

**ACKNOWLEDGEMENT OF RECEIPT OF NOTICE OF MEETING
OF THE MAYOR AND CITY COUNCIL OF
THE CITY OF DAVID CITY, NEBRASKA**

The undersigned members of the governing body of the City of David City, Nebraska, hereby acknowledge receipt of advance notice of a regular meeting of said body and the agenda for such meeting to be held at 7:00 o'clock p.m. on the **13th day of July, 2016**, in the meeting room of the City Office, 557 North 4th Street, David City, Nebraska.

This agenda is available for public inspection in the office of the City Clerk and may be modified up to twenty-four hours prior to the opening of the meeting.

Dated this 6th day of July, 2016.

AGENDA AS FOLLOWS:

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|--|------------------------------------|
| 1. Roll Call; | Mayor Alan Zavodny |
| 2. Pledge of Allegiance; | |
| 3. Inform the Public about the location of the Open Meetings Act and the Citizens Participation Rules; | Council President Gary L. Kroesing |
| 4. Minutes of the June 8, 2016 meeting of the Mayor and City Council; | |
| 5. Consideration of Claims; | Council member Michael E. Rogers |
| 6. Committee and Officer Reports; | |
| 7. Consideration of going into Executive Session to discuss contract negotiations to protect the public interest; | Council member Thomas J. Kobus |
| 8. Consideration of the Downtown Renovation Project; | |
| 9. Consideration of Resolution No. 8 – 2016 designating Highway 15 (4 th Street) from Kansas Street to “O” Street as a three (3) lane highway; | Council member Kevin N. Hotovy |
| 10. Consideration of the request of Rex Rehmer and/or Demi Bartunek for a donation towards the Butler County Chamber’s fireworks display; | Council member Gary D. Smith |
| 11. Consideration of Resolution No. 9 – 2016 to divide Lot Eighteen (18) except the West Eight Inches (W 8”), Block Twenty-Six (26), Original Town of David City into two lots: 80’ x 22.4” and 60’ x 22’4” as requested by Butler County; | Council member John P. Vandenberg |
| 12. Consideration of the proposal by Olsson Associates for utility mapping updates in the amount of \$16,500.00; | City Clerk Joan E. Kovar |
| 13. Consideration of Change Order No. 4 concerning the 11 th Street Box Culvert; | |

14. Consideration of Certificate of Payment 3 to Yong Construction, 11th Street Box Culvert, in the amount of 27,868.00;
15. Consideration of the Auditorium bids received for the gym lighting, bathroom partitions, and bathroom vanity tops /sinks;
16. Consideration of the Electric Department purchasing a pickup with a utility box;
17. Consideration of Ordinance No. 1247 approving a 3% Cost of Living Adjustment for the City Employees effective September 24, 2016;
18. Consideration of the Proposed Budgets for the 2016 – 2017 Fiscal year;
19. Consideration of the Board of Health, sidewalks, liens & assessments;
20. Adjournment

CITY COUNCIL PROCEEDINGS

July 13, 2016

The City Council of the City of David City, Nebraska, met in open public session in the meeting room of the City Office, 557 North 4th Street, David City, Nebraska. The Public had been advised of the meeting by publication of notice in The Banner Press on July 7th, and an affidavit of the publisher is on file in the office of the City Clerk. (Note: The Banner Press stated the meeting was to be held at the Hruska Memorial Library, so signs were posted at the Library telling the public the meeting had been moved to the City Office.) 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 Alan Zavodny, Council President Gary Kroesing, Council members Gary Smith, Tom Kobus, Kevin Hotovy, and Mike Rogers, City Attorney Jim Egr, and City Clerk Joan Kovar. Council member John Vandenberg was absent.

Also present for the meeting were: Al Hottovy, Vice-President of Leo A. Daly, Matt Rief of Olsson Associates, Jim Vandenberg, Skip Trowbridge, David McPhillips, Sheriff Marcus Siebken, Rex Rehmer, Pat Meysenburg, Banner Press Editor Larry Peirce, Park/Auditorium Supervisor Bill Buntgen, Sewer Supervisor Kevin Betzen, Water Employee Matt Fleming, Electric Plant Supervisor Eric Betzen, and Street Supervisor Rodney Rech.

The meeting opened with the Pledge of Allegiance.

Mayor Zavodny informed the public of the "Open Meetings Act" posted on the west wall of the meeting room and asked those present to please silence their cell phones.

The minutes of the June 8th, 2016 meeting of the Mayor and City Council were approved upon a motion by Council member Hotovy and seconded by Council member Kobus. Voting

AYE: Council members Kroesing, Smith, Kobus, and Hotovy. Voting NAY: None. Council members Roger and Vandenberg were absent. The motion carried.

Mayor Zavodny asked for consideration of claims. Council member Smith made a motion to authorize the payment of claims and Council member Kobus seconded the motion. Voting AYE: Council members Kroesing, Hotovy, Kobus, and Smith. Voting NAY: None. Council members Rogers and Vandenberg were absent. The motion carried.

Mayor Zavodny asked for any comments or questions concerning the Committee and Officer Reports. Council member Kroesing made a motion to accept the committee and officers reports as presented. Council member Kobus seconded the motion. Voting AYE: Council members Hotovy, Smith, Kroesing, and Kobus. Voting NAY: None. Council members Rogers and Vandenberg were absent. The motion carried.

Mayor Zavodny stated the next agenda item was "Consideration of going into Executive Session to discuss contract negotiations to protect the public interest."

Citizen Skip Trowbridge questioned if this was a subject that could legally be discussed in Executive Session

Council member Kroesing suggested that perhaps a special meeting should be scheduled to discuss all of the issues and get public input concerning the Sheriff's contract. The current contract doesn't expire until October 31, 2016.

Mayor Zavodny explained that the Executive Session was to discuss the pros and cons on coverage and hours of coverage regarding the Sheriff's contract.

Council member Mike Rogers arrived at 7:07 p.m.

Council member Hotovy made a motion to go into Executive Session to discuss contract negotiations to protect the public interest – the pros and cons on coverage and hours of coverage – regarding the Sheriff's contract. Council member Kobus seconded the motion. Voting AYE: Council members Smith, Hotovy, Kobus, and Rogers. Voting NAY: Council member Kroesing. Council member Vandenberg was absent. The motion carried.

Mayor Zavodny stated, "At 7:08 p.m. we are going into executive session to discuss contract negotiations to protect the public interest – the pros and cons on coverage and hours of coverage – regarding the Sheriff's contract." Mayor Zavodny, Council members Kroesing, Smith, Hotovy, Kobus, and Rogers, City Attorney Egr, Sheriff Marcus Siebken, and City Clerk Kovar went into executive session at 7:08 p.m.

City Attorney Jim Egr stated that a motion and second was not needed to come out of executive session. Therefore, Mayor Zavodny declared the City Council out of executive session at 7:30 p.m.

Al Hottovy, Vice President of Leo A. Daly, gave an update on the Downtown Renovation Project. People have heard stories that workers used to be able to go from Schweser's Clothing Store (southeast corner of 5th & "E") through an underground tunnel to the Bank (northwest corner of 5th & "E" Street). There are tunnels or coal chutes beneath the sidewalk by Sue's Just A Buck (northeast corner of 5th & "E"). Al stated that he visited with B.J. Ponec, owner of BJ's Hardware, about the tunnels and B.J. told Al that when he was about 16 he had been in the

tunnels, however, the only indication of a tunnel or something that the surveyors could find was on "E" Street between 5th & 6th Street going from approximately Kobza Motors, 566 E Street, across "E" Street to 563 E Street. The surveyors are marking the utilities, setting the grades, elevations, and drainage. The design decision needs to be made by approximately October or November.

Council member Rogers stated: "Tell me about the bricks."

Mayor Zavodny stated: "I think you might have missed the meeting when we discussed this. This is on me. I know the Council has talked about their desires quite a bit. I think that this decision is going to affect us for the next 50 – 100 years for sure and I didn't want us to just not make sure we really looked at bricks. I didn't want us to wake up the morning after that's done and say "What have we done?" So I've asked Al to look into availability of vintage bricks. We looked at a brick laying machine to see if that was available anywhere close. Al brought a permeable brick, which means water goes through it, and a clay brick. My question to him is "Is it feasible to have a subgrade, and something that could drain, and if we poured away from the curb, and the one change that we've discussed back and forth was putting cement down the middle, and you would have basically a form and put bricks in the driving area. We talked about brick in the middle but thought it would be better to have that cement there. I don't want us to vote on a final design without at least giving that the consideration. I've had some calls from some brick people, a lot of them want to buy what we have, but right now we are going to save them for the streets that we have now. I'm getting the feeling that I may not have those votes but I want to have the discussion a little longer because it's a 100 year decision probably and I just think it's worth doing that. So, it's on me that we're even still talking about the brick. I will take the responsibility."

Council member Kobus asked: "Have the soil bores been done?"

Al Hottovy stated: "Yes, I don't have the results. They were here the last two weeks putting the borings down. Pretty hard clay, percolation won't be very good so we are going to have to drain, probably whatever's underneath it we have to drain; same for concrete or brick we're going to have to drain what's underneath there."

Mayor Zavodny asked: "How does that affect, if we went bricks, what you recommended as far as those foundation layers, and then would you still have to move it to a pipe?"

Al Hottovy stated: "Yes, you would have to move it to a pipe. Storm sewer, based on what we see now and the discussions we've had with the State, bring up a larger diameter pipe. You have to push across in different areas and that will pick up the pipes that are in that street. You have a storm sewer pipe that is approximately eleven feet (11') deep and it's a fifty-four inch (54") diameter."

Council member Rogers stated: "My next question is, and Sod (Rodney Rech) I hate to put you on the spot, but cleaning up in the winter time?"

Street Supervisor Rodney Rech stated: "Al even said it at the last meeting at the Library, down pressure on the grader could pop out bricks. And this design, there is no cement under the bricks. That rocks going to move. I don't care if it drains down through the bricks or not, that rock will move with the water going through it down to the drain. You're going to have the same problem you have right now, you might as well leave the old bricks in there."

Council member Smith stated: "I thought we all decided that we wanted it just like west "D" Street and all of a sudden it's changed; it's not like D Street anymore."

Mayor Zavodny stated: "We decided to concrete in front of the Fire Hall – "D" Street from 5th to 6th Street. We have not voted on the design for the rest of the Downtown Redevelopment. You will have that opportunity; by October you will have that vote, so that's where we sit."

The next agenda item was consideration of Resolution No. 8 – 2016 designating Highway 15 (4th Street) from Kansas Street to "O" Street as a three (3) lane Highway.

Al Hottovy stated: "I met with the State Department of Roads and they would like to support the City by paying for thirty-six foot (36') wide through the City, three lane section. Right now you have a four (4) lane within the same width of the street that the new design requires for three (3) lane. So what they'd like is a decision from you as to what you want to do. They're giving me the indication, and I don't have this in writing yet, but the indication is they will pay for the thirty-six feet, back to back, from Iowa all the way to the Railroad ("F" Street), and help with the cost share of the storm sewer and other items that we put in the estimate that we are going to give them."

Mayor Zavodny asked: "Iowa or Kansas? I think our resolution says Kansas."

City Clerk Kovar stated: "Our resolution says Kansas to "O" Street."

Al Hottovy stated: "Which one is Kansas?"

Mayor Zavodny stated: "The City Park road."

Al Hottovy stated: "That's OK, because that's why it says that; they're going to change that where it's now four lane, they're going to remark that. I'm not sure how they are going to do it but they are going to remark that. The current highway is about a foot narrower than it should be for four lanes. I'm depending on the State to tell me how they want that marked. The resolution in front of you is a financial decision, probably more than anything. The curb and gutters are about right where they need to be, but you have four lanes there now, and the States urban design is three lane. There may be some changes on the street light signal. The heads will need to be moved, the mast arm may get longer; the traffic engineer at the State will need to tell us that."

Council member Hotovy asked: "So Kansas Street to "O" Street is the way it's supposed to be?"

Al Hottovy stated: "We aren't improving Kansas to "O" Street but the State is going to be doing something, restriping it or something."

Mayor Zavodny stated: "So the way it sounds, we will be going from 4-lane in front of Aquinas, to 3-lane through town to "O" Street with the middle turning, and then transition to 2-lane."

Council member Kobus introduced Resolution No. 8 – 2016 designating that Highway 15 (4th Street) from Kansas Street to "O" Street will be a three (3) lane highway with a center turning lane. Council member Smith seconded the motion. Voting AYE: Council members

Hotovy, Smith, Kroesing, Kobus, and Rogers. Voting NAY: None. Council member Vandenberg was absent. The motion carried and Resolution No. 8 – 2016 was passed and adopted as follows:

RESOLUTION NO. 8 – 2016

WHEREAS, Highway 15 (4th Street) through David City, Nebraska from Kansas Street to “O” Street is currently a four (4) lane highway that does not conform to Nebraska Department of Roads standards, and specifically the driving surface of Highway 15 is narrower than Highway Design Criteria, and

WHEREAS, the Nebraska Department of Roads is willing to coordinate the re-surfacing and/or the reconstruction of Highway 15 with the Downtown Renovation Project, and

WHEREAS, the Nebraska Department of Roads has recommended that Highway 15 from Kansas Street to “O” Street be a three (3) lane highway with the outside lanes being for thru traffic and the center being a continuous turning lane, and

WHEREAS, if the City of David City will consider Highway 15 being a three (3) lane highway from Kansas Street to “O” Street the Nebraska Department of Roads will cover the entire cost of the resurfacing and/or reconstruction of Highway 15 from Kansas Street to “O” Street.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA, that Highway 15 (4th Street) from Kansas Street to “O” Street will be designated as a three (3) lane highway from Kansas Street to “O” Street in David City, Nebraska.

Passed and adopted this 13th day of July, 2016.

Mayor Alan Zavodny

City Clerk Joan E. Kovar

Council member Smith made a motion to authorize \$1,500 from the Keno Funds towards the Butler County Chamber’s fireworks display. Council member Kobus seconded the motion. Council member Kroesing stated: “Is this the last year for it then or what? Is that what you had figured Joan?”

City Clerk Kovar stated: “Technically when you come now, the budget was set last year. So last year, when preparing the budget for this year, I put in \$1,500 for fireworks because I figured you would be coming asking for this donation. However, for next year’s budget when I presented it to the Mayor and Council, I didn’t put it in because what I told them is we’ve already

blown up \$11,000 of our Keno money towards fireworks and we keep saying we need a new restroom at the Park and we need a new shelter at the Park, and I said to them "instead of blowing up this money why don't we designate \$45,000 of Keno funds to the Park for a restroom and a shelter". So as of now, I don't have it in next year's budget."

Rex Rehmer stated: "Well put it in because I will be back to ask again next year. We don't have to, but I think a lot of people get a lot of fun out of it and it's a good gesture."

Voting on the motion on the table: Voting AYE: Council members Rogers, Kroesing, Smith, Hotovy, and Kobus. Voting NAY: None. Council member Vandenberg was absent. The motion carried.

Mayor Zavodny stated: "Agenda item #11 – Consideration of Resolution No. 9 – 2016, and Scott Steager wanted to be here and he thinks he will be closer to 8:30 so what I would ask you to do is bump this item to the end of the agenda to give him time to make it here if you are okay with that."

Council member Kroesing made a motion to move Agenda Item #11 – Consideration of Resolution 9 – 2016, to divide Lot Eighteen (18) except the West Eight Inches (W 8"), Block Twenty-Six (26), original Town of David City into two lots: 80' x 22.4" and 60' x 22'4", to the end of the agenda. Council member Kobus seconded the motion. Voting AYE: Council members Hotovy, Smith, Kroesing, Kobus, and Rogers. Voting NAY: None. Council member Vandenberg was absent. The motion carried.

Council member Kobus made a motion to accept the proposal by Olsson Associates for City Office mapping updates, and Utility mapping updates, in the amount of \$16,500.00. Council member Rogers seconded the motion. Voting AYE: Council members Smith, Hotovy, Kobus, Kroesing, and Rogers. Voting NAY: None. Council member Vandenberg was absent. The motion carried.

SCOPE OF SERVICES

Olsson shall provide the following services ("Scope of Services") to Client for the Project:

Project Administration

- Project Initiation and Administration Services, including a project initiation meeting, will be conducted with all parties involved to review the desired mapping updates, identify specific goals, establish schedule for completion, and coordinate with Client's representative for the project. Olsson shall attend up to two (2) additional review meetings with City staff to obtain feedback for the mapping updates. General administrative services to manage and support the design of the project will also be provided.

- Current electrical, sewer, water, and base AutoCAD maps will be used as the starting point for the updates. Olsson will incorporate the utility projects added to the system for the City into the maps. Information regarding other utility projects or annexations will be provided by the City for addition to the maps. Information regarding corrections and amendments to previously completed maps will be provided by City personnel.

These mapping updates will prepare the necessary information for transitioning the City utilities to GIS maps, if desired, as well as providing hydraulic modeling of the water or sanitary sewer systems. The items described in this paragraph can be provided to the City as additional services.

- Draft copies of the mapping updates will be provided to the City for their review and comment. This will provide the Client an opportunity to review the maps for accuracy of information and appearance prior to producing the final maps.
- Olsson will provide the following printouts to the City: up to 10 large prints for wall maps, up to 10, 11x17 map books, for each utility, up to 50 copies of the City base maps. Laminated maps are also available, upon request.

Should Client request work in addition to the Scope of Services, Olsson shall invoice Client for such additional services (Optional Additional Services) at the standard hourly billing labor rate charged for those employees actually performing the work, plus reimbursable expenses if any. Olsson shall not commence work on Optional Additional Services without Client's prior written approval.

Olsson's Scope of Services will be provided on a time and expense basis not to exceed \$16,500.00, further defined as follows:

<u>Department</u>	<u>Associated Fee</u>	<u>Starting Timeframe</u>
Electrical Mapping Updates	\$ 6,500.00	At time of signed contract
Sewer Mapping Updates	\$ 5,000.00	After October 1, 2016;
Water Mapping Updates	<u>\$ 5,000.00</u>	when authorized by City
Total Services	\$16,500.00	

Council member Smith made a motion to approve Change Order No. 4 concerning the 11th Street Box Culvert. Council member Kobus seconded the motion. Voting AYE: Council members Rogers, Kroesing, Smith, Hotovy, and Kobus. Voting NAY: None. Council member Vandenberg was absent. The motion carried.

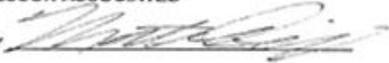
OLSSON ASSOCIATES		CHANGE ORDER
		No. <u>4</u>
Date of Issuance: <u>7/8/16</u>		Effective Date: <u>7/13/16</u>
Project: 11 th Street Box Culvert, David City, Nebraska – 2015	Owner: City of David City, Nebraska	Owner's Contract No.:
Contract: 11 th Street Box Culvert		Date of Contract: <u>1/27/16</u>
Contractor: Yong Construction Co., 12 Ginger Cove Rd., Valley, Nebraska 68064		Engineer's Project No.: <u>014-2572</u>
The Contract Documents are modified as follows upon execution of this Change Order:		
Description: This change order is for the repair of the 12" water main broke by Yong Construction on April 6. Obrist completed the repair/lowering of the water main. As part of the change order, Yong construction will return all water main materials to the City not utilized by Obrist and complete some additional grading along the east side of the 11 th Street north of the box culvert.		
CHANGE IN CONTRACT PRICE:		CHANGE IN CONTRACT TIMES:
Original Contract Price:		Original <input type="checkbox"/> Working days <input checked="" type="checkbox"/> Calendar days
\$ <u>119,010.00</u>		Substantial completion (days or date): <u>May 1, 2016</u>
<u>Increase</u> from previously approved Change Orders No. <u>1</u> to No. <u>3</u> :		Ready for final payment (days or date): <u>May 31, 2016</u>
\$ <u>7,050.00</u>		<u>Change</u> from previously approved Change Orders No. <u>1</u> to No. <u>2</u> :
		Substantial completion (days or date): <u>64 Calendar Days</u>
Contract Price prior to this Change Order:		Ready for final payment (days or date): <u>June 15, 2016</u>
\$ <u>126,060.00</u>		Contract Times prior to this Change Order:
<u>Decrease</u> of this Change Order:		Substantial completion (days or date): <u>64 Calendar Days</u>
\$ <u>-19,500.00</u>		Ready for final payment (days or date): <u>June 15, 2016</u>
Contract Price incorporating this Change Order:		<u>(Increase)(Decrease)</u> of this Change Order:
\$ <u>106,560.00</u>		Substantial completion (days or date): <u>June 23, 2016</u>
		Ready for final payment (days or date): <u>August 1, 2016</u>
		Contract Times with all approved Change Orders:
		Substantial completion (days or date): <u>June 23, 2016</u>
		Ready for final payment (days or date): <u>August 1, 2016</u>
RECOMMENDED: Olsson Associates	ACCEPTED: City of David City, Nebraska	ACCEPTED: Yong Construction Co.
By: <u>[Signature]</u> Engineer (Authorized Signature)	By: <u>[Signature]</u> Owner (Authorized Signature)	By: <u>[Signature]</u> Contractor (Authorized Signature)
Date: <u>7-8-16</u>	Date: <u>7-13-2016</u>	Date: <u>7-9-16</u>

Matt Rief stated: "We sent a summary out of the costs that were associated with the water main break / water boring that came to, without the City labor in there, it came to \$48,106.00. Additionally, we (Olsson Associates) had an invoice of \$6,534.00. I put that down to \$2,500, so we reduced that by about a third. Yong Construction basically said we'll take \$19,500 of that. So, basically the City would pay all of those invoices, and then the water main items would be returned back to the City that were not utilized so Kevin can have those."

Sewer Supervisor Kevin Betzen stated as long as those parts were cleaned up because some of those items had concrete on them and he didn't want any part of that.

Matt Rief continued: "We can tell them they have to clean those up, and put that as a criteria here. Discussion followed."

Council member Smith made a motion to approve Certificate of Payment 3 to Yong Construction in the amount of \$27,868.00 concerning the 11th Street Box Culvert. Council member Kobus seconded the motion. Voting AYE: Council members Rogers, Kroesing, Smith, Hotovy, and Kobus. Voting NAY: None. Council member Vandenberg was absent. The motion carried.

		CERTIFICATE OF PAYMENT: 3	
201 E 2nd Street Grand Island, Nebraska 68801		Date of Issuance: 7/1/2016	
		Project No.: 014-2572	
Project: 11th Street Box Culvert David City, Nebraska - 2015			
Contractor: Yong Construction 12 Ginger Cove Road Valley, Nebraska 68064			
DETAILED ESTIMATE:			
Description:	Unit Price:	Extension:	
All work per contract, including Change Order No. 2 and 3		\$123,490.00	
PLEASE REMIT PAYMENT TO: Yong Construction			
		Value of Work Completed This Request: \$ 38,910.00	
		Original Contract Cost: \$ 119,010.00	
		Approved Change Orders:	
		No. 1 \$ -	
		No. 2 \$ 6,200.00	
		No. 3 \$ 850.00	
		Total Contract Cost: \$ 126,060.00	
Value of completed work, and materials stored to date		\$ 123,490.00	
Less retainage percentage 16%		\$ 19,500.00	
Net amount due including this estimate		\$ 103,990.00	
Less: Estimates previously approved:			
No. 1 \$ 35,802.00			
No. 2 \$ 40,320.00			
No. 3			
No. 4			
		Total Previous Estimates: \$ 76,122.00	
		NET AMOUNT DUE THIS ESTIMATE: \$ 27,868.00	
<small>The undersigned hereby certifies, based upon periodic observations as set forth in scope of work and the data included in all applicable payment applications that, to the best of its knowledge, information and belief: (1) the work has progressed as indicated in the applicable payment applications; (2) the work performed and materials delivered by Contractor are in conformance with the plans and specifications; and (3) the Contractor, in accordance with the contract, is entitled to payment as indicated above.</small>			
<small>This certification does not constitute a warranty or guarantee of any type. Client shall hold its Contractor solely responsible for the quality and completion of the Project, including construction in accordance with the construction documents. Any duty or obligation of Olsson hereunder is for the sole benefit of the Client and not for any third party, including the Contractor or any Subcontractor.</small>			
City of David City, Nebraska Yong Construction Project File		OLSSON ASSOCIATES BY 	

Park/Auditorium Supervisor Bill Buntgen presented the following for the City Auditorium:

- Gymnasium LED Lighting:**
 Samek Electric.....\$18,078.48
 Woolsey Electric.....\$12,490.39
 Vandenberg Electric.....\$15,716.00
- Vanity tops with sinks:**
 Sack Lumber (not commercial grade).....\$6,175.00
 Zegers Home Center (commercial grade)....\$9,894.00
- Bathroom Partitions:**
 Superior Glass.....\$7,033.00

Zegers Home Center....\$5,310 material
Labor by others:.....\$2,500 labor.....\$7,810.00

Council member Kobus made a motion to accept the bid of Woolsey Electric in the amount of \$12,490.39 for the Auditorium gymnasium LED lighting. Council member Smith seconded the motion. Voting AYE: Council members Hotovy, Smith, Kroesing, Rogers, and Kobus. Voting NAY: None. Council member Vandenberg was absent. The motion carried.

Council member Smith made a motion to accept the bid of Zegers Home Center in the amount of \$9,894.00 for the commercial grade vanity tops with sinks for the City Auditorium restrooms. Council member Kobus seconded the motion. Voting AYE: Council members Hotovy, Kroesing, Rogers, Smith, and Kobus. Voting NAY: None. Council member Vandenberg was absent. The motion carried.

Council member Hotovy made a motion to accept the bid of Superior Glass in the amount of \$7,033.00 for bathroom partitions for the bathrooms in the City Auditorium. Council member Kobus seconded the motion. Voting AYE: Council members Rogers, Kroesing, Smith, Hotovy, and Kobus. Voting NAY: None. Council member Vandenberg was absent. The motion carried.

Electric Supervisor Pat Hoefft was not present to explain the details concerning the purchase of a pickup with a utility box. Council member Hotovy asked if he would be retiring a pickup. Street Supervisor Rodney Rech stated that he thought so. Council member Hotovy then asked: "Wouldn't it be prudent to have hard numbers in front of us before we make a decision on what to buy or how much to spend?" Mayor Zavodny stated: "I think we'd be better off with that; let's table it if you're comfortable with that." Council member Hotovy stated: "We shouldn't just give an open ended approval for a pickup, we need hard numbers."

Therefore, Council member Kroesing made a motion to table consideration of the Electric Department purchasing a pickup with a utility box. Council member Smith seconded the motion. Voting AYE: Council members Kobus, Hotovy, Rogers, Smith, and Kroesing. Voting NAY: None. Council member Vandenberg was absent. The motion carried.

Mayor Zavodny stated the next agenda item was Consideration of Ordinance No. 1247 approving a 3% Cost of Living Adjustment for the City Employees effective September 24, 2016.

Council member Hotovy stated: "You realize the 2016 Cost of Living Adjustment is zero from the Social Security Administration? They are estimating 2.6% - 3% for 2017, but 2016 is zero. Anybody that's on Social Security isn't getting any more. I don't know, I have a hard time seeing how you can justify it when your rate payers on Social Security aren't getting a Cost of Living."

Mayor Zavodny stated: "I will say what I've said before, I think we need to look at our overall salary approach because I think one of the things that doesn't get talked about enough is what we lose every time we lose someone to somebody paying more. We've been having that happen quite a bit. I know what you're saying on this, those number are fixed for our rate payers, and now we're going to have to look at rates again because our costs now will be inflated. That being said, we've got to do something for our employees too, to make sure that we are at least competitive."

Council member Hotovy stated: "I completely agree, and we spent approximately \$10,000 on a salary survey."

Mayor Zavodny stated: "It takes a while to put together a comprehensive plan because you can't just consider salary, you have to consider health insurance costs, benefits, etc."

Council member Hotovy stated: "My opinion is, with Social Security being zero, they pretty much set the COLA nationwide. You would be giving a Cost of Living increase for no reason because they've determined there is no reason for it, and that to me is a blanket raise that is based upon no merit at all because you're doing it just for the sake of doing it and I don't think that's right."

Council members Kobus and Rogers disagreed. Council member Rogers stated: "I have to agree with the Mayor we are losing too many employees to other businesses. We train them and I think 3% is reasonable to keep them."

Citizen Skip Trowbridge asked: "Then why do we call it COLA, because it isn't, it's a raise. What is COLA? Cost of Living Allowance calculated by the Federal Government. This year it's negative. Last year it was 1.7%. Did we give 3% last year? Probably. What about the little old lady that gets a Social Security check, or the guy that gets a military disability, and they didn't go up a cent from one year to the next. Now ninety some percent of your salary costs come out of utilities, so, where are we going to go get the money, we are going to raise rates, and how's the little old lady and the military guy going to pay them?"

Council member Kobus stated: "These guys are working now. You have to have somebody in this City that knows what they are doing and the only way you are going to get them to stay is to pay them. Look at the work that these guys do."

Citizen Skip Trowbridge stated: "Then call it a salary increase above the step. Don't hide behind COLA because it is not COLA."

Mayor Trowbridge stated: "The argument is valid, that calling it COLA isn't really what we are talking about. What we are doing is advancing the salary schedule. That's what this is doing, so that's what you have to decide if you want to do or you are comfortable doing, because we have no study that says Cost of Living has gone up that amount and we actually have evidence against it. Now the States gives a 3% just because they build it in. I don't know why they always just give that too."

Council member Rogers stated: "The County is giving 2%"

Council member Kobus introduced Ordinance No. 1247. Mayor Zavodny read Ordinance No. 1247 by title.

Council member Kroesing stated: "The reason I threw it on the table last month is because my longevity survey went down the tubes, nobody even wanted to visit about that anymore, shortest discussion in the history. So I threw this out on the table at the last meeting, so if you don't like it, blame me."

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, Kroesing, Kobus, and Smith. Voting NAY: Council

member Hotovy. Council member Vandenberg was absent. Mayor Zavodny was asked for his vote as it provided the additional vote required to create a number of votes equal to a majority of the number of members elected to the city council. (Neb 16-503) Mayor Zavodny voted AYE. The result being 5 AYE, 1 NAY, the motion carried.

Council member Smith made a motion to pass and adopt Ordinance No. 1247 on the third and final reading. Council member Kroesing seconded the motion.

Council member Hotovy stated: "I can tell you right now I am going to say "no" just because #1 – there is no COLA, and #2 – it's terrible wording of an ordinance and I'm pretty sure that's what gets us in trouble with our ordinances down the road. The wording is not correct, so whatever."

Mayor Zavodny asked for any additional comments from the Council or the public. Citizen David McPhillips stated that he thought the elected officials, as representatives of the citizens, should consider the elderly citizens on fixed incomes.

Mayor Zavodny stated: "I think we need to recognize this is a "cause and effect" decision because the rates are the way we fund this, so by doing this you have to look at that, so that continues that escalation; it's an arms race. I think we need to have the discussion and make a conscience decision, the City is, who are we going to compete with for employees, and what are we willing to do to hold on to the valuable ones we do have? We're not going to compare to Lincoln or Omaha, position to position, but are we going to look at Butler Public Power that is right here and say "our electric people need to be at least within striking distance of that". I think that's a discussion we do need to have." Discussion followed.

Voting on Ordinance No. 1247: Voting AYE: Council members Rogers, Kroesing, Smith, and Kobus. Voting NAY: Council member Hotovy. Council member Vandenberg was absent. The motion carried and Ordinance No. 1247 was passed on 3rd and final reading as follows:

ORDINANCE NO. 1247

AN ORDINANCE ADOPTING A THREE PERCENT (3%) COST OF LIVING ADJUSTMENT (COLA) ADJUSTMENT FOR FULL-TIME AND PERMANENT PART-TIME EMPLOYEES; REPEALING ALL ORDINANCES OR PORTIONS OF ORDINANCES IN CONFLICT THEREWITH; PROVIDING FOR PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM; AND PROVIDING FOR A TIME WHEN THIS ORDINANCE SHALL TAKE EFFECT.

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

SECTION 1. The Mayor and City Council of David City, Nebraska, do hereby establish and fix the pay scales and salaries for the following positions for the appointed officers and employees of the City of David City, Nebraska:

Full-Time Staff (Hourly Rate of Pay)

STEP	Probationary	6 mo	1	2	3	4	5	6	7	8	9	10	11	12	13
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City Council Proceedings
 July 13, 2016
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Office Staff

Clerical I	10.86	11.10	11.35	11.61	11.87	12.12	12.41	12.68	12.97	13.28	13.57	13.87	14.18	14.52	14.82
Acct Clerk I	13.23	13.53	13.83	14.14	14.48	14.78	15.12	15.47	15.82	16.17	16.53	16.90	17.28	17.66	18.07
Acct Clerk II	15.44	15.78	16.13	16.48	16.89	17.24	17.63	18.04	18.44	18.83	19.26	19.69	20.15	20.59	21.05
(incl .50/hr CMC)	14	15	16	17	18	19	20	21	22	23	24	25			
	21.54	22.02	22.53	23.03	23.56	24.08	24.64	25.18	25.75	26.32	26.92	27.52			

STEP	Probationary	6 mo	1	2	3	4	5	6	7	8	9	10	11	12	13
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Utility Staff

Power Plant Op I	13.63	13.93	14.22	14.56	14.89	15.21	15.57	15.91	16.27	16.64	17.01	17.40	17.79	18.19	18.60
Power Plant Op II	17.09	17.46	17.87	18.26	18.67	19.10	19.53	19.95	20.41	20.87	21.34	21.83	22.31	22.79	23.32
Power Plant Op III	17.56	17.97	18.35	18.77	19.19	19.63	20.09	20.52	20.97	21.47	21.94	22.43	22.94	23.45	23.98
Apprentice Lineman	15.09	15.41	15.78	16.13	16.47	16.86	17.23	17.62	18.01	18.43	18.82	19.26	19.68	20.14	20.58
Line worker II	19.81	20.24	20.70	21.17	21.64	22.12	22.63	23.12	23.66	24.19	24.74	25.30	25.86	26.45	27.04
Line worker I	20.82	21.29	21.76	22.25	22.75	23.26	23.79	24.33	24.87	25.43	26.02	26.58	27.19	27.80	28.43
Line Foreman	22.43	22.94	23.44	23.97	24.49	25.07	25.62	26.19	26.79	27.40	28.03	28.65	29.29	29.95	30.63
Water/Sewer Op I	12.93	13.27	13.55	13.84	14.16	14.49	14.80	15.14	15.49	15.83	16.20	16.54	16.92	17.30	17.69
WA/SE Op 1 w Gr VI	13.72	14.04	14.35	14.67	15.01	15.33	15.68	16.03	16.39	16.77	17.14	17.53	17.92	18.32	18.74
WA/SE Operator II	15.65	15.99	16.35	16.73	17.10	17.47	17.88	18.27	18.68	19.11	19.54	19.96	20.42	20.89	21.35
WA/SE Op I I w Gr VI	16.38	16.77	17.14	17.51	17.92	18.31	18.73	19.15	19.58	20.02	20.48	20.93	21.41	21.88	22.38
WA/SE Op III w Gr VI	18.73	19.15	19.58	20.02	20.48	20.93	21.41	21.88	22.37	22.88	23.38	23.93	24.45	25.01	25.56
Waste Water Plt Op	17.67	18.08	18.48	18.89	19.33	19.77	20.21	20.65	21.12	21.60	22.07	22.59	23.03	23.62	24.13

STEP	Probation	6 mo	1	2	3	4	5	6	7	8	9	10	11	12	13
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City Maintenance Staff

Laborer I	10.86	11.10	11.35	11.61	11.87	12.12	12.41	12.68	12.97	13.28	13.57	13.86	14.17	14.51	14.81
Laborer II	12.81	13.09	13.40	13.69	14.01	14.31	14.64	14.97	15.29	15.66	16.00	16.36	16.74	17.11	17.48
Maint Worker I	13.45	13.74	14.07	14.38	14.71	15.05	15.36	15.71	16.06	16.42	16.81	17.18	17.56	17.97	18.35
Maint Worker II	14.11	14.45	14.75	15.09	15.44	15.78	16.13	16.48	16.87	17.24	17.63	18.03	18.44	18.83	19.26
Street Foreman	17.35	17.74	18.14	18.54	18.97	19.39	19.83	20.27	20.73	21.20	21.66	22.16	22.66	23.15	23.69
Bartenders	8.04	to	8.59												
Recycling Workers	8.04	to	8.59												
Summer Time Help	8.46		8.74	9.03	9.31										

	Probationary	6 Mo	1	2	3	4	5	6	7	8	9	10	11	12	13
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Supervisors

Park & Aud Supt.	17.28	17.66	18.06	18.47	18.88	19.32	19.76	20.19	20.63	21.10	21.58	22.06	22.57	23.07	23.60
Street Supt.	21.37	21.85	22.34	22.84	23.35	23.89	24.41	24.97	25.52	26.11	26.68	27.30	27.90	28.53	29.19
	14	15	16	17	18	19	20	21	22	23	24	25			

	29.84	30.51	31.20	31.90	32.61	33.35	34.09	34.87	35.64	36.44	37.27	38.10			
Water Super w/Gr VI	21.03	21.53	22.01	22.52	23.01	23.55	24.05	24.59	25.14	25.72	26.29	26.90	27.50	28.12	28.74
	14	15	16	17	18	19	20	21	22	23	24	25			
	29.39	30.06	30.72	31.42	32.12	32.85	33.58	34.33	35.10	35.89	36.71	37.52			
Wastewater Super w/Gr VI	21.03	21.53	22.01	22.52	23.01	23.55	24.05	24.59	25.14	25.72	26.29	26.90	27.50	28.12	28.74
Power Plant Supervisor	22.03	22.54	23.03	23.57	24.08	24.64	25.18	25.75	26.32	26.92	27.52	28.14	28.77	29.41	30.08
Electric Supervisor	25.11	25.68	26.25	26.86	27.47	28.08	28.71	29.39	30.00	30.68	31.37	32.08	32.82	33.54	34.29

- 1) 15 Steps Total
- 2) Approximately 2.25% between steps
- 3) The salary range from Probationary Salary to Step 13 (maximum) is 37%

Permanent Part-time Staff (Hourly Rate of Pay)

Part-time workers	9.62	9.84	10.06	10.28	10.52	10.74	10.99	11.25	11.48	11.76	12.02	12.30	12.57	12.84	13.14
Zoning Admin.	18.19	18.60	19.02	19.45	19.88	20.34	20.79	21.26	21.72	22.22	22.71	23.23	23.76	24.30	24.83
Swimming Pool Staff			A 1	B 2	C 3	D 4	E 5	F 6	G 7	H 8	I 9	J 10			
Manager			12.32	12.59	12.86	13.16	13.45	13.76	14.08	14.39	14.71	15.05			
Asst. Manager			11.86	12.10	12.39	12.67	12.95	13.24	13.54	13.84	14.15	14.48			
Head Lifeguard			10.93	11.21	11.47	11.76	12.03	12.32	12.59	12.86	13.15	13.41			
WSI Lifeguard			9.36	9.65	9.92	10.21	10.49	10.75	11.03	11.32	11.59	11.88			
Lifeguard			8.58	8.70	8.81	8.91	9.03	9.15	9.25	9.35	9.48	9.59			
Sw Lesson Aid			8.04	8.15	8.26	8.37	8.49	8.59	8.71	8.82	8.93	9.04			
Aerobics Instructor			10.16	10.26	10.36	10.49	10.60	10.70	10.82	10.93	11.03	11.15			
Concession/Games/Cleaning			8.04	8.15	8.26	8.37	8.49	8.59	8.71	8.82	8.93	9.04			

Salaried Staff Pay Plan (Annual Rate of Pay)

Position	Minimum	Mid-Point	Maximum
Clerk/Treasurer	\$49,913	\$63,899	\$77,887

Notes:

- 1) Exempt (salaried) Employees are subject to the same 2.25% annual step increase as non-exempt employees as well as any Cost-of-Living Adjustments (COLA) as approved by the City Council.
- 2) The range spread from Minimum Starting to Maximum is 37%.

SECTION 3. Any and all ordinances or sections thereof, passed and approved prior to the passage, approval and publication or posting of this ordinance, and in conflict with its provisions, are hereby repealed.

SECTION 4. This ordinance shall be published in pamphlet form and shall be in full force and effect on September 24, 2016 following its passage, approval, and publication as provided by law and city ordinance.

PASSED AND APPROVED this 13th day of July, 2016.

Mayor Alan Zavodny

City Clerk Joan Kovar

Proposed budgets for the 2016 – 2017 fiscal year were discussed. City Clerk Kovar presented updated print-outs of some of the recent changes. Discussion followed.

Mayor Zavodny stated: "Item 19 – Consideration of the Board of Health, sidewalks, liens, and assessments. We would like to get a little more aggressive. We've held some liens for a long time and some of these we just keep doing over and over again. We have some specific properties that we feel need to get back on the tax rolls. How do we get the process moving to say "we're calling the lien", those kind of things; either to get paid for the work we've been doing for years or to have the property and then we can go through the process getting it sold by bid?"

City Attorney Egr stated: "We have the liens, normally the tax liens, those special assessments of those liens are tied in with the Treasurer's Office, so I can visit with the Treasurer's Office and see what we can do to push that, and if we can't push it that way we'll push it with separate legal action by the City."

Mayor Zavodny stated: "We have a few that go back so far, and our liens are so large, that if we are ever going to get them back on the tax rolls, we as a City may have to consider forgiving some of it. We would need to get ownership of it legally, put it out for bid, and then agree to waive some of our past liens. Part of the reason we've had trouble with some of these properties, the liens are too big and it makes the price of the lot too high for anyone to be able to do anything with it. So, I think we just want to clean those up."

City Attorney Egr stated: "If someone from the City Office could get me a list of those properties we'll address it."

City Council member Hotovy stated: "I think that would be a great idea. I don't think David City should be in property management, our people have better things to do than mow."

City Clerk Kovar stated: "We received a complaint from a citizen who tripped and fell on a sidewalk in David City so I went to the property and took pictures which I have included in the agenda packet. This is a corner lot and the entire sidewalk needs to be replaced. City Code says the sidewalks are to be maintained by the property owner. I will mail them a certified letter instructing them that the sidewalks must be replaced by August 15, 2016 or the City will repair or replace them and file a special assessment against the property at 782 H Street. Is it okay if I mail this and will the City actually put the sidewalk in?"

Mayor Zavodny said: "My thought process is that the City probably doesn't want to actually put the sidewalk in, however we could bid it out for local people to do it and then file the

lien from the City against the property. It needs to be done, you've seen the pictures, it's a hazard to people; someone could really get hurt. Send the letter."

Council member Kroesing asked: "What are you going to do with the Board of Health? Are you going to let it die? Are you going to resurrect it? What are we going to do with the Board of Health?"

Mayor Zavodny stated: "I think we need to consider that as part of the bigger picture if there is a way we can expedite the process."

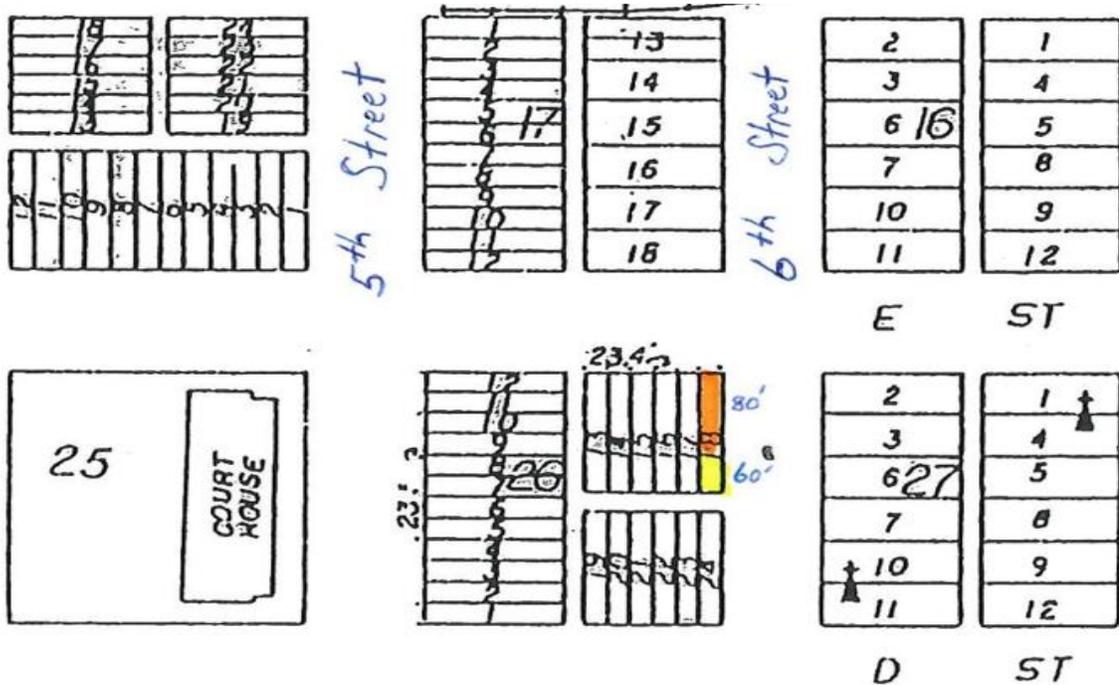
City Attorney Egr stated: "Let me work on what we can come up with for changing the ordinance on that. That may end up meaning that the Board of Zoning dies. We will put something together."

Scott Steager was now present and stated: "You should have our request and attached is a purchase agreement between the County and Brian & Lori Wessling but it's contingent upon obtaining approval from the City of a plat dividing the existing lot (to allow the buyer to purchase the south 60 feet of the lot owned by the seller). We want to tear down the old garage that's setting there and put up a new one for the Senior Center to park their vans in.

Council member Kroesing introduced Resolution No. 9 – 2016 to divide lot Eighteen (18) except the west eight inches (W 8"), Block Twenty-Six (26), Original Town of David City into two lots: 80' x 22'4" and 60' x 22'4" as requested by Butler County. Council member Hotovy seconded the motion. Voting AYE: Council members Kobus, Smith, Kroesing, Rogers, and Hotovy. Voting NAY: None. Council member Vandenberg was absent. The motion carried and Resolution No. 9 – 2016 was passed and adopted as follows:

RESOLUTION NO. 9 - 2016

WHEREAS, J. Brian & Lori Wessling and the County of Butler have submitted a request to divide Lot Eighteen (18) EXCEPT the West Eight Inches (W 8"), Block Twenty-Six (26), Original Town of David City, into two Lots:



1: The North 80' of Lot Eighteen (18) EXCEPT the West Eight Inches (W 8"), Block Twenty-Six (26), Original Town of David City, to be retained by J. Brian Wessling and Lori Wessling, husband and wife, and

2: The South 40' of Lot Eighteen (18) EXCEPT the West Eight Inches (W 8"), Block Twenty-Six (26), Original Town of David City, to be owned by the County of Butler.

WHEREAS, there were no objections expressed concerning the request of J. Brian and Lori Wessling and the County of Butler.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA, that the request of J. Brian & Lori Wessling and the County of Butler to divide Lot Eighteen (18) EXCEPT the West Eight Inches (W 8"), Block Twenty-Six (26), Original Town of David City, into two Lots: 80 x 22.4 and 60 x 22.4, is hereby approved.

Passed and adopted this 13th day of July, 2016.

 Mayor Alan Zavodny

 City Clerk Joan E. Kovar

There being no further business to come before the Council, Council member Kroesing made a motion to adjourn. Council member Rogers seconded the motion. Voting AYE: Council members Hotovy, Kobus, Smith, Rogers, and Kroesing. Voting NAY: None. Council member Vandenberg was absent. The motion carried and Mayor Zavodny declared the meeting adjourned at 9:02 p.m.



CERTIFICATION OF MINUTES
July 13, 2016

I, Joan Kovar, duly qualified and acting City Clerk for the City of David City, Nebraska, do hereby certify with regard to all proceedings of July 13, 2016; 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 Kovar, City Clerk