file an appeal within 30 days. He reported one of the five members of the Power Review Board offered a dissenting opinion regarding the costs to reintegrate the substation outside of the annexed area which the City of Neligh was not ordered to pay to Elkhorn Rural Public Power. He reported that if Elkhorn Rural filed an appeal, the process was a minimum of 6 months before the Court of Appeals would make a decision approximately 60 days later. He reported if an appeal was filed that the payment from the City of Neligh to Elkhorn Rural would be postponed until the Court of Appeals decision was made. He reported he would be talking to a lawyer as to whether the City should place funds in an escrow account if an appeal was filed.

Discussion was held for confirming with the electric engineer to proceed with the electric improvements and confer with the contractor for ordering materials for the project where the materials were forecasted to have an ordering window of several weeks. *Miller moved to accept the bid from Watt's Electric and notify the contractor to start ordering project materials and to proceed with the project out of the Electric cash reserve funds.* Seconded by Wilkinson. Roll call votes in favor were Wanek, Miller, Hughes, Wilkinson. Opposed: None. Motion carried.

MEAN AGREEMENT RENEWAL

Attorney Joe McNally reported the five year renewal for the MEAN agreement and contract included regulatory additions for emissions and the scheduling of power. He reported the monthly scheduling fee included a 4% annual increase which was standard form from the previous contract. Discussion was held on the different services provided by MEAN for regulatory issues and on the cost of wind energy from the City of Grand Island. Discussion was held on reducing commercial electric rates and reviewing the effect on the city's budget. *Wilkinson moved to renew a 5-year agreement and contract with MEAN.* Seconded by Hughes. Roll call votes in favor were Wilkinson, Miller, Hughes, Wanek. Opposed: None. Motion carried.

Attorney Joe McNally also reported that MEAN had prepared a capacity study to determine the city's power capacity. He reported the wind power was not considered firm power, thus was not included in the calculation for capacity. He reported that the city was short by half a megawatt and further research for the implications on purchasing extra capacity seasonally or annually or expanding the generation plant continued. It was estimated that additional capacity would be approximately \$12,000 a year if purchased.

There being no further business to conduct Council member Wanek motioned to adjourn the meeting, seconded by Hughes. Roll call votes in favor were Wilkinson, Miller, Wanek, Hughes. Opposed: None. Thereupon Mayor Hartz declared the meeting adjourned. Time: 6:00 P.M.

City of Neligh

Joe Hartz, Mayor

(ATTEST)

Danielle Klabenes, City Clerk

CERTIFICATION

I, the undersigned, City Clerk of the City of Neligh, Nebraska, hereby certify that the foregoing is a true and correct copy of proceedings had and done by the Council on March 31, 2017 that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and readily available for public inspection at the office of the City Clerk; that such subjects were contained in said agenda for at least twenty-four hours prior to said meeting; that at least one copy of all reproducible material discussed at the meeting was available at the meeting for examination and copying by members of the public; that the said minutes from which the foregoing proceedings have been extracted were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; that all news media requesting notification concerning meetings of said body were provided advance notification of the time and place of said meeting and the subjects to be discussed at said meeting.

(SEAL)

Danielle Klabenes, City Clerk