

CITY COUNCIL PROCEEDINGS

July 14, 2010

The City Council of the City of David City, Nebraska, met in open public session in the meeting room of the City Office, 557 N 4th Street, David City, Nebraska. The Public had been advised of the meeting by publication of notice in The Banner Press on July 8th, 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 Dana Trowbridge, Council President Gary Kroesing, Council members Bill Scribner, Mike Rogers, Gary Smith, Nick Hein, and Bill Yindrick, City Administrator Jon Holmes, City Attorney Jim Egr, and City Clerk-Treasurer Joan Kovar.

Also present were: Phil Lorenzen of D.A. Davidson, Matt Rief of Olsson Associates, Don Prochaska, Jeff Yates, Alan Zavodny, Carol Brehm, Eldon Coufal, Rex Rehmer, Keith Byrkit, Janis Cameron, and Caroline Yates.

The meeting opened with the Pledge of Allegiance.

Mayor Trowbridge informed the public of the "Open Meetings Act" posted on the east wall of the meeting room and Resolution No. 2-2008 establishing rules and procedures for public participation at city council meetings.

The minutes of the June 9th and July 7th, 2010 meetings of the Mayor and City Council were approved upon a motion by Council member Hein and seconded by Council member Smith. Voting AYE: Council members Scribner, Kroesing, Yindrick, Rogers, Smith, and Hein. Voting NAY: None. The motion carried.

Mayor Trowbridge asked for consideration of claims. Council member Kroesing made a motion to authorize the payment of claims. Council member Scribner seconded the motion. Voting AYE: Council members Smith, Hein, Yindrick, Rogers, Scribner, and Kroesing. Voting NAY: None. The motion carried.

Mayor Trowbridge called for Committee and Officer Reports. Mayor Trowbridge made reference to the Government Subcommittee meeting minutes of June 22, 2010 and asked if the sheep in the front yard issue was ever resolved. Council member Scribner stated that Zoning Administrator Kotil said it was an unwritten rule that once animals are removed from a Residential District they are no longer allowed. Scribner stated that he didn't agree with unwritten rules; he wanted to see it in black and white. City Attorney Jim Egr stated: "Nebraska Supreme Court interprets this that you cannot pass an ordinance that makes something illegal that was legal before it was done. So, from that standpoint, you couldn't give her a ticket or be in violation if she had the sheep there when the ordinance was passed. However after that, and that is what the Supreme Court has said, that once she took them out, that's it. I don't care if it was the same sheep or not, once she took them out she lost her right. I'm sorry; the Supreme Court says if they don't keep them there continuously, they're done."

Mayor Trowbridge stated: "The wastewater department has nothing that is on the agenda but it is something that we need to keep our eye on and that is apparently the failure of a SCADA system and an early warning system as to the machinery out there not functioning properly and when we have two bids, one at a top of \$134,000 and another bid at \$51,000 we need to pay particular attention to the variance of about \$80,000 and move forward with great caution."

Mayor Trowbridge also made reference to the letter and pictures from Anna Nolan, Administrator for the Butler County Arts Council, requesting that no streets be blocked off on August 5th for the Musical Soiree on the Square.

Council member Kroesing made a motion to accept the Committee and Officer Reports as presented. Council member Rogers seconded the motion. Voting AYE: Council members Scribner, Smith, Yindrick, Hein, Rogers, and Kroesing. (Council member Hein verified that the Swimming Pool Incident Report was not included with the Committee and Officer Reports). Voting NAY: None. The motion carried.

Ordinance No. 1127, vacating 8th Street between "E" Street and the Union Pacific Railroad Right-of-Way ("F"). was introduced and passed on first reading only on June 9, 2010.

Council member Scribner made a motion to amend Ordinance No. 1127 by stating in the ordinance that the effective date will be August 1, 2010. Council member Smith seconded the motion. Voting AYE: Council members Yindrick, Hein, Rogers, Kroesing, Smith, and Scribner. Voting NAY: None. The motion carried.

Council member Kroesing made a motion to suspend the statutory rule that requires an ordinance be read on three separate days. Council member Smith seconded the motion. Voting AYE: Council members Rogers, Hein, Yindrick, Scribner, Smith, and Kroesing. Voting NAY: None. The motion carried.

Council member Kroesing made a motion to pass Ordinance No. 1127 on the third and final reading. Council member Smith seconded the motion. Voting AYE: Council members Yindrick, Hein, Rogers, Scribner, Smith, and Kroesing. Voting NAY: None. The motion carried and Ordinance No. 1127 was passed and adopted as follows:

ORDINANCE NO. 1127

AN ORDINANCE VACATING 8TH STREET FROM "E" STREET TO THE UNION PACIFIC RIGHT OF WAY ("F"), DAVID CITY, NEBRASKA, PROVIDING FOR THE FILING OF CLAIMS AND ASCERTAINMENT OF ALL DAMAGES SUSTAINED BY THE CITIZENS OF SAID CITY AND BY THE OWNERS OF PROPERTY THEREIN, PROVIDING FOR THE EFFECTIVE DATE, AND PROVIDING FOR PUBLICATION IN PAMPHLET FORM.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA:

SECTION 1. That 8th Street from "E" Street to the Union Pacific Right of Way is hereby vacated effective August 1, 2010.

SECTION 2. That the vacation of 8th Street from "E" Street to the Union Pacific Right of Way was requested by The Board of Education of David City Public Schools.

SECTION 3. That the vacation of 8th Street from "E" Street to the Union Pacific Right of Way is in the best interest of the City of David City, Nebraska.

SECTION 4. That the City of David City, Nebraska shall retain all utility easements located in the portion of the street herein vacated as needed.

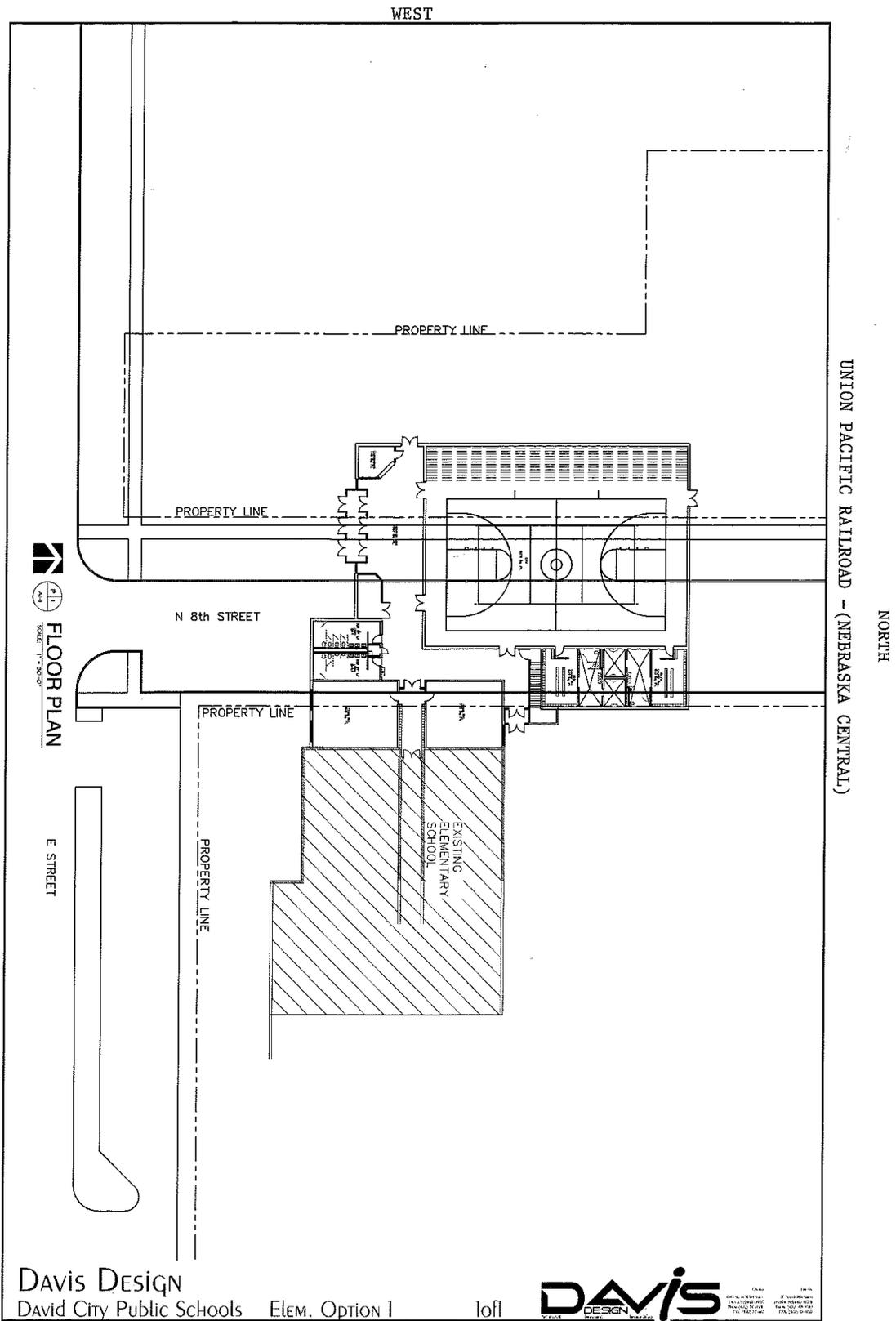
SECTION 5. That any citizen of the City or any owner of property therein may file a claim with City Clerk of said City on or before the 16th day of August, 2010, for any and all damages sustained by the vacation aforesaid.

SECTION 6. This ordinance shall be published in pamphlet form and shall take effect and be in full force on August 1, 2010, following the passage and approval by the Governing Body of the City of David City, Nebraska.

Passed and approved this 14th day of July, 2010.

Mayor Dana Trowbridge

City Clerk Joan E. Kovar



Davis Design

David City Public Schools ELEM. Option I

10/11



2010 Davis Design
414 S. 10th Street
David City, MO 64505
781.233.4400
781.233.4401

2010 Davis Design
1000 North 10th Street
David City, MO 64505
781.233.4400
781.233.4401

Matt Rief of Olsson Associates presented the Statement of Costs concerning the "D" Street Project. Matt Rief explained that the "D" Street Paving and Drainage Improvements project has been completed as of June 9, 2010, when the City approved the final pay estimate. The final construction cost for the project was \$776,174.43 for the following referenced improvement districts:

"D" Street Paving and Drainage Improvements
 Street Improvement District #2008 - D Street
 Storm Water Sewer District #2008-SWater
 David City, Nebraska

The final costs for the Street Improvement District 2008 - D Street is \$760,251.50 with overhead costs and \$222,412.93 for Storm Water Sewer District #2008-SWATER with overhead costs. Matt Rief presented the following Statement of Costs for each improvement District and proposed paving assessment table for the D Street Improvement District:

**Statement of Costs
 Street Improvement District 2008 - D Street
 D Street Paving and Drainage Improvements
 David City, Nebraska**

<u>Construction Costs</u>	\$608,647.61
<u>Overhead Costs</u>	
Engineering Design	\$50,470.33
Legal Publication, Fiscal & Bond Issuance, and Interest	\$29,083.05
Construction Engineering	\$72,050.51
	\$760,251.50
Total Project Costs	\$760,251.50

Matt Rief stated: "The Statement of Costs, the final costs on the "D" Street Project which is for the paving portion, which includes the storm sewer up to the railroad tracks, and that final cost was \$760,251.50"

<u>Division of Costs</u>	<u>Proposed</u>
Assessment	\$125,250.23
General Obligations (Federal Government Property)	\$16,412.20
General Obligations (Intersections & Alleys)	\$37,557.57
General Obligations	\$581,031.50

Statement of Costs
Storm Water Sewer District #2008-SWATER
D Street Paving and Drainage Improvements
David City, Nebraska

Construction Costs	\$167,526.82
<u>Overhead Costs</u>	
Engineering Design	\$17,897.67
Railroad Fees, Permit, and Protective Liability Insurance	\$9,152.00
Legal Publication, Fiscal & Bond Issuance, and Interest	\$8,004.95
Construction Engineering	\$19,831.49
Total Project Costs	\$222,412.93

Matt Rief of Olsson Associates stated, "For the storm water which basically started at "D" Street and it was the outlet pipe along the railroad track and then down "C" Street and there on out, that final cost is \$222,412.93"

Matt Rief of Olsson Associates stated, "This first resolution is about the final costs. Basically everything got finalized, the payment for Castle, I know they've got some street lights they have to fix yet, they haven't got that done yet but I have clarification on that and if they don't do it we can call the bond because that is under warranty."

Council member Kroesing made a motion to pass and approve Resolution No. 5 - 2010 accepting the final cost summary prepared by Olsson Associates concerning the "D" Street paving and drainage improvement project. Council member Yindrick seconded the motion. Voting AYE: Council members Smith, Rogers, Scribner, Hein, Yindrick, and Kroesing. Voting NAY: None. The motion carried and Resolution No. 5 - 2010 was passed and approved as follows:

RESOLUTION NO. 5 - 2010

**RESOLUTION OF ACCEPTANCE OF THE WORK IN STREET IMPROVEMENT
DISTRICT NO. 2008 - 1 AND STORM WATER SEWER DISTRICT NO. 2008-SWATER,
IN THE CITY OF DAVID CITY, NEBRASKA**

WHEREAS, the City of David City, Nebraska did heretofore enter into contract with Castle Construction, Inc., Columbus, Nebraska, for the construction of improvements in Street Improvement District No. 2008 - 1 and Storm Water Sewer District No. 2008 - SWATER, which contract was duly approved by the Mayor and City Council and executed in accordance with such action.

WHEREAS, the contract for the work in Street Improvement District No. 2008 - 1 and Storm Water Sewer District No. 2008 - SWATER in the City of David City, Nebraska, has heretofore been completed in accordance with the terms and stipulations of the plans and specifications according to the reports and recommendations of the City's Engineers.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of David City, Nebraska, that the certificates of completion and the recommendations of acceptance by the City's Engineers, Olsson Associates, and the work completed in Street Improvement District No. 2008-1 and Storm Water Sewer District No. 2008-SWATER in the City of David City, Nebraska, have heretofore been accepted by action of the Mayor and City Council and now be and hereby are accepted, and that the improvements constructed under the contracts referred to above be accepted and that the prior actions of the Mayor and City Council, the City Administrator and the City Clerk in approval and payment of the amounts due the Contractor are in all respects approved, ratified, and confirmed.

Passed and approved this 14th day of July, 2010.

CITY OF DAVID CITY, NEBRASKA

Mayor Dana Trowbridge

Attest:

City Clerk Joan Kovar

Matt Rief of Olsson Associates stated, "So basically what we are proposing for assessments is the street paving, 60' of width for the abutting property and the roadway is 32' wide, and so this would assess 16' wide for each side basically with paving. The pavement assessment includes the 8" concrete pavement itself and earth work, etc. The pavement cost itself, the engineering, that cost per foot of frontage for 16' of roadway is \$91.36 for a total assessment cost, because you can't assess the post office, of \$98,668.80 so basically for 1,080 foot of frontage along that stretch. The proposed assessment for the 16' Roadway is \$98,668.80 plus the proposed 6' sidewalk assessment of \$26,581.43 for a total assessment of \$125,250.23. These assessments don't include the drives and other project costs. We are proposing \$125,250.23 assessment for those landowners, except for Henningsen Foods who agreed to pay for their driveways and parking lot; there are no assessments for their driveways for these property owners to reconstruct them and the storm sewer or any of that. These are street costs only and 6' of sidewalk."

Mayor Trowbridge stated, "We will have a hearing to finalize; we are not finalizing anything this evening. For the people who might have questions moving forward, how many years do these parties have to make payment on that totals?"

Phil Lorenzen of D.A. Davis stated: "Our recommendation is that you would set the special assessment interest rate about 2½ percentage points above your borrowing cost which is 2.98% so our recommendation is that the special assessment would bear interest at 5½%. The assessments can be pre-paid at any time, with ten installments, the first installment would be 50 days after September 8th, (October 28th) and then the balance annually on the anniversary date of the passage of the Resolution which is September 8th."

Council member Hein made a motion to pass and approve Resolution No. 6 - 2010. Council member Rogers seconded the motion. Voting AYE: Council members Scribner, Yindrick, Kroesing, Smith, Rogers, and Hein. Voting NAY: None. The motion carried and Resolution No. 6 - 2010 was passed and approved as follows:

RESOLUTION NO. 6 - 2010

RESOLUTION RECEIVING AND FILING PLATS AND SCHEDULES OF
ASSESSMENTS BASED ON THE REPORT OF COSTS OF THE
IMPROVEMENTS AS CERTIFIED BY THE CITY'S ENGINEERS FOR
THE CALCULATIONS OF SPECIAL ASSESSMENTS PROPOSED
TO BE LEVIED IN STREET IMPROVEMENT DISTRICT NO. 2008 - 1.

Whereas the City of David City has heretofore contracted for and accepted the work of the contractor in Street Improvement District No. 2008 - 1 and based on the Engineers' statement of costs and certificates of completion there have been prepared and presented to the Mayor and City Council plats and schedules of assessments proposed to be levied in said District.

Now, therefore, be it resolved by the Mayor and City Council that said plats and schedules of assessments in Street Improvement District No. 2008 - 1 are hereby ordered to be received and placed on file in the Office of the City Clerk.

Passed this 14th day of July, 2010.

Mayor Dana Trowbridge

Attest:

City Clerk Joan Kovar

**PROJECT BUDGET SUMMARY
 D STREET PAVING AND STORM SEWER & C STREET OUTLET IMPROVEMENTS
 DAVID CITY, NEBRASKA
 7/9/2010**

PROJECT COSTS		
Description	Estimate	Final
SURFACING	\$414,155.70	\$420,553.79
LIGHTING	\$76,608.00	\$68,267.00
D STREET STORM SEWER	\$142,842.00	\$99,584.30
C STREET STORM OUTLET	\$209,617.80	\$158,812.82
Change Order 1		\$27,516.52
Change Order 2		\$1,440.00
Clearing and Grading Downstream of A Street		\$3,225.00
TOTAL CONSTRUCTION COSTS	\$843,223.50	\$779,399.43
7% Contingency Bid		
ENGINEERING	\$101,500.00	\$147,930.00
RAILROAD PERMIT & FEES	\$4,000.00	\$9,152.00
Legal Publication, Fiscal & Bond Issuance, and Interest		\$37,088.00
TOTAL PROJECT COST	\$977,008.93	\$973,569.43
Funding		
CDBG	\$250,000.00	\$250,000.00
PAVING ASSESSMENT	\$107,000.00	\$98,668.80
SIDEWALK ASSESSMENT	\$26,610.00	\$26,581.43
HENNINGSSEN FOOD ADDITIONAL COSTS	\$108,386.25	\$114,512.50
NRD #1 CONTRIBUTION	\$10,004.93	\$11,272.00
NRD #2 CONTRIBUTION		\$2,500.00
NDOR CONTRIBUTION	\$32,980.20	\$24,091.73
COOP ADDITIONAL PIPE COSTS		\$10,000.00
CITY LIGHTING DEPARTMENT	\$76,608.00	\$68,267.00
CITY WATER DEPARTMENT	\$14,540.00	\$23,585.02
TOTAL FUNDING	\$626,129.38	\$629,478.48
CITY PAVING OBLIGATION	\$322,594.13	\$344,090.95

Municipal Streets Final Construction Cost	\$381,280.10
Municipal Streets Engineering Cost	\$11,720.00
Total 2009 Municipal Street Costs	\$393,000.10

**STREET IMPROVEMENT DISTRICT 2008 - D STREET
 D STREET PAVING AND DRAINAGE IMPROVEMENTS
 OA PROJECT NO. 009-0018**

NAME	ADDITION	LOT	BLDCK	ABUTTING FOOTAGE	BENEFIT PER FOOT (16' ROADWAY)	PROPOSED ASSESSMENT (16' ROADWAY)	BENEFIT PER FOOT (6' SIDEWALK)	PROPOSED ASSESSMENT (6' SIDEWALK)	PROPOSED TOTAL ASSESSMENT
*POST OFFICE	ORIGINAL TOWN	1	24	140.0	\$91.36	\$12,790.40	\$25.87	\$3,621.80	\$16,412.20
HENNINGSON FOODS INC	ORIGINAL TOWN	12	23	140.0					
	ORIGINAL TOWN	13	33	190.0					
	ORIGINAL TOWN	1	34	190.0					
	TOTAL								
DIDIERS GROCERY INC	ORIGINAL TOWN	19, 20, 21, 22, 23, 24	24	520.0	\$91.36	\$47,507.20	\$25.87	\$13,452.40	\$60,959.60
FIRST NATIONAL BANK	ORIGINAL TOWN	1	33	140.0	\$91.36	\$12,790.40	\$25.87	\$3,621.80	\$16,412.20
FRONTIER CO-OP	ORIGINAL TOWN	E 129.5' LOT 2	34	129.5	\$91.36	\$11,831.12	\$25.87	\$3,621.80	\$16,412.20
	77' Assessible Sidewalk Frontage								
ELDON'S BODY AND PAINT	ORIGINAL TOWN	E 50' LOT 11	23	50.0	\$91.36	\$4,568.00	\$25.87	\$1,991.99	\$13,823.11
BNSF RAILROAD	ORIGINAL TOWN	W 90' LOT 11	23	90.0			\$25.87	\$1,293.50	\$5,861.50
	ORIGINAL TOWN	W 10.5' LOT 2	34	10.5					
	TOTAL			100.5	\$91.36	\$9,181.68	\$25.87	\$2,599.94	\$11,781.62
SUBTOTAL				1220.0		\$111,459.20		\$30,203.23	\$141,662.43
*GENERAL OBLIGATION				-140.0		(\$12,790.40)		(\$3,621.80)	(\$16,412.20)
TOTAL ASSESSMENT				1080.0		\$98,668.80		\$26,581.43	\$125,250.23
			ROADWAY	1027.5					
			SIDEWALK						

Mayor Trowbridge stated, "Along this same line we need to pass an ordinance setting the time and place for the City Council to meet as a Board of Equalization to consider the levy of special assessments in Street Improvement District No. 2008 - 1."

Phil Lorenzen of D. A. Davidson stated, "We now have a five week publication process and a review process so the property owners have a chance to come in, go over the schedules, and if there are any adjustments that need to be made, they can be made upward or downward. If there are unusual circumstances that warrant consideration, then when we come back here on the 8th adjustments, upward or downward, can be made to be totally fair for the property. We reviewed Matt's work, staff has reviewed it, and we think the assessments are appropriate. The key element is that you can't pass special assessments that are in excess of the project cost. The findings that you made of the project costs is the basis on which you make the special assessment, and as Matt has indicated, you pull out that piece of property that is owned by the Post Office that can't be assessed and that becomes a burden of the entire tax payer base. On the ten installment period the first installment would be due 50 days after the levy of the specials and that would occur on September 8, my calculations show that the first installment must be paid by October 28 and then they will be payable in annual installments, prepaid, simple interest. There is no additional charge for interest on assessments for payments that are paid on that first installment so you can pay any or all but not less than 10% on that first installment. Again, the five week publication provides a review process that will be published in the Banner Press. Joan will send notices to all non-resident property owners owning abutting property by certified mail return receipt requested and to all other property owners within Butler County by first class mail."

Council member Yindrick made a motion to pass and approve Resolution No. 7 - 2010 setting the time and place for the Mayor and Council to meet as a Board of Equalization to consider the levy of special assessments in Street Improvement District No. 2008 - 1. Council member Smith seconded the motion. Voting AYE: Council members Kroesing, Hein, Rogers, Scribner, Smith, and Yindrick. Voting NAY: None. The motion carried.

RESOLUTION NO. 7- 2010

**BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL
OF THE CITY OF DAVID CITY, NEBRASKA, AS FOLLOWS:**

Section 1. That the Mayor and City Council will meet as a Board of Equalization at 7:30 o'clock p.m., on the 8th day of September 2010, at the City Hall in David City, Nebraska to consider the levy of special assessments in Street Improvement District No. 2008 - 1; and

Section 2. That the notice of said meeting shall be given to all persons appearing to have an interest in said properties subject to assessment in said Street Improvement District No. 2008 - 1 by publication in five (5) issues of the Banner Press, a newspaper published and of general circulation in the City of David City, Nebraska, on the following dates:

August 5, 2010
August 12, 2010
August 19, 2010
August 26, 2010
September 2, 2010

Section 3. That the City Clerk be and hereby is instructed to mail a copy of said Notice to all known resident and non-resident owners of property in Street Improvement District No. 2008 - 1 and to any other party appearing to have a direct interest in such action or proceedings; and

Section 4. That at said time and place, the Mayor and City Council of said City will grant a hearing to all persons interested and will pass a resolution making said special assessments as provided by law.

Passed this 14th day of July 2010..

Mayor Dana Trowbridge

Attest:

City Clerk Joan Kovar

Phil Lorenzen of D. A. Davidson stated, "If there are property owners that have some questions or comments we sure recommend that you raise those questions to city staff and they can involve Matt and I in that discussion or legal counsel in that process. It is more graceful to do that ahead of time and have those discussions than it is to have that struggle that night when you have the hearing; get the issues on the table."

Mayor Trowbridge asked City Attorney Egr if the City needed to bid out engineering services. City Attorney Egr stated that he didn't see the need to bid it out because 1) it is a specialized project and 2) they designed all phases of the project to begin with.

Council member Kroesing made a motion to approve Olsson Associates as the Engineering Firm for Phase 2 of the Downtown Redevelopment Program. Council member Yindrick seconded the motion. Voting AYE: Council members Smith, Hein, Rogers, Scribner, Yindrick, and Kroesing. Voting NAY: None. The motion carried.

Mayor Trowbridge stated, "At the recent subcommittee meeting, Keith Marvin shared and discussed with the Council a CDBG grant application for the Thorpe Opera House that needed a conduit for the grant money to flow through with no obligation on the part of the City whatsoever and the general consensus that evening was that we would be more than willing to do something like that and this would be somewhere in the vicinity of a \$384,000 project that would stabilize the east wall of the opera house and buy some time which they definitely need."

Council member Scribner made a motion to pass and approve Resolution No. 8 - 2010 showing support for a CDBG Grant Application for the Thorpe Opera House with the City acting as the conduit for the grant money. Council member Yindrick seconded the motion. Voting AYE: Council members Smith, Kroesing, Hein, Rogers, Yindrick, and Scribner. Voting NAY: None. The motion carried and Resolution No. 8 - 2010 was passed and approved as follows:

RESOLUTION NO. 8 - 2010

WHEREAS, the City Council of David City, Nebraska in Butler County is an eligible unit of general government authorized to participate in Community Development Block Grant (CDBG) Programs; and,

WHEREAS, the City of David City recently completed Phase 1 of the Downtown Redevelopment Project that included "D" Street Paving and Storm Sewer between 4th Street and the Santa Fe Railroad and "C" Street outlet improvements, and;

WHEREAS, the City Council of David City, Nebraska is considering Phase 2 of the Downtown Redevelopment Project that would include "D" Street from 4th Street to 6th Street, and;

WHEREAS, the City Council of David City, Nebraska believes that there is a need for an integrated approach to the Downtown Redevelopment Plan where all interests can come together towards a common good, and;

WHEREAS, the Thorpe Opera House, is located on "D" Street between 4th and 5th Streets and is owned by The Thorpe, Inc. and supporters have united to turn this historic site into a center for the community and a cornerstone for downtown economic development, and;

WHEREAS, Plans are being finalized for the historic preservation and renovation project that will create a state-of-the-art performing-arts facility and a unique community center. The renovated Thorpe building will provide handicap access to all areas of the building, including the performing arts auditorium, and;

WHEREAS, the City Council of David City, Nebraska, in Butler County is in total support of the preservation and renovation of the Thorpe Opera House and acknowledges that this project has great merit for downtown economic development.

NOW, THEREFORE, BE IT RESOLVED that the City Council of David City, Nebraska pledges their support for the preservation and renovation of the Thorpe Opera House and will act as a conduit for Community Development Block Grant (CDBG) Funds.

Passed and approved by the City Council of David City, Nebraska, this 14th day of July, 2010.

Mayor Dana Trowbridge

City Clerk Joan E. Kovar

Council member Scribner made a motion to participate in the sum of \$2,500 of Keno Funds towards the fireworks program for the County Fair. Council member Yindrick seconded the motion. Voting AYE: Council members Hein, Kroesing, Smith, Rogers, Yindrick, and Scribner. Voting NAY: None. The motion carried.

Rex Rehmer asked if the City would like to participate in next year's fireworks program. City Administrator Jon Holmes stated that he would put that in the budget for next year for consideration.

City Administrator Jon Holmes presented the following printouts and explained the initial steps followed.

INITIAL DIRECTION & GOALS FOR STAFF

Implementation of a 10 Year Capital Plan

- Capital Projects (long term investment projects; \$50,00 and up)
- Fleet (Vehicles)
- Capital Equipment / Fleet (\$20,000 and up)
- Routine Equipment (under \$10 - \$15,000; usable life of 2 - 7 yrs.; periodically replaced - push mowers, radio's, pressure washers, etc.)
- Routine Operations and Maintenance; items regularly occurring operations and maintenance; refinishing floors at the auditorium, etc., storm sewer cleaning; don't need to be done every year.

City Administrator Holmes stated: "The goal/focus was "Let's get these things planned out" so that they have a clear work plan for the entire year. So on October 1st they know what projects we are going to do and they know they have 365 days to get it done. The purchases they are going to make and any capital projects. It establishes yearly feasible projects and long term goal setting. Instead of going 5 or 6 different directions they know these are the projects we are doing and I have 365 days to get them done. That makes them accountable to me as city administrator and more importantly it makes them accountable to you the governing body to see that they are getting things done within the budget year. This also helps project revenue needs for future years."

INITIAL DIRECTION & GOALS FOR STAFF

Implementation of a 10 Year Capital Plan Goals: (get things planned out)

- To eliminate "brushfire" budget management
- Establish yearly feasible projects and long term goal setting.
- Clearly project revenue needs for future years
- Establishing useful life expectancy for equipment and a replacement timeline
- Tie Projects together
- Communication with Council and Community of City financial status and priorities.

INITIAL DIRECTION & GOALS FOR STAFF - cont.

Goals for Operations and Maintenance Budget

1. Review of previous budgets and identify "Budget Creep"
2. Reduction of Operations Budget -goal was 5 - 10%.

3. Maintaining current levels of service and infrastructure.
4. Eliminate contingency budgeting - i.e. "what if" budgeting.
5. Identify exactly what is needed to effectively do the jobs they are tasked with.
6. Increase tracking and accountability of Dept.'s progress and efficiency.

City Administrator Holmes stated, "The goals for the staff was to review previous budgets and identify "budget creep". Budget creeping is just incremental increases over several years. Start taking a hard look at that and see, basically looking back at actuals, what was actually spent in this line item and what is actually budgeted. Do the actuals justify what that is? I kind of gave the department heads a "let's look at a reduction of operations budget" and their goal was 5 - 10%. We need to maintain the level of service that we provide to the community and also to maintain infrastructure. We need to maintain what we have, yes, there are some things we want to do in the future, but I think our primary focus right now, with the economy kind of being a little unsteady, our biggest goal is to maintain and take care of what we've got and then start looking at our future and our budgets when the opportunities arise. Another thing I've talked about is eliminating contingency budgeting; basically that is "what if" budgeting; when I started going line item by line item there was a lot of that."

INITIAL DIRECTION & GOALS FOR STAFF - cont.

Progress:

1. Meeting with every Dept. Head to look at their Dept. Budget line items
2. Initiating reductions where appropriate
3. Reviewing Capital Plan Items & relation to the Budget
4. Currently working on a recommended budget to present to Council that reflects the reductions made and recommendations from the developing Capital Plan

David City Budget FY 2011

Next Steps

Council Directions for:

Need Meeting set to meet with Finance Committee - date & time
Need Budget work session set to meet with full Council
Any other items the Council wants addressed?

City Administrator Holmes stated: "I need to get a meeting time set with the Finance Committee, the date and time. My goal is to bring a recommended budget to you and show you where things are at, and then also set a Budget Work Session to set and meet with the council to go over the budget that I have recommended and anything else that the Council wants addressed."

Mayor Trowbridge stated that the budget committee consisted of Council members Smith and Rogers, himself, and City Administrator Holmes, and asked if they had a particular day that worked best for them. No one really said anything.

City Administrator Holmes stated, "I am thinking at this point I will be ready to have the recommended budget by the 1st week in August so at any time I could meet with the Finance Committee and then go with the Council after that at a budget session/work session. The department heads will be at the budget session to explain their budgets. The final version will be done by the September council meeting."

Mayor Trowbridge stated, "Then between now and the 1st week in August we will find try and find some time for the four of us to get together."

City Administrator Holmes asked if a date and time could be set for the full council to get together. He was estimating 2 - 3 hours for the council work session so suggested that perhaps a special council meeting will be required. Council member Hein suggested just setting the meeting date during the regular council meeting in August

Midwest Right of Way Services, Inc submitted a letter which stated, "Midwest Right of Way Services, Inc. is pleased to provide this proposal for right of way services for the Northwest Drainage Project. This project involves the acquisition of permanent and temporary easements necessary to construct and maintain a drainage way and storm sewer in Northwest David City, Nebraska. The project will require acquisition of permanent and temporary easements from ten property owners on 13 tracts of land. This task will involve coordination of all project elements so that work is initiated as it should be, appropriate progress is made, and schedules are met. Coordination and scheduling of the titles, legal descriptions, appraisals, and acquisition process will be the responsibility of the project manager."

Payment for Services: Owner shall pay for right of way services relating to land acquisition on an hourly basis at our standard hourly rates:

	Hourly Salary Rates
Project Manager	\$85.00
Right of Way Agent	\$75.00

The maximum fees for each task shall be as follows:

Task	Maximum Fee
Project Management	\$3,400.00
Title Reports - 9 @ 125.00 each	\$1,125.00
Prepare Legal Descriptions - 13 @ \$500 max each	\$6,500.00
Appraisals - 8 Reports and 1 Project Report @ \$600 each	\$5,400.00
Acquisition	<u>\$16,500.00</u>
The total maximum fee for this project will be:	\$32,925.00

If condemnation is required, court testimony and consultation will be billed at our standard hourly salary rates plus expenses.

Mayor Trowbridge asked City Attorney Egr if this seemed in line. Egr stated that title reports are correct at \$125.00 each, the legal descriptions at \$500 max; they are probably averaging surveying costs, appraisals are within line; he knows some appraisers will charge \$1500 to appraise a quarter. Egr stated that he didn't know if acquisition is what they estimate it will cost to acquire the land, or what. Mayor Trowbridge stated it was his understanding that it would be the cost of actually acquiring the land.

Council member Hein made a motion to authorize Mayor Trowbridge to execute the acceptance of the proposal and authorize Midwest Right of Way Services, Inc. to proceed, with the understanding that acquisition means the actual acquisition of the land. Council member Yindrick seconded the motion. Voting AYE: Council members Rogers, Kroesing, Smith, Scribner, Yindrick, and Hein. Voting NAY: None. The motion carried.

Mayor Trowbridge stated, "Item #16 is consideration of going into an executive session to review management strategy and by management strategy we mean the management strategy relative to managing the City of David City and that has been run by counsel earlier this week and he doesn't find any issues with it."

City Attorney Egr stated, "I believe it is a proper item for the executive session because you are going to be talking about personnel issues; talking about personnel; you are going to be talking about things that maybe make it absolutely necessary to avoid maybe harm. We need to talk very frankly about some of the things that have happened. That is the type of thing that executive session is good for. If you read the open meeting act, it specifically says these are particular things, but it says it is not necessarily limited to those five or six items. This is one of those things that definitely come into that area."

Council member Hein made a motion to go into executive session to review management strategy. Council member Smith seconded the motion. Voting AYE: Council members Kroesing, Rogers, Scribner, Yindrick, Smith, and Hein. Voting NAY: None. The motion carried.

Mayor Trowbridge stated: "We are now going into executive session at 8:33 p.m. to discuss management strategy."

Mayor Trowbridge, Council members Kroesing, Yindrick, Smith, Scribner, Hein, and Rogers, City Administrator Jon Holmes, City Attorney Jim Egr, and City Clerk Kovar went into executive session at 8:33 p.m.

City Attorney Jim Egr stated that a motion and second was not needed to come out of executive session. Therefore, Mayor Trowbridge declared the City Council out of executive session at 9:40 p.m.

There being no further business to come before the Council, Council member Kroesing made a motion to adjourn. Council member Yindrick seconded the motion. Voting AYE: Council members Scribner, Rogers, Hein, Smith, Yindrick, and Kroesing. Voting NAY: None. The motion carried and Mayor Trowbridge declared the meeting adjourned at 9:41 p.m.

Mayor Dana Trowbridge

ATTEST:

City Clerk Joan E. Kovar



CERTIFICATION OF MINUTES
July 14, 2010

I, Joan E. Kovar, duly qualified and acting City Clerk for the City of David City, Nebraska, do hereby certify with regard to all proceedings of July 8, 2010; that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and 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 the minutes of the meeting of the City Council of the City of David City, Nebraska, 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 with advance notification of the time and place of said meeting and the subjects to be discussed at said meeting.

Joan E. Kovar, City Clerk