

VILLAGE OF UNION MEETING MINUTES AUGUST 11, 2010 The Union Village Board met in regular session on August 11, 2010. The meeting was called to order at 7:05 p.m. at the ALA Hall. The Open Meeting Laws were displayed. On roll call: T. McClane, J. McClane, Chipman, Kahland and Brown delayed (arrived at 7:20). Chairman McClane requested to go into closed session to discuss matters that could possibly cause embarrassment to some officials. The Trustees discussed the situation briefly and decided not to close the session. Chairman McClane stated that Chipman is involved in many different community organizations. McClane said that he wished to discuss with Chipman his role as a trustee for the village board. McClane stated that Chipman acts as the village's legal counsel, and does legal work for Union United, Inc. Chipman has involved the State Fire Marshall in the village's nuisance issues. McClane accused Chipman of having an axe to grind with Bill Bescheinen and of using his position on the board to forward that cause. McClane stated his opinion, that Chipman's activities with Union United, in conjunction with his position on the board, poses a conflict of interests. McClane said that he contacted David Chebatoris to see if he would act as Union's lawyer on an as-needed basis. McClane said, that Mr. Chebatoris said, he would be willing. McClane asked Chipman why, as an attorney, he never moved towards holding Angie Minihan and Deb McWha accountable for the village's withholding tax issues. McClane asked Chipman if he was affording Ms. Minihan an occupational courtesy. McClane also stated, that he felt Chipman was dragging his feet getting answers from the insurance companies. Chipman replied that he is not Union's legal counsel, but has a lot of pertinent legal knowledge that helps Union. He stated that his priority is the cleaning up of Union for the good of the village and its residents. Chipman stated that being on the side of change takes courage and guts, and that is his agenda. Balancing the village's budget and implementing good financial practices, is his agenda. Chipman shared his opinion; as long as the village looks like it does, it will never prosper. He doesn't want to make enemies. In the matter of Angie Minihan and Deb McWha; negligence is hard to prove and as a Board, the focus is on the chairman in these cases. Chipman argued that he is not dragging his feet, documentation has been provided to Continental Western and we are waiting on their response. In no way is he giving Ms. Minihan an occupational courtesy. Chipman admitted that he is opinionated but cares about the village for the children's sake. McClane asked Chipman why he was on vacation during the Fire Marshal's meeting, leaving the meeting for McClane to handle. Chipman replied that he was on orders with the government attending a work conference, not on vacation. Chipman said he had requested the meeting back in April, and the Fire Marshal happened to reply while he was away. McClane accused Chipman of using the fire marshal to further his vendetta against Bill Bescheinen. Chipman argued that he only wanted the fire marshal's opinion on the structural integrity of the Main St. Buildings, and that McClane's admittance of the fire marshal to inspect the inside of the American Legion Auxillary Hall, without the permission of the owner, was beyond the village's authority. Chipman defended McClane's accusation by reminding McClane, that the board voted unanimously to give Chipman permission to contact the State Fire Marshall and Cass County Zoning office to look at nuisance properties. Again, McClane accused Chipman of dragging his feet on items that are important to the village. He then accused Union United of "being more against the town than helping." McClane then accused Union United of taking over tasks the park board would normally be responsible for. McClane did admit that the park board was not actively functioning. He mentioned that when Lily Wolfe was on the health board she wanted to fight Mr. Bescheinen and that these positions are no place to act out one person's vendetta against another. McClane accused Chipman of accepting Gaille Brown's resignation

from the park board, when it should have been brought before the Board of Trustees. Chipman argued that he did not accept Mrs. Brown's resignation on behalf of the board, it was just acknowledged in conversation. McClane said that he should not have had to deal with John Bescheinen's "carrying on" when he showed up at one of the buildings being inspected by the fire marshal. McClane said, more needed to be done in respect to Deb McWha's negligence and quickly. Chipman suggested that Chebatoris evaluate the claim against Deb McWha and Angie Minihan and accused McClane of being unaware of the more than \$500,000 debt the village was in, and that it was Chipman's own attention to finances that brought the villages problems to light. McClane then discussed the responsibility of the clerk's office to assist the public in filing for the election. McClane said that Hansen didn't know what "deputized authority present" meant. McClane said that he went to Nancy Josoff about being a write-in on November's ballot. When she got the book out, McClane noticed that Dwain Hardbarger was on the ballot as of March 18, Paul Vidlak was on the ballot as of July 8, and that both their applications were notarized by Mindy Rush. When he asked Nancy how the public gets these applications, she said that are available online, and they are mailed to all the clerk's offices in the county. McClane said that Hansen told him she lost them and then asked why her signature, as the village clerk, was at the bottom of the other applicant's documents. Hansen replied that she had never seen, nor signed, Hardbarger's or Vidlak's documents. Then McClane responded that he personally saw her signature. Chipman accused McClane of lying about this and McClane explained that was why he wanted to go into closed session so the official's miscommunications didn't have to be aired out in a public forum. Ms. Chipman argued from the public floor, that there are only two reasons a closed session can be called according to the Open Meeting Laws Act; in the interest of public safety/security and to protect an employee's reputation, not including public officials. Hansen returned to the point and explained to McClane that the only election paperwork she signed was in January with the purpose of certifying the Trustee seats that need to be filled during the November election. Minutes of July 14th Board Meeting were reviewed. Chipman motioned to approve July 14th minutes with the change "Brown-Aye" to "Brown – absent". 2nd by J. McClane. By roll, Trustee votes are as follows: T. McClane – Aye, Chipman – Aye, J. McClane – Aye, Kahland – Aye, Brown- Aye. Motion approved. Claims and Accounts were presented. Noted accounts were discussed for payment. J. McClane made a motion to approve payment of listed accounts. 2nd by Chipman. By roll, Trustee votes are as follows: T. McClane – Aye, Chipman – Aye, J. McClane – Aye, Kahland – Aye, Brown- Aye. Motion approved. CLAIMS & ACCOUNTS AUGUST 2010
NPPD FIREBARN* \$ 102.82 AREA LIGHT RENTAL \$ 20.76 BALLFIELD** \$
47.93 WATER PUMP \$ 333.21 FIREBARN (TOWN BLDG) \$ 17.89 TOWER
(WATER) \$ 17.89 TRAFFIC LIGHT \$ 17.89 AREA LIGHT RENTAL \$ 9.21
STREETLIGHTS \$ 435.52 SEWER PUMP \$ 98.86 ALA HALL \$ 45.92
WINDSTREAM OFFICE \$ 68.04 WINDSTREAM FIRE \$ 88.58 MELISSA HANSEN
\$ 600.27 JUL SALARY NPHEL \$ 20.00 WATER TESTS ALLIED RECYCLING \$
1267.53 Monthly Trash Service LOAN \$ 618.44 SEWER BOND LOAN \$ 265.64
RESCUE SQUAD STEVE HEYEN \$ 938.14 JULY PAY LINCOLN JOURNAL STAR \$
15.26 LIQUOR LICENSE AD JOHNSON'S GAS N GO \$ 214.45 GAS FOR MOWERS
AND TRUCK US TREASURY \$ 800.00 IRS PAYMENT LNM \$
259.00 MEMBERSHIP DUES EMS BILLING \$ 95.54 RESCUE BILLING FEE LNM
\$ 277.00 UTILITIES SECTION DUES GP ONE CALL \$ 2.02 DIGGER'S HOTLINE
MEESKE ACE \$ 12.35 SANDPAPER AND KEYS Correspondence: Utility Service

Company inspected our water tower inside and out, as scheduled, and found nothing wrong. Next year we are scheduled to have the inside of the tank cleaned. The Cass County Planning Commission sent a notice of public hearing for an amendment to regulations pertaining to fee schedules and time limits on conditional use permits for wireless communication towers and wind energy and adoption of floodplains. FEMA declared a new disaster for flooding that occurred starting June 1, 2010. The village did not incur enough expenses during cleanup to be eligible to apply. NDOR sent information on their "Safe Routes to School Program". Travelers Ins. sent Policy Changes to Fire/EMS Pak. Drake Propane sent a renewal for the propane contract. NDOR sent the village the Local Funding Questionnaire, classification of remote residential roads IAW LB 1068(2008), and NE Surface Transportation Program booklet. The Clerk's Report: The State Treasurer's office has received and approved our audit waiver request and has released the village's highway allocation funds. All the documentation requested to continue the claim against the public official bond carried on Deb McWha, beside policies from previous years, have been sent to Continental Western. DEQ deactivated our discharge permit. Treasurer's report - End of July balance for general fund account is \$36,198.59. Letter and documentation has been sent to collect on the Willeford's mobile home removal contract. Union has withdrawn our application for disaster 1902 because none of the areas we are responsible for have qualifying damage. New Business item B was advanced in the agenda. Mr. Ric Ortmeier was present to discuss budget issues for the Village of Union. He explained, when questioned by McClane about certain numbers on the audit waiver documents, that he contacted the State Auditor's office about transfers in surplus of our enterprise funds. The auditor instructed Ortmeier to reconstruct our enterprise funds using the surplus in the general fund. Mr. Ortmeier discussed some of the problems he has noted in the financial management of the village. The village's first issue is that our debt hasn't been addressed. The street bonds taken out years ago have never been levied for, in fact, around that time the board actually lowered the mil levy and never raised it again when our sewer bonds were incurred. Maxing out the mil levy to .45 only circulates another \$5000.00 to \$6000.00 in our budget and may not be enough to successfully deal with the village's financial crisis. Ortmeier then went on to explain that we didn't use a bond levy when we took our bonds for the streets or sewer like we should have. One option is to bring this problem to the public and try to raise the lid on the mil levy. Ortmeier said that he wasn't sure if it was legal for a municipality to borrow money from a bank and that it would be fiscally more responsible to roll current loans into a bond issue and add IRS debt as well to reduce the rate of interest we are paying. Highway Allocation Pledge Bonds are at 2% and our loans through Nehawka Bank range from 6 – 8%. Mr. Ortmeier advised us to contact the state to find out if we can consolidate our un-bonded debt into a bond issue, so the village can manage bank and IRS debts over time and have levy pay for it. Ortmeier shared that he has seen small towns adversely affected by DEQ policy changes and worries that Union will be unable to financially maintain their water and sewer systems. The clerk stated that the sewer bonds taken out in 2004 were because of the DEQ mandates on the regulation of our lagoons and that our sewer system has been recently upgraded. After having looked over budgets and audits from previous years, Mr. Ortmeier noticed that our levy was actually decreased by the board in 2002. The mil levy should have instead, been increased gradually over the following years to pay for the debt incurred on streets and sewers with minimal impact per year on the public's taxes. No reserve had been assigned for future maintenance on public water, sewer or streets, and sewer rates had been increased slightly, only enough to ensure bond

payment could be made each year. Chipman made a motion to approve Ric Ortmeier to work on the village's 2010/2011 budget with a maximum expenditure of \$1000.00. 2nd by Kahland. By roll, Trustee votes are as follows: T. McClane – Aye, Chipman – Aye, J. McClane – Aye, Kahland – Aye, Brown- Aye. Motion approved. The Village Maintenance report: was given by Heyen. The village pumped 542,640 gallons of water in the month of July. The lift station ran for around 6.6 hours per day. Heyen installed a snubber valve for the water pumps and they are working on automatic at 8.3 pounds of pressure and shutting off at 9.5. Heyen has been dropping off water tests in Lincoln, a 90 mile trip, and has chosen to be compensated 6 gallons of gasoline for his truck. Mr. Hartley complained to Mr. Heyen about the buildup of grass cuttings along the C St. curbside. Residents have been blowing their grass clippings into the street and not cleaning up after themselves. T. McClane requested Mr. Heyen to clean out the curbside. Heyen reported that he has been having trouble with the curb stop at 125 A. St. and has been unable to stop service to that address as requested. The curb stop is stuck open. Heyen has located a tool to help and will have water shut off at that address tomorrow. Fire and Rescue reported 5 Rescue calls since last meeting. All sirens are in working order. Louise Stewart briefed the board that if they are not NIMS certified, the village will not be able to obtain certain funding from grants. In light of last month's storms, Ms. Stewart brought up her concern with the lack of emergency lighting in the offices and the ALA Hall. The board gave Stewart permission to look up pricing on battery operated emergency lighting and to brief Helen Wolfe on that issue with respect to the ALA Hall. Old Business Nuisance complaint of equipment on Rail Road Right of Way is still open. Bescheinen has not removed the mobile home from the Union Pacific Right of Way. The board discussed contacting Union Pacific on this issue and attempt to fine them if the Right of Way is not cleared. Chipman asked permission to contact Union Pacific Rail Road about the nuisance issue. Kahland motioned to permit Chipman to contact Union Pacific about the nuisance. 2nd by J. McClane. By roll, Trustee votes are as follows: T. McClane – Aye, Chipman – Aye, J. McClane – Aye, Kahland – Aye, Brown- Aye. Motion approved. The board also briefly mentioned the new truck in Bescheinen's possession that is being stored behind Bescheinen Earthmoving, Inc. on village property. The board talked about drafting a letter to Carol Hall asking her to reconsider the abatement of failure to pay penalties after the 15 day window due to the fact that Union is a small municipality with only one part-time clerk who relies on the authority of a board that meets once each month. Board members have agreed to be assigned to meet with certain property owners listed in the County Zoning Inspection and State Fire Marshal's report of properties that pose a safety risk. Trustees are to contact the owners and discuss the reported issues and then encourage them to come to a board meeting to come up with a plan of action. The board agreed that no city allows properties to remain in such a state. Cedar Creek has similar issues and the board has been working diligently with their attorney to make big improvements. McClane suggested the village hire a structural engineer to inspect each of the nuisance properties so the village can take these issues to court and have the properties condemned. The board concluded the legal costs for litigation in addition to the financial responsibility for condemnations that will be placed on the village, are at this time cost prohibitive. Chipman made a motion for the assignment as follows: Chipman will contact Larry Wiysel, Bob Harrah, Joe Hall, and Ken White. Brown will contact Al Keene. Kahland will contact Bill Bescheinen. T. McClane will contact Helen Wolfe. 2nd by J. McClane. By roll, Trustee votes are as follows: T. McClane – Aye, Chipman – Aye, J. McClane – Aye, Kahland – Aye, Brown- Aye. Motion approved. Chipman motioned to amend ordinance 4-105 Hours of Alcohol Sales to read "all

days offsale 1 am”..... and waive the 3 readings of the change. 2nd by Brown. By roll: Trustee votes are as follows: T. McClane – Aye, J. McClane – Aye, Chipman – Aye, Kahland – Aye, and Brown- Aye. Motioned approved. New Business The Weeping Water Valley Association is requesting the village sign a resolution that will allow municipalities to add agri-tourism as another zoning category. This resolution would enable the association to apply for grants that would market our area with the hopes of bringing this select type of tourism into Cass County. This agri-tourism district would overlay the residential and commercial zoning already in place in Cass County. Chipman made a motion to approve the resolution brought before the board by the Weeping Water Valley Association. 2nd by Kahland. By roll: Trustee votes are as follows: T. McClane – Nay, J. McClane – Aye, Chipman – Aye, Kahland – Aye, and Brown- Aye. Motioned approved. T. McClane refused to sign the resolution as chairman. Chipman stated that in the role as chairman he is required to sign, and if he refuses to sign, it is a dereliction of his duty. T. McClane opted to hold a future special meeting where he would tender his resignation as Chairman of the Board of Trustees. The Board reviewed a building permit for property at_____. Brown made a motion to approve the building permit application. 2nd by Chipman. By roll: Trustee votes are as follows: T. McClane – Aye, J. McClane – Aye, Chipman – Aye, Kahland – Aye, and Brown- Aye. Motioned approved. J. McClane made a motion to adjourn at 10:01 pm. 2nd by Chipman. By roll: Trustee votes are as follows: T. McClane – Aye, J. McClane – Aye, Chipman – Aye, Kahland – Aye, and Brown- Aye. Motioned approved. The next regular board meeting is scheduled for September 8, 2010 at 7:00 pm at the ALA Hall. Terry McClane Chairman