

## Sidney, Nebraska, February 22, 2022 A Fair Housing City

A meeting of the Mayor and Council of the City of Sidney, Nebraska, was convened in open and public session at 6:15 P.M. on February 22, 2022 in the Council Room. Present in person were: Mayor Gallaway and Council Members: Arterburn, Sherman, Radcliffe and Olsen. Others present: City Manager Scott, City Clerk Borchert, City Attorney Leef. Notice of the meeting was given in advance thereof by publication in *The Sidney Sun Telegraph*, the designated method for giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to the members of the City Council and a copy of their acknowledgment of receipt of notice is attached to these minutes. Availability of the agenda was communicated in the advance notice and in the notice to the City Council. All proceedings shown hereafter were taken while the convened meeting was open to the attendance of the public.

Mayor Gallaway informed the public of the location of the posted Open Meetings Act.

Mayor Gallaway asked for a motion to approve of the minutes from the February 8, 2022 meeting. Arterburn moved, Sherman seconded, "That the minutes of the February 8, 2022 meeting be approved." Roll call vote: Yeas: Arterburn, Sherman, Gallaway, Radcliffe, Olsen. Nays: None. Motion passed.

Trevor Schuessler, on behalf of Rauner & Associates, presented a power point on the audited City of Sidney financial statements for fiscal year 2020-2021. Also present was Julie Peetz and Jeff Jung from Rauner & Associates. Schuessler thanked city staff for their assistance during the preparation of the audit. Schuessler reported that the audit went smoothly, considering all the position changes. Schuessler stated that upon approval the audit will be submitted to the State Auditor's Office by the deadline of March 31, 2022. Gallaway asked for a motion to approve the audit. Radcliffe moved, Olsen seconded, "That the Fiscal Year Audit for 2020-2021 be approved as presented." Roll call vote: Yeas: Arterburn, Sherman, Gallaway, Radcliffe, Olsen. Nays: None. Motion passed.

City Manager Scott stated that two members resigned from the Economic Development Citizen's Advisory Review Committee. The position was posted. The applicant, Rick Heckenlively residence address is listed as Sunol, which is not a Sidney resident. Gallaway asked to table the appointment until Attorney Leef can check on this further.

Electric Superintendent, Mike Palmer, brought before Council the Solar PV Installations. Palmer stated that during the December 14, 2021 council meeting, MEAN had issued a Request for Proposal (RFP) on behalf of 10 member communities, MEAN staff recommended that Sandhills Energy, LLC be awarded the Purchase Power Agreement (PPA) based upon the pricing received from 6 potential developers. Although we were not part of the original RFP, Sandhills has agreed to let other communities join into this project, because of pricing the project scope has almost doubled since the original RFP was issued. Based upon Council direction, staff also investigated other potential developers to install a community solar project for the City of Sidney. NextEra Energy Resources, LLC responded to our request for construction of a 2,250 kW solar facility. Both proposals would be a PPA arrangement. The City would be required to secure the land it is located at and to purchase all the energy generated from the facility but the developer would own and be responsible for maintenance of the installation. The PPA period proposed would be 25 years for Sandhills and 35 years for NextEra. NextEra also indicated the City would have the option to purchase the solar system at any point after the Investment Tax Credit is recaptured (after year 6 of the PPA.) Sandhills has offered a 25-year PPA at pricing of \$0.03990/kWh. NextEra offered a 35-year PPA at pricing of \$0.04699/kWh. Both developers included a yearly escalator of 0.50%. When this was first discussed this in December, staff mentioned that we see this project as a potential hedge because of upward rate pressure from a wholesale market perspective. Sandhills was offering a very competitive rate compared to MEAN'S then current energy rate when we first approached Council regarding this project. Since this time. MEAN has increased energy rates 6% going from \$0.03825/kWh to now \$0.04070 this increase is effective April 1, 2022. Based upon this increase, the energy potentially supplied by Sandhills would now be under our wholesale energy charge. Any energy purchase from the solar array would still be considered when figuring our Fixed Cost Recovery Charge (FCRC) and transmission cost. The proposal Sandhills submitted also required the City be responsible for the transformer, an estimated cost of \$80,000. Sandhills has indicated that MEAN is exploring options to increase the capacity of various systems under the RFP for their own portfolio. Sandhills has indicated that there would be potential with expanding Sidney's solar facility for MEAN, which would allow Sidney to negotiate a lease payment for the ground of their panels. Gallaway asked for a motion to pursue a contract with Sandhills. Olsen moved, Sherman seconded, "That approval is given to pursue and review a potential contract with Sandhills for the Solar Project." Roll call vote: Yeas: Arterburn, Sherman, Gallaway, Radcliffe, Olsen. Nays: None. Motion passed.

Palmer presented the City of Sidney with an ACE check in the amount of \$14,815.00 which represents the Community's share of the ACE distribution for fiscal year 2021-2022. The selection for this period will run from April 1 through April 21, 2022. Palmer encouraged residents to make a choice in the gas program.

Finance Director, Lane Kizzire, presented the budget reports for January 2022. Gallaway asked for a motion to approve the budget reports. Radcliffe moved, Arterburn seconded, "That the budget reports for January 2022 be approved." Roll call vote: Yeas: Arterburn, Sherman, Gallaway, Radcliffe, Olsen. Nays: None. Motion passed.

Scott stated that Arterburn is resigning. Once the new person is appointed and Council is in agreement, after March 1, 2022 the City will report to the County Clerk, who will then add a two-year term to the ballot. The deadlines for applicants will be July 15, 2022 for incumbents and August 1<sup>st</sup> for non-incumbents. This is a separate deadline for the two-year term to finish out Arterburn's term. The four-year terms, for the upcoming expired terms of the three Council members, remain the same.

Gallaway stated that he is making a recommendation for Council's consideration. Arterburn asked about the process. Gallaway responded that there were a couple people that applied. Gallaway stated that he included Councilman/Vice Mayor, Bob Olsen, to go through the applications with him. Gallaway added that both applicants were very qualified, supporters of the community and active in the community. Radcliffe and Sherman were not included in the process. Arterburn asked if the applicants were interviewed. Gallaway said that both he and Olsen knew both candidates well enough as both are well established in the community so interviews were not conducted. Gallaway recommended Marva Ellwanger for the position to be filled until such time until we have the election. Arterburn asked if he could vote on this. Attorney Leef stated that he could not, according to State Statute, that specifically states the "remaining Council persons". Gallaway asked for a motion to approve the recommendation. A

vote in favor is “yes” and a vote not in favor would be “no”. Roll call vote: Yes: Sherman, Gallaway, Radcliffe, Olsen. No: None. Motion passed. Council welcomed Marva Ellwanger to the City Council. Gallaway then asked Leef to officiate the swearing in of Ellwanger. Arterburn stepped down and Ellwanger assumed the position.

Scott thanked the Council for the Planning Session held earlier that day. Scott thanked Arterburn for his service. Scott presented Arterburn with a carved flag on behalf of the City of Sidney and City Council.

Palmer also thanked Arterburn for his years of service and support. Palmer also expressed that it was nice working with Arterburn.

Kizzire reported that the City goes live with Invoice Cloud on February 23.

Tom VonSeggern, Parks Superintendent, thanked Arterburn for his service and welcomed Ellwanger.

Ellwanger thanked the Council and said she would do her very best.

Sherman said Arterburn will be missed. He welcomed Ellwanger and stated he is looking forward to working with her. Sherman mentioned the digital Chamber Bucks, hamburgers at the Elks and the Lighting Committee.

Olsen welcomed Ellwanger to the Council.

Radcliffe wished Arterburn happy retirement.

Gallaway told Arterburn that he enjoyed him on the Council. Gallaway said that Arterburn was a good voice for Council and a good spokesperson for the community.

Meeting adjourned at 7:33 p.m.

\_\_\_\_\_  
ATTEST: /s/ROGER GALLAWAY, MAYOR

\_\_\_\_\_  
ATTEST: /s/LORI BORCHERT, CITY CLERK/TREASURER