

March 10, 2011

ALLIANCE CITY COUNCIL

REGULAR MEETING, THURSDAY, MARCH 10, 2011

STATE OF NEBRASKA)
)
COUNTY OF BOX BUTTE) §
)
CITY OF ALLIANCE)

The Alliance City Council met in a Regular Meeting, March 10, 2011 at 7:00 p.m., in the Board of Education Meeting Room, 1604 Sweetwater Avenue. A notice of meeting was published in the Alliance Times Herald on March 3, 2011. The notice stated the date, hour and place of the meeting, that the meeting was open to the public, and that an agenda of the meeting, kept continuously current, was available for public inspection at the office of the City Clerk in City Hall; provided the Council could modify the agenda at the meeting if it determined an emergency so required. A similar notice, together with a copy of the agenda, also had been delivered to each of the City Council Members. An agenda, kept continuously current, was available for public inspection at the office of the City Clerk during regular business hours from the publication of the notice to the time of the meeting.

Mayor Feldges opened the March 10, 2011 Regular Meeting of the Alliance, Nebraska City Council at 7:00 p.m. Present were Mayor Feldges, Council Members Yeager, Kusek, Benzel, and Gonzalez. Also present were City Manager Cox and City Clerk Jines.

- Mayor Feldges read the Open Meetings Act Announcement.
- The first item on Council's agenda was the Consent Calendar.

Motion by Councilman Kusek, seconded by Councilman Benzel to approve the Consent Calendar which follows in its entirety:

CONSENT CALENDAR – MARCH 10, 2011

1. Approval: Minutes of the Regular Meeting, February 17, 2011.
2. Approval: Payroll and Employer Taxes for the period February 5, 2011 through February 18, 2011 inclusive: \$165,270.17 and \$11,724.52 respectively.

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3. Approval: Claims against the following funds for the period February 14, 2011 through March 7, 2011: General, General Debt Service, Trust and Agency, Street, Electric, Refuse Collection and Disposal, Sanitary Sewer, Water, Golf Course, Downtown Improvement Districts, R.S.V.P., Keno, and Capital Improvement; \$913,214.63.
4. Approval: Update the roster of the Alliance Volunteer Fire Department by adding Areille Donker, Brittany Miller, Derek Reyes, and Derald Solomon and deleting Matt Broderick.
5. Approval: The issuance of a Cemetery Certificate to Delores A. Flint for the West Half (W1/2) of Lot Five (5), Section One (1), Block Twenty-three (23), Fourth Addition to the Alliance Cemetery.
6. Approval: The issuance of the following Contractor licenses:

Repair & Maintenance	Jeffery T. Davis dba Davis Construction
Tree Surgeon	Richie Garza dba Panhandle Tree Service

NOTE: City Manager Cox has reviewed these expenditures and to the best of his knowledge confirms that they are within budgeted appropriations to this point in the fiscal year.

Roll call vote with the following results:

Voting Aye: Feldges, Yeager, Kusek, Benzel, Gonzalez.

Voting Nay: None.

Motion carried.

- The next agenda item was the City Manager's report by J.D. Cox which follows in outline form:

Cody Sub-Station (Larry Heinrich reported) - Refinancing

- Will have two options to bring to next meeting:
 - i. Repair Cody Substation & RICE requirements (\$1.4M)
 - ii. Address system reliability (\$1.6M)

Steps at Library

- Deteriorated
- Earlier, salt was used
- Will need to be fixed/repared
- Will be getting a cost estimate

Golf Course Advisory Board

- Agreement and procedures for future consideration

Would like to schedule tours of various City facilities (incl. police station)?

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Upcoming Items for Our Next Meeting

- Presentation by Police Chief Kiss
- Ted Hempel – Sallows Museum
 - Would like a contract to coincide with City fiscal year
 - Submitted notice of cancellation of the existing contract
 - Will be present at the next Council meeting
- Keep Alliance Beautiful
 - Would like cleanup week to be last week of April
 - We are also drafting a MOU

LinPepco

- Aaron Smith and I met with Steve Ford last week
 - Toured the facility
 - Project is proceeding very nicely
- The next item on Council's agenda was a presentation of the Downtown Streetscape Project. City Manager Cox provided the following background information for Council's consideration:

[A number of folks, representing several different groups, will be present to assist with the request for authorization to proceed with the downtown revitalization project. At this point, I anticipate the request to include approval for the following:

1. General Scope of Revitalization Project
 - a. Phase 1: 3rd to 5th Street
 - b. Will consider a Future Phase 2: 1st to 3rd Street
2. Island Removal (City Work/Self-funded)
3. Approve implementation of Site Amenities/Furniture (BID/Main Street Funded)
4. Street Light Replacement (Grant funded)
5. Sidewalk Replacement (Self-funded)
6. New Christmas lights (Chamber of Commerce Funded)
7. Replacement of Stoplight at 4th & Box Butte (City Work/Low Cost to Replace with Stopsigns)
8. Approve Transfer from Electric Reserve to new Downtown Revitalization Fund.
9. Authorize the City Manager to enter into agreements to proceed with the project (such as project management and engineering)
10. Authorize Main Street to apply for CDBG Engineering Design Grant for façade improvements (\$30,000 grant/\$7,500 match)
11. Give consideration to the very old water main on Box Butte

Should Council choose, you may amend the proposed Resolution, incorporate any or all of the above, or modify the parameters of the same. However, at the heart of this issue is timing. As I understand, this matter has been under consideration for a long time. In addition, the previous idea was to apply for a Community Development Block Grant (CDBG) to pay for part of the sidewalk project.

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This idea is problematic for two reasons: 1. There will be a substantial wait period in that the grant requires that first a design/study grant be applied for (and awarded), before a construction grant can be applied for. The design/study grant would be for the first year (2011/2012), and then IF approved, the construction grant would not occur until the following year (2012/2013), and that is if all goes smoothly and IF the application is funded for **both** years. 2. This is a substantial delay to the entire project, as we cannot pull up lights and install new lighting until the sidewalk is replaced, otherwise we would have to tear up the sidewalk twice. The only part that could be completed would be the purchase and implementation of the furniture and the island removal. Therefore, rather than applying a CDBG grant for the sidewalks, we are proposing that Main Street Alliance instead be authorized to apply for a CDBG grant for façade improvements.

With that in mind, and giving due consideration of the community's need for the project to be completed in a timely manner, we are proposing that the City self-fund the sidewalk portion of the project, and that Main Street Alliance be authorized to apply for a \$30,000 first phase (engineering design) CDBG (the City's share would be \$7,500, if the grant is funded).

Funding

Finally, this year's budget included a \$1 million authorization for downtown revitalization project. However, that same budget did not include a source/funding mechanism for this project. We are proposing that the funding for this project be taken from electric unrestricted investments.

After meeting with City Treasurer, Steve Lyster, of the total of \$18.3 million cash and CD's, we have approximately \$8.3 million available in unrestricted funds CD's. The City has \$11.5 million in unrestricted funds. We are currently earning 0.25% on an \$800,000 money market account that we have at Wells Fargo that is available, and then the rest could be taken from other money markets.

I have consulted with the City Financial Advisor, Craig Jones of DA Davidson, regarding the funding of this project. He cited a number of other cities that electric or other utility funds were used to support non-utility projects/improvements. He agreed with me that to require General Fund to repay electric could present a hardship for the fund. Craig indicated that it would be best for us to show that payable in the Electric Utility and a Receivable (the Downtown Revitalization Fund) in the General Fund. Establishing a separate fund will keep clean the management of project expenses. DA Davidson is also in consultation with bond counsel, Gilmore & Bell, to ensure consistency.

The City Attorney was ill today, and a resolution will be brought to you at a later date prior to the Council meeting. The resolution will propose those items mentioned at the top of this item and will also propose that a Downtown Revitalization Fund be established and \$1 million be transferred from unrestricted Electric Investments.

Conclusion

A much more detailed report will be delivered and given to Council at the meeting on Thursday.]

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A Power Point presentation was made to Council regarding the various components of the downtown streetscape project by City Manager Cox, Public Facilities Director Lenz, Electric Superintendent Heinrich, Main Street Director Corey, Chamber Director Nelson, Downtown Improvement Board Member Otto, Assistant to the City Manager Smith, and Water Superintendent Hulquist.

Motion by Councilman Kusek, seconded by Councilman Gonzalez to approve Resolution No. 11-30.

Council discussed funding issues and the potential of available grant funding sources.

Council also received a Petition to Replace Light at 4th & Box Butte with a 3-Way Stop Sign.

Councilman Kusek moved to amend Resolution No. 11-30 to include only the 14th Whereas, and the second to the last Be It Resolved. The amendment was seconded by Councilman Gonzalez.

Amended Resolution No. 11-30 is as follows:

RESOLUTION NO. 11-30

WHEREAS, Staff is requesting Council authorize Box Butte Development Corporation, Historic Main Street Alliance, to apply for a Thirty Thousand and No/100ths Dollars (\$30,000.00) grant from the Community Development Block Grant Engineering Design Grant for façade improvements for the main street area and fund the Seven Thousand Five Hundred and No/100ths (\$7,500.00) match out of City funds from the Box Butte Street Scape budget line item; and

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of Alliance, Nebraska, that Box Butte Development Corporation, Historic Main Street Alliance is authorized to apply for a Thirty Thousand and No/100ths Dollars (\$30,000.00) grant from the Community Development Block Grant Engineering Design Grant for façade improvements for the main street area and the matching funds of Seven Thousand Five Hundred and No/100ths (\$7,500.00) shall be paid out of the Box Butte Streetscape budget line item.

Roll call vote on the proposed amendment with the following results:

Voting Aye: Feldges, Yeager, Kusek, Gonzalez.

Voting Nay: Benzel.

Motion carried.

Roll call vote on amended Resolution No. 11-30 with the following results:

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Voting Aye: Feldges, Yeager, Kusek, Gonzalez.

Voting Nay: Benzel.

Motion carried.

- The next item for Council's consideration was Ordinance No. 2675 authorizing the sale of a portion of Lot 12, Block 3, Johnston's Addition. City Manager Cox provided the following background information for Council's consideration:

[At the last meeting, Council approved the first reading of Ordinance 2675 (the details from the matter are below).

However, since that time, the City Clerk has received a letter from Jon Worthman, representing the Foster family members withdrawing their offer. At the same time, the City Clerk has received an offer from the Moravek's in the amount of \$1500.

Previously at its meeting on January 6, 2011, Council discussed the matter concerning a \$500 offer that the City had received from Robert and Rita Moravek concerning the purchase of a 50' x 65' piece of property that was next to their property. The approximate 50'x65' property is located at Lot 12, Block 3, Johnston's Addition, which is on the southeast corner of 16th Street and Emerson Avenue. It was also reported at that meeting, that the family that owned the other adjoining property, owned by a family, which will be referred to as the Foster's, had not indicated an interest in the property.



The highlighted area shown in the diagram to the left roughly represents the area contemplated in this action. However, during further conversations, it was discussed that the property was originally carved out of the Foster land. Therefore, it was decided that it would be appropriate for the City to have a followup conversation with the Foster family. After further reflection, Mrs. Ardis Foster, along with her children, then tendered a \$1200 offer. The City Attorney, upon receipt of this \$1200 offer from the Foster's, and in accordance with the previous Council discussion, issued a letter to the Moravek's letting them know that an offer greater than theirs was received by the City from the remainder interest party and that the City would accept the Foster offer. Therefore, recommended that the \$1200 Foster offer be accepted and the property be rejoined to its originating property. Additionally, there were no pressing matters concerning this at the time, so we did not recommending the three readings be waived.

It is quite puzzling what has happened that has brought about this strange turn of events, but I would recommend that Council "fail" Ordinance 2675 and we will regroup and bring back a new ordinance to the next Council meeting that will approve the sale to the Moravek's.]

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Motion by Councilman Kusek, seconded by Councilman Gonzalez to approve Ordinance No. 2675 on second reading. City Clerk Jines read the ordinance by title which follows in its entirety:

ORDINANCE NO. 2675

AN ORDINANCE PROVIDING FOR THE SALE AND CONVEYANCE OF ALL OF LOT 12, EXCEPT THE EAST 100 FEET, BLOCK 3, JOHNSTON'S ADDITION, AN ADDITION TO THE CITY OF ALLIANCE, BOX BUTTE COUNTY, NEBRASKA, ACCORDING TO THE RECORDED PLAT THEREOF.

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

SECTION 1. The City of Alliance has received an offer from Ardis C. Foster, Anna M. Sutton, Susan I. Hill, Karyn E. Jacox, Robert D. Foster, Charles L. Foster and Kevin L. Foster, to purchase All of Lot 12 except the East 110 feet, Block 3, Johnston's Addition, an Addition to the City of Alliance, Box Butte County, Nebraska, under a written offer in the amount of One Thousand Two Hundred and N0/100ths Dollars (\$1,200.00.)

SECTION 2. The real estate is not used in the operation of public utilities, and is not a state armory for the use of the State of Nebraska or the State Armory, as provided in §16-201 R.R.S. Neb. 1943.

SECTION 3. The City Clerk shall cause notice of this sale to be published as required by law. If, within the time prescribed by law, a legally sufficient remonstrance against the sale has not been filed, the Mayor and City Clerk are by this ordinance authorized to execute and deliver to the purchaser the City's quitclaim deed for the herein described property upon payment of the purchase price provided for herein and in the purchase agreement.

Remonstrance against such sale is defined as a petition signed by legal electors of Alliance, Nebraska, equal in number to thirty percent (30%) of the electors voting at the last regular municipal election. Said petition shall be filed with the governing body of the City within thirty days (30) of the passage and publication of this Ordinance. In the event a remonstrance is received which is legally sufficient, said property shall not then, nor within one year thereafter, be sold.

SECTION 4. This ordinance shall be in full force and effect from and after its passage, approval and publication according to law.

Roll call vote with the following results:

Voting Aye: None.

Voting Nay: Feldges, Yeager, Kusek, Benzel, Gonzalez.

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Motion failed.

- Resolution No. 11-31 authorizing a Memorandum of Understanding with West Plains Company was the next item for Council's review. City Manager Cox provided the following background information for Council's consideration:

[The Resolution enclosed in your packet has been constructed and submitted by Michael Bacon, who is the Gothenburg City Attorney, and also is one of the most experienced TIF attorneys in the State of Nebraska. He often has outsourced and worked on behalf of numerous cities across the State. The purpose of this MOU is to accommodate the aggressive timeline that the company is wishing to pursue, without jeopardizing the process of TIF consideration.

In drawing attention to paragraph number 6 of the proposed resolution, one notes that this MOU states clearly that all authority to move forward with the TIF project remains with the City; it further states that this measure itself does not approve the TIF application.

In doing so, the MOU spells out the obligations/duties of the company – which will include its requirements to plat, subdivide and petition for annexation; to indemnify and hold the City harmless for any damages, etc., arising out of this agreement. Further, the company will go about the matter of pursuing blighted and substandard designation for the area around the site at their expense.

In return, the City pledges in paragraph number 3 to consider TIF, including a maximum grant and to pursue annexation of the rail line to the site, with which the company will provide us with their assistance.

I have received an initial review from the City Attorney indicating some concerns that will be reviewed following the release of this narrative.

As I understand, the company intends to use the TIF funds for the following: site acquisition, site preparation, utilities, rail and roads, flat concrete and foundations and underground installations.

The benefit, in the end, to the taxpayers of Alliance, is that in 15 years, a still relatively new \$10-\$11 million facility (in today's dollars) will be on tax rolls.

I anticipate folks from the company and the attorneys to be present at the Council meeting.

At this time, due to the future impact of the facility on the tax rolls, I still anticipate recommending adoption of this resolution.]

Motion by Councilman Gonzalez, seconded by Councilman Benzel to approve Resolution No. 11-31 which follows in its entirety:

RESOLUTION NO. 11-31

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WHEREAS, The City of Alliance, is responsible for determining eligibility of the use of Tax Increment Financing, determining the boundaries of the City of Alliance including annexation of additional land and approving plats and subdivisions; and

WHEREAS, The West Plains Co., has indicated a willingness to construct and operate a grain handling facility and has certified to the City that the construction of the facility is not financially feasible without the use of Tax Increment Financing; and

WHEREAS, West Plains Co., has provided a Memorandum of Understanding for City Council to review which includes that the City will lawfully take reasonable steps to annex the Burlington Northern Santa Fe Rail Road property and the property owned or intended to be owned by West Plains Co., and the City will review and take action as required by law on an application to be filed by West Plains Co., for the maximum amount of Tax Increment Financing for the West Plains Co. Project; and

WHEREAS, Council believes that it is in the best interest of the City to encourage West Plains Co., to construct and operate a grain handling facility within Box Butte County.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Alliance, Nebraska, that the Mayor is authorized to enter into the Memorandum of Understanding with West Plains Co., provided that the City reserves unto itself the obligation to follow all legal procedures and to make independent decisions as required by law, in the annexation of lands, approving plats and subdivisions and approving applications for Tax Increment Financing, notwithstanding the terms and conditions of the Memorandum of Understanding.

Attorney Mike Bacon of Gothenburg, NE addressed Council representing West Plains Company and provided Council background information on tax increment financing (TIF) and how it applies to this project. In order for TIF to be utilized by West Plains Company the property will need to be annexed into the City of Alliance. Mr. Bacon also reported that Burlington Northern Santa Fe have verbally consented to the annexation. Mr. Bacon estimated that approximately \$100,000 would be available a year for fourteen years for tax increment financing.

Maury Cade, Director of Business Development for West Plains Company also addressed Council and was available to answer any additional questions.

Roll call vote with the following results:

Voting Aye: Feldges, Kusek, Benzel, Gonzalez.

Voting Nay: Yeager.

Motion carried.

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- The next agenda item was a presentation by Cultural and Leisure Services Director Shana Brown updating Council on upcoming plans and operations in the Parks, Cemetery, Swimming Pool and Golf Course divisions.
- The next item to be discussed by Council was Resolution No. 11-32 approving an addendum to Service Schedule M Contract with the Municipal Energy Agency of Nebraska. City Manager Cox provided the following background information for Council's consideration:

[The proposed agreement will amend our 1989 agreement with MEAN to allow for the agency to act as the City's purchasing agent when Renewable Energy Credits (REC's) are offered for sale by WAPA to its customers.]

Motion by Councilman Benzel, seconded by Councilman Kusek to approve Resolution No. 11-32 which follows in its entirety:

RESOLUTION NO. 11-32

WHEREAS, The City of Alliance on the 7th day of August, 1989 entered into an Agreement for Purchasing Agent Services with the Municipal Energy Agency of Nebraska also referred to as MEAN; and

WHEREAS, The Municipal Energy Agency of Nebraska has created a Rocky Mountain Region Loveland Area Projects Renewable Energy Credits Program under which the Municipal Energy Agency of Nebraska will allocate renewable energy credits to the City of Alliance; and

WHEREAS, The Municipal Energy Agency of Nebraska has presented an Addendum To Agreement For Purchasing Agent Services to the City of Alliance for the City's consideration; and,

WHEREAS, The Addendum To Agreement For Purchasing Agent Services would authorize the Municipal Energy Agency of Nebraska to allocate renewable energy credits by transferring from time to time the City of Alliance's share of the renewable energy credits through the Western Renewable Energy Generation Information System into a City of Alliance account or a subaccount created under Municipal Energy Agency of Nebraska account; and, *WHEREAS*, City Council believes that it is in the best interest of the City and its ratepayers to appoint the Municipal Energy Agency of Nebraska as the City's agent for the Renewable Energy Credits.

NOW, THEREFORE, BE IT RESOLVED, By the Mayor and City Council of Alliance, Nebraska, that the Mayor is authorized to execute the Addendum To Agreement For Purchasing Agent Services between the City of Alliance and the Municipal Energy Agency of Nebraska which will appoint the Municipal Energy Agency of Nebraska as agent for the City of Alliance for the Renewable Energy Credits.

Roll call vote with the following results:

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Voting Aye: Feldges, Yeager, Kusek, Benzel, Gonzalez.

Voting Nay: None.

Motion carried.

- Resolution No. 11-33 authorizing Lease Agreements with Daniel Robinson for well field property was the next item to be presented to Council. City Manager Cox provided the following background information for Council's consideration:

[The City solicited bids for both the north ("Well Field Tract A") and the south ("Well Field Tract B") properties commonly referred to as the "well fields" on the west side of town, near the Country Club property. The two properties were bid separately and each received three bids. On both north and south properties, the high bidder was submitted by Dan Robinson -- \$3,624 for the north property, and \$5,381 for the south property, for a total of \$9,005. This \$9,005 for 6 months is compared to the \$6,013 that we were earning for a whole year with our CRP/MAP contract.

In visiting with Mike Hulquist, depending on how the lease with this particular bidder works out, at some point in the future we may wish to explore renegotiating for a longer period of time.]

Motion by Councilman Yeager, seconded by Councilman Benzel to approve Resolution No. 11-33 which follows in its entirety:

RESOLUTION NO. 11-33

WHEREAS, The City of Alliance has authorized competitive quotes to obtain bids for a lease not to exceed six months for the North Well Field property containing 140 acres, more or less, which is restricted to haying only and the South Well Field property containing 257 acres more or less, which can be used for haying or grazing; and

WHEREAS, Four (4) Invitations were issued, and three (3) responses were received on both the North and the South Well Field properties; and

WHEREAS, The bids of Daniel Robinson of Alliance, Nebraska appear to be the highest, responsive, and responsible bids in the amounts of Three Thousand Six Hundred Twenty Four and No/100ths (\$3,624.00) Dollars for the North Well Field Property and Five Thousand Three Hundred Eighty One and No/100ths (\$5,381.00) Dollars for the South Well Field property for the term of the lease.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of Alliance, Nebraska, the Mayor is authorized to enter into a contract to lease the 140 acres of the North Well Field property to Daniel Robinson for Three Thousand Six Hundred Twenty Four and No/100ths (\$3,624.00) Dollars, subject to the terms and conditions of the bid and the lease that has been prepared.

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BE IT FURTHER RESOLVED, that the Mayor is authorized to enter into a contract to lease the South Well Field property to Daniel Robinson for Five Thousand Three Hundred Eighty One and No/100ths (\$5,381.00) Dollars, subject to the terms and conditions of the bid and the lease that has been prepared.

BE IT FURTHER RESOLVED, that City staff shall notify the successful bidder so that land can be possessed by the successful bidder according to the bid specifications and terms of the lease.

Roll call vote with the following results:

Voting Aye: Feldges, Yeager, Kusek, Benzel, Gonzalez.

Voting Nay: None.

Motion carried.

- The next item to be voted on by Council was Resolution No. 11-34 authorizing a Task Order Agreement with CH2M Hill, Inc. of Englewood, CO for an environmental impact study for the Emerson Avenue Street Repair Project. City Manager Cox provided the following background information for Council's consideration:

[The next step required by the State in our Emerson Avenue as well as our Potash Avenue street projects is to retain an Environmental Consultant to confirm hopefully that there is no environmental impact of our street project. The State has already contracted with CH2M Hill to perform the work. This proposed resolution provides City agreement to CH2M Hill to perform the work and authorizes it to proceed. As I understand, absent City approval, the State aid project could not proceed.]

Motion by Councilman Kusek, seconded by Councilman Benzel to approve Resolution No. 11-34 which follows in its entirety:

RESOLUTION NO. 11-34

WHEREAS, The City of Alliance is responsible for maintaining the streets and alleys within the City; and

WHEREAS, Federal funding is available for part of the federal-aid projects of the City of Alliance; and

WHEREAS, The Emerson Avenue, 18th Street to 25th Street Project has been designated as Project No. URB-6255(3); and

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WHEREAS, To qualify for federal funding the City of Alliance must retain a consultant to provide environmental services in accordance with the National Environmental Policy Act and all federal-aid reimbursement requirements and conditions; and

WHEREAS, CH2M Hill, Inc. of Englewood, Colorado has submitted a Task Order Agreement which if approved by the City of Alliance would retain CH2M Hill, Inc., to perform all of the necessary environmental services required to obtain federal funding; and

WHEREAS, The Mayor and City Council deem it expedient to enter into the Agreement with CH2M Hill, Inc. of Englewood, Colorado to assume responsibilities for providing the environmental services necessary to qualify for federal funding for the Emerson Avenue, 18th Street to 25th Street Project.

NOW, THEREFORE, BE IT RESOLVED, By the Mayor and City Council of Alliance, Nebraska, that the Mayor is authorized to execute the Agreement between the City of Alliance and CH2M Hill, Inc. of Englewood, Colorado for Project No. URB-6255(3) for the environmental services required to obtain federal funding for the Emerson Avenue, 18th Street to 25th Street Project in Alliance, Nebraska.

BE IT FURTHER RESOLVED, That staff is directed to comply with the terms of the Contract.

Roll call vote with the following results:

Voting Aye: Feldges, Yeager, Kusek, Benzel, Gonzalez.

Voting Nay: None.

Motion carried.

- Resolution No. 11-35 authorizing a Task Order Agreement with CH2M Hill, Inc. of Englewood, CO for an environmental impact study for the South Potash Avenue Street Repair Project was the next item on Council's agenda.

Motion by Councilman Gonzalez, seconded by Councilman Benzel to approve Resolution No. 11-35 which follows in its entirety:

RESOLUTION NO. 11-35

WHEREAS, The City of Alliance is responsible for maintaining the streets and alleys within the City; and

WHEREAS, Federal funding is available for part of the federal-aid projects of the City of Alliance; and

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WHEREAS, The South Potash Avenue Project has been designated as Project No. URB-6263(1); and

WHEREAS, To qualify for federal funding the City of Alliance must retain a consultant to provide environmental services in accordance with the National Environmental Policy Act and all federal-aid reimbursement requirements and conditions; and

WHEREAS, CH2M Hill, Inc. of Englewood, Colorado has submitted a Task Order Agreement which if approved by the City of Alliance would retain CH2M Hill, Inc., to perform all of the necessary environmental services required to obtain federal funding; and

WHEREAS, The Mayor and City Council deem it expedient to enter into the Agreement with CH2M Hill, Inc. of Englewood, Colorado to assume responsibilities for providing the environmental services necessary to qualify for federal funding for the South Potash Avenue Project.

NOW, THEREFORE, BE IT RESOLVED, By the Mayor and City Council of Alliance, Nebraska, that the Mayor is authorized to execute the Agreement between the City of Alliance and CH2M Hill, Inc. of Englewood, Colorado for Project No. URB-6263(1) for the environmental services required to obtain federal funding for the South Potash Avenue Project in Alliance, Nebraska.

BE IT FURTHER RESOLVED, That staff is directed to comply with the terms of the Contract.

Roll call vote with the following results:

Voting Aye: Feldges, Yeager, Kusek, Benzal, Gonzalez.

Voting Nay: None.

Motion carried.

- The next item for Council's consideration was Resolution No. 11-36 accepting the Spill Prevention, Control and Countermeasure Plan for the Alliance Municipal Airport. City Manager Cox provided the following background information for Council's consideration:

[The City is required by the Environmental Protection Agency (EPA) to have in place a Spill Prevention, Control and Containment Plan ("SPCC") for the bulk storage of fuel and oil at our municipal airport.

The measures include Engineering (\$1500), Secondary Containment for Above-ground Storage Tanks (\$5,000), Secondary Containment for 55-gallon Drums (\$1,150), and Secondary Containment for Loading/Unloading Fuel (\$3,000), for a total of \$10,650. A copy of these measures is included in your packet.

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We are recommending that payment for the EPA-mandated SPCC be taken from Capital Outlay – Buildings (22-41-43-59-915).]

Motion by Councilman Benzel, seconded by Councilman Kusek to approve Resolution No. 11-36 which follows in its entirety:

RESOLUTION NO. 11-36

WHEREAS, The City of Alliance operates the Alliance Municipal Airport; and

WHEREAS, A Spill Prevention, Control and Countermeasure Plan has been prepared for the Alliance Municipal Airport by Panhandle Geotechnical and Environmental; and

WHEREAS, The Plan prescribes implementation of a training and capital improvement program to comply with United States Environmental Protection Agency regulations; and

WHEREAS, Funds necessary to implement the Plan have not been currently budgeted, but are proposed to be budgeted in fiscal year 2011-2012.

WHEREAS, The estimated funds necessary to implement the Plan utilizing City employees and others are One Thousand Five Hundred and No/100ths Dollars (\$1,500.00) for engineering, Five Thousand and No/100ths Dollars (\$5,000.00) for secondary containment for above ground storage tanks, One Thousand One Hundred Fifty and No/100ths (\$1,150.00) for secondary containment for the fifty five gallon drums and Three Thousand and No/100ths (\$3,000.00) for the secondary containment for the loading and unloading of fuel, payable from Fund 22-41-43-59-915.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of Alliance, Nebraska, that the Spill Prevention, Control and Countermeasure Plan, Job No. 5AL104001, prepared by Panhandle Geotechnical and Environmental November 8, 2010, is hereby accepted, and adopted as the Plan of the City of Alliance to comply with Environmental Protection Agency regulations.

Roll call vote with the following results:

Voting Aye: Feldges, Yeager, Kusek, Benzel, Gonzalez.

Voting Nay: None.

Motion carried.

- Resolution No. 11-37 changing the regular meeting date of the Alliance City Council for the second meeting in April was the next item to be voted on by Council. City Manager Cox provided the following background information for Council's consideration:

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[After receiving feedback with various comments, it would appear that the least intrusive on everyone's schedules would be to move the second meeting of April from April 21st to April 14th. I am not accustomed to asking for such changes, but sincerely appreciate everyone's very nice consideration so that I can return to be with the rest of the family over the Easter period.]

Motion by Mayor Feldges, seconded by Councilman Benzel to approve Resolution No. 11-37 which follows in its entirety:

RESOLUTION NO. 11-37

WHEREAS, The City Council, pursuant to Nebraska Statute and 1-101 of the Alliance Municipal Code, has the authority to establish a calendar of regular meeting dates; and

WHEREAS, The City Council has the authority, by resolution adopted not less than one week prior thereto, to change its regular date; and

WHEREAS, Due to a scheduling conflict the Council desires to change the dates for their normal meeting on April 21, 2011 to April 14, 2011 with said meeting to commence at 7:00 p.m.

NOW THEREFORE BE IT RESOLVED, By the Mayor and Council of the City of Alliance, Nebraska, that the regular meeting of the Alliance City Council scheduled for April 21, 2011 is rescheduled to April 14, 2011 and the meeting will commence at 7:00 p.m.

Roll call vote with the following results:

Voting Aye: Feldges, Yeager, Kusek, Benzel, Gonzalez.

Voting Nay: None.

Motion carried.

- The next item for Council's discussion was the establishment of a date to conduct a Budget Planning Workshop. City Manager Cox provided the following background information for Council's consideration:

[In looking at the calendar, might we suggest scheduling a 2-hour budget planning workshop for a time convenient to Council on Thursday, April 14. Note that in the item previous, Council considered setting the second meeting of April to occur on April 14. Therefore, we thought it might be convenient for everyone to hold our budget workshop a little earlier in the day at a time that you choose.]

Additionally, this will be the meeting where we'll go through those things Council identifies as what you would like to accomplish this year, then go through the Capital Improvement Plan and then set targets for our operations. The idea is that we frontload this process and do now, so that not so long of time is required to adopt the final overall budget.]

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By consensus Council selected 5:00 p.m., April 14, 2011 as the date and time to conduct the Budget Planning Workshop.

- The next item on Council's agenda were board appointments.

The following background information was provided by City Manager Cox:

[The City of Alliance has a vacancy on the Economic Development Plan Citizen Advisory Review Committee and has one individual willing to serve on the Board – Rebecca Reed, who is the new President/CEO of Western Heritage Credit Union. A copy of her application is included in your packets. The current vacancy is for a term expiring December 31, 2013. A side note is that we are looking forward to filling this vacancy so that the committee can meet and take up the matter of Nebraska Transport Company.

Additionally, we have received an application from Miriam Bowen inquiring for appointment to the vacancy that exists on the Park and Tree Board.]

Motion by Mayor Feldges, seconded by Councilman Benzel to appoint Miriam Bowen to the Alliance Park and Tree Board for a term ending February 28, 2014.

Roll call vote with the following results:

Voting Aye: Feldges, Yeager, Kusek, Benzel, Gonzalez.

Voting Nay: None.

Motion carried.

Motion by Mayor Feldges, seconded by Councilman Gonzalez to appoint Rebecca Reed to the Economic Development Plan Citizen Advisory Board for a term ending December 30, 2013.

Roll call vote with the following results:

Voting Aye: Feldges, Yeager, Kusek, Benzel, Gonzalez.

Voting Nay: None.

Motion carried.

- The next item for Council's review was Ordinance No. 2676 amending the Alliance Municipal Code in Chapter 2, Article 12 increasing the Hotel Occupation Tax from 2% to 6%. The following background information was provided by City Manager Cox:

[The County is currently collecting a 4% Tourism Tax. In addition, the State collects a 1% Tourism Tax, while the City of Alliance collects a 2% Hotel Occupation Tax, for a grand

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total of all taxes combined of 7%. The County has decided to end its collection of the 4% Tourism Tax, effective April 1, 2011. After legal research, we have determined that the City has the authority to implement an increase of its Hotel Occupation Tax, and can increase it by the same 4% that the County is ending.

In order to implement the tax, the City Council will need to approve the ordinance doing so on March 10, 2011, in order for us to meet the 10-day publication stipulation. In addition, the three readings will have to also be waived to meet this same deadline.

The State's 1% tax will be unaffected and will remain applicable, thereby keeping the total tax at 7%. By doing so, the City can implement a number of tourism activities.]

Motion by Councilman Benzel, seconded by Councilman Yeager to approve Ordinance No. 2676 on first reading. City Clerk Jines read the ordinance by title which follows in its entirety:

ORDINANCE NO. 2676

AN ORDINANCE OF THE CITY OF ALLIANCE, NEBRASKA, AMENDING CHAPTER 2, ARTICLE 12, AND INCREASING THE OCCUPATION TAX RATES FOR COMPANIES WHO OPERATE A HOTEL, RATES; PROVIDES FOR AN EFFECTIVE DATE; AND REPEALS ORDINANCES IN CONFLICT.

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

SECTION 1. Hotel Companies provide services within the City of Alliance.

SECTION 2. The City of Alliance has decided to increase the occupation tax rate on the hotel companies, without regard to the type of business entity that operates the hotel services in the City of Alliance.

SECTION 3. The Alliance Municipal Code at Chapter 2 shall be amended to include the amendments to the provisions of Article 12, as follows:

2-1202. HOTEL ACCOMMODATIONS.

Each person engaged in the business of operating a hotel in the City shall pay an occupation tax in the amount of six percent (6%) of the basic rental rates charged per occupied room per night.

SECTION 4. The Calculation of the amount of occupation tax due under Sections 2-1201 and 2-1202 of this ordinance as amended shall commence April 1, 2011.

SECTION 5. That any other ordinance or section passed and approved prior to the passage, approval, and publication or posting of this ordinance and in conflict with the provisions is herewith repealed.

SECTION 6. This ordinance shall take effect and be in full force from and after its passage, approval and publication or posting as required by law.

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Assistant to the City Manager Smith gave a presentation to the Council regarding potential uses for the increased revenues from the Hotel Occupation Tax.

Newly elected Box Butte County Commissioner McCarthy asked for assurances from the City Council that should the County decide to re-implement their tax that the City would lower their request back to the 2%. Following a lengthy discussion between Commissioner McCarthy, Council, and City Manager Cox it was determined a Tourism Committee would be established which would include representation from several sources to discuss tourism activities that would best benefit our community and surrounding region.

Chamber Director Nelson addressed Council and requested the Tourism Committee should also continue the County's practice of offering "mini grants" to organizations sponsoring programs within the area for additional advertising.

Motion by Councilman Gonzalez, seconded by Councilman Yeager to suspend the statutory rule requiring three separate readings of Ordinance No. 2676.

Roll call vote with the following results:

Voting Aye: Feldges, Yeager, Benzel, Gonzalez.

Voting Nay: Kusek.

Motion carried.

Mayor Feldges stated, "Four votes in favor of the motion have been received. That being more than three fourths of the Council present, the motion is declared passed.

Roll call vote on the final reading of Ordinance No. 2676 with the following results:

Voting Aye: Feldges, Yeager, Kusek, Gonzalez.

Voting Nay: Benzel.

Motion carried.

Mayor Feldges stated, "the passage and adoption of Ordinance No. 2676 has been concurred by a majority of all members elected to the Council, I declare it passed, adopted and order it published."

- The last item on Council's agenda was an Executive Session to discuss a personnel matter and contract negotiations.

Councilman Benzel motioned pursuant to Section 84-1410 Reissue Revised Statutes of Nebraska 1943 that the Alliance City Council hold a closed session for the purpose of discussing

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a personnel matter and contract negotiations. The motion also provided for the inclusion of Box Butte County Attorney K. J. Hutchinson and Deputy County Attorney Kathy Chuston to be included in the personnel matter and Cultural and Leisure Services Director Brown be included in the contract negotiations. The motion was seconded by Councilman Gonzalez.

Roll call vote with the following results:

Voting Aye: Yeager, Kusek, Benzel, Rowley, Feldges.

Voting Nay: None.

Motion carried.

The closed session began at 10:34 p.m. and ended at 11:45 p.m. with no action taken.

- Mayor Feldges stated, “there being no further business to come before the Alliance City Council, the meeting is adjourned at 11:46 p.m.”

Fred Feldges, Mayor

(SEAL)

Linda S. Jines, City Clerk