

August 4, 2011

# ALLIANCE CITY COUNCIL

REGULAR MEETING, THURSDAY, AUGUST 4, 2011

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

The Alliance City Council met in a Regular Meeting, August 4, 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 July 28, 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 August 4, 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, City Attorney Miller and City Clerk Jines.

- Mayor Feldges read the Open Meetings Act Announcement.
- Cody Buskirk was introduced to the City Council as our newest Police Officer.
- The next matter before Council was the Consent Calendar.

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

CONSENT CALENDAR – AUGUST 4, 2011

1. Approval: Minutes of the Regular Meeting, July 21, 2011; the Joint Meeting with the Box Butte County Commissions, July 19, 2011; and Special Meeting for the tour of the Regional Law Enforcement Center, July 21, 2011.

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2. Approval: Payroll and Employer Taxes for the period July 9, 2011 through July 22, 2011 inclusive: \$179,654.83 and \$13,180.95 respectively.
3. Approval: Claims against the following funds for the period July 15, 2011 through July 29, 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; \$1,580,367.14.
4. Approval: The issuance of the following Contractor licenses:
 

Journeyman HVAC	Anselmo Camacho dba CST Mechanical, Inc. Chris Trevino dba CST Mechanical, Inc.
Master HVAC	Rick Camacho dba CST Mechanical, Inc.
Repair & Maintenance	Steve Behrends dba Chadron Construction
General Contractor	Cornerstone Exteriors

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:
  - Electric Department
    - Electric Structure (reclosers) difficulty out at BNSF
      - Addressing
    - Electric Reliability Study
      - Conference Call Scheduled 8/11 @ 9:00am
    - New Transformer-
      - Has arrived and on pad
      - 8/8: Begin hooking up
      - 8/12: Energized
  - Water Department
    - 2 Water Main (10") breaks at the golf course – repaired
    - 1 Water Main Valve (4") break at Bower Park

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- Sewer Department
  - Had a reported backup – due to items in sewer
- Refuse
  - BNSF paying City \$40,000 to take coal from a spill earlier this week near Alliance
- Code Enforcement
  - Continue to gain compliance
- Animal Shelter
  - Landscaping around site – completed this month
- Airport
  - Advisory Ad hoc Meeting – Late August/Early September
- Streets & Roads
  - Cemetery
    - Bid out in a couple of weeks (to complete by Sept-Oct)
  - Sweetwater
    - Met with Dan Griess
    - Putting together brainstorming committee
    - Identify Issues
- Big Blue Bay Pool
  - Late night Teen Swim – Well attended
  - New diving board has been installed (even picture in paper)
  - Last day pool open: Sunday after last day of school (8/21)
- Library & Learning Center
  - Steps – Have gone out for bid; heated steps; Council Contingency
  - Have bid recommendation on 8/16 or 9/1
- City Hall/Building Improvements
  - Developing Plan for structure – exterior and interior;
    - Upper Deck (Rapid City) working on plan
  - Heater System
    - \$50,000 for temporary rental and installation
    - Asked for more bids
    - On next Council agenda
  - Tuck Pointing
    - Approx \$35,000
    - On next Council agenda

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- Sales Tax Revenues
  - Another huge jump in this month – reported at budget workshop
- Auction of Surplus Equipment
  - Purchase a reliable vehicle for the Parks Dept
  - Mike Hulquist to head up online auction
- STAFFING
  1. Public Safety Dispatcher- Re-advertising
  2. Lineman – Pending
  3. Customer Service Clerk I (Anna’s previous position) – Pending
  4. Animal Control – Advertising
  5. Library Adult Services - HOLD
  6. RSVP Clerk – HOLD
  7. Human Resources Officer - HOLD
  8. Cemetery Mtce Worker – HOLD
- Hazard Mitigation Plan Update
  - Public Meeting held 8/3 @ 7:00-9:00 pm
  - City send in forms to FEMA and send to City for Council adoption
- Fire/EMS – Fire Hydrant painting continuing
- West Plains Grain
  - Joint City/County Meeting – West Plains
    - Outcome: Eric Lenz & Barb Keegan work together re CR61
      - Widen CR61 to 30’ – Madison to Nance
      - Proposed: City crush and supply more concrete (line item in budget)
      - Proposed: County lay the crushed concrete
    - Plan put together – Eric Lenz/Barb Keegan
      - County: \$25,117;
      - City: \$31,680
- Lin Pepco
  - Grand Opening – last week.
- UPCOMING COUNCIL MEETINGS
  - 8/4: Budget – 1<sup>st</sup> Reading
  - 8/16:
    - Utility Workshop
    - Budget – 2<sup>nd</sup> Reading & Hearing
    - Municipal Building – Tuck Point & Heater System
  - 9/1:
    - Budget – 3<sup>rd</sup> & Final Reading

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- 9/15:
  - Congestion at Fountain/Central Park
- Future Meeting:
  - No Parking Around Fountain; Congestion on Sweetwater (10<sup>th</sup> to 12<sup>th</sup>)
  - Received a request for UTV's
  - Fireworks
- CALENDAR RECAP
  - Aug 12: Tour of Power Plant
  - Aug 21: Last Day – Pool
  - Aug 25: Softball begins! (@ Chadron)
- The next item for Council's review was Ordinance No. 2682 regarding the sale of property located at 220 Box Butte Avenue. City Manager Cox provided the following background information:

[Beginning late June and continuing through mid-July, bids were invited for the sale of City property located at 220 Box Butte Avenue. At the bid opening on July 12, two bids were received and opened. One bid was for \$20,000 and the other for \$18,750. Staff is recommending the passage of Ordinance No. 2681 which will approve the sale.

Council may wish to consider waiving three readings as this appears to be a straight-forward sale of property.]

Motion by Councilman Yeager, seconded by Councilman Gonzalez to approve Ordinance No. 2682 on first reading. City Clerk Jines read the ordinance by title which follows in its entirety:

### **ORDINANCE NO. 2682**

AN ORDINANCE PROVIDING FOR THE SALE AND CONVEYANCE OF LOT 4, BLOCK 21, ORIGINAL TOWN, NOW 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 Council of Alliance, Nebraska directed that staff publish notice for sealed bids on the following describe real property: to wit, Lot 4 Block 21, Original Town, now City of Alliance, Box Butte County, Nebraska, according to the recorded plat thereof.

SECTION 2. The City of Alliance published the legal notice and received two written bids for the property.

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SECTION 3. The City received a written offer from Christopher E. Stanton, to purchase Lot 4 Block 21, Original Town, now City of Alliance, Box Butte County, Nebraska, in the amount of Twenty Thousand and NO/100ths Dollars (\$20,000.00.)

SECTION 4. 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 5. 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 6. This ordinance shall be in full force and effect from and after its passage, approval and publication according to law.

Motion by Councilman Kusek, seconded by Councilman Benzel to suspend the statutory rule requiring three separate readings of Ordinance No. 2682.

Roll call vote to waive the statutory reading with the following results:

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

Voting Nay: None.

Motion carried.

Roll call vote to approve Ordinance No. 2682 on final reading with the following results:

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

Voting Nay: None.

Motion carried.

Mayor Feldges stated, "the passage and adoption of Ordinance No. 2682 has been concurred by a majority of all members elected to the Council, I declare it passed, adopted and order it published."

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- The next item for Council's consideration was the presentation of the Proposed 2011-2012 Budget. City Manager Cox provided the following background information:

[At the time of this writing, the City's Finance Director and I are finishing up the recommended budget to Council. However, at the time of our August 4th Council meeting we will have already held a Budget Workshop.

We have assumed keeping the property tax levy rate the same or lower. Also, as we do not yet have the county's new valuation amounts, we have made an assumption that valuations will go up slightly. That assumption has been built into the numbers provided to you in the budget packets delivered the evening of Sunday, July 31st.

For publication purposes, we are planning to have the public hearing at the second reading, scheduled for August 16 at 7:00 pm.]

Motion by Councilman Benzel, seconded by Councilman Gonzalez to approve Ordinance No. 2681 which follows in its entirety:

**ORDINANCE NO. 2681**

**AN ORDINANCE TERMED "THE ANNUAL APPROPRIATION BILL" TO PROVIDE REVENUE FOR MUNICIPAL PURPOSES OF THE CITY OF ALLIANCE FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2011, AND ENDING SEPTEMBER 30, 2012, BY IMPOSING A TAX ON ALL PROPERTY WITHIN THE CITY, ADOPTING A BUDGET, AND ADOPTING APPROPRIATIONS.**

WHEREAS, The City Manager, in accordance with the requirements of Chapter 1, Article 2, Section 1-205, of the Municipal Code of the City of Alliance, Nebraska, has submitted to the City Council a preliminary budget. This preliminary budget being submitted to the City Council on August 1, 2011, upon which a workshop was held on August 1, 2011 and a proposed budget was produced. A public hearing will be held on said proposed budget on August 16, 2011, as required by law; and

**NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL MEMBERS OF THE CITY OF ALLIANCE, NEBRASKA:**

**SECTION 1.** The budget for the fiscal year beginning October 1, 2011, submitted to and amended by the City Council, is hereby adopted.

**SECTION 2.** In order to provide revenue for municipal purposes, the following property tax revenues have been established for the City of Alliance:

	<b>CITY</b>	<b>MFO</b>	<b>AIRPORT</b>	<b>PUBLIC SAFETY</b>	<b>AIRPORT SINKING</b>	<b>TOTAL</b>
Budget Amount	930,000	110,000	110,000	65,000	39,500	1,254,500

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1% Treasurers Fee	9,300	1,100	1,100	650	395	12,545
Delinquent Allowance (5%)	46,500	5,500	5,500	3,250	1,975	62,725
(can be up to 5%)						

**Total Property Tax**

<b>Request:</b>	985,800	116,600	116,600	68,900	41,870	1,329,770
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Using the following

tax levies:

	<b>CITY</b>	<b>MFO</b>	<b>AIRPORT</b>	<b>PUBLIC SAFETY</b>	<b>AIRPORT SINKING</b>	<b>TOTAL</b>
Proposed 2011	0.28147	0.03361	0.03361	0.01986	0.01207	0.38387

SECTION 3. In accordance with Reissue Revised Statutes Nebraska Chapter 16, Section 704, the following amounts shall be and hereby are recognized as the budget for the City of Alliance, Nebraska for the fiscal year 2012.

General Fund	6,325,636
Electric	12,104,834
Refuse	1,282,578
Sewer	488,300
Water	1,797,728
Golf Course Fund	293,318
Airport	1,607,389
Street Fund	2,841,638
RSVP	84,826
Museum Exhibit	12,100
BID #1 and #2	9,100
Nuisance Cleanup	6,600
HUD	12,000
Community Betterment (KENO)	27,300
Economic Development	70,000

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LB 840 Fund	305,000
Redevelopment (TIF)	6,010
Sales Tax Fund	1,950,000
Tourism & Promotion	115,000
Capital Projects	291,700
Capital Equipment	65,000
General Internal Service	1,244,127
Enterprise Internal Service	501,475
Health Support Internal Service	2,198,850
General Debt Service	96,200
Airport Sinking Fund	45,750
Perpetual Care Fund (Cemetery)	11,000
<i>Gross Expenditures</i>	33,793,459

There is hereby included \$100,000 within the General Fund Budget [City Council Activity], \$10,000 within the General Fund Budget [Police Grant] \$40,000 within the Electric Fund, \$50,000 within the Water Fund, \$25,000 within the Sewer Fund, \$16,000 within the Refuse Fund, \$7,000 within the Airport Fund, and \$50,000 within the Streets Fund to be known as "Contingency." Expenditures from any Contingency will not be authorized without an affirmative vote of the City Council for each amount to be expended.

SECTION 4. The City has a total of Unused Restricted Funds Authority of \$\_\_\_\_\_ for Fiscal Year 2011.

SECTION 5. The tax levied under this Ordinance shall become due and payable, shall become delinquent and shall be subject to penalties, the execution of distress warrants and sale of property levied upon as provided by law.

SECTION 6. The City Clerk is hereby authorized and directed forthwith upon the passage, approval and publication of this Ordinance to forward a certified copy thereof to the County Clerk of Box Butte County, Nebraska.

SECTION 7. This Ordinance shall become effective October 1, 2011.

Motion to amend Ordinance No. 2681 by Councilman Kusek, seconded by Councilman Gonzalez to increase a special funding account with LB840 funds from \$15,000 to \$25,000 which will be maintained by the City for future requests.

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

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

Voting Nay: None.

Motion carried.

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Motion by Councilman Benzel, seconded by Councilman Kusek to fund Box Butte Development Corporation \$70,000 from the Sales Tax Fund.

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

Voting Aye: Feldges, Kusek, Benzel, Gonzalez.

Voting Nay: Yeager.

Motion carried.

Councilman Gonzalez made a motion to move \$48,000 from the Capital Improvement Fund (Fund No. 52) to the Street Fund (Fund No. 44). The motion was seconded by Councilman Kusek.

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

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

Voting Nay: None.

Motion carried.

An amendment to leave \$50,800 in the Sales Tax Fund (Fund No. 38) and to leave a zero balance in the LB840 Fund (Fund No. 36) was made by Councilman Kusek, which was seconded by Councilman Benzel.

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

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

Voting Nay: None.

Motion carried.

Roll call vote on the first reading of amended Ordinance No. 2681 with the following results:

Voting Aye: Feldges, Kusek, Benzel, Gonzalez.

Voting Nay: Yeager.

Motion carried.

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- Resolution No. 11-88 regarding the Nebraska Department of Roads Agreement for the Federal Fund Purchase Program was the next item for Council's review. City Manager Cox provided the following background information:

[Summary-

At long last, we are in receipt of the documents from the Nebraska Department of Roads that will set the stage for a new streamlined way in which we can utilize Federal Highway Funds in an expedited manner to complete City street projects. This program which will begin in 2014, will operate in Nebraska as it does in most other states, whereby the City sells to the State its portion of Federal Highway Funds in return for cash at a discounted rate. This represents a marked departure from the current system that is tedious and slow in developing and then constructing projects. This new process is expected to begin with the funding year in 2014, but NDOR does not anticipate having funds available for purchase until FY 2015 which would mean the City of Alliance would receive its first payment around March 2016.

How It Works-

Under the agreement, the State will accumulate federal funds from all participating cities and then will make an annual cash payment to those same cities in an amount equal to 80% of each of the cities' allocations in March.

The City is required to fill out and submit all necessary paperwork to begin the program and then must make an annual certification of the use of Cash Payment (how we used the funds). Additionally, we must repay federal funds if we do not complete a funded project.

This new process will cover funding from both the Surface Transportation Program (STP) as well as the Highway Bridge Program (HBP).

Transition-

As mentioned above, this program is not expected to commence until the FY 2015 funding cycle. Therefore, the State has devised a way to address projects in the interim with a "transition plan." During this transition time, the State has approved a group of projects around the state. Within this group are three Alliance projects:

1. South Potash Avenue (Control # 51347, Project #: URB-6263(1))
2. Emerson Avenue, 18<sup>th</sup> – 25<sup>th</sup> Street (Control # 51450: URB-6255(3))
3. 10<sup>th</sup> Street, Box Butte to Flack (Control #: 51490, Project #: URB-6254(7))

Uses of Funding-

Uses of the funding can be for any of the following:

- Construction
- Reconstruction
- Maintenance (preserve, restore or correct)
- Repair

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Phases of Projects Allowable-

- Preliminary Engineering
- Right-of-way Acquisition
- Utility Relocations
- Construction
- Construction Engineering

Types of Projects Included-

The funding can be used on any of the following:

- Public Highways
- Streets
- Roads
- Bridges
- Facilities, Appurtenances and Roadway Structures deemed necessary in connection with the above, which includes:
  - Medians
  - Accessory Lanes
  - Steps
  - Handrails
  - Sidewalks
  - Adjoining trails
  - Paths and related structures
  - Drainage facilities such as:
    - Storm Sewers
    - Curb or Grate Inlets
  - Guardrails
  - Lighting Facilities
  - Driveways
  - Retaining Walls & other similar facilities

Alliance Allocation History-

Below is a history of allocations received by the City of Alliance

	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
STP	\$ 224,926.28	\$ 507,495.34	\$ 301,811.15	\$ 809,306.44	\$ 560,000.00
Hwy Allocation	\$ 726,654.03	\$ 691,163.83	\$ 657,876.07	\$ 570,689.65	\$ 675,000.00
Total	\$ 951,580.31	\$ 1,198,659.17	\$ 959,687.22	\$ 1,379,996.09	\$ 1,235,000.00

Why Should We Participate-

The major question that I would anticipate is, "Why would we wish to forgo 20% of our funding? From what I have thus far understood, the arduous and slow process that is currently in place for us to address even minor repairs of our streets with our federal-state-local transportation funding, is frustrating and unacceptable to the community. A somewhat routine segment of mill and overlay can take the better part of two years to complete, when it should be a simple matter of a few months to plan and schedule with a

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vendor. Moreover, as all of us have experienced, we have to repeatedly bring back to Council again and again the same documents for updates, corrections and modifications.

In addition, I would anticipate that most other first class cities will be participating due to the same type of issues outlined above.]

Motion by Councilman Gonzalez, seconded by Councilman Yeager to approve Resolution No. 11-88 which follows in its entirety:

RESOLUTION NO. 11-88

*WHEREAS*, The City of Alliance, owns and maintains roads within the City and qualifies as a Local Public Agency (LPA); and

*WHEREAS*, Annually the Federal Government makes available to the State of Nebraska certain federal-aid transportation funds, including funds from the Surface Transportation Program (STP) and the Highway Bridge Program (HBP) (formerly known as the Highway Bridge Replacement and Rehabilitation Program), for use on State and local federal-aid transportation projects; and,

*WHEREAS*, Certain federal-aid STP and HBP funds historically have been made available to the LPA by the State for its use in funding federal-aid projects on the public streets or roads within its jurisdiction; and

*WHEREAS*, The City of Alliance (LPA) and the Nebraska Department of Roads (NDOR) wish to enter into an Agreement to provide for the purchase, at a discount, certain federal-aid dollars currently made available to the City of Alliance; and

*WHEREAS*, The City of Alliance is interested in selling its available federal-aid funds to the State on the terms and conditions set out in this Agreement, including certain limitations on the use of the cash received by the City of Alliance as a LPA; and

*WHEREAS*, City Council has reviewed the Agreement and has determined that it is in the best interest of the City of Alliance to enter into the Agreement in the form that is included within the Council packets.

*NOW, THEREFORE, BE IT RESOLVED* by the Mayor and Council of the City of Alliance, Nebraska, that the Mayor is authorized to sign the Federal-Aid Transportation Fund Purchase-Sale Agreement between the State of Nebraska Department of Roads and the City of Alliance.

*BE IT FURTHER RESOLVED* that Eric Lenz, is authorized to complete and file the Annual Certification Forms as are required under the agreement.

Roll call vote with the following results:

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

Voting Nay: None.

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Motion carried.

- The next item to be discussed by Council was a date to conduct a workshop to discuss utility rates.

By consensus Council selected 4:00 p.m. on Tuesday, August 16, 2011 to conduct the Utility Rate Workshop.

- The last item on Council's agenda was an Executive Session to conduct a strategy session with respect to a real estate matter, discuss a personnel matter and to conduct the six month performance evaluation of the City Manager.

Councilman Gonzalez 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 conducting a strategy session with respect to a real estate matter and asked that the City Manager, City Attorney, Police Chief and City Clerk remain for the session. The motion was seconded by Councilman Benzel.

Roll call vote with the following results:

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

Voting Nay: None.

Motion carried.

The closed session began at 8:50 p.m. and ended at 9:10 p.m.

No action was taken.

Councilman Kusek 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 a personnel matter and to conduct the six month performance evaluation of the City Manager. The only staff requested to remain for the closed session was the City Manager. The motion was seconded by Councilman Benzel.

Roll call vote with the following results:

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

Voting Nay: None.

Motion carried.

The closed session began at 9:12 p.m. and ended at 10:10 p.m.

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No action was taken.

- Mayor Feldges stated, “there being no further business to come before the Alliance City Council, the meeting is adjourned at 10:10 p.m.”

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Fred Feldges, Mayor

(SEAL)

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Linda S. Jines, City Clerk