

CITY COUNCIL PROCEEDINGS

March 8, 2006

The City Council of the City of David City, Nebraska met in open public session in the meeting room of the City Office, 557 4th Street, David City, Nebraska. The Public had been advised of the meeting by publication of notice in The Banner-Press on March 2, and an affidavit of the publisher is on file in the office of the City Clerk. The Mayor and members of the City Council acknowledged advance notice of the meeting by signing the Agenda which is a part of these minutes. The advance notice to the Public, Mayor and Council members conveyed the availability of the Agenda, which was kept continuously current in the office of the City Clerk and was available for public inspection during regular office hours. No new items were added to the agenda during the twenty-four hours immediately prior to the opening of the Council meeting.

Present for the meeting were: Mayor Stephen Smith, Council members Gary Smith, Gary Kroesing, Nick Hein, Bill Schatz, and Mark Kirby, City Attorney Jim Egr, Police Chief Stephen Sunday, Electric Supervisor Tim Kovar, Electric Plant Supervisor John Kabourek, Water/Sewer Supervisor Jim Kruse, Dr. Jack Kaufmann, Fred Vandenberg, Skip Trowbridge, Bill Scribner, Wayne Arnold, Margaret Kitt, Philip Lorenzen First Vice President of Kirkpatrick Pettis, Pam Siroky, John Klosterman, Banner Press Editor Larry Peirce, and City Clerk-Treasurer Joan E. Kovar. Council member Ted Lukassen was absent.

The meeting opened with the Pledge of Allegiance.

The minutes of the February 8th, 2006 meeting of the Mayor and City Council were approved upon a motion by Council member Kroesing and seconded by Council member Hein. Voting YEA: Council members Kirby, Smith, Schatz, Hein, and Kroesing. Voting NAY: None. Council member Lukassen was absent. The motion carried.

Mayor Smith asked for Petitions, Communications and Citizens' Concerns in addition to those contained in the Agenda packets. There were no petitions, communications, or citizens' concerns.

Mayor Smith asked for consideration of claims. Council member Smith made a motion to authorize the payment of claims. Council member Kirby seconded the motion. Voting YEA: Council members Kroesing, Schatz, Hein, Kirby, and Smith. Voting NAY: None. Council member Lukassen was absent. The motion carried.

Mayor Smith called for Committee and Officers' Reports in addition to those written reports contained in the Agenda packet.

Water/Sewer Supervisor Jim Kruse reported that the filters in the Water Treatment Plant are being repaired. Kruse asked if the filters could be painted while the filters are down for repairs. The Council had accepted a painting bid at the February 8th council meeting but then had advised Kruse not to do any painting until an engineer was hired to check on the moisture problem. The filters have nothing to do with the clarifier and the moisture problem. The Council members present gave Kruse the approval to go ahead and have the filters painted.

City Clerk Kovar reported that she will be attending the Nebraska Municipal Clerks' Institute and Academy at North Platte, Nebraska, from Sunday, March 12 thru Friday, March 17, 2006.

Deputy City Clerk Tami Comte qualified for the First Level Membership in the IIMC Master Municipal Clerk Academy. The purpose of the IIMC Master Academy is to provide professional

and educational opportunities for municipal clerks to extend beyond their present levels of development and to enhance their skills to meet the challenges of the office of municipal clerk.

Mayor Smith scheduled a Committee of the Whole meeting for Monday, March 27, 2006 at 6:00 p.m.. Council President Gary Smith will preside at the meeting.

Council member Smith made a motion to accept the Committee and Officers= Reports as presented. Council member Kroesing seconded the motion. Voting YEA: Council members Kirby, Schatz, Hein, Kroesing, and Smith. Voting NAY: None. Council member Lukassen was absent. The motion carried.

Library Director Kay Schmid notified City Clerk Kovar that she was too busy with the delivery of the new Library shelving and did not have time to prepare her annual Library Report. Therefore, Council member Hein made a motion to table the presentation of the annual library report by Library Director Kay Schmid until the April council meeting. Council member Kirby seconded the motion. Voting YEA: Council members Kroesing, Smith, Schatz, Kirby, and Hein. Voting NAY: None. Council member Ted Lukassen was absent. The motion carried.

Mayor Smith declared the Public Hearing open at 7:26 p.m concerning an application to the Department of Economic Development for a Nebraska Affordable Housing Program Grant in the amount of \$245,000. City Clerk Kovar explained that the \$245,000 will be used for funding an owner-occupied housing rehabilitation program, of which \$200,000 will be used for housing rehabilitation, \$20,000 for housing management, \$10,000 for paint testing/risk assessments/clearance testing, and \$15,000 will be used for general administration of the funds. There are no matching funds required. 100% of the funds will benefit low to moderate income persons. Council member Schatz stated that the City is a conduit for the grant. There being no further comments, Mayor Smith declared the Public Hearing closed at 7:32 p.m..

Council member Schatz made a motion to pass Resolution No. 5 - 2006 authorizing Mayor Smith to sign an application for Nebraska Affordable Housing Program Funds and to proceed with the formulation of any and all contracts, documents, or other memoranda between the City and the Nebraska Department of Economic Development so as to effect acceptance of the grant application. Council member Smith seconded the motion. Voting YEA: Council members Kroesing, Hein, Kirby, Smith, and Schatz. Voting NAY: None. Council member Lukassen was absent. The motion carried and Resolution No. 5 - 2006 was passed and adopted as follows:

RESOLUTION NO. 5 - 2006

"BE IT RESOLVED by the Mayor and Council of the City of David City, Nebraska as follows:

Whereas, the City of David City, Nebraska, is an eligible unit of a general local government authorized to file an application under the Housing and Community Development Act of 1974 as Amended for Small Cities Community Development Block Grant Program, and, Cranston-Gonzalez National Affordable Housing Act of 1990 (HOME Program) funds distributed by the Department of Economic Development through the Nebraska Affordable Housing Program.

Whereas, the City of David City, Nebraska, has obtained its citizens= comments on community development and housing needs; and has conducted public hearing(s) upon the proposed application and received favorable public comment respecting the application which for an amount of \$245,000 for funding an owner-occupied housing rehabilitation program, of

which \$200,000 will be used for housing rehabilitation, \$20,000 will be used for housing management, \$10,000 for paint testing/risk assessments/clearance testing and \$15,000 will be used for general administration of the funds. No matching funds are required and 100% of these funds will benefit

low and moderate income persons. There will be no persons displaced as a result of these CDBG activities; and,

NOW, THEREFORE, BE IT RESOLVED BY

The City Council of the City of David City, that the mayor be authorized and directed to proceed with the formulation of any and all contracts, documents or other memoranda between the City of David City and the Nebraska Department of Economic Development so as to effect acceptance of the grant application.

Dated this 8th day of March, 2006.

Mayor Stephen Smith

City Clerk Joan E. Kovar

Council member Kroesing made a motion to pass Resolution No. 6 - 2006 finding the results of a hearing on the proposition of entering into an interlocal cooperation agreement between the City and David City Public Schools creating the David City Community Building Agency. Council member Smith seconded the motion. Voting YEA: Council members Schatz, Hein, Kirby, Smith, and Kroesing. Voting NAY: None. Council member Lukassen was absent. The motion carried and Resolution No. 6 - 2006 was passed and adopted as follows:

RESOLUTION NO. 6 - 2006

A RESOLUTION FINDING THE RESULTS OF A HEARING ON THE PROPOSITION OF ENTERING INTO AN INTERLOCAL COOPERATION AGREEMENT BETWEEN THE CITY OF DAVID CITY AND BUTLER COUNTY SCHOOL DISTRICT NO. 0056 (DAVID CITY PUBLIC SCHOOLS) CREATING THE DAVID CITY COMMUNITY BUILDING AGENCY, AUTHORIZING THE EXECUTION THEREOF AND PROVIDING FOR PUBLICATION OF NOTICE OF THE INTENT OF THE CITY OF DAVID CITY, NEBRASKA TO ISSUE ITS BONDS TO SECURE THE ISSUANCE OF BONDS OF SAID AGENCY.

BE IT RESOLVED by the Mayor and Council of the City of David City, Nebraska as follows:

Section 1. The Mayor and City Council of the City of David City (the City) in accordance with published notice, published in the Banner Press on January 26, 2006, and appended hereto and made a part of this resolution, conducted a hearing at 7:30 p.m. on February 8, 2006, on the proposition of the City entering into an Interlocal Act Agreement with Butler County School District 0056, for the creation and formation of the David City Community Building Agency.

Section 2. The Mayor and City Council find and determine that no one appeared at said hearing to make any comments in favor or in opposition to the proposal as set out above and as set out in the Notice of Hearing.

Section 3. The Mayor and City Council further find and determine that the City, having published notice and having conducted said hearing is now authorized to proceed with the entering into the said Agreement and with the necessary actions in order to issue the bonds of the City to be delivered to the Agency to be created under authority of the Agreement as security for the Agency=s issuance of its bonds as required to carry out the provisions of the Agreement.

Section 4. In order to provide for the issuance of its bonds as set out herein, the City shall by ordinance authorize its bonds and shall provide and publish notice of the City=s intent to issue such bonds, in the form attached to this resolution and made a part hereof and the City Clerk shall publish notice of such intent to issue bonds in the Banner Press, as provided by law.

DATED this 8th day of March, 2006.

Mayor Stephen Smith

City Clerk Joan E. Kovar

0000000000000000000000

NOTICE OF INTENTION TO ISSUE BONDS
OF THE CITY OF DAVID CITY, NEBRASKA

PUBLIC NOTICE is hereby given by the David City, Nebraska, pursuant to Sections 72-2301 to 72-2308. R.S. Supp 2005, (the Construction and Finance Act) that the City of David City intends to issue its general obligation bonds under terms of the Construction and Finance Act which bonds shall be delivered to the David City Community Building Agency to secure and provide for payments to said Agency to enable said Agency to issue its bonds for the purpose of providing financing for the remodeling, renovation and operation of the existing Municipal Auditorium owned by the City of David City, Nebraska. With respect to such bonds to be issued by the City of David City, the following information is provided:

1. The name of the issuer authorizing and issuing such bonds is the City of David City, Nebraska.

2. The purpose of the bond issue is to deliver such bonds to the David City Community Building Agency Auditorium owned by the City of David City, Nebraska, to serve the members of the Agency and its constituents.

3. The principal amount of such bonds to be issued is \$50,000.

4. The maturity schedule for such bonds is shown below and the maximum stated rate of interest payable on such bonds is 5.00%

Amount of Principal Maturing Maturing on March 1 of Year \$10,000

5. The estimated total debt service payments for said bonds for fiscal years ending September 30th, annually are as follows:

| | | | | | |
|------|--------------------|--------------------|--------------------|--------------------|---------------|
| | September 30, 2006 | \$ 1,250.00 | September 30, 2007 | \$12,250.00 | September 30, |
| 2008 | \$11,750.00 | September 30, 2009 | \$16,125.00 | September 30, 2010 | \$15,375.00 |

6. A hearing will be held at the City Office, 557 4th Street, at 7:30 p.m. on April 12, 2006 on the matter of the issuance of the City=s bonds as described in this Notice:

7. A copy of the proposed ordinance authorizing such bonds by the City may be examined at the offices of the City of David City, 557 4th Street, David City, Nebraska, at the office of the City Clerk, during regular business hours (8:00 a.m. to 5:00 p.m.) on each business day, for a period of thirty days after the publication of this notice.

CITY OF DAVID CITY, NEBRASKA
 City Clerk Joan E. Kovar

Council member Kroesing made a motion to pass Resolution No. 7 - 2006 proposing the issuance of General Obligation Bonds of the City of David City, not to exceed \$50,000, for costs associated with the finance, remodel, renovation, and operation of the City Auditorium. Council member Hein seconded the motion. Voting YEA: Council members Schatz, Kirby, Smith, Hein, and Kroesing. Voting NAY: None. Council member Lukassen was absent. The motion carried and Resolution No. 7 - 2006 was passed and adopted as follows:

RESOLUTION NO. 7 - 2006

RESOLUTION PROPOSING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF DAVID CITY UNDER THE PROVISIONS OF 13-2503 R.R.S. NEB., R. SUPP. 2006, AS AMENDED, IN THE ESTIMATED AMOUNT OF NOT TO EXCEED \$50,000 FOR DELIVERY TO THE DAVID CITY COMMUNITY BUILDING AGENCY, DAVID CITY, NEBRASKA, FOR THE PURPOSE OF SECURING THE ISSUANCE OF CERTAIN BONDS OF SAID AGENCY, FOR COSTS ASSOCIATED WITH THE FINANCE, REMODEL, RENOVATION AND OPERATION OF THE MUNICIPAL AUDITORIUM OF THE CITY OF DAVID CITY, NEBRASKA BY THE DAVID CITY COMMUNITY BUILDING AGENCY.

BE IT RESOLVED by the Mayor and Council of the City of David City, Nebraska as follows:

Section 1. The Mayor and City Council of the City of David City (the ACity) have reviewed the need and desirability of remodeling, renovation and upgrading of the Municipal Auditorium (the AFacility) owned by the City and have agreed with Butler County School District 0056 (David City Public Schools) (the ADistrict) to engage in such remodeling, renovation and upgrade as a joint public venture between the City and the District as authorized by law.

Section 2. The Mayor and City Council find and determine that it is in the best interests of the City and its constituents to provide for the remodel, renovation, upgrade and operation of the Facility in cooperation with the District.

Section 3. In order to provide for funding the costs of such remodel, renovation, upgrade and operation of the Facility, in cooperation with the District, it is necessary and desirable to authorize and issue the General Obligation Bonds of the City under authority of Section 13-2503 R.R.S. Neb., R. Supp. 2006, as amended, in an estimated amount of not to exceed \$50,000 to be delivered as security to enable the proposed David City Community Building Agency, as created through an Interlocal Cooperation Act Agreement under Sections 13-801 et seq., R.R.S., 1997, as amended, to issue the bonds of the said Agency for the purposes as set out in Section 1, hereof. Said bonds of the City to be issued by ordinance of the City of David City, to be adopted substantially in concert with the terms of such issuance all as set out in this Resolution, but with such modifications and changes as shall be determined by the Mayor and City Council and the City's Attorney.

Section 4. The terms, structure and issuance details of the proposed bonds are as follows:

The name of the issuer authorizing and issuing such bonds is the City of David City, Nebraska.

The purpose of the bond issue is to deliver such bonds to the David City Community Building Agency as security to said Agency to empower and enable such Agency to issue its bonds to provide funds to pay a portion of the cost of finance, remodel, renovation and operation of the existing Municipal Auditorium owned by the City of David City, Nebraska, to serve the members of the Agency and its constituents.

The principal amount of such bonds to be issued is \$50,000.

The maturity schedule for such bonds is shown below and the maximum stated rate of interest payable on such bonds is 5.00%:

| <u>Amount of Principal Maturing</u> | <u>Maturing on March 1 of Year</u> |
|-------------------------------------|------------------------------------|
| \$10,000 | 2007 |
| \$10,000 | 2008 |
| \$15,000 | 2009 |
| \$15,000 | 2010 |

The estimated total debt service payments for said bonds for fiscal years ending September 30th annually are as follows:

| | |
|--------------------|-------------|
| September 30, 2006 | \$ 1,250.00 |
| September 30, 2007 | \$12,250.00 |
| September 30, 2008 | \$11,750.00 |
| September 30, 2009 | \$16,125.00 |
| September 30, 2010 | \$15,375.00 |

Section 5. A copy of the proposed ordinance authorizing such bonds is appended hereof, which proposed ordinance may be examined at the offices of the City of David City, 557 4th Street, David City, Nebraska, at the office of the City Clerk, during regular

business hours (8:00 a.m. to 5:00 p.m.) on each business day, for a period of thirty days after the publication of notice of the intention to issue such bonds for which publication shall be made one time in the Banner Press, a legal newspaper of general circulation in the City of David City, Nebraska, said publication to be not less than ten (10) days prior to the date of said hearing.

Section 6. A hearing shall be held on the proposed issuance of such bonds by the City of David City at the David City City Hall on April 12, 2006 at 7:30 p.m..

Dated this 8th day of March, 2006.

Mayor Stephen Smith

City Clerk Joan E. Kovar

Council member Schatz made a motion to table the Public Hearing to consider annexing the Gary & Louise Niemann, Jesse & Leslie Neujahr, and Michael and Sandra Burwell properties until the April 12, 2006 meeting. (The Planning Commission must act on the Region V property prior to annexing these properties.) Council member Kirby seconded the motion. Voting YEA: Council members Hein, Smith, Kroesing, Kirby, and Schatz. Voting NAY: None. Council member Lukassen was absent. The motion carried.

Council member Schatz made a motion to table consideration of an ordinance to annex the Gary & Louise Niemann, Jesse & Leslie Neujahr, and Michael and Sandra Burwell properties until the April 12, 2006 meeting. Council member Hein seconded the motion. Voting YEA: Council members Smith, Kroesing, Kirby, Hein, and Schatz. Voting NAY: None. Council member Lukassen was absent. The motion carried.

Mayor Smith declared the Public Hearing open at 7:54 p.m. to consider the Terry & Lori Colburn property located at 1255 N. 9th Street. At the February 9, 2006 council meeting the council accepted the findings of the Board of Health that the Terry and Lori Colburn property located at 1255 N. 9th Street, David City, Nebraska, is a menace to the public health and safety as it is in violation of City Code 4-401(8). Police Chief Sunday reported that the property is scheduled to be sold at auction and he will be present to advise any interested buyer of the Council=s action and intent. There being no further comments, Mayor Smith declared the Public Hearing closed at 7:56 p.m..

Council member Schatz made a motion to reaffirm the findings of the Board of Health that the Terry and Lori Colburn property located at 1255 N. 9th Street, David City, Nebraska, is a menace to the public health and safety as it is in violation of City Code 4-401(8) and to authorize Police Chief Sunday to continue the clean-up procedure. Council member Kirby seconded the

motion. Voting YEA: Council members Hein, Kroesing, Smith, Kirby, and Schatz. Voting NAY: None. Council member Lukassen was absent. The motion carried.

Council member Schatz made a motion to grant Aquila a five (5) year extension to the Franchise Agreement. Council member Smith seconded the motion. Voting YEA: Council members Kirby, Kroesing, Hein, Smith, and Schatz. Voting NAY: None. Council member Lukassen was absent. The motion carried.

Council member Schatz made a motion to approve Resolution No. 8 - 2006 supporting the creation and potential and partial funding of an Interlocal Agreement supporting economic development in Butler County and the surrounding counties. Council member Smith seconded the motion. Voting YEA: Council members Kirby, Kroesing, Hein, Smith, and Schatz. Voting NAY: None. Council member Lukassen was absent. The motion carried and Resolution No. 8 - 2006 was passed and adopted as follows:

RESOLUTION NO. 8 - 2006

WHEREAS, the City Council of David City, Nebraska supports economic development in Butler County and the surrounding counties in the State of Nebraska, and;

WHEREAS, the City Council of David City, Nebraska believes that economic development should primarily focus on supporting existing businesses and residents as the foundation for sustainable and long-term development, and;

WHEREAS, the City Council of David City, Nebraska believes that there is a need for an integrated approach to economic development where all development interests can come together to build and implement a comprehensive development strategy and;

WHEREAS, the City Council of David City, Nebraska also believes that the creation of an Interlocal Agreement as enabled by the Nebraska Interlocal Cooperation Act would provide the most appropriate way to enable a comprehensive and integrated development program, and;

WHEREAS, the City Council of David City, Nebraska believes that the creation of a development strategy is the first step following the creation of the Interlocal Agreement for Economic Development, and said strategy, should guide future County commitments of support.

NOW, THEREFORE, BE IT RESOLVED that the City Council of David City, Nebraska pledges their support for the creation and potential and partial funding of an Interlocal Agreement (draft - following) contingent upon the resolution of remaining key issues and support from other development interests in the County.

Dated this 8th day of March, 2006.

Mayor Stephen Smith

City Clerk Joan E. Kovar

000000000000

Draft INTERLOCAL COOPERATION ACT AGREEMENT

This Agreement is made this (date) day of (month), 2006 between the City of David City ("City") and Butler County, State of Nebraska ("County").

I. CREATION OF RELATIONSHIP

Pursuant to the Nebraska Interlocal Cooperation Act, the City and County hereby enter into a relationship to create a comprehensive, effective and accountable community economic development program for Butler County, David City and other communities and development groups within the area that wish to participate in this effort. The parties to this Agreement will annually contribute funds as set forth below towards the budget of a Development Program. In consideration of paid funds, board representation shall be as follows:

| Entity | Contribution | Number of Board Members |
|--------------------------------------|---------------------|--------------------------------|
| David City | \$ | 2 |
| Butler County | \$ | 2 |
| Butler County Area Development | \$ | 1 |
| David City Area Chamber of Commerce | \$ | 1 |
| David City Home Town Competitiveness | \$ | 1 |

The governing body and the City and County (the parties hereto) shall have approved this Agreement by resolution, prior to its execution and delivery. This relationship shall officially come into existence upon the execution and delivery of this Agreement to the parties hereto.

The other above named entities shall have approved participation with the City and County by board resolution prior to taking their positions as board members. Such entities shall make the above described contribution as a condition precedent to becoming board members.

II. PURPOSES

- A. To make efficient use of the powers of the parties hereto by enabling them to cooperate with each other on a basis of mutual advantage and thereby provide services and facilities in a manner that will accommodate community economic development and other needs of the public as served by the City and County.
- B. In the first year of life of this organization, it is charged with researching, developing and submitting to the Parties to this Agreement a comprehensive and appropriate community and economic development plan for Butler County and its communities.
- C. To seek, find and hire shared development staff appropriate to (1) the development of a community economic plan and (2) the execution of said plan. Staff will serve under the oversight of the Board created by this Agreement and shared to support the respective missions of the Parties to this Agreement as outlined in the development plan.
- D. The focus of this community economic development plan shall be to support local entrepreneurship and the development of new and existing businesses that will in turn create economic opportunity for the residents of the area, diversify the economy, expand the tax base and stimulate new investment essential for the renewal of the economy and its communities. Additionally, this plan should address selective business attraction that can compliment and enhance the area's economy.

- E. To form a Development Board to be known as the Butler County Development Board or BCDC.

III. ORGANIZATION

- A. The Development Board will consist of 7 members, with the members being appointed as set forth in Article I above.
- B. The Development Board shall have authority to advertise for staff, receive applications, interview applicants and hire staff as appropriate.
- C. The Development Board shall supervise the activities of staff and shall give directions to said staff as needed from time to time.
- D. In the event that the Development Board determines that staff member is not properly performing his or her duties, the Development Board shall have authority to dismiss staff and rehire new staff.
- E. The Development Board shall receive the contributions set forth above and shall supervise and administer the Development Program and budget. The Development Board is authorized to accept and procure other funds as appropriate.
- F. The Development Board shall have authority to devise, implement, supervise and administer the area's development plan and program.
- G. The Development board shall have the additional authority as may, from time to time, be granted to the parties hereto.
- H. The Development Board shall report on its activities and programs to the Parties to this Agreement on a quarterly basis with a more comprehensive performance report following each calendar year.
- I. The Development Board shall submit an annual financial report to the parties hereto, showing all receipts and disbursements.

IV. DURATION

The relationship created by this Agreement shall have a life of 5 years commencing from the date hereof. This Agreement may be extended by mutual agreement of the parties.

V. CONTRIBUTIONS

The City, County, and other above named entities shall make financial or in kind contributions toward the total budget package consistent with the Purposes and Organization as stated herein. Failure to make the required contributions shall subject the defaulting entity to loss of membership on the Development Board.

VI. POWERS

The Development Board shall have such powers as are allowed by the Inter-local Cooperation Act and shall specifically have the powers necessary to carry out the purposes set forth in Article II above.

VII. FINANCING AND BUDGETING

The Development Board shall prepare a budget on an annual basis and shall submit same to the parties hereto. The financing of operations of the Development Board staff shall be from financial or in kind contributions as set forth in Article V above.

VIII. DISSOLUTION

Upon dissolution of the Development Board, all assets shall be distributed proportionally as contributed by the parties to this Agreement.

IX. CERTAIN TAX CONSIDERATIONS

It is not contemplated at this time that the levying authority under Neb. Rev. State. 13-318 to 13-326 and Neb. Rev. Stat. 13-2813 to 13-2816 will be used for purposes of this Agreement.

X. AMENDMENT OF AGREEMENT

This Agreement may be amended upon approving resolutions adopted by the governing bodies of the parties hereto.

Executed and delivered by each party hereto on the date set opposite the signature of the authorized person of each party.

City of David City

By: _____ Date: _____

County of Butler

By: _____ Date: _____

Mayor Smith declared a ten minute recess at 8:10 p.m.. The meeting resumed at 8:20 p.m..

Council member Kroesing made a authorize Police Chief Sunday to advertise for bids to clean up the Sherry Benson property located at 915 No. 11th Street. Council member Smith seconded the motion. Voting YEA: Council members Kirby, Schatz, Hein, Smith, and Kroesing. Voting NAY: None. Council member Lukassen was absent. The motion carried.

Water/Sewer Supervisor Jim Kruse presented the following proposal by Jacobson Helgoth Consultants regarding the water treatment plant clarifier:

March 7, 2006

Mr. Jim Kruse
Water/Wastewater Superintendent
City of David City

402 North 5th Street
David City, Nebraska 68632

Re: Professional Engineering Services Water Treatment Clarifier Sealant Alternative Evaluation

Dear Mr. Kruse:

Jacobson Helgoth Consultants, Inc. (JHC) is pleased to be a part of David City's water system projects in David City, Nebraska (City). We are proud to have been involved in previous water projects for David City, Nebraska. We again want to congratulate you on the recent improvements.

JHC is pleased to present this proposal for professional engineering services to the City evaluation of water treatment clarifier sealant alternatives. It is our understanding that the City is interested in evaluating different alternatives for lining the existing clarifier in order to seal current leaks, when the clarifier is drained and out of service for other modifications. The following tasks constitute our proposed Scope of Services.

SCOPE OF SERVICES

Task I - Evaluate Available Clarifier Lining Alternatives

JHC will evaluate various methods of sealing the clarifier leaks, while the clarifier is emptied for other upcoming modifications. This analysis will include review of methods, anticipated effects of existing system useful life expectancy, cost, and quality of seal.

Deliverables for Task I

Letter report titled "*Water Treatment Clarifier Sealant Alternative Evaluation*" This report will include a list with various sealant alternatives with recommended alternative and a detailed opinion of probable cost.

Task 2 - Additional Services

Upon determination of the best alternative for sealing the leaks in the clarifier, JHC will be available to assist the City with final design services or procurement of alternative as requested.

PERSONNEL

Christopher J. Langan, P.E. will serve as the project manager; Jennifer K. Goaley-Sandusky, E.I.T. will serve as the project engineer.

SCHEDULE

JHC will initiate services immediately upon your acceptance and execution of this proposal. Receipt of the executed proposal will serve as Notice-To-Proceed for Task 1. JHC estimates that it will take approximately one week to complete Task 1. Task 2 will be based on a mutually agreed to schedule.

COMPENSATION

JHC proposes to furnish the professional services described in the Scope of Services for a lump sum fee of \$1,200. Task 2 will be based on a mutually agreed to compensation

GENERAL PROVISIONS

JHC will initiate services upon your signing the acceptance on this proposal and returning one copy to us. The second copy is to be retained for your records. Attached m~d made part of this document as if fully set forth herein are Jacobson Helgoth Consultants' GENERAL TERMS AND CONDITIONS.

We appreciate the opportunity to serve the needs of David City and look forward to continuing to work with you on these innovative projects. Please contact me at (402) 697-0701 if you have any questions or require clarifications.

Respectfully submitted,

JACOBSON HELGOTH CONSULTANTS, INC~
Christopher J. Langan, P.E.
Roger M. Helgoth, P.E.

Council member Schatz made a motion to accept the proposal by Jacobson Helgoth Consultants regarding the Water Treatment Plant Clarifier Sealant Alternative Evaluation in the amount of \$1,200. Council member Kroesing seconded the motion. Voting YEA: Council members Hein, Smith, Kirby, Kroesing, and Schatz. Voting NAY: None. Council member Lukassen was absent. The motion carried.

Council member Schatz made a motion to appoint Steve Mowers to an additional three (3) year term on the Board of Zoning Adjustment. Mowers= term will run from March 2006 to February 2009. Council member Hein seconded the motion. Voting YEA: Council members Kroesing, Smith, Kirby, Hein, and Schatz. Voting NAY: None. Council member Lukassen was absent. The motion carried.

Council member Schatz made a motion to appoint Jim Masek to an additional three (3) year term on the Board of Zoning Adjustment. Masek=s term will run from March 2006 to February 2009. Council member Smith seconded the motion. Voting YEA: Council members Hein, Kroesing, Kirby, Smith, and Schatz. Voting NAY: None. Council member Lukassen was absent. The motion carried.

Council member Schatz stated that before the Council considered the applications for the City Administrator/City Administrator-Clerk position, the Council needed to decide if they want a City Administrator or a City Administrator/Clerk. Council member Schatz questioned if the positions are combined, is the Council saying to the public that we don=t need a City Administrator, which he says is not correct, and will we ever get the position back. Council member Hein expressed concerns voting on this issue when Council member Lukassen was absent. Dr. Kaufmann stated that it appears the problem with past City Administrators has been that we train them and then they leave after a few years. Kaufmann then asked City Clerk Kovar, if by chance she was given the job of City Administrator or City Administrator/Clerk, if she planned to leave town after a few years. Kovar answered no that she would probably live in David City the rest of her life. After discussion it was decided that Mayor Smith will get answers from the League of Nebraska Municipalities concerning merging the positions and will check with Schuyler and Wahoo who have merged the positions to see how it is going. Mayor Smith will report back at the Committee of the Whole Meeting on March 27, 2006.

