

**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 **14<sup>th</sup> day of September, 2016**, in the meeting room of the City Office, 557 N 4<sup>th</sup> 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 1<sup>st</sup> day of September, 2016.

**AGENDA AS FOLLOWS:**

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|---|---|
| 1. Roll Call;   | _____<br>Mayor Alan Zavodny                 |
| 2. Pledge of Allegiance;  |   |
| 3. Inform the Public about the location of the Open Meetings Act and the Citizens Participation Rules;  | _____<br>Council President Gary L. Kroesing |
| 4. Minutes of the August 10 <sup>th</sup> , 2016 meeting of the Mayor and City Council;   |   |
| 5. Consideration of Claims;   | _____<br>Council member Michael E. Rogers   |
| 6. Committee and Officer Reports;   |   |
| 7. <u>PUBLIC HEARING</u> : Budget Hearing and Budget Summary for the purpose of hearing support, opposition, criticism, suggestions or observations of taxpayers relating to the proposed budget Fiscal Year 2016 – 2017; | _____<br>Council member Thomas J. Kobus     |
| 8. Consideration of Ordinance No. 1251 adopting the budget statement to be termed the Annual Appropriation Bill to appropriate the budget for the 2016 – 2017 fiscal year;  | _____<br>Council member Kevin N. Hotovy     |
| 9. <u>PUBLIC HEARING</u> to consider setting the final tax request at a different amount than the prior year tax request;   | _____<br>Council member Gary D. Smith       |
| 10. Consideration of Resolution No. 10 – 2016 approving an additional one percent (1%) increase in restricted funds;  | _____<br>Council member John P. Vandenberg  |
| 11. Consideration of Resolution No. 11 – 2016 setting the property tax request;   | _____<br>City Clerk Joan E. Kovar           |

13. Consideration of Resolution No. 12 – 2016 carrying forward the unused budget authority;
14. Consideration of a Service Agreement with GIS Workshop LLC, for the collection of GPS points for street light poles, power poles, transformers, street signs, water hydrants, etc., and post-processing of the GPS data points and creation of GIS data layers and a geodatabase ;
15. Consideration of the Sewer Participation Service Agreement and Permit with Henningsen Foods;
16. Water main project update by Craig Reinsch of Olsson Associates;
17. Consideration of authorizing Mayor Zavodny to sign Change Order No. 1 ?????? concerning the water main improvements and replacement on “N” Street from 2<sup>nd</sup> to 3<sup>rd</sup> Street;
18. Consideration of the sewer collection system Infiltration and inflow study;
19. Consideration of a quote from Olsson Associates to provide water main replacement and improvement designs;
20. Consideration of authorizing the purchase of a PH meter at the left station to provide hourly data for Henningsen Foods billing; **(CHECK WITH KEVIN – \$7,000)**
21. Consideration of the agreement with League Association of Risk Management (LARM) for insurance coverage for the upcoming year;
22. Consideration of
23. Adjourn.

## CITY COUNCIL PROCEEDINGS

September 14, 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 4<sup>th</sup> Street, David City, Nebraska. The Public had been advised of the meeting by publication of notice in The Banner Press on September 8<sup>th</sup>, 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 Alan Zavodny, Council President Gary Kroesing and Council members Tom Kobus, Kevin Hotovy, Gary Smith, Mike Rogers, and John Vandenberg, City Attorney Jim Egr, and City Clerk Joan Kovar.

Also present for the meeting were: Craig Reinsch of Olsson Associates, Geneie Andrews of GIS Workshop, Sheriff Marcus Siebken, Jim Vandenberg, Skip Trowbridge, Janis Cameron, Banner Press Reporter Joseph Bodenbach, Sewer Supervisor Kevin Betzen, Sewer Employee Travis Hays, Park/Auditorium Supervisor Bill Buntgen, and Electric Plant Supervisor Eric Betzen.

The meeting opened with the Pledge of Allegiance.

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

The minutes of the August 10<sup>th</sup>, 2016 meeting of the Mayor and City Council were approved upon a motion by Council member Vandenberg and seconded by Council member Kobus. Voting AYE: Council members Hotovy, Smith, Kroesing, Rogers, Kobus, and Vandenberg. Voting NAY: None. The motion carried.

Mayor Zavodny asked for consideration of claims.

Council member Rogers asked: "Leo A. Daly, how much have we paid him already?"

City Clerk Kovar stated: "I'm going to have to do a print-out on that to see what we have actually paid Leo A. Daly." According to their invoice it states:

Billing Phase Basic Service.....	\$669,500.00
Bidding Process.....	<u>\$16,000.00</u>
Total Fee:	\$685,500.00
Billed to Date.....	<u>\$301,275.00</u>
Outstanding:	\$384,275.00

(NOTE: After researching it was discovered that we had also previously paid Leo A. Daly for professional services through December 5, 2014, for the Downtown Redevelopment, in the amount of \$59,000.00 that is not included in the amounts listed above. So we will end up paying them \$744,500.00)

Council member Rogers stated: "What is the claim to the Butler County Development? Electric System \$5,000, Water \$2,500, and Sewer \$2,500. What is this \$10,000 for? What have they done for us?"

Mayor Zavodny stated: "Well, I sit on that for the City and a couple of other people make it up. That is the Board that was put together with Don Hilger, and Larry McPhillips kind of started that years and years ago. We meet and talk about businesses and work through their requests of locating here; so we meet with them. We share with the County although they are at \$15,000 now because they didn't do last year. We pay for part of the salary for Demi (Bartunek, Executive Director of the Butler County Chamber), part of that's Economic Development, part of it is Foundation, and part of it is Chamber. We have also paid for Blight Studies, etc."

Council member Rogers stated: "Ok, I'm happy."

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

Mayor Zavodny asked for any comments or questions concerning the Committee and Officer Reports.

Council member Rogers asked if the pool was winterized. Park Supervisor Bill Buntgen stated that all of the pipes are drained but they need to put plugs in it yet and take the diving boards out. Bill said he will keep an eye on the heater.

Sheriff Marcus Siebken said he thought the meeting with Mayor Zavodny, Council President Gary Kroesing, and City Clerk Kovar went well and he felt it was an exceptional meeting. The specifics of the contract were discussed and some items were figured out.

Mayor Zavodny asked how the water main break on 5<sup>th</sup> between "G" and "I" happened. Sewer Supervisor Kevin Betzen stated: "It was actually just a corporation but it was easier to put the IRIS alert out as a water main break because we had to shut two blocks down. We marked the stop box and in a normal situation it should go straight to the main a couple feet, but this one didn't, it went and curved and the line followed the main a little ways, and when Obrist, the contractor, was digging up to the service line to expose it so they could start putting new service lines in, he caught the corporation that sticks up from the main with the tooth of the bucket and broke the corporation. It could have happened to anyone the way it was."

Council member Hotovy made a motion to accept the committee and officers reports as presented. Council member Smith seconded the motion. Voting AYE: Council members Kroesing, Rogers, Hotovy, Vandenberg, Kobus, and Smith. Voting NAY: None. The motion carried.

At 7:13 p.m. Mayor Zavodny opened the Public Hearing on the Budget Hearing and Budget Summary for the purpose of hearing support, opposition, criticism, suggestions, or observations of taxpayers relating to the proposed budget fiscal year 2016 – 2017.

Skip Trowbridge stated: "It seems to be fairly loaded with deficits; quickly Zoning \$52,200, Recycling, Pool, Park, Library, Police, Airport is \$125,000 deficit, even the Electric Department which is normally our golden goose. Therefore we are going to need to raise rates and that insidious tax that people pay for their utility bill is going to continue to escalate, and I just have to ask, and water at \$643,000 that's a lot of money in the red." (Note: budgeted revenue \$841,791 less expenses \$1,485,700 = -643,909.00)

Mayor Zavodny stated: "You know how this works, they put in what they think they could have to spend to get the spending authority. What has always happened, every year since I've done this anyway, is we don't spend everything we've budgeted for, and the process we've changed recently is, even though it's in the budget they don't get to go do it, it comes back to the Council, we see where we are at and say "yes" or "no" to things."

Skip stated: "But the message that approving a budget like this sends to the people that work for the City is "go ahead and spend it, it's been approved."

Mayor Zavodny stated: "That's not the message I think it says. What we've tried to do is say: "identify what the needs could be" so we have the spending authority there, so if something

comes up, and every year we get hit with something we don't expect; a drive or a pump goes out on a well and we have to get that fixed. Ever since I started this concerns me, the whole approach, because we don't have enough governmental; our tax support isn't enough to support the governmental activities and then the proprietary subsidizes that and that's not a good formula I don't think, but it's all we've got."

Skip stated: "And I don't see it getting any better, is part of the problem. We're at the legal limit for property taxes, we can't assess any more. We're at the legal limit for sales taxes, we can't assess any more. We now look to our utility departments to fill in general obligations and that doesn't have a lid on it other than what people are able to pay, and I believe we are going to begin sending the message of "this is not a good place to come if you look at utility costs", and if you look at utility costs within similar communities within 100 miles of here, we're not looking as good as we once did."

Mayor Zavodny stated: "We used to be way low on our water rates and those kinds of things years ago. I think the one thing we are trying to do aggressively, and I can speak for the Butler County Development Board on it, is we are trying to increase our tax base. We are talking with several businesses looking to come here. That is the only solution I see of a way to maybe make this not so bad, we have to have more rate payers, we have to have a bigger tax base, the new housing development, those kinds of things. Those are things we need to have otherwise it is falling on the backs of the people that are here, and you're right, we're going to have to raise.....you know if NPPD goes up, then we need to at least match that, but tell me what else we are supposed to do on that? If they go up you have to meet that at least. Those kinds of things are the challenges that we have with these kinds of budgets."

There being no other comments from the public, Mayor Zavodny declared the Public Hearing closed at 7:25 p.m.

Council member Kroesing introduced Ordinance No. 1251 adopting the proposed Budget Statement to be termed the Annual Appropriation Bill to appropriate the budget for the 2016 – 2017 Fiscal Year. Mayor Zavodny read Ordinance No. 1251 by title. 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 Hotovy, Kobus, Kroesing, Rogers, Smith, and Vandenberg. Voting NAY: None. The motion carried.

Council member Smith made a motion to pass and adopt Ordinance No. 1251 on the third and final reading. Council member Vandenberg seconded the motion. Voting AYE: Council members Kobus, Kroesing, Smith, Hotovy, Rogers, and Vandenberg. Voting NAY: None. The motion carried and Ordinance No. 1251 was passed on 3<sup>rd</sup> and final reading as follows:

#### **ORDINANCE NO. 1251**

#### **THE ANNUAL APPROPRIATION BILL**

AN ORDINANCE OF THE CITY OF DAVID CITY, NEBRASKA, ADOPTING THE BUDGET STATEMENT TO BE TERMED THE ANNUAL APPROPRIATION BILL; TO APPROPRIATE SUMS FOR NECESSARY EXPENSES AND LIABILITIES; TO PROVIDE FOR THE REPEAL OF ANY ORDINANCE OR RESOLUTION IN CONFLICT THEREWITH; TO

PROVIDE FOR AN EFFECTIVE DATE THEREOF; AND TO AUTHORIZE PUBLICATION IN PAMPHLET FORM.

WHEREAS, Nebraska Revised Statute 17-706 provides that a city council of the second class shall adopt a budget statement pursuant to the Nebraska Budget Act, to be termed "The Annual Appropriation Bill", in which corporate authorities may appropriate such sums of money as may be deemed necessary to defray all necessary expenses and liabilities of the city.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, BUTLER COUNTY, NEBRASKA, AS FOLLOWS:

SECTION 1. That after complying with all procedures required by law, the budget presented and set forth in the budget statement is hereby approved as the Annual Appropriation Bill for the fiscal year beginning October 1, 2016, through September 30, 2017. All sums of money contained in the budget statement are hereby appropriate for the necessary expenses and liabilities of the City of David City, Nebraska. A copy of all completed State of Nebraska Budget Forms shall be forwarded as provided by law to the Auditor of Public Accounts, State Capital, Lincoln, Nebraska, and to the County Clerk of Butler County, Nebraska, for use by the levying authority.

SECTION 2. That any ordinance or section of any ordinance passed and approved prior to or subsequent to the passage, approval, and publication or posting of this ordinance and in conflict with its provisions, is hereby appealed.

SECTION 3. This ordinance shall be published in pamphlet form and shall take effect and be in full force from and after its passage, approval, and publication or posting as required by law.

PASSED AND APPROVED this 14<sup>th</sup> day of September, 2016.

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Mayor Alan Zavodny

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City Clerk Joan Kovar

Mayor Zavodny opened the Public Hearing at 7:26 p.m. to consider setting the final tax request at a different amount than the prior year tax request.

Skip Trowbridge asked what the total valuation was for the City and he was informed that the total certified valuation was \$131,080,397 and the City can go 45¢ plus 5¢ for the Interlocal agreement, so 50¢. This year the request is approximately \$624,154.75 so .476162.

As there were no other comments Mayor Zavodny closed the Public Hearing at 7:28 p.m.

Council member Kroesing introduced Resolution No. 10 – 2016 approving an additional one percent (1%) increase in restricted funds and moved for its passage and adoption. Council member Kobus seconded the motion. Voting AYE: Council members Hotovy, Vandenberg, Smith, Kroesing, Kobus, and Rogers. Voting NAY: None. The motion carried and Resolution No. 10 - 2016 was passed and adopted as follows:

**RESOLUTION NO. 10 - 2016**

A RESOLUTION OF THE CITY OF DAVID CITY TO APPROVE AN ADDITIONAL ONE PERCENT (1%) INCREASE IN RESTRICTED FUNDS.

WHEREAS, Nebraska Revised Statute 13-519.02 provides that a governmental unit may exceed its restricted funds limit for a fiscal year by up to an additional one percent upon the affirmative vote of at least seventy-five percent of the governing body.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA, that:

1. An additional one percent (1%) increase in restricted funds for the 2016 - 2017 budget is approved.

PASSED AND APPROVED this 14th day of September, 2016.

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Mayor Alan Zavodny

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City Clerk Joan Kovar

Council member Kroesing introduced Resolution No. 11 – 2016 setting the Property Tax Request. Council member Smith seconded the motion. Voting AYE: Council members Vandenberg, Hotovy, Kobus, Rogers, Smith, and Kroesing. Voting NAY: None. The motion carried and Resolution No. 11 - 2016 was passed and adopted as follows:

**RESOLUTION NO. 11 - 2016**

RESOLUTION OF THE CITY OF DAVID CITY  
SETTING THE PROPERTY TAX REQUEST.

WHEREAS, Nebraska Revised Statute 77-1601.02 provides that the property tax request for the prior year shall be the property tax request for the current year for purpose of the levy set by the County Board of Equalization unless the Governing Body of the City of David City passes by a majority vote, resolution of ordinance setting the tax request at a different amount; and,

WHEREAS, a special public hearing was held as required by law to hear and consider comments concerning the property tax request; and,

WHEREAS, it is in the best interest of the City of David City that the property tax request for the current year be a different amount than the property tax request for the prior year.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA, that:

1. The 2016 - 2017 property tax request be set at \$ 624,154.75 .
2. A copy of this resolution be certified and forwarded to the Butler County Clerk prior to September 20, 2016.

PASSED AND APPROVED this 14th day of September, 2016.

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Mayor Alan Zavodny

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City Clerk Joan Kovar

Council member Smith introduced Resolution No. 12 – 2016 carrying forward the unused budget authority. Council member Kroesing seconded the motion. Voting AYE: Council members Hotovy, Vandenberg, Rogers, Kobus, Kroesing, and Smith. Voting NAY: None. The motion carried and Resolution No. 12 - 2016 was passed and adopted as follows:

#### **RESOLUTION NO. 12 - 2016**

##### **A RESOLUTION OF THE CITY OF DAVID CITY TO CARRY FORWARD THE UNUSED BUDGET AUTHORITY**

WHEREAS, Nebraska Revised Statute 13-521 provides that a governmental unit may choose not to increase its total of restricted funds by the full amount by law in a particular year. In such cases, the governmental unit may carry forward to future budget years the amount of unused restricted funds authority.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA, that:

1. The unused budget authority of \$ 1,915,473.27 from the 2015 - 2016 budget shall be carried forward to the 2016 - 2017 budget of the City of David City, Nebraska.

PASSED AND APPROVED this 14th day of September, 2016.

\_\_\_\_\_  
 Mayor Alan Zavodny

ATTEST:

\_\_\_\_\_  
 City Clerk Joan Kovar

Council member Hotovy made a motion to approve the service agreement with GIS Workshop LLC for the collection of GPS points for street light poles, power poles, transformers, street signs, water hydrants, etc., and post processing of the GPS Data Points and creation of GIS Data Layers and a Geodatabase in the amount of \$24,450. Council member Kobus seconded the motion. Voting AYE: Council members Smith, Kroesing, Vandenberg, Rogers, Hotovy, and Kobus. Voting NAY: None. The motion carried.

Set-up Deliverables	Cost
City WebGIS Site Development & SimpleSigns Set-up	\$11,850
First Year of City WebGIS Subscription	\$ included
First Year of SimpleSigns Maintenance & Support	\$ included
Web-based Training	\$ included
Editing Tool	\$600
<b>Total Set-up Cost*</b>	<b>\$12,450</b>

**Task 1: Data Collection of Feature Types in 0395-003 SOW** **\$12,000**

**Post-processing and Data Delivery** **\$included**

**Total Costs for above listed Services** **\$12,000\***

\* The first payment, equal to 25% of the total initial costs, will be due upon contract signing—GISW does not begin the project until this deposit is received. The remaining 75% of the total amount will be invoiced upon deliverable completion. Any additional change orders will be billed on an individual schedule at the sole discretion of GISW.

Council member Kobus made a motion to authorize the purchase of a flow meter with a PH Probe, estimated at \$7,000 including installation and start-up, at the Lift Station to provide hourly data. Council member Smith seconded the motion. Voting AYE: Council members Hotovy, Vandenberg, Rogers, Kroesing, Smith, and Kobus. Voting NAY: None. The motion carried.

Craig Reinsch of Olsson Associates was present and stated: “The original sewer participation service agreement was written a little bit before the wastewater plant went on line about in 1996 so it had a termination clause of September 30, 2016, so as part of our normal annual rate review with Henningsen Foods we made some recommended changes and some updates and presented those to Henningsen Foods for their consideration. That was done mid to late August. (8/24/16: met with Jesus Lopez, Manufacturing and Gary Lorimor) The 17 – 18 page agreement gives you the authority to set the limits and levy an annual rate. It also gives the City the authority to monitor any surcharges or incident charges that are outside of those limits. The biggest change this time was adding an incident charge for PH. We have been watching the PH over the last two years, and I believe 5 out of the 6 months that we’ve taken samplings they’ve been outside of their limits. Like Kevin said, there’s a limit that they need to be between, a certain PH on the high and low end when they leave the process and they can’t raise the PH above 8.5 at the lift station, and so they have been out of compliance with that and so we wanted to add an incident charge there. So we went through and added that incident charge, per day, so let’s say that over one month’s time they were out of compliance at the plant and at the pump station, you’ve essentially paid for your PH meter in one month with those surcharges.”

Mayor Zavodny asked: “Does Henningsen have anyone in house that is trying to monitor and figure out what they are putting out?”

Craig Reinsch stated: “They have a PH adjustment system in their process but it hasn’t.....they can see the same things that the City can see and for whatever reason they haven’t really been adjusting it, so by adding this surcharge or this penalty for being out of compliance, hopefully they’ll do what it takes to get it taken care of. The one change that was proposed was to drop the service agreement to a ten year from a twenty year so we have more time to review and make some adjustments, and so when we left the meeting we felt like Henningsen would sign. They did remove some of the language that referred to the construction of the new plant and replaced it with ongoing. Then they called a meeting on August 31<sup>st</sup> with the president of the company and I think the chief operations officer. (James Harshman, President - Henningsen Foods, Inc., and Terry Tanaka, Sr. VP Operations). They all came and they just wanted to be educated on this process since they haven’t gone through it in twenty years; the person that signed the original agreement wasn’t around anymore. We gave them the same time frame, we wanted this by September 9<sup>th</sup>, so that it could be considered tonight at the council meeting so that it doesn’t lapse, and they said “Oh, well that’s not enough time”. So, they basically want to take more time to review. I originally said “no, let’s get it signed”, but they pushed back and started calling the Mayor, so, before you we have a request to grant them a waiver until the next council meeting in October.” (Note: Another meeting with Henningsen Foods Inc. is scheduled for Friday, September 23<sup>rd</sup> at 2:00 p.m.)

Council member Hotovy made a motion to authorize Mayor Zavodny to sign a Sewer Participation Service Agreement and Permit Extension. Council member Rogers seconded the motion. Voting AYE: Council members Kobus, Smith, Kroesing, Vandenberg, Rogers, and Hotovy. Voting NAY: None. The motion carried.



Sewer Participation Service Agreement and Permit Extension

The City of David City and Henningsen Foods, Inc. hereby agree this 14 day of September, 2016 to extend the existing Sewer Participation Service Agreement and Permit, dated March 13, 1997 until October 15, 2016 pending consideration and signature of a new contract signed by both parties at the City's regularly scheduled October 12, 2016 City Council meeting.

City of David City

  
City Council Representative

Henningsen Foods, Inc.

  
James Harshman  
President

Craig Reinsch stated: "The contractual completion date for the Water Main Project is November 15<sup>th</sup> which means all services must be hooked up. If you recall there are five (5) portions of the project in different parts of the town. Three (3) of those have passed the Nebraska Department of Health & Human Services (DHHS) microbiological test results showing the absence of coliform bacteria, so the request for placement of those three (3) completed portions of the water mains into service has been granted. Fortunately or unfortunately on those lines there really aren't very many services associated with that so I think they have been going through and getting those hooked up. I received an e-mail late today that led me to believe that I have the remaining two (2). I have to look at those tomorrow. If that's the case, then I'll get my letter out tomorrow, the State has been very good about a quick turn around and placement into service status which means those water mains can be turned on and services can be hooked on, which means we effectively have two more months to get all the rest of the services hooked on. So, barring any unforeseen circumstances, it appears they should be able to meet the contractual completion dates but I will confirm with the contractor that they aren't having any issues."

Craig Reinsch continued: "On the maps that we were looking at it appeared that we had an 8" main to hook into by 2<sup>nd</sup> and "N" Street and that was found not to be the case, so instead of hooking onto a 4" main we figured we would chase it for another half a block and hook onto

the 8" and then have that portion of the main removed, so that Change Order No. 1 is essentially done using unit prices that we already have."

<b>MOLSSON</b> ASSOCIATES		<b>Change Order</b>	
		<b>No. 1</b>	
Date of Notice to Proceed <u>June 8, 2016</u>		Date: <u>August 16, 2015</u>	
Project: Water Main Improvement and Replacement, David City, Nebraska		Owner: City of David City, PO Box 191, 557 4 <sup>th</sup> Street, David City, Nebraska 68632-0191	
Contract: Bid Sections 1 and 2		Date of Contract: June 8, 2016	
Contractor: Obrist and Company, Inc., 5020 Howard Blvd, Columbus, Nebraska 68601		Engineer's Project No.: 015-3415	
<b>The Contract Documents are modified as follows upon execution of this Change Order:</b>			
Description: Based on results of field verification of the existing 8" water main on N Street between 2 <sup>nd</sup> and 3 <sup>rd</sup> Street, it was determined that the existing water main sizes shown on the existing City maps were not accurate in this location. The existing 2" shown on 2 <sup>nd</sup> Street is actually a 4" that then extends approx. 1/2 block to the east. This change order amends the work on N Street to replace the 4" main to the connection with the existing 8" water main. The revised price was determined using the unit price provisions of the contract. Modified quantities and the associated price extension are identified on the attached spreadsheet. Final quantities used during construction will be addressed at the end of the project, via change order.			
			ADD \$8,990.00
			<b>TOTAL ADD \$8,990.00</b>

Council member Hotovy made a motion to authorize Mayor Zavodny to sign Change Order No. 1 in the amount of \$8,990.00 concerning the water main improvements and replacement on "N" Street from 2<sup>nd</sup> to the alley between 2<sup>nd</sup> and 3<sup>rd</sup> Streets. Council member Vandenberg seconded the motion. Voting AYE: Council members Smith, Kroesing, Rogers, Kobus, Hotovy, and Vandenberg. Voting NAY: None. The motion carried.

Craig Reinsch presented the results of the sanitary sewer study in a bound compilation entitled: Sanitary Sewer Study, Prepared for City of David City, Nebraska, OA Project No. 016-0614, dated September 2016, to each the Mayor, Council members, Kevin Betzen, and City Clerk Kovar. Craig also provided the following fact sheet. Craig stated: "This report was put together to basically try to quantify the issues that are there. We reviewed the system from basically March thru July. We first did smoke testing of the entire wastewater collection system, and then flow metering at five locations. From those results we said we are seeing a lot of infiltration and inflow, we've caught something with the flow meters, we need to go and chase it down and get some video inspections and really see what's going on. We caught 15 days where flows were over 2 million gallons per day and there were 9 days with flows over 3.0 MGD. We got a lot of rain this year and you can see these jumps around mid-April but the flows never really went back down to that base rate until early to mid-June, so that means that the water just kept coming. So this identifies and quantifies that you have infiltration into the sanitary sewer. They went through each of these runs, they cleaned them out and they took an inventory of what the deficiencies were. The deficiencies range from roots, to broken pipes, to broken laterals, to infiltration, to cracks in the pipe. A majority of this is Vitrified Clay Pipe (VCP) that lasts for a long time, is very resilient to lots of things, but it cracks. It is very susceptible to cracking, root penetration, infiltration and inflow, and joint leakage as it ages. They also looked at manholes, found some missing manholes, found broken lampholes (4" little pipes going straight down to the sewer acting like a clean out), manholes insufficiently sealed, located within a drainage way or in a low spot, or had signs of previous leakage. So, going through and quantifying all of the things that they found, what I did is I put together this figure that shows

basically what the recommendation is. We can either, dig everything up and replace it, or they have trenchless technologies that basically allows you to run from manhole to manhole and have a resin impregnated material that creates a new pipe on the inside that is much more cost effective than digging things up. There are portions that will need to be dug up; there are pipes, and there are pictures of this, pipes where the top is gone; and again there aren't a lot of these but there are some places. There are places where the pipe is broken, there are places where there is water streaming in, you know, pencil sized streams. So we were able to find those, some potential sump pump connections, we were able to identify a lot of these locations. So, we are looking at, some of the portions had a lot of cracks that will have to be sliplined in their entirety, others basically they have a 6' patch, they can run in and patch certain areas, and so that plus manhole repairs are documented on Figure 4. So on this map I am showing 12, they told me 16, and so basically to pull this material through for the sliplining portions, those lampholes will need to be replaced with an actual manhole so that they can operate. We put together a dollar figure, again this quantifies the problem and gives you a chance to take a look at that; it will reduce wear and tear on your system. The reduction of infiltration and inflow (I+I) will allow you to utilize the collection system for housing developments and other things that come on line. I put together two options for preliminary costs for infiltration and inflow improvements, one (Table 4) would be sliplining everything, which you don't need to do but it at least gives you an idea of where they are; they did video inspect over 32,000 feet of pipe and were here for at least 3 weeks, so they did a lot of cleaning and a lot of identification. Table 5 shows the areas to be lined, some point repairs, those are the 6' sections, grouting manhole interiors, digging up laterals, digging up pipe, manhole replacements, things of that nature, so that gets you to just shy of \$1.3 million. That's essentially going after the entire town north of "F" Street as well. So, in a manner similar to how we have done the water main replacement, or attacking water main replacements, this gives you a way to identify where to start and some stretches that can be taken care of. One of the questions was about available funding and right now the City's MHI (Median Household Income) is below the State's MHI. The SRF uses a category called the AWIN score. David City has a score of 5 which puts you in a low risk category." *(Note: The Assessing Wastewater Facility Needs (AWIN) Sustainability Model is a probability model that evaluates a Nebraska Community's "sustainability risk". The model determines the ability to pay for infrastructure needs in the future by analyzing the community's population trends, economic status, and resources. A score of 0 – 10 = Low Risk. The Community is likely to have sustainable growth.)* "We are getting to the time of year where the need survey's will come out. You have a study, if you choose to see what funding options are available through the Clean Water State Revolving Fund you could put together an application, submit it to the Water/ Wastewater Advisory Committee which would put this project into consideration for the next intended use plan which is done in July of next year, and you can see if the City would qualify for funding. This is a funding option that could potentially include up to 35% loan forgiveness or small town grant, but it works better if you bite off the whole project. This is what we found, this is the cost to repair, some communities go through and budget a certain amount per year to slipline and you could do a multi-year approach. If the Council approves you to look into this option, and you put together the pre-application which doesn't commit you until that loan is signed, then that could be an option as well."

# Sanitary Sewer Study – Fact Sheet for David City, Nebraska – September 2016

## Report Findings

- Completed review of wastewater treatment influent flows for 2015 and 2016.

**Table 1: Wastewater Treatment Influent Flow Summary**

Parameter	Value
Overall Average Daily Flow	0.716 MGD
Overall Peak Daily Flow (95% Confidence)	1.69 MGD
Maximum Historical Daily Flow (Several in April/May 2016)	3.69 MGD
Historical Maximum Month (May 2016)	64.2 MG

The historical maximum month shows an average daily flow of 2.14 MGD. For comparison purposes the design flows for the current treatment facility, from the facility's operation and maintenance manual, are:

- Average peak month: 0.91 MGD
- Average annual peak day: 2.0 MGD

From April 8 to July 20, 2016, there were 15 days with flows over 2.0 MGD, and of those observed, there were nine days with flows over 3.0 MGD.

- Conducted smoke testing of entire wastewater collection system in March 2016.
- Flow metering conducted at 5 separate locations from April 8 to July 20, 2016.
- Large, consecutive rainfall events occurred April 18 thru 21 (2.5 inches), April 27 thru May 2 (6.25 inches), May 9 thru 11 (5.0 inches), May 24 thru 27 (1.6 inches), and June 29 thru July 7 (3.85 inches). These 5 events account for over 90% (21.0 inches) of the rainfall during the study period.
- Results of smoke testing and flow metering resulted in recommendation to conduct CCTV inspection for infiltration and inflow (I/I) north of railroad tracks (F Street). Inspection resulted in identifying many different infiltration and inflow issues, including cracked or broken pipes, broken laterals (services), sag or belly in the pipe, active infiltration from pipes, manholes, or services, inflow, root penetration, broken lamp holes, and broken or deteriorating manholes or lamp holes.

## Suggested Improvements

- Recommended improvements include slip-lining and point repairs, manhole patching, excavation and repair of broken pipes and service laterals, lamp hole removal and replacement with a new manhole, and other ancillary repairs to the collection system.

## Benefits to the Community

- Addressing the I/I will reduce wear and tear on the City's wastewater treatment facility. It will also improve the City's ability to treat wastewater and be in compliant with the discharge permit.
- A reduction in I/I will allow for expansion of the existing collection system for additional residential or industrial uses.

## Available Funding and Action Items

- Due to the City's median household income (MHI) of \$44,444 (2014) as compared to the State MHI of \$52,400, grants and other funding sources are not an option. Low interest loans through NDEQ are available, if desired. AWIN score is 5, which is in the "high risk" category.
- It is recommended that this project be added to the City's CWSRF needs survey, to be completed in December 2016. May have a better shot at potential loan forgiveness or small-town grants going this route, possibly up to 35-percent could be eligible. Not listed in current Intended Use Plan (IUP). Being in the IUP (published in July 2017) may help them be eligible for additional grant possibility. If funding consideration is desired, a WWAC pre-application should be prepared and submitted.

**Table 4: Preliminary Opinion of Costs for I/I Improvements – Complete Sliplining**

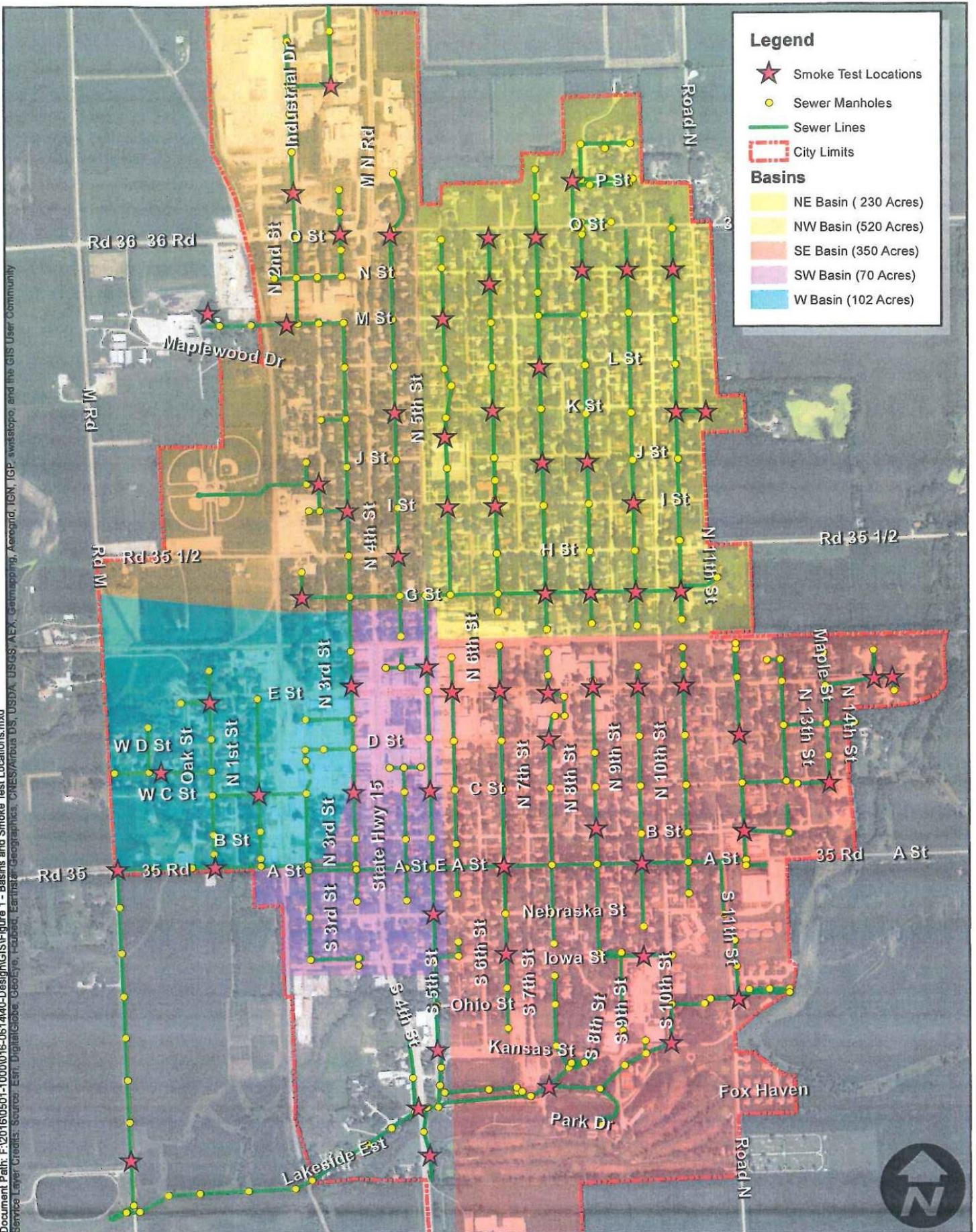
ITEM	COST
Mobilization	\$4,500
8" CIPP Lining (≈26,515 LF)	\$795,500
10" CIPP Lining (≈2,145 LF)	\$73,000
12" CIPP Lining (≈4,015 LF)	\$153,000
Service Reinstates with Lining (542 each)	\$95,000
Grout Manhole Interior	\$26,000
Manhole Replacement	\$96,000
Lamphole Demolition and Removal	\$16,000
Excavate and Repair Lateral	\$65,000
Excavate and Repair Pipe	\$165,000
<b>Total Construction Costs</b>	
	<b>\$1,489,000</b>
	Contingency – 20%
	\$298,000
	Overhead, Legal, Fiscal, Engineering
	\$268,000
	<b>Total Project Cost</b>
	<b>\$2,055,000</b>
	Annual Cost (20 Years, 3.0%, A/P)
	<b>\$138,096</b>

**Table 5: Preliminary Opinion of Costs for I/I Improvements**

ITEM	COST
Mobilization	\$6,000
8" CIPP Lining (≈9,585 LF)	\$287,500
10" CIPP Lining (≈1,765 LF)	\$60,000
12" CIPP Lining (≈50 LF)	\$2,000
Service Reinstates with Lining (231 each)	\$40,000
8" CIPP Liner Point Repair	\$107,000
10" CIPP Liner Point Repair	\$16,000
12" CIPP Liner Point Repair	\$18,000
Service Reinstates with Point Repair (231 each)	\$26,000
Grout Manhole Interior	\$26,000
Manhole Replacement	\$96,000
Lamphole Demolition and Removal	\$16,000
Excavate and Repair Lateral	\$65,000
Excavate and Repair Pipe	\$165,000
<b>Total Construction Costs</b>	
	<b>\$930,500</b>
	Contingency – 20%
	\$186,000
	Overhead, Legal, Fiscal, Engineering
	\$167,000
	<b>Total Project Cost</b>
	<b>\$1,283,500</b>
	Annual Cost (20 Years, 3.0%, A/P)
	<b>\$86,251</b>

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 Services Layer Credits: Source: Esri, DigitalGlobe, GeoEye, Hazbop, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community



**Legend**

- ★ Smoke Test Locations
- Sewer Manholes
- Sewer Lines
- ▭ City Limits

**Basins**

- NE Basin (230 Acres)
- NW Basin (520 Acres)
- SE Basin (350 Acres)
- SW Basin (70 Acres)
- W Basin (102 Acres)

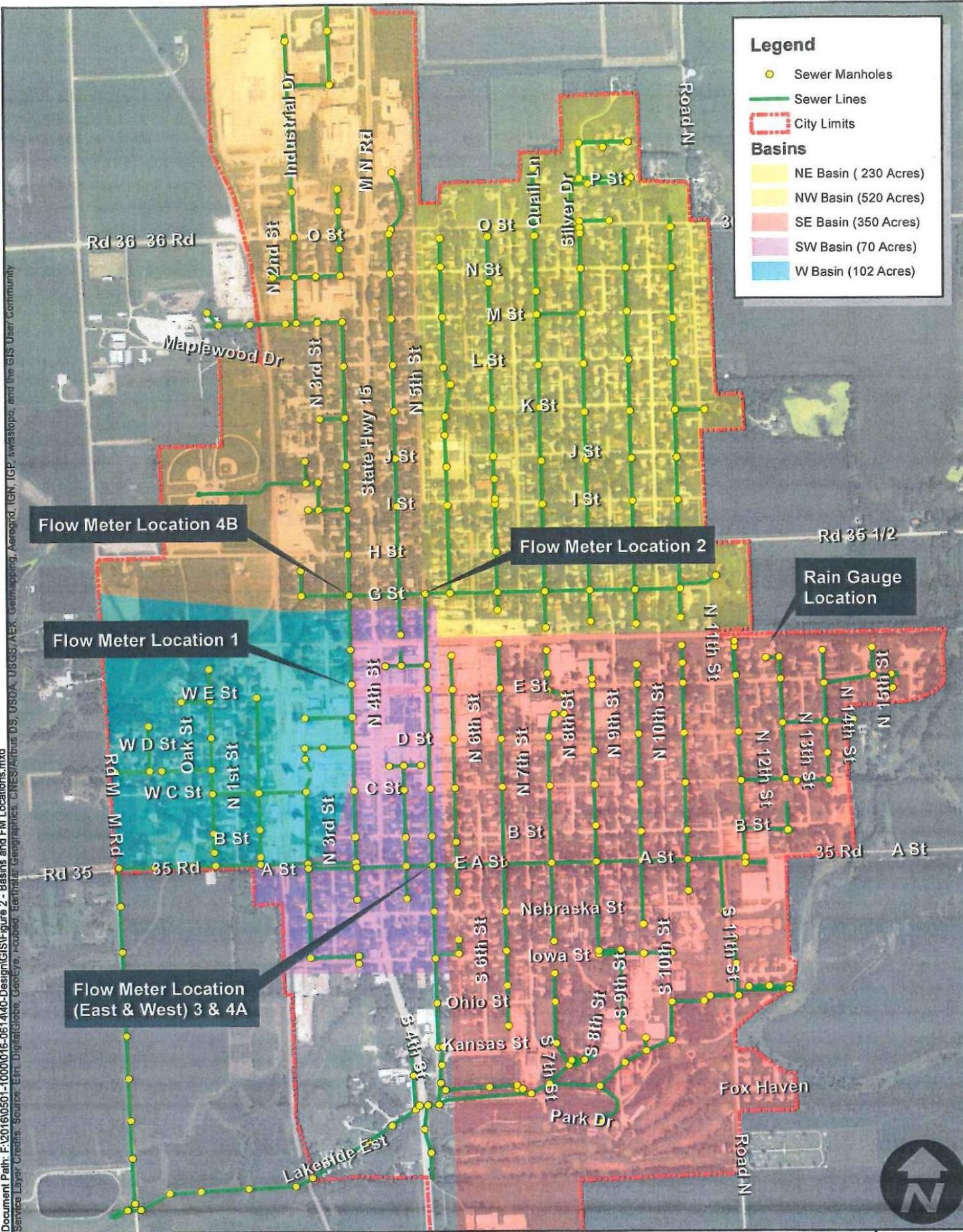
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**Legend**

- Sewer Manholes
- Sewer Lines
- City Limits

**Basins**

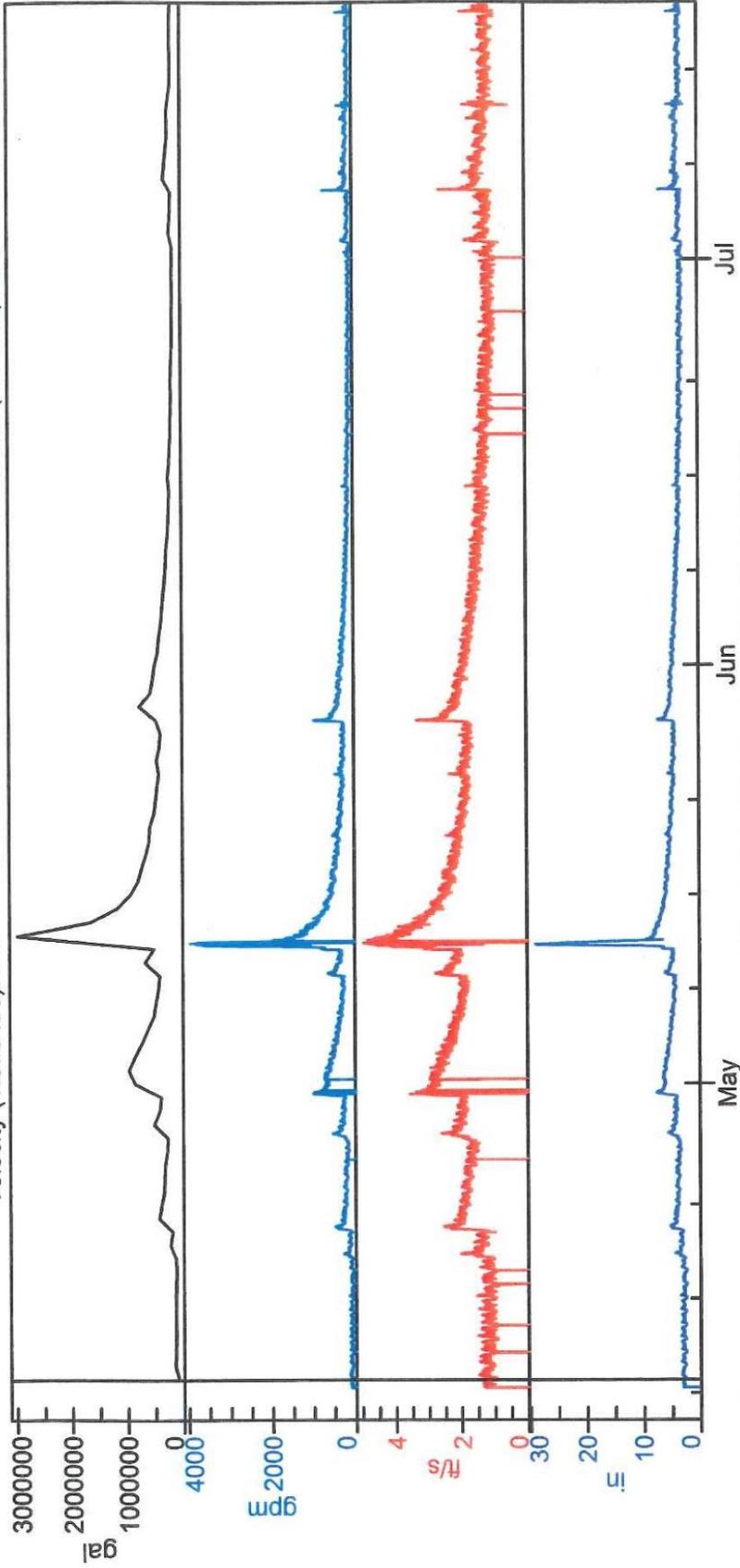
- NE Basin (230 Acres)
- NW Basin (520 Acres)
- SE Basin (350 Acres)
- SW Basin (70 Acres)
- W Basin (102 Acres)



# MH20-79

Flowlink 5

Total Flow (38795600 gal): 86004.93  
Flow Rate (38827400 gal): 84.37  
Velocity (1.673 ft/s): 1.11  
Level (4.097 in): 2.74



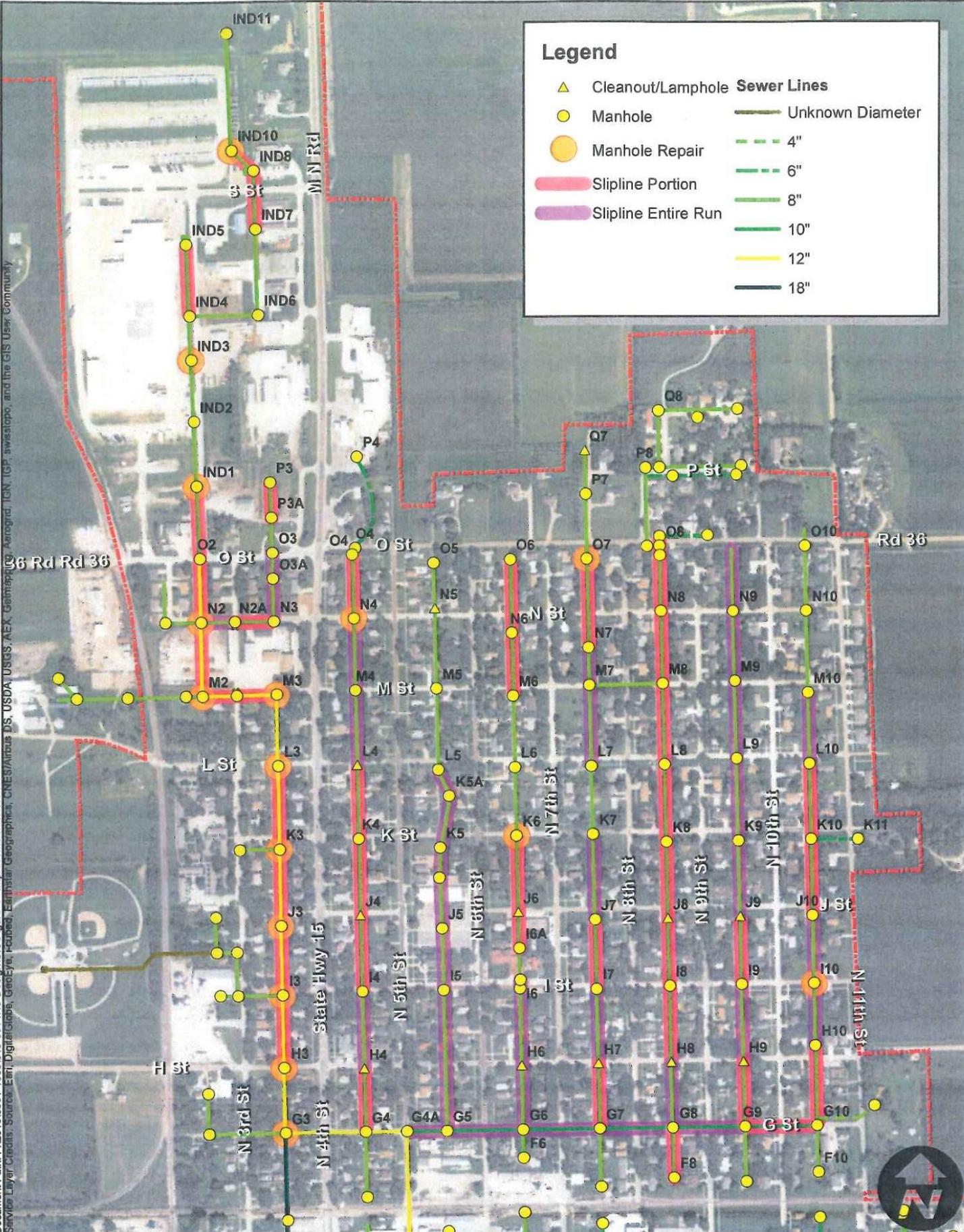
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Service Layer Credits: Source: Esri, DigitalGlobe, GeoEye, Earthstar/Airbus DS, USDA, USGS, AEX, Getmapping, Aergrid, IGN, TGP, swisstopo, and the GIS User Community

### Legend

▲ Cleanout/Lamphole	<b>Sewer Lines</b>
● Manhole	— Unknown Diameter
● Manhole Repair	- - - 4"
— Slipline Portion	- - - 6"
— Slipline Entire Run	— 8"
	— 10"
	— 12"
	— 18"



**A. City Ordinance Evaluation and Enforcement****1. Damaged or Leaking Service Lines**

The results of the CCTV inspections show that there are several properties which may have damaged or leaking service lines. A detailed list of observations from the smoke tests can be found in Appendix "A". If the City currently has an ordinance requiring a property owner to make repairs to damaged service lines, a letter could be sent to the property owner requiring them to make such repairs. If no such ordinance exists, the City would need to pass the necessary ordinance prior to sending a letter to the property owner.

In the case of broken service lines or laterals, as well as infiltration at laterals, the repair should include digging up the service and addressing the pipe deficiency at each location.

**2. Gutters, Outdoor Drains, or Sump Pumps Connected to Sanitary Sewer System**

During smoke testing, no direct evidence of sump pumps, outdoor drains, or gutters being connected to the sanitary sewer system was found. There were properties located during the CCTV investigation where this is most likely the case. If the City currently has an ordinance prohibiting gutters, outdoor drains, and sump pump discharges from being connected to the sanitary sewer system, a letter should be sent to the owners of properties found to be in violation, requiring that the necessary corrections be made. If no such ordinance exists, the City would need to pass the necessary ordinance prior to sending letters to the property owner.

**B. Manholes Susceptible to Inflow**

During smoke testing and CCTV inspection, several manholes were discovered that appear to be susceptible to inflow, either because they were observed to be damaged, insufficiently sealed, located within a drainage way or in a low spot, or had signs of previous leakage. The primary evidence for manholes susceptible to inflow was smoke observed coming up from the ground around the manholes during smoke testing, or CCTV observations. These locations are identified in Appendix "A".

There are a few options for sealing the manholes: sealing the ring/cover, and adjusting rings, grouting joints, injecting sealant into joints, sealing the entire interior of the manhole, and disassembling and reassembling the manhole with mastic in the joints. Based on experience with the cost and effectiveness of each of these approaches, Olsson recommends that the manholes be disassembled and reassembled with mastic installed at the joints. The approximate cost of this work is \$2,000 per manhole. If the City wishes to grout or seal the interior of the manhole, the pricing is \$120 per vertical foot of manhole, which is discussed in additional detail below.

**C. Sanitary Sewer Mains with Potentially High Infiltration**

Smoke testing and CCTV inspection revealed some areas where sewer mains are allowing inflow. Most of the sewer pipe in the City is VCP, which is historically subject to joint and crack infiltration as it ages. Sources of inflow along a sewer main include cracked pipes, leaking joints, broken pipes or laterals, and other similar observations.

Cracked pipes and joint infiltration can be corrected by sliplining, for the most part. Sliplining, also called Cured-In-Place Pipe (CIPP), is a process where a composite pipe material, including a fiberglass material and resin is inserted into the pipe to be repaired. A tube is inflated within the pipe to match the profile of the existing pipe. A heat source of either steam or hot water is used to cure the resin. The pipe is then sealed at both ends and returned to service. Service connections are cut out using a robot/camera and restored to service.

Sliplining the pipe is an effective remedy to seal joints with minimal or no excavation. It effectively seals the pipe and provides a barrier for roots continuing to enter the system. Hydrophilic O-rings need to be provided at each end of the sliplining to keep the infiltration from traveling along the lining material and continuing to enter the system. Sliplining can be done for either an entire pipe length, or individual patches that are 6 feet in length. The locations calling out patches or sliplining the entire length are provided in Figure 4. Additional information on sliplining is provided in the Appendices.

Broken pipes should be repaired by digging up the service and repairing the pipe connection, since sliplining doesn't effectively seal these areas. Areas with clean-outs or lampholes in lieu of manholes would need to have manholes installed to facilitate installation. In addition, several broken areas or crushed or offset pipe will need to be repaired as this will affect the ability to insert and properly install the liner. There are some locations where portions (i.e., top/sides) of the pipe are gone.

**LETTER AGREEMENT  
FOR PROFESSIONAL SERVICES**

September 1, 2016

City of David City  
Attn: Ms. Joan Kovar  
557 North 4<sup>th</sup> Street  
David City, Nebraska 68632

Re: **AGREEMENT FOR PROFESSIONAL SERVICES**  
Water Main Improvement and Replacement – 2017 (the "Project")  
David City, Nebraska

Dear Ms. Kovar:

It is our understanding that the City of David City, Nebraska ("Client") requests Olsson Associates, Inc. ("Olsson") to perform the services described herein pursuant to the terms of this Letter Agreement for Professional Services, Olsson's General Provisions and any exhibits attached hereto (all documents constitute and are referred to herein as the "Agreement") for the Project.

Olsson has acquainted itself with the information provided by Client relative to the Project and based upon such information offers to provide the services described below for the Project. Client warrants that it is either the legal owner of the property to be improved by this Project or that Client is acting as the duly authorized agent of the legal owner of such property. Client acknowledges that it has reviewed the General Provisions and any exhibits attached hereto, which are expressly made a part of and incorporated into the Agreement by this reference. In the event of any conflict or inconsistency between this Letter Agreement, and the General Provisions regarding the services to be performed by Olsson, the terms of the General Provisions shall take precedence. Olsson shall provide the following services to Client ("Scope of Services") for the Project:

**DESIGN SERVICES**

➤ The project is anticipated to include a water main utility replacement and improvement design, construction administration and observation at the following locations within David City, Nebraska:

1. C Street from 3<sup>rd</sup> to 4<sup>th</sup> Streets, connecting to the end of the proposed downtown improvement water main.
2. 3<sup>rd</sup> Street from C to Iowa Streets
3. Iowa Street from 2<sup>nd</sup> to 7<sup>th</sup> Streets
4. A loop from the ball fields on H Street/35 ½ Road to just north of the railroad tracks on M Road.
5. Total water main to be replaced is approximately 13 blocks.

Final locations will need to be confirmed as part of the project design and results of topographical survey. View the updated Exhibit 1 for the proposed areas.

- Project Initiation and Administration Services, including a project initiation meeting will be conducted with all parties involved to review the project site, identify specific goals, establish schedule for completion, and coordinate with Client's representative for the project. Olsson shall attend one design review meeting with City staff at the 90-percent design level for each project location. General administrative services to manage and support the design of the project will also be provided.
- Topographic survey data will include all necessary field and property surveys required for design and construction of the water utility replacement. This will also provide vertical and horizontal control points. It is anticipated that the water utility replacement will occur within the City's existing ROW, and no easements will be necessary. If additional easements are required for the project, this service can be provided, but will be considered an additional service.
- Prepare detailed drawings and technical specifications for the proposed construction work and for all equipment and materials required under the contract. The documents will be prepared for construction by a private contractor selected by the Client as part of a competitive bidding process. The specifications shall contain contracts, bid forms, bidding instructions, General and Supplementary Conditions. A combined set of plans and specifications will be prepared for all proposed utility replacement locations.
- Provide three (3) sets of drawings and specifications to the Client for review at 90 percent, for each project location. As part of the review of each submittal, meet with Client or Client's designee to discuss their review comments and resolve any questions.
- Perform an "in-house" quality control review of each set of drawings and specifications at 90 percent completion.
- Opinion of Probable Construction Costs - Prepare an opinion of probable construction costs for the project work for utility replacement locations.
- Submit the water main utility replacement project documents to the Nebraska Department of Health and Human Services (NDHHS) and Incorporate Review Comments - Olsson will coordinate the project with NDHHS, and submit the project plans and specifications as required for approval and issuance of a construction permit. Permit review fees shall be the responsibility of the Client.
- Provide three (3) sets of final plans and specifications to the Client for their use.

#### **BIDDING PHASE SERVICES**

- The Project Engineer will coordinate the issuance of notices to bidders and the distribution of bidding documents. Notices will be placed in the official publications directed by the City, and in bidding services known to provide data to contractors in the area. In addition, invitations will be mailed directly to contractors whom the project team and/or the City staff know will be interested in the project. Documents will be available for inspection at Olsson offices.
- The Project Engineer will coordinate answering questions raised by bidders. Specialists will be used to address technical questions. Addenda will be prepared, as required, to provide clarification to questions. The City will be contacted regularly to keep them aware of any project changes resulting from bidders' questions.

- The Project Manager and/or Project Engineer will attend the bid opening. All bids properly received will be reviewed. Any inconsistencies or irregularities found in the bids will be reported to the City. In addition, the Project Manager and/or Project Engineer will attend the following City Council meeting to present the bid results to the City Council for consideration of recommending the award.
- Conformed copies of the contract documents, including all insurance and bond forms, will be prepared by the Project Engineer. The Project Manager will review the documents to confirm that all procedures have been properly followed. Copies of the conformed documents will be provided to the City for review. Approved copies will be distributed to the City, the Contractor, regulatory agencies, and Olsson. These documents form the official contract between the City and the Contractor, as well as the basis for decisions concerning the work.

### **CONSTRUCTION ADMINISTRATION SERVICES**

- Perform construction administrative services including communication with the Contractor and City personnel, attendance at the pre-construction meeting, as well as up to four (4) site visits to verify construction activities, review of the Contractor's pay applications, shop drawing or submittal review (as defined below), respond to field questions from the City and/or Contractor, and other items requested by the City during construction, within the budget amount stated for construction administration.
- Perform construction staking services for the Client based on the plans prepared by Olsson. Fees are based on two (2) round trips to the job site.
- Shop Drawing Submittal Review – Review drawings and other data submitted by the Contractor as required by the construction contract documents. Olsson's review shall be for general conformity to the construction contract drawings and specifications for the Contract and shall not relieve the Contractor of any of his contractual responsibilities. Such reviews shall not extend to means, methods, techniques, sequences, or procedures of construction or to safety precautions and programs incident thereto.
- Substantial and Final Completion Inspections – Upon the Contractor completing substantial and final completion, inspection of the construction work and preparation of a tentative list of the items to be completed or corrected before final completion of the contract. Following substantial completion, conduct a final inspection to determine if the work is completed. A total of two (2) additional site visits will be made, than previously referenced Olsson shall provide written recommendations concerning final payment to Client, including a list of items, if any, to be completed prior to making such payment. This item includes a site visit to review the completed items.

### **CONSTRUCTION OBSERVATION**

Olsson will furnish a part-time Resident Project Representative (RPR), at approximately 2-3 full days per week, for an anticipated construction schedule of 12-14 weeks. The RPR will observe the Contractor's work and perform the services listed below. The RPR shall not have the responsibility for the superintendence of construction site conditions, safety, safe practices or unsafe practices or conditions, operation, equipment, or personnel other than employees of Olsson. This service shall in no way relieve the Contractor of complete supervision of the work or the Contractor's obligation for complete compliance with the drawings and specifications. The Contractor shall have sole responsibility for safety and for maintaining safe practices and avoiding unsafe practices or conditions.

Specific services performed by the RPR are as follows:

- Conduct on-site observations of the general progress of the work to assist Project Manager in determining if the work is proceeding in accordance with the construction contract documents.
- Attend pre-construction conference and assist Project Manager in explaining administrative procedures which will be followed during construction.
- Submit to the Client construction progress reports containing a summary of the Contractor's progress, general conditions of the work, problems, and resolutions or proposed resolutions of problems.
- Verify that all construction testing conforms to the contract documents.
- Maintain a marked set of record drawings and specifications at the job site based on data provided by the Contractor. This information will be combined with information maintained by the Contractor and a master set of record documents produced.
- Before Olsson issues a Certificate of Substantial Completion, assist the Project Manager in submitting to the Contractor a punch list of observed items requiring completion or correction.
- Assist the Project Manager in conducting final inspection in the company of the Client and the Contractor, and prepare a final list of items to be completed or corrected.
- Compile data from the Contractor and from our records to prepare conforms-to-construction-records drawings. These drawings will reflect the best information available about the facility as constructed.
- Conduct a warranty inspection at eleven months after completion of the project. The Project Manager will attend the inspection to review the project with the Client. Minutes will be developed from the inspection to confirm actions and schedules for corrections should any deficiencies be found.

#### **ADDITIONAL AND EXCLUDED SERVICES**

- Exclusions:
  - Survey, research, and associated services for new easements.
  - The items described in the Exclusions section may be provided as additional services to the Client, if so requested.
- Additional Services: Should Client request work in addition to the Scope of Services (Optional Additional Services), Olsson shall invoice Client for such 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 agrees to provide all of its services in a timely, competent and professional manner, in accordance with applicable standards of care, for projects of similar geographic location, quality and scope.

## SCHEDULE FOR OLSSON'S SERVICES

Unless otherwise agreed, Olsson would expect to begin performing its services under the Agreement promptly upon your signing.

Anticipated Start Date: October 1, 2016  
Anticipated Completion Date: September 30, 2017

Olsson will endeavor to start its services on the Anticipated Start Date and to complete its services on the Anticipated Completion Date. However, the Anticipated Start Date, the Anticipated Completion Date, and any milestone dates are approximate only, and Olsson reserves the right to adjust its schedule and any or all of those dates at its sole discretion, for any reason, including, but not limited to, delays caused by Client or delays caused by third parties.

## COMPENSATION

Client shall pay to Olsson for the performance of the Scope of Services a fixed fee of Forty Five Thousand Two Hundred Seventy Dollars (\$45,270.00), which does not include Construction Phase Services which is provided later on. A breakdown of the fee is provided below:

<u>Description</u>	<u>Design Fee</u>
Project Management and Coordination	\$ 5,100.00
Design Services	\$36,395.00
Bidding Services	\$ 3,775.00
<b>Total Design Services</b>	<b><u>\$45,270.00*</u></b>

\*Construction Phase Services shall be completed on a time and expense basis as described below.

Client shall pay to Olsson for the performance of the Scope of Services, the actual time of personnel performing construction observation services only, and all actual reimbursable expenses in accordance with the Labor Rate Schedule and the Reimbursable Expense Schedule attached to this Agreement. Olsson shall submit invoices on a monthly basis and payment is due within 30 calendar days of invoice date.

If applicable: Olsson's Scope of Services for construction phase (administration, staking, and observation) services will be provided on a time and expense basis not to exceed Thirty Five Thousand One Hundred Fifty Dollars (\$35,150.00).

The total design and construction observation fee (combined fixed fee and time and expense basis) is Eighty Thousand Four Hundred Twenty Dollars (\$80,420.00).

Olsson shall submit invoices on a monthly basis and payment is due within 30 calendar days of invoice date.

REIMBURSABLE EXPENSE: Olsson's reimbursable expenses for this Project are included in the fees set forth above.

**TERMS AND CONDITIONS OF SERVICE**

We have discussed with you the risks, rewards and benefits of the Project, the Scope of Services, and our fees for such services and the Agreement represents the entire understanding between Client and Olsson with respect to the Project. The Agreement may only be modified in writing signed by both parties.

Client's designated Project representative shall be: Mr. Kevin Betzen.

If this Agreement satisfactorily sets forth your understanding of our agreement, please sign in the space provided below. Retain a copy for your files and return an executed original to Olsson. This proposal will be open for acceptance for a period of 30 days from the date set forth above, unless changed by us in writing.

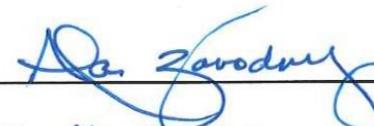
**OLSSON ASSOCIATES, INC.**

By 

By 

By signing below, you acknowledge that you have full authority to bind Client to the terms of the Agreement. If you accept the terms set forth herein, please sign:

**CITY OF DAVID CITY**

By 

Name: Alan Zavodny

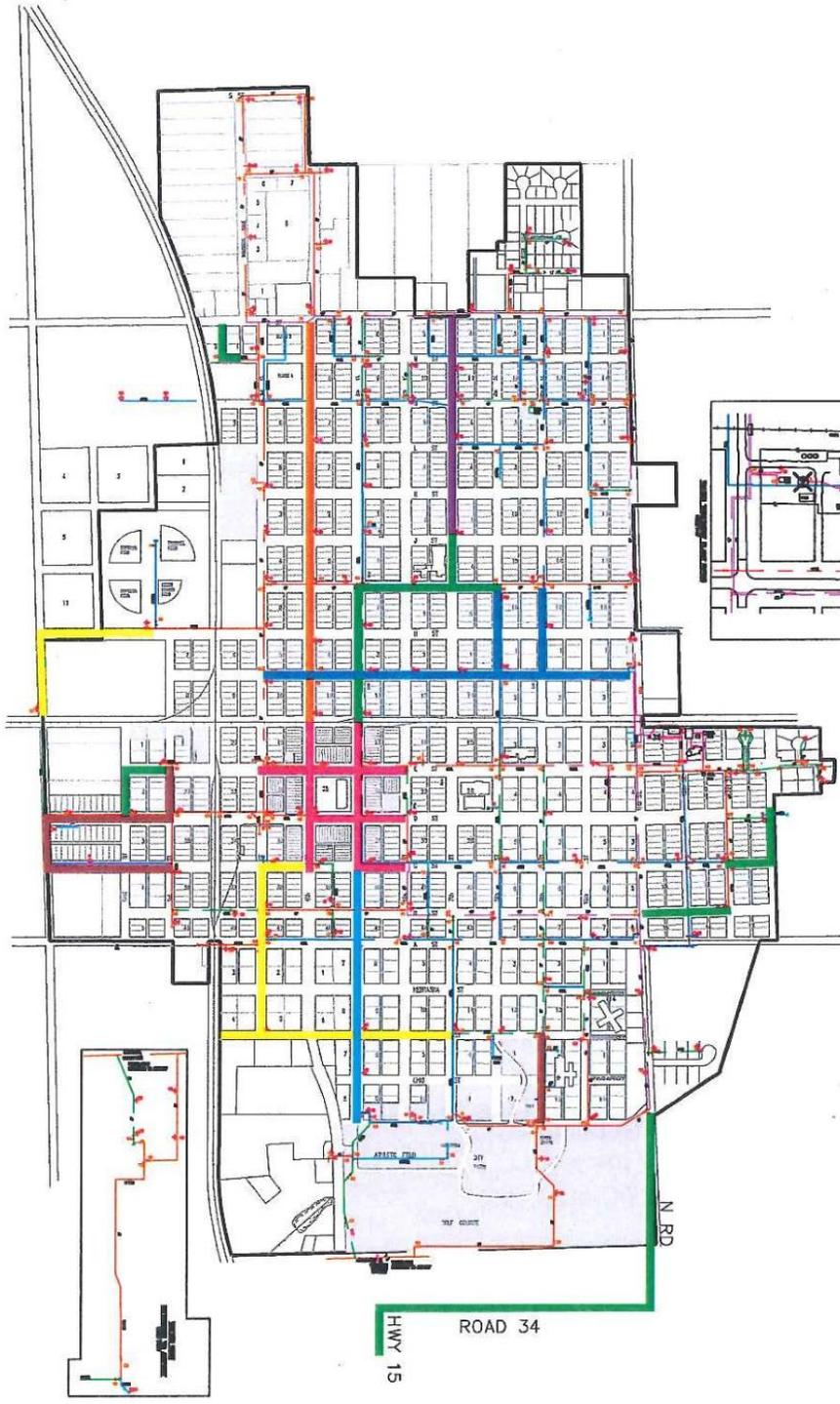
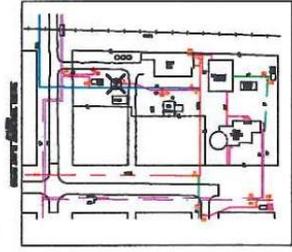
Title Mayor

Dated: 9.14.2016

If different from above,

\_\_\_\_\_  
Client's Designated Project Representative

- Attachments
- General Provisions
- Labor Rate Schedule
- Reimbursable Expense Schedule

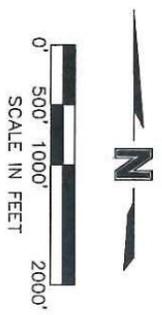


PROPOSED WATER SYSTEM IMPROVEMENTS  
DAVID CITY, NE

**LEGEND**

DOWNTOWN PROJECT  
CURRENT/COMPLETE  
(2016)

Green line	2016
Yellow line	2017
Orange line	2018
Red line	2019
Purple line	2020
Blue line	2021
Light blue line	2022



**MOJSSON**  
ASSOCIATES

601 P Street, Suite 200  
P.O. Box 61608  
Trenton, NE 68606  
Tel: 402.474.4200  
Fax: 402.474.5100

Council member Vandenberg made a motion to approve a contract with Olsson Associates to provide Water Main Replacement and Improvement Designs for approximately 13 blocks and bidding services for next year's water main projects: \$45,270.00 plus Olsson's Scope of Services for the construction phase: \$35,150.00 for a total cost of \$80,420.00. Council member Kobus seconded the motion. Voting AYE: Council members Smith, Hotovy, Rogers, Kroesing, Vandenberg, and Kobus. Voting NAY: None. The motion carried.

Council member Smith introduced Resolution No. 13 – 2016 and moved for its passage and adoption. Council member Vandenberg seconded the motion. Voting AYE: Council members Kobus, Hotovy, Rogers, Kroesing, Vandenberg, and Smith. Voting NAY: None. The motion carried and Resolution No. 13 - 2016 was passed and adopted as follows:

League Association of Risk Management  
2015 – 2016 Renewal Resolution

**RESOLUTION NO. 13 – 2016**

WHEREAS, The City of David City, Nebraska, is a member of the League Association of Risk Management (LARM);

WHEREAS, Section 8.10 of the Interlocal Agreement for the Establishment and Operation of the League Association of Risk Management provides that a member may voluntarily terminate its participation in LARM by written notice of termination given to LARM and the Nebraska Director of Insurance at least 90 days prior to the desired termination given to and that members may agree to extend the required termination notice beyond 90 days in order to realize reduced excess coverage costs, stability of contribution rates and efficiency in operation of LARM; and

WHEREAS, the Board of Directors of LARM has adopted a plan to provide contribution credits in consideration of certain agreements by members of LARM as provided in the attached letter.

BE IT RESOLVED that the governing body of the City of David City, Nebraska, in consideration of the contribution credits provided under the LARM Board's plan, agrees to:

- Provide written notice of termination at least 90 days prior to the desired termination date, which date shall be no sooner than September 30, 2017.  
(90 day Notice only)

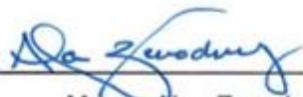
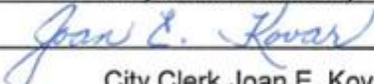
Adopted this 14<sup>th</sup> day of September, 2016

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

ATTEST: \_\_\_\_\_

Title: \_\_\_\_\_

  
\_\_\_\_\_  
Mayor Alan Zavodny  
  
\_\_\_\_\_  
City Clerk Joan E. Kovar



Council member Kroesing made a motion to approve the request of Jose (Manuel) Villalba Gallardo, 360 N 9<sup>th</sup> Street, to widen the existing off street parking area. Council member Vandenberg seconded the motion. It was noted that since this is not actually a driveway, this is public parking and anyone from the public will be allowed to park on it since it is located on the City parquet. Voting AYE: Council members Rogers, Kobus, Hotovy, Smith, Vandenberg, and Kroesing. Voting NAY: None. The motion carried.

Ordinance No. 1248 passed on first reading only on August 10, 2016. Mayor Zavodny read Ordinance No. 1248 by title. Council member Smith made a motion to pass Ordinance No. 1248 on the second reading only. Council member Rogers seconded the motion. Voting AYE: Council members Kobus, Hotovy, Kroesing, Vandenberg, Rogers, and Smith. Voting NAY: None. The motion carried and Ordinance No. 1248 was passed on 2<sup>nd</sup> reading only as follows:

### **ORDINANCE NO. 1248**

AN ORDINANCE TO AMEND ARTICLE 4. NUISANCES SECTION 4-401B SUBSECTION (16) OF THE MUNICIPAL CODE; TO ADD TO SAID SECTION 4-401 SUBSECTION (C) THAT ADDRESSES MOVING NUISANCES TO ANOTHER LOCATION; TO PROVIDE FOR SEVERABILITY; TO REPEAL CONFLICTING ORDINANCES; TO PROVIDE FOR AN EFFECTIVE DATE OF THIS ORDINANCE, AND TO AUTHORIZE PUBLICATION IN PAMPHLET FORM.

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

SECTION 1. Section 4-401B (16) of the Ordinances of City of David City, Nebraska shall be amended to read as follows:

“(16) The abandoning, on public property, of personal property. For purposes of this subsection, “public property” shall mean any public right of way, street, highway, alley, park, or other state, county, or city owned property. For purposes of this subsection, “abandon” shall mean any personal property left on public property for more than 24 hours, except when the leaving of said personal property on said portion of public property, at that location is legally permitted. For purposes of this subsection, “personal property” shall not include any motor vehicle addressed in Section 6-430 of the Municipal Code of the City of David City, Nebraska, but shall include those motor vehicles addressed in Section 6-431 of the Municipal Code of the City of David City, Nebraska”

SECTION 2. Section 4-401 of the Ordinances of the City of David City, Nebraska shall be amended to have added the following subsection, to-wit:

“(C) Moving of Nuisance. A nuisance act, duty, condition, omission, and/or things for which notification of abatement has been given pursuant to Section 4-402 of the Municipal Code of the City of David City, Nebraska shall attach to and follow the act, duty, condition, omission and/or things for which notification of abatement has been given pursuant to Section 4-402 of the Municipal Code of the City of David City, Nebraska if moved to a different location from the initial starting location of the notification of nuisance within the City limits of the City of David City, Nebraska or within its zoning jurisdiction as if the said new location was the initial starting location so that abatement procedures would not need to be reinstated.”

SECTION 3. If any Section, Subsection, sentence, clause, or phase of this Ordinance, is for any reason, held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining parts of this Ordinance, since it is the express intent of the Mayor and City Council of the City of David City, Nebraska to enact each Section, Subsection, sentence, clause or phrase separately and the enact the parts of this Ordinance separately.

SECTION 4. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.

SECTION 5. This Ordinance shall be published in pamphlet form and shall take effect and be in full force from and after its passage, approval, and publication as required by law.

**PASSED AND APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Passed on 2<sup>nd</sup> reading only  
MAYOR ALAN ZAVODNY

ATTEST:

Passed on 2<sup>nd</sup> reading only  
CITY CLERK JOAN KOVAR

Ordinance No. 1249 passed on first reading only on August 10, 2016. Mayor Zavodny read Ordinance No. 1249 by title. Council member Kobus made a motion to pass Ordinance No. 1249 on the second reading only. Council member Vandenberg seconded the motion. Voting AYE: Council members Smith, Hotovy, Rogers, Kroesing, Vandenberg, and Kobus. Voting NAY: None. The motion carried and Ordinance No. 1249 was passed on 2<sup>nd</sup> reading only as follows:

**ORDINANCE NO. 1249**

AN ORDINANCE TO AMEND ARTICLE 6 SECTION 6-431 OF THE MUNICIPAL CODE; TO PROVIDE FOR SEVERABILITY; TO REPEAL CONFLICTING ORDINANCES; TO PROVIDE FOR AN EFFECTIVE DATE OF THIS ORDINANCE, AND TO AUTHORIZE PUBLICATION IN PAMPHLET FORM.

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

SECTION 1. Article 6 Section 6-431 of the Ordinances of the City of David City, Nebraska shall be amended to read as follows:

“Section 6-431; INOPERABLE VEHICLES, LICENSED OR UNLICENSED, INSURED OR UNINSURED. It shall be unlawful for any person in charge or control of any property within the Municipality, other than Municipal property whether as owner, tenant, occupant, lessee or otherwise, to allow any partially dismantled, wrecked, junked, inoperable or discarded vehicle, be it licensed or unlicensed, insured or uninsured, to remain on property longer than seven (7) days; sixty (60) days for businesses; provided this section shall not apply to a vehicle in an enclosed building; a vehicle legally in transit; or to a vehicle in an appropriate storage place or depository maintained in a lawful place and manner by the Municipality. Licensed car dealers are exempt for vehicles being held for resale. Any vehicle allowed to remain on property in

violation of this section shall constitute a nuisance and shall be abated, and any person violating this section shall be guilty of a misdemeanor.”

SECTION 2. If any Section, Subsection, sentence, clause, or phase of this Ordinance, is for any reason, held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining parts of this Ordinance, since it is the express intent of the Mayor and City Council of the City of David City, Nebraska to enact each Section, Subsection, sentence, clause or phrase separately and the enact the parts of this Ordinance separately.

SECTION 3. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.

SECTION 4. This Ordinance shall be published in pamphlet form and shall take effect and be in full force from and after its passage, approval, and publication according to law.

**PASSED AND APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Passed on 2<sup>nd</sup> reading only  
MAYOR ALAN ZAVODNY

ATTEST:

Passed on 2<sup>nd</sup> reading only  
CITY CLERK JOAN KOVAR  
(SEAL)

Ordinance No. 1250 passed on first reading only on August 10, 2016. Mayor Zavodny read Ordinance No. 1250 by title.

City Clerk Kovar stated: “This one I still don’t understand, I’m sorry. The way I think this was explained is, if someone sees what they feel is a nuisance they report it to the City Office. Pictures are taken of the property or nuisance and the City Council reviews the pictures at a Council Meeting. If you say “that’s a nuisance” then we’re going to send them a notice that they have fifteen (15) days to get it taken care of. On the sixteenth (16<sup>th</sup>) day, if it’s not taken care of, we send them a certified letter stating that they have to be present at the next Council meeting, which is more than ten (10) days from the notice date. Then, at that City Council meeting, the City Council will consider whether to give them an extension or have the property cleaned up by city crews or hiring someone. However, the Ordinance says you will then pass a resolution that says: *YOU ARE HEREBY NOTIFIED THAT ON \_\_\_\_\_, 20 \_\_\_\_\_, the City of David City, Nebraska, by Resolution No. \_\_\_\_\_, after notice and hearing as specified in said Resolution, did determine that the following constitute a public nuisance, to-wit:*  
*Upon the following described real estate, to-wit: \_\_\_\_\_*

*You are granted \_\_\_\_\_ days from the date of this Notice to abate said nuisance. Failure to abate said nuisance shall result in said nuisance being abated by the City of David City, Nebraska, and the costs of abatement shall be assessed upon said premises and constitute a lien upon said premises until paid. So why are we giving them more time if we’ve already given them the 15 days, and then an additional 10 days before the meeting?”*

City Attorney Egr stated: "But see, what you are doing here is if you feel sorry for them, then that's when you have to plug in those extra days. You can always put in there, you are granted zero days."

City Clerk Kovar stated: "So we have to pass the Resolution regardless?"

City Attorney Egr stated: "Right. That also lays the ground work to assess the cost against the property."

Ordinance No. 1250 passed on first reading only on August 10, 2016. Mayor Zavodny read Ordinance No. 1250 by title. Council member Smith made a motion to pass Ordinance No. 1250 on the second reading only. Council member Rogers seconded the motion. Voting AYE: Council members Kroesing, Vandenberg, Kobus, Hotovy, Smith, and Rogers. Voting NAY: None. The motion carried and Ordinance No. 1250 was passed on 2<sup>nd</sup> reading only as follows:

### **ORDINANCE NO. 1250**

AN ORDINANCE TO AMEND THE FOLLOWING SECTIONS OF THE MUNICIPAL CODE ARTICLE 4: SECTION 4-402 (C); SECTION 4-402 (D); SECTION 4-402 (E); SECTION 4-402 (F); SECTION 4-402 (G); AND SECTION 4-402 (H); TO PROVIDE SEVERABILITY, TO REPEAL CONFLICTING ORDINANCES; TO PROVIDE FOR AN EFFECTIVE DATE OF THIS ORDINANCE, AND PROVIDING FOR PUBLICATION IN PAMPHLET FORM.

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

SECTION 1. Section 4-402 (C) of the Ordinances of the City of David City, Nebraska shall be amended to read as follows:

"Enforcement. When the City Council of the City of David City, Nebraska declares or finds that any premises within the jurisdiction for nuisances contained in Section 4-403 of this Code may be maintained contrary to one or more of the provisions of Section 4-401 of the Code, the City Clerk or the City Clerk's designate shall mail a Notice to the owner, occupant, lessee, mortgagee, and/or trustee of the premises. The Notice shall state the conditions which constitute the public nuisance and shall order the abatement of the nuisance within the time period set forth in the Notice, and shall be substantially in the following form:

#### NOTICE OF NUISANCE

- TO: (Owner, Occupant, Lessee, Mortgagee, Trustee)  
(Addresses)
- (1) Conditions Which Constitute the Public Nuisance:  
(State all applicable conditions from Section 4-401)
- (2) Abatement of the Nuisance Outlined above SHALL be completed on or before: (State day, date and time)

---

City Clerk /City Clerk Designate  
City of David City, Nebraska

SECTION 2. Section 4-402 (D) of the Ordinances of the City of David City, Nebraska shall be amended to read as follows:

“(D) Form of Proper Service of Notice. Service of said Notice shall be by depositing a copy of said Notice in the United States Postal Service enclosed in a sealed envelope and with postage thereon fully prepaid. Said mail shall be registered or certified and addressed to said owner, occupant, lessee, mortgagee, and or Trustee at the last known address of said parties as disclosed by the current tax rolls, and if there is no known address, then in care of the property address. Service is complete at the time of such deposit. “Owner” as used herein shall mean any person in possession and also any person having or claiming to have any legal or equitable interest in said premises and/or the nuisances involved. The failure of any person to receive such Notice shall not affect the validity of the proceedings hereunder.”

SECTION 3. Section 4-402 (E) of the Ordinances of the City of David City, Nebraska shall be amended to read as follows:

“(E) Effect of Failure to Abate. If the nuisance is not abated within the period given in the Notice, the City Council of the City may determine to proceed to abate the nuisance pursuant to the provision of this Code.”

SECTION 4. Section 4-402 (F) of the Ordinances of the City of David City, Nebraska shall be amended to read as follows:

“(F) Procedure to Abate Nuisance. If the owner of the premises and/or the nuisance involved fails within the time period given to the said owner by the City Clerk or the City Clerk’s designate for the abatement of said nuisance, the City Clerk or City Clerk’s designate shall fix a date and time to hear the matter. The written Notice shall include the name and address, including mailing address, of the said owner. The City Clerk or the City Clerk’s designate shall then issue a Notice of the hearing date and time by mailing a copy to the said owner’s address no later ten (10) days prior to the date of the hearing.

At the time fixed in the Notice, the City Council, shall hear the testimony of all competent persons desiring to testify respecting the condition constituting the nuisance, including the estimated cost of abatement and other matters which may be pertinent. At the conclusion of the hearing, the City Council shall, by Resolution, declare its findings. If the City Council so concludes, it may declare the condition existing to be a nuisance and direct the City Clerk or the City Clerk’s designate to proceed to abate the nuisance pursuant to the provisions of this Code. Such final determination shall be considered a final order of the City. Said Notice shall be substantially in the following form:

NOTICE OF ADOPTION OF RESOLUTION NO. \_\_\_\_\_

TO: \_\_\_\_\_

YOU ARE HEREBY NOTIFIED THAT ON \_\_\_\_\_, 20 \_\_\_\_\_, the City of David City, Nebraska, by Resolution No. \_\_\_\_\_, after notice and hearing as specified in said Resolution, did determine that the following constitute a public nuisance, to-wit:

Upon the following described real estate, to-wit: \_\_\_\_\_

You are granted \_\_\_\_\_ days from the date of this Notice to abate said nuisance. Failure to abate said nuisance shall result in said nuisance being abated by the City of David City, Nebraska, and the costs of abatement shall be assessed upon said premises and constitute a lien upon said premises until paid.

Dated: \_\_\_\_\_

CITY OF DAVID CITY, NEBRASKA

By: \_\_\_\_\_  
City Clerk /City Clerk's Designate"

SECTION 5. Section 4-402 (G) of the Ordinances of the City of David City, Nebraska shall be amended to read as follows:

"(G) Extension of Time. The City Council may grant an extension of time to abate the nuisance if, in the City Council's opinion, good cause for an extension exists."

SECTION 6. Section 402 (H) of the Ordinances of the City of David City, Nebraska shall be amended to read as follows:

"(H) Abatement by City. If the person fails to abate the nuisance within the time set forth, the City Clerk or the City Clerk's Designate may order the abatement of the nuisance."

SECTION 7. If any Section, Subsection, sentence, clause, or phase of this Ordinance, is for any reason, held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining parts of this Ordinance, since it is the express intent of the Mayor and City Council of the City of David City, Nebraska to enact each Section, Subsection, sentence, clause or phrase separately and the enact the parts of this Ordinance separately.

SECTION 8. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.

SECTION 9. This Ordinance shall be published in pamphlet form and shall take effect and be in full force from and after its passage, approval, and publication according to law.

**PASSED AND APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Passed on 2<sup>nd</sup> reading only \_\_\_\_\_  
MAYOR ALAN ZAVODNY

ATTEST:  
Passed on 2<sup>nd</sup> reading only  
CITY CLERK JOAN KOVAR  
(SEAL)

Council member Kobus introduced Resolution No. 14 – 2016 to apply for federal assistance from the Land and Water Conservation Fund program for the purpose of a new shelter and a restroom facility at the City Park, and moved for its passage and adoption. Council member Smith seconded the motion. Voting AYE: Council members Kroesing, Hotovy,

Rogers, Smith, Kobus, and Vandenberg. Voting NAY: None. The motion carried and Resolution No. 14 – 2016 was passed and adopted as follows:

**RESOLUTION NO. 14 – 2016**

The City of David City, Nebraska proposes to apply for federal assistance from the Land and Water Conservation Fund program for the purpose of a picnic shelter and a new restroom facility.

The Mayor is authorized to sign documents to obtain financial assistance, including a Project Agreement with the State of Nebraska and the National Park Service.

The City of David City, Nebraska will, within thirty (30) days following federal approval, obtain the necessary consultant or appraisal service for this project as directed and as required by Nebraska Game and Parks Commission staff.

The City of David City, Nebraska has budgeted or currently has available its 50 percent match of the proposed total project funds and will allocate these funds toward this project upon project approval by the Nebraska Game and Parks Commission.

The City of David City, Nebraska, has the financial capability to operate and maintain the completed project and park property in a safe, attractive and sanitary manner.

The City of David City, Nebraska will not discriminate against any person on the basis of race, color, age, religion, disability, sex or national origin in the use of any property or facility acquired or developed pursuant to the project proposal, and shall comply with the terms and intent of Title VI of the Civil Rights Act of 1964, P.L. 88-354 (1964), and any of the regulations promulgated pursuant to such Act by the Secretary of the Interior and contained in 43 CFR 17.

No property acquired and/or developed under this project shall, without the approval of the Nebraska Game and Parks Commission and the Secretary of the Interior, be converted to other than public outdoor recreation use. And, such approval may be granted only if it is in accord with the then existing Statewide Comprehensive Outdoor Recreation Plan (SCORP), and only upon such conditions as deemed necessary to assure the substitution of other outdoor recreation properties of at least equal fair market value and of reasonable equivalent usefulness and location.

The City of David City, Nebraska will replace the land in the event of a conversion in use in accordance with Section 6(f)(3) of the Land and Water Conservation Fund Act of 1965, as amended.

The City of David City, Nebraska agrees to comply with all State and Federal requirements and standards where they can be applied in making the facilities developed under this project, and all future projects, accessible to and usable by the disabled.

This is to certify that this resolution is a true copy of the original document that was adopted and passed by the City of David City, Nebraska at a duly advertised public meeting held this 14<sup>th</sup> day of September, 2016.

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Mayor Alan Zavodny

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City Clerk Joan Kovar  
(Seal)

City Attorney Egr stated: "The City received certified mail from Husker Partners which is the group that bought the tax sale certificate for the property at 689 North 5<sup>th</sup> Street, which is owned by a Mayhew, which I believe was the Merle Morgan property at one time. The question that I have for you is, and Joan had given me 5 properties that the City continues to mow, etc., and I need to find out from the Council, how do you want me to handle this as the City Attorney on this foreclosure? This Company bought the taxes, and their three years are up so they can go in there now and have the property sold. We sit with our mowing and all that as behind them; the real estate taxes always are ahead of us, and what they're foreclosing on to get ownership of the property, but the principal amount is \$486.90, \$411.08, \$421.56, so \$1,319.54 plus 14% interest on there. How do you want me to proceed in actively pressing our rights in there because we are going to be second in line, and the next thing is it's eventually.....; there's going to come a point in time when it comes up for sale, and Council has to decide "do we bid on that property?"

Mayor Zavodny stated: "Us owning these properties isn't the thing to do."

Council member Hotovy stated: "We need to get these properties back on the tax rolls".

Discussion followed.

City Attorney Egr stated: "Maybe we are better off not filing any kind of responsive pleading. We are going to get notice when it's going to come up for sale, let's just sit on it and see what happens. We may get foreclosed out and we have quite a mowing bill, but on the other hand it eliminates the mowing bill, it gets somebody else on the property, cleans up the property hopefully, and they pay taxes. This is one I think we don't spend any more money than we have to, let them get it bought, and let them handle it from there."

Mayor Zavodny stated: "We let it go. What I would like to do next month is let's put on the agenda the properties that don't have a structure that we have heavy liens on so we can start proceedings on those."

Council member Rogers made a motion to go into Executive Session to discuss a personnel issue. Smith seconded the motion. Voting AYE: Council members Vandenberg, Kobus, Hotovy, Kroesing, Smith, and Rogers. Voting NAY: None. The motion carried.

Mayor Zavodny stated, "At 8:57 p.m. we are going into executive session to discuss a personnel matter." Mayor Zavodny, Council members Kroesing, Rogers, Smith, Hotovy, Kobus, and Vandenberg, City Attorney Egr, and City Clerk Kovar went into executive session at 8:57 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 9:18 p.m.

There being no further business to come before the Council, Council member Vandenberg made a motion to adjourn. Council member Kobus seconded the motion. Voting AYE: Council members Kroesing, Hotovy, Rogers, Smith, Kobus, and Vandenberg. Voting NAY: None. The motion carried and Mayor Zavodny declared the meeting adjourned at 9:22 p.m.



CERTIFICATION OF MINUTES  
September 14, 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 September 14, 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.

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Joan Kovar, City Clerk