

ALLIANCE CITY COUNCIL

REGULAR MEETING, THURSDAY, AUGUST 7, 2008

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

The Alliance City Council met in a Regular Meeting, August 7, 2008 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 31, 2008. 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 Kusek opened the August 7, 2008 Regular Meeting of the Alliance, Nebraska City Council at 7:00 p.m. Present were Mayor Kusek, Council Members Dickenson, Benzel, Rowley, and Yeager. Also present were City Manager Caskie, City Attorney Miller and City Clerk Jines.

- Mayor Kusek read the Open Meetings Act Announcement.
- Mayor Kusek advised Council that Item H was deleted from the agenda and Item L was added to the agenda twenty-four hours prior to the meeting.
- The first item on Council’s agenda was the Consent Calendar.

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

CONSENT CALENDAR - AUGUST 7, 2008

1. Approval: Minutes of the Regular Meeting, July 17, 2008 and the Special Budget Workshop on July 28, 2008.
2. Approval: Payroll and Employer Taxes for the period June 28, 2008 through July 11, 2008, inclusive; \$167,425.83 and \$11,977.49 respectively; and for the period July 12, 2008 through July 25, 2008, inclusive; \$167,305.23 and \$11,943.04

respectively.

3. Approval: Claims against the following funds for July 14, 2008 through August 4, 2008; 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: \$693,317.57.

4. Approval: The issuance of Cemetery Certificates to the following:

The South One Half of the Northeast Quarter (S1/2NE1/4) of Lot Seven (7), Section One (1), Block Seventeen (17), Second Addition to the Alliance Cemetery to Betty J. Pittman.

Lot Twenty-two (22), Section Eight (8), Block Twenty (20), Third Addition to the Alliance Cemetery to Stephen M. Lattin and Nolene A. Lattin.

The South One Half of the Northwest Quarter (S1/2NW1/4) Lot Seven (7), Section One, Block Seventeen (17), Second Addition to the Alliance Cemetery to Michelle Buddymeyer.

5. Approval: The issuance of the following Contractor licenses:

General Contractor..... Paul Magee dba Magee Remodel

Master Plumber. Jeff Weber dba J & V Drain & Sewer Cleaning

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

Councilman Benzel questioned a charge from Simmons Olsen Law Firm relating to the City Attorney contract. City Manager Caskie advised Council that this will be the last charge pertaining to the contract. He also asked about a charge for All Seasons Landscape. City Manager Caskie explained the City has a contract with All Seasons Landscaping for flower bed maintenance. Councilwoman Rowley asked why the Alltel and Qwest charges are not on one bill. City Manager Caskie explained that charges are broken down by department and long distance charges are also seperated.

Roll call vote with the following results:

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

Voting Nay: None.

Motion carried.

- The next item on Council's agenda was a request by Bob Hunter to discuss his property located at 156 Burnham Drive.

Mayor Kusek asked Mr. Hunter to address Council. Mr. Hunter was not in attendance. Terry Curtiss spoke on behalf of the adjoining property owners and requested that Council continue to enforce Building and Zoning Codes as they apply to Mr. Hunter's property.

City Manager Caskie explained to Council that utilities have been shut off to the house. The City was denied the right to access and inspect the property after appropriate notice. Steps were then taken to disconnect electricity and water because of the inability to prove that the utilities on the property meet building codes. An agreement has been proposed and drafted whereby Mr. Hunter will remove himself from residing on the property after which time temporary service will be provided to allow needed repairs to be made. It was not known at the time that Council convened whether Mr. Hunter had signed the agreement.

- The first reading of Ordinance No. 2619 relating to the 2008-2009 proposed budget was the next item for Council's review.

Mayor Kusek declared, "Now is the date, time and place to conduct a public hearing on the proposed budget for fiscal year beginning October 1, 2008 and ending September 30, 2009." Mayor Kusek opened the public hearing at 7:15 p.m. No testimony was offered and Mayor Kusek closed the public hearing at 7:16 p.m.

Motion by Mayor Kusek, seconded by Councilman Dickenson to approve Ordinance No. 2619 on first reading. City Clerk Jines read the ordinance by title which follows in its entirety:

ORDINANCE NO. 2619

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, 2008, AND ENDING SEPTEMBER 30, 2009, 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 July 17, 2008, upon which a workshop was held on July 28, 2008 and a proposed budget was produced. A public hearing was held on said proposed budget on August 7, 2008, 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, 2008, 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:

	City	MFO	Airport	Airport Sinking
Personal & Real Property Tax	855,617.00	103,383.00	106,000.00	37,500.00
Delinquent Allowance	8,556.17	1,033.83	1,060.00	375.00
1% County Treasurer's Commission	42,780.85	5,169.15	5,300.00	1,875.00
Total Property Tax Request	906,954.02	109,585.98	112,360.00	39,750.00

Using the following tax levies:

	City	MFO	Airport	Airport Sinking	Total
Proposed 2009:	0.28098	0.03395	0.03481	0.01231	0.36205

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 2009.

General Fund	4,706,205
General - Debt Service	276,225
Special Revenue - Streets	1,365,907
Electric	8,159,175
Refuse	1,346,781
Sewer	429,403
Water	5,875,747
Golf Course Fund	268,959
Special Use - BID #1	15,300
Special Use - BID #2	11,600
HUD	200,000
RSVP	73,797
Community Betterment (KENO)	102,000
Capital Projects	0
LB 840 Fund	250,000
Redevelopment	4,600
Airport Fund	1,001,849
Internal Service	1,719,760
<u>Abatement</u>	<u>10,000</u>

Capital Equipment	213,700
Economic Development	70,000
<i>Gross Expenditures</i>	<u>26,101,008</u>

There is hereby included \$50,000 within the General Fund Budget [City Council Activity], \$0 within the Electric Fund, \$65,000 within the Water Fund, \$26,800 within the Sewer Fund, \$10,000 within the Refuse Fund, \$0 within the Community Betterment Fund, \$14,000.00 within the Golf Fund and \$25,000 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 \$195,917.69 for Fiscal Year 2009.

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, 2008.

Motion by Mayor Kusek, seconded by Councilman Dickenson to amend the budget to increase the City Council Contingency Fund from \$50,000.00 to \$75,000.00.

Roll call vote on the amendment with the following results:

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

Voting Nay: None.

Motion carried.

Motion by Mayor Kusek, seconded by Councilwoman Rowley to amend the budget by increasing the Parks Budget by \$85,000 to install lights at Bower-Shankland Baseball Field. The current budget contains \$40,000 which will be carried over to next year's budget and the additional \$85,000 will be obtained from the Electric Department Fund Balance for a total of \$125,000.00.

Roll call vote on the amendment with the following results:

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

Voting Nay: None.

Motion carried.

Motion by Mayor Kusek, seconded by Councilman Dickenson to amend the budget to increase Other Attorney Fees in the Legal budget from \$5,000 to \$10,000.

Roll call vote on the amendment with the following results:

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

Voting Nay: None.

Motion carried.

Roll call vote on the first reading of amended Ordinance No. 2619 with the following results:

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

Voting Nay: None.

Motion carried.

Council requested staff review the addition of \$6,500 for museum personnel, an electric contingency, and increasing Council salaries before the second reading of the ordinance.

- The next item for Council's discussion is Ordinance No. 2620 authorizing the issuance of Water Revenue Bond Anticipation Notes, Series 2008, in an amount not to exceed \$4,800,000.00.

Motion by Councilwoman Rowley, seconded by Councilman Benzel to approve Ordinance No. 2620 on first reading. City Clerk Jines read the ordinance by title which follows in its entirety:

ORDINANCE NO. 2620

AN ORDINANCE AUTHORIZING THE ISSUANCE OF WATER REVENUE BOND ANTICIPATION NOTES, SERIES 2008, OF THE CITY OF ALLIANCE, NEBRASKA, IN A PRINCIPAL AMOUNT NOT TO EXCEED FOUR MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$4,800,000) FOR THE PURPOSE OF PAYING THE COSTS OF IMPROVING, EXTENDING, EQUIPPING AND FURNISHING THE CITY'S WATER SYSTEM PENDING THE ISSUANCE OF LONG-TERM WATER REVENUE BONDS; PRESCRIBING THE FORM OF SUCH NOTES; AGREEING TO ISSUE WATER REVENUE BONDS TO PAY THE NOTES AT OR PRIOR TO MATURITY OR TO PAY THE NOTES FROM OTHER AVAILABLE FUNDS; AND, ENTERING INTO A CONTRACT ON BEHALF OF THE

CITY WITH THE HOLDERS OF SAID NOTES; PROVIDING FOR THE PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM; AND RELATED MATTERS.

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

Section 1. The Mayor and Council (the “**Council**”) of the City of Alliance, Nebraska (the “**City**”) hereby finds and determines as follows:

(a) The City is a city of the first class and political subdivision duly organized and existing under the laws of the State of Nebraska (the “**State**”), and, pursuant to Chapter 16, Reissue Revised Statutes of Nebraska, as amended, owns and operates a water works plant and water system (the “**Water System**”), which is a revenue-producing facility as described in Sections 18-1803 to 18-1805, inclusive, Reissue Revised Statutes of Nebraska, as amended (the “**Act**”), serving the City and its inhabitants and others within its service area.

(b) It is necessary, desirable, advisable and in the best interest of the City and its inhabitants that the City undertake improving, extending, equipping and furnishing the Water System, including, without limitation, the construction of water treatment facilities, test and observation wells, new wells, and all related improvements, equipment and furnishings (collectively, the “**Project**”).

(c) The City is authorized under the provisions of the Act to issue and sell revenue bond anticipation notes for the purpose of providing funds to pay the costs of the Project, provided that the principal of and interest on such revenue bonds shall be payable solely from the revenues derived from the operation of the Water System.

(d) Other than the \$3,595,000 original principal amount of Water Revenue Refunding Bonds, Series 2003, dated July 10, 2003 (the “**Outstanding Bonds**”), of which \$2,670,000 are outstanding and unpaid, issued pursuant to Ordinance No. 2467 of the City, adopted by the Council and approved by the Mayor on June 5, 2003 (the “**2003 Ordinance**”), there are presently no liens or pledges upon the Revenues of the Water System.

(e) It is necessary, desirable, advisable and in the best interest of the City and of its inhabitants at this time to authorize the issuance and delivery of water revenue bond anticipation notes (the “**Notes**”) pursuant to the Act as herein provided to provide funds for the purposes of (1) paying the costs of the Project and (2) paying certain costs of issuing the Notes.

(f) All conditions, acts and things required by law to exist or to be done precedent to the issuance of the Bonds herein authorized do exist and have been done and performed in regular and due time as provided by law.

Section 2. For the purpose of (a) providing interim financing for the costs of the Project and (b) paying the costs of issuing the Notes, the Notes shall be and are hereby ordered issued in a principal amount not to exceed Four Million Eight Hundred Thousand Dollars (\$4,800,000), designated "City of Alliance, Nebraska Water Revenue Bond Anticipation Notes, Series 2008." The Notes shall (1) be fully registered as to both principal and interest on the books of registration maintained by the Treasurer of the City, the registrar and paying agent (the "**Registrar**"); (2) be numbered consecutively from R-1 upward in order of issuance; (3) be dated the date of issuance and delivery thereof (the "**Date of Original Issue**"); (4) mature on the date which is not later than eighteen months after the Date of Original Issue; and (5) bear interest at a rate not to exceed 4.50% per annum, calculated on the basis of a 360-day year consisting of twelve 30-day months. The principal of and interest on each Note shall be paid at maturity or upon redemption prior to maturity by check or draft payable to the registered owner thereof upon presentation and surrender of such Note at the office of the Registrar.

The Mayor is hereby authorized to hereafter, from time to time, specify, set, designate, determine, establish and appoint, as the case may be, and in each case in accordance with and subject to the provisions of this Ordinance, (a) the Date of Original Issue of the Notes and the date of maturity of the Notes, which shall not be later than eighteen months after the Date of Original Issue, (b) the principal amount of the Bonds to be issued, which shall in no event exceed an aggregate of \$4,800,000, (c) the rate of interest to be carried by the Notes (not to exceed four and one-half percent (4.50%) per annum), and (d) all of the other terms and provisions of the Notes not otherwise specified or fixed by the provisions of this Ordinance.

Section 3. If the date for payment of the principal of or interest on the Notes shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the offices of the Registrar are located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

Section 4. The Notes are subject to redemption at the option of the City prior to the maturity thereof at any time, as a whole, or in part from time to time in such principal amounts as the City shall determine, and in the event that less than all of the Notes are called for redemption, the particular Notes to be redeemed shall be selected by lot, at a redemption price equal to 100% of the principal amount then being redeemed plus accrued interest thereon to the date of redemption.

The Notes shall be redeemed in integral multiples of \$5,000 and if any Note be in a denomination in excess of \$5,000, portions of the principal amount thereof in integral multiples of \$5,000 be redeemed, and if less than all of the principal amount thereof is to be redeemed, in such case upon the surrender of such Note there shall be issued to the registered owner thereof without charge therefor, for the then unredeemed balance thereof, Notes of like series, maturity and interest rates in any of the authorized denominations provided by this Ordinance.

Section 5. Notice of redemption of all or any portion the Notes stating their designation, date, maturity and principal amounts shall be given by the Registrar by mailing such notice by first-

class mail, postage prepaid, not less than 15 days prior to the date fixed for redemption to each registered owner at its most recent addresses appearing upon the books of registry, but failure to mail such notice shall not affect the proceedings for redemption. Notice of redemption need not be given to the registered owner of any Note who has waived notice of redemption. Notice of redemption having been given as provided above or notice of redemption having been waived, the Notes so called for redemption shall become due and payable on the designated redemption date. The City shall give written notice to the Registrar of its election to redeem Notes at least 20 days prior to such redemption date, or such shorter period as shall be acceptable to the Registrar. If on or before such redemption date funds sufficient to pay the Notes so called for redemption at the applicable redemption price and accrued interest to such redemption date have been deposited or caused to have been deposited by the City with the Registrar for the purposes of such payment and notice of redemption thereof has been given or waived as provided herein, then from and after the date fixed for redemption interest on such Notes so called shall cease to accrue and become payable. If such funds shall not have been so deposited with the Registrar on or before the date fixed for redemption, such call for redemption shall be revoked and the Notes so called for redemption shall continue to be outstanding the same as though they had not been so called, and shall continue to bear interest until paid at such rate as they would have borne had they not been called for redemption, and shall continue to be protected by this Ordinance and entitled to the benefits and security hereof.

Section 6. The Notes shall be executed on behalf of the City by the manual signatures of the Mayor and Clerk. The City shall provide a supply of printed Note certificates, duly executed by the manual signatures of the Mayor and the Clerk, for issuance upon transfers or in the event of partial redemption. In the event that such supply of Notes shall be insufficient to meet the requirements of the City and the Registrar for issuance of replacement Notes upon transfer or partial redemption, the City covenants to order printed an additional supply of Notes and to direct their execution by the manual signature of its then duly qualified and acting Mayor and Clerk. In case any officer whose signature thereof shall appear on any Note shall cease to be such officer before the delivery of such Note (including any Notes delivered to the Registrar for issuance upon transfer), such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer or officers had remained in office until the delivery of such Note.

Section 7. The Notes shall be in substantially the following form:

No. R-1 \$ _____

**UNITED STATES OF AMERICA
STATE OF NEBRASKA
CITY OF ALLIANCE, NEBRASKA
WATER REVENUE BOND ANTICIPATION NOTE SERIES 2008**

Interest Rate _____ **Maturity Date** _____ **Dated Date** _____
 _____% _____, 2010 September ____, 2008

REGISTERED OWNER: WELLS FARGO BANK, NATIONAL ASSOCIATION

PRINCIPAL AMOUNT:

The **CITY OF ALLIANCE, NEBRASKA** (the “**City**”) hereby acknowledges itself to owe, and for value received, promises to pay to the Registered Owner stated above or its registered assigns, the Principal Amount stated above in lawful money of the United States of America, on the Maturity Date stated above, with interest thereon calculated on the basis of a 360-day year consisting of twelve 30-day months from the Dated Date stated above at the Interest Rate per annum stated above payable on the Maturity Date. The Principal Amount and the interest thereon is payable upon presentation and surrender of this note to the Treasurer of the City, the registrar and paying agent (the “**Registrar**”), at its offices in Alliance, Nebraska.

This note is one of an issue of fully registered notes (the “**Notes**”) in the principal amount of _____ Thousand Dollars (\$ _____), of even date and like tenor herewith, which were authorized by Ordinance No. _____ duly passed by the Council and approved by the Mayor of the City on August 7, 2008 (the “**Ordinance**”) pursuant to Sections 18-1803 to 18-1805, inclusive, Reissue Revised Statutes of Nebraska, as amended, for the purpose of (a) providing interim financing for the costs of improving, extending, equipping and furnishing (the “**Project**”) the City’s water works plant and water system (the “**Water System**”), and (b) paying the costs of issuing the Notes. The City has covenanted in the Ordinance to take all steps required to complete the Project and to issue and sell its water revenue bonds in a sufficient amount and at such times as will enable it to pay the principal of and interest on the Notes at or prior to maturity. The City has also reserved the right to issue additional bond anticipation notes for the purposes of (1) paying the balance of the costs of the Project, (2) refunding the Notes at or prior to maturity or (3) paying for additional improvements to the Water System. Reference is hereby made to the Ordinance, all of the provisions of which any registered owner of this note by its acceptance hereof thereby assents, for a complete description of the nature and extent of the security for the Notes and the covenants of the City with respect thereto. A certified copy of the Ordinance is on file at the offices of the Clerk.

The Notes are subject to redemption at the option of the City at any time in whole or in part in integral multiples of \$5,000 at a redemption price equal to 100% of the principal amount redeemed plus accrued interest on such principal amount to the date fixed for redemption. If less than all of the Notes are to be called for redemption, the particular Notes to be redeemed shall be selected by lot by the Registrar. The Registrar shall give notice of the redemption of this note by mailing such notice by first-class mail, postage prepaid, not less than 15 days prior to the date fixed for redemption to the registered owner hereof in the manner specified in the Ordinance. If less than all of the principal amount of this note is redeemed, upon surrender of this note the City shall issue to the registered owner hereof without charge therefor, a new note or notes of like series, maturity and interest rate for the then unredeemed balance of the principal amount hereof, in any denomination authorized by the Ordinance.

This note is transferable by the registered owner hereof in person or by such registered owner’s attorney duly authorized in writing, at the offices of the Registrar in Alliance, Nebraska,

but only in the manner and subject to the limitations and conditions provided in the Ordinance and upon presentation and surrender hereof to the Registrar for cancellation. Upon any such registration of transfer, the City shall execute and the Registrar shall authenticate and deliver in exchange for this note, a new registered note or notes, registered in the name of the transferee, of authorized denominations, in a principal amount equal to the principal amount of this note, of the same series and maturity and bearing interest at the same rate. The City and the Registrar may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payments of the principal of and interest on this note and for all other purposes and shall not be affected by any notice to the contrary, whether this note be overdue or not.

If the date for payment of the principal of or interest on this note shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the offices of the Registrar are located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

The City has designated the Notes as “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this note did exist, did happen and were done and performed in regular and due form and time as required by law and that the indebtedness of the City, including this note, does not exceed any limitation imposed by law.

IN WITNESS WHEREOF, the **CITY OF ALLIANCE, NEBRASKA**, has executed this Note by causing it to be signed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its Clerk.

CITY OF ALLIANCE, NEBRASKA

ATTEST:

By: _____
Dan Kusek, Mayor

By: _____
Linda S. Jines, City Clerk

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

Print or Type Name, Address and Social Security Number

or other Taxpayer Identification Number of Transferee

the within Notes and all rights thereunder, and hereby irrevocably constitutes and appoints _____ agent to transfer the within Notes on the books kept by the Paying Agent for the registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Notes in every particular.

Signature Guaranteed By:

(Name of Eligible Guarantor Institution as defined by SEC Rule 17 Ad-19 (17 CFR 240.17 Ad-19))

By: _____
Title: _____

Section 8. (a) The Treasurer of the City is hereby appointed to act as Registrar with respect to the Notes. The Registrar shall accept her appointment as such in writing prior to the issuance of the Bonds. The City reserves the right to remove the Registrar upon 30 days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Notes in its possession to the successor Registrar and shall deliver the note register to the successor Registrar. The Registrar shall have only such duties and obligations as are expressly stated herein and in the Registrar's Agreement, and no other duties or obligations shall be required of the Registrar.

(b) The Registrar shall keep and maintain for the City books for the registration and transfer of the Notes at its offices in Alliance, Nebraska. The names and registered addresses of the registered owner(s) of the Notes shall at all times be recorded in such books. Any Note may be transferred pursuant to its provisions at the offices of the Registrar by surrender of such Note for cancellation, accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner in person or by such owner's duly authorized agent, and thereupon the Registrar, on behalf of the City, will deliver at such offices (or send by registered mail to the transferee owner(s) thereof at such transferee owner's or owners' risk and expense), registered in the name of the transferee owner(s), a new Note or Notes of the same interest rate, aggregate principal amount and maturity, bearing numbers not contemporaneously then outstanding. To the extent of the denominations authorized for the Notes by this Ordinance, one Note may be transferred for several such notes of the same interest rate and maturity and for a like aggregate principal amount, and several Notes may be transferred for one or several notes, respectively, of the same

interest rate and maturity and for a like aggregate principal amount. In every case of transfer of a Note, the surrendered Notes shall be canceled and destroyed. The Registrar may impose a charge sufficient to defray all costs and expenses incident to registrations of transfer and exchange. In each case, the Registrar shall require the payment by the registered owner requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer. Notes issued upon transfer or exchange of Notes shall be dated as of the Date of Original Issue. All notes issued upon transfer of the Notes so surrendered shall be valid obligations of the City, evidencing the same obligations as the Notes surrendered and shall be entitled to all the benefits and protection of this Ordinance to the same extent as the Notes upon transfer of which they were delivered. The City and the Registrar shall not be required to transfer any Note called for redemption for a period of 15 days' next preceding the date fixed for redemption.

(c) The Registrar shall also be responsible for making the payments of principal and interest as the same fall due upon the Notes from funds transferred to it by the City for such purpose, which transfers are hereby authorized without further action or order of the Council. Payments due at maturity, together with any accrued interest then due, shall be made by the Registrar upon presentation and surrender of such Note at the offices of the Registrar in Alliance, Nebraska. The City and the Registrar may treat the registered owner of any Note as the absolute owner of such Note for the purpose of making payment thereon and for all other purposes. All payments on account of interest or principal made to the registered owner of any Note shall be valid and effectual and shall be a discharge of the City and the Registrar in respect of the liability upon such Note or claims for interest to the extent of the sum or sums so paid.

Section 9. The City hereby covenants and agrees to (a) complete the Project, (b) fix, establish, maintain and collect rates, fees or charges for the use of or services rendered by the Water System, including all improvement, extensions and betterments thereof, which rates, fees or charges shall be sufficient to pay the cost of operating, maintaining and repairing the Water System, pay the principal of and interest on the all bonds, notes or other obligations of the City payable from the revenues of the Water System and permit the issuance of water revenue bonds in accordance with the terms and provisions of the Bonds Ordinance so that the City will be authorized to issue and sell its water revenue bonds to pay the costs of the Project (the "**Bonds**") and (c) issue and sell Bonds in a sufficient amount and at such times as will enable it to pay the principal of and interest on the Notes at or prior to maturity, to the extent not paid from other legally available funds of the City. The City also reserves the right to issue additional bond anticipation notes for the purposes of (1) paying the balance of the costs of the Project, (2) refunding the Notes at or prior to maturity or (3) paying for additional improvements to the Water System of the City. This Ordinance constitutes an irrevocable contract between the City and the registered owners of the Notes, which contract may not be changed or altered without the written consent of the registered owners of a majority in aggregate principal amount of the Notes then outstanding. For so long as any Note is outstanding and unpaid, the City will keep and observe all of the covenants and agreements set forth in the 2003 Ordinance.

Section 10. The proceeds of the Notes shall be held by the City Treasurer in a separate fund and used to pay (a) the costs of issuing the Notes and (b) the costs of constructing, equipping and furnishing the Project upon order of the Mayor and Council.

Section 11. The Notes shall be sold to Wells Fargo Brokerage Services, LLC (the “**Purchaser**”) at a purchase price equal to 100% of the principal amount thereof.

Section 12. The Notes shall be delivered to the Registrar for registration. Upon execution and registration of the Notes, the Registrar is authorized to deliver the Notes to the Purchaser upon receipt of the purchase price specified in **Section 11** hereof. The Purchaser shall have the right to direct the registration of the Notes, subject to the restrictions of this Ordinance.

Section 13. The Clerk is hereby directed to make and certify a transcript of the proceedings of the City precedent to the issuance of the Notes, a copy of which shall be delivered to the Purchaser.

Section 14. (a) The City covenants and agrees that (1) it will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended (the “**Code**”), including Sections 103 and 141 to 150, necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Notes, and (2) it will not use or permit the use of any proceeds of the Notes or any other funds of the City, nor take or permit any other action, nor fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the interest on the Notes. The City will, in addition, adopt such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Notes will remain excluded from federal gross income, to the extent any such actions can be taken by the City.

(b) The City covenants and agrees that (1) it will comply with all requirements of Section 148 of the Code to the extent applicable to the Notes, (2) it will use the proceeds of the Notes as soon as practicable and with all reasonable dispatch for the purposes for which the Notes are issued, and (3) it will not invest or directly or indirectly use or permit the use of any proceeds of the Notes or any other funds of the City in any manner, or take or omit to take any action, that would cause the Notes to be an “arbitrage bond” within the meaning of Section 148(a) of the Code.

(c) The City covenants and agrees that it will pay or provide for the payment from time to time of all amounts required to be rebated to the United States of America pursuant to Section 148(f) of the Code and any U.S. Treasury Regulations applicable to the Notes from time to time. This covenant shall survive payment in full or defeasance of the Notes. The City specifically covenants to pay or cause to be paid to the United States of America the required amounts of arbitrage rebate at the times and in the amounts determined by the Federal Tax Certificate, dated the date of delivery of the Notes (the “**Tax Certificate**”), the form of which is hereby approved. The Mayor is hereby authorized to execute the Tax Certificate in substantially the form presented but with such changes as he and bond counsel shall deem appropriate or necessary. Notwithstanding anything to the contrary contained herein, the Tax Certificate may be amended or replaced if, in the opinion of counsel nationally recognized on the subject of municipal finance, such amendment or replacement will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Notes.

(d) The City covenants and agrees that it will not use any portion of the proceeds of the Notes, including any investment income earned on such proceeds, directly or indirectly, in a manner that would cause the Notes to be considered a “private activity bond.”

(e) The City hereby designates the Notes as “qualified tax-exempt obligations,” as defined in Section 265(b)(3) of the Code. In addition, the City hereby represents as follows:

(1) the aggregate face amount of all tax-exempt obligations (other than private activity bonds that are not “qualified 501(c)(3) bonds”) that will be issued by the City (and all subordinate entities thereof) during calendar year 2008 is not reasonably expected to exceed \$10,000,000; and

(2) the City (including all subordinate entities thereof) will not issue an aggregate principal amount of tax-exempt obligations (other than private activity bonds that are not “qualified 501(c)(3) bonds”) during calendar year 2008, including the Notes, in excess of \$10,000,000, without first obtaining an opinion of nationally recognized counsel in the area of municipal finance that the designation of the Notes as a “qualified tax-exempt obligation” will not be adversely affected.

The Mayor is hereby authorized to take such other action as may be necessary to make effective the designation in this **Section 14(e)**.

(f) The foregoing covenants shall remain in full force and effect notwithstanding the defeasance of the Notes pursuant to **Section 15** hereof or any other provision of this Ordinance, until the final maturity date of the Notes.

Section 15. The City’s obligation under this Ordinance shall be fully discharged and satisfied as to the Notes authorized and issued hereunder, and the Notes shall no longer be deemed outstanding hereunder when payment of the principal of such Notes plus interest thereon to the date of maturity or redemption thereof (a) shall have been made or caused to be made in accordance with the terms thereof; or (b) shall have been provided by depositing with the Registrar or in escrow with a national or state bank having trust powers, in trust solely for such payment (1) sufficient money to make such payment or (2) direct general obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States of America, or obligations of an agency of the United States of America (“**Government Obligations**”), in such amount and maturing as to principal and interest at such times, as will insure the availability of sufficient money to make such payment, and such Notes shall cease to draw interest from the date of their redemption or maturity and, except for the purposes of such payment, shall no longer be entitled to the benefits of this Ordinance; provided that notice of redemption shall have been duly given. If money shall have been deposited in accordance with the terms hereof with the Registrar as escrow agent in trust for that purpose sufficient to pay the principal of the Notes, together with all interest due thereon to the due date thereof or to the date fixed for redemption, as the case may be, all liability of the City for such payment shall forthwith cease, determine and be completely discharged, and the Notes shall no longer be considered outstanding.

Section 16. All actions heretofore taken by all officers, officials, employees and agents of the City, including without limitation the expenditure of funds and the selection, appointment and employment of bond counsel, paying agents or registrars, in connection with the issuance and sale of the Notes, together with all other actions taken in connection with any of the matters which are the subject hereof, be and the same is hereby in all respects authorized, adopted, specified, accepted, ratified, approved and confirmed.

Section 17. Without in any way limiting the power, authority or discretion elsewhere herein granted or delegated, the Council hereby (a) authorizes and directs the Mayor, the Clerk, its Attorney and all other officers, officials, employees and agents of the City to carry out or cause to be carried out, and to perform such obligations of the City and such other actions as they, or any of them, in consultation with bond counsel, the Purchaser and its counsel, shall consider necessary, advisable, desirable or appropriate in connection with this Ordinance and the issuance, sale and delivery of the Notes, including, without limitation, and whenever appropriate, the execution and delivery thereof and of all other related documents, instruments, certifications and opinions, and (b) delegates, authorizes and directs the Mayor the right, power and authority to exercise his independent judgment and absolute discretion in the taking of all actions and the making of all arrangements necessary, proper, appropriate, advisable or desirable in order to effectuate the issuance, sale and delivery of the Notes. The execution and delivery by the Mayor or by any such other officers, officials, employees or agents of the City of any such documents, instruments, certifications and opinions, or the doing by them of any act in connection with any of the matters that are the subject of this Ordinance, shall constitute conclusive evidence of both the City's and their approval of the terms, provisions and contents thereof and all changes, modifications, amendments, revisions and alterations made therein and shall conclusively establish their absolute, unconditional and irrevocable authority with respect thereto from the City and the authorization, approval and ratification by the City of the documents, instruments, certifications and opinions so executed and the actions so taken.

Section 18. If any one or more of the provisions of this Ordinance should be determined by a court of competent jurisdiction to be contrary to law, then such provisions shall be deemed severable from the remaining provisions of this Ordinance and the invalidity thereof shall in no way affect the validity of the other provisions of this Ordinance or of the Notes and the registered owner of the Notes shall retain all the rights and benefits accorded to it under this Ordinance and under any applicable provisions of law.

If any provisions of this Ordinance shall be held or deemed to be or shall, in fact, be inoperative or unenforceable or invalid in any particular case in any jurisdiction or jurisdictions, or in all cases because it conflicts with any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable or invalid in any other case or circumstances, or of rendering any other provision or provisions herein contained inoperative or unenforceable or invalid to any extent whatever.

Section 19. All resolutions, ordinances, or orders, or parts thereof in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed.

Section 20. This Ordinance shall be in full force and effect from and after its passage and

publication in pamphlet form as provided by law.

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Motion by Councilman Dickenson, seconded by Councilwoman Rowley to waive the statutory rule requiring three separate readings of Ordinance No. 2620.

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

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

Voting Nay: None.

Motion carried.

Roll call vote to approve Ordinance No. 2620 on final reading with the following results:

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

Voting Nay: None.

Motion carried.

Mayor Kusek stated, “the passage and adoption of Ordinance No. 2620 has been concurred by a majority of all members elected to the Council, I declare it passed, adopted and order it published.”

- The next item for Council’s review was Ordinance No. 2621. This ordinance will modify the current water rates which are necessary due to the capital improvements required on the water system.

Motion by Councilman Dickenson, seconded by Councilman Benzel to approve Ordinance No. 2621 on first reading. City Clerk Jines read the ordinance by title which follows in its entirety:

ORDINANCE NO. 2621

AN ORDINANCE AMENDING THE ALLIANCE MUNICIPAL CODE BY AMENDING SECTION 347 ARTICLE 3 AT CHAPTER 4, RELATING TO WATER RATES CHARGED BY THE CITY OF ALLIANCE; AND REPEAL EXISTING PROVISIONS OF CITY CODE NOT CONSISTENT HEREWITH.

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

SECTION 1. The City of Alliance operates the Alliance Municipal Water System (A.M.W.S.)

SECTION 2. The United States Government have implemented new rules on the allowable amount of arsenic in the municipal water systems which change results in the City of Alliance being required to mitigate the arsenic level in the A.M.W.S.

SECTION 3. The cost of mitigation requires that the water rates be increased to pay for the

costs of the mitigation of the arsenic levels in the A.M.W.S.

SECTION 4. Alliance Municipal Code at Chapter 4, shall be amended at Article 3, Section 347 to read as follows:

As a tariff or water rates based on monthly consumption of each customer from the water distribution system of the City of Alliance, Nebraska and for services rendered, the following schedules are hereby established.

For the use of A.M.W.S. each residential and rural residential user shall pay the current base rate on the amount of water in the residential consumer’s monthly base usage calculation which shall be known as Block 1 rate. The base usage or the amount of water in the Block 1 shall be equal to the average monthly water consumption during a three month winter base beginning with the first complete cycle which uses meter readings taken after December 10. If a residential consumer has not established a winter base period, the base usage or Block 1 amount shall be the average charge of all other residential consumers. The billing process shall commence when water service is established. Each residential customer shall pay the appropriate rate for each 100 cubic feet of water used in each of the applicable blocks. Once a user has used the allotment of water from one block the water will be billed at the next higher block rate.

The customer’s monthly bill shall consist of the monthly meter charge and the amount of water used based upon the number of cubic feet used and the fee assessed under this ordinance.

Residential, Commercial, Industrial Park, Manufacturing, Urban and Rural Rate

Each residential, commercial, industrial park, manufacturing, urban and rural consumer connected to the water distribution system of the City of Alliance, Nebraska, shall be liable and pay for the service charge for the meter for all water used and consumed at a rate of:

- A. **Residential** – the residential rate will apply to any building which is used as the primary residence and any associated or peripheral use of that primary residence.
Within the City limits - Urban Residential

Block 1	\$1.15 per 100 cubic feet
Block 2	\$1.30 per 100 cubic feet for the next 3500 cubic feet after the Block 1 amount.
Block 3	\$1.60 per 100 cubic feet for the next 2500 cubic feet after base usage and Blocks 1 and 2
Block 4	\$2.00 per 100 cubic feet for any amount over Blocks 1, 2, and 3

Outside the City limits - Rural Residential

Block 1	\$1.27 per 100 cubic feet
Block 2	\$1.43 per 100 cubic feet for the next 3500 cubic feet after the Block 1 amount.
Block 3	\$1.76 per 100 cubic feet for the next 2500 cubic feet after base usage and Blocks 1 and 2
Block 4	\$2.20 per 100 cubic feet for any amount over Blocks 1, 2, and 3

B. Manufacturing Rate.

Manufacturing rate will apply when more than 50 percent of the water purchased is used or directly consumed in processing or manufacturing. Processing or manufacturing is defined as an action or series of actions performed on tangible personal property, either by hand or machine, which results in that tangible personal property being reduced or transformed into a different state, quality, form, property or thing. Processing does not include repairing property, building erection, cold storage of food products, or preparation of food for immediate consumption.

Manufacturing, Commercial and Rural Rate is \$1.10 per 100 cubic feet.

C. Commercial Rate.

Commercial rate will apply to any for profit use that does not qualify as manufacturing and is not within the industrial park.

Commercial Rate is \$1.15 per 100 cubic feet.

D. Industrial Park Rate

Industrial Park rate will apply to those customers that are located within an Industrial Tract like the Industrial Park to the City of Alliance, Box Butte County, Nebraska.

The Industrial Park Rate is \$1.25 per 100 cubic feet

E. Excessive Summer Use – Manufacturing, Commercial, Industrial Park and Rural
(reserved for later use)

F. Commercial Irrigation Rates

(reserved for later use)

G. Municipal Rate

Municipal rate will apply to all the accounts owned by the City of Alliance.

The Municipal Rate is \$.90 per 100 cubic feet.

H. Service Charge

There shall be a monthly service charge for each account serviced by A.M.W.S. of.

Meter Size	Service Charge	Meter Size	Service Charge
5/8" thru 1"	\$7.00	4"	\$65.00
1-1/2"	\$15.00	6"	\$95.00
2"	\$30.00	8"	\$135.00
3"	\$50.00		

I. Truck fill charge

The truck fill charges for filling from the Utility Facility tank filler shall be \$5.00 per 1,000 gallons or any part thereof.

SECTION 4. That current applicable City Codes of the City of Alliance, Nebraska, and all other ordinances or parts of ordinances in conflict herewith are hereby repealed.

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

Roll call vote with the following results:

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

Voting Nay: None.

Motion carried.

- The second reading of Ordinance No. 2617 approving the Preliminary Plat of a Subdivision of the Replat of Block 2, Wyoming Avenue Addition was the next item on Council's agenda.

Motion by Councilman Benzel, seconded by Councilman Dickenson to approve Ordinance No. 2617 on second reading. City Clerk Jines read the ordinance by title which follows in its entirety:

ORDINANCE NO. 2617

AN ORDINANCE APPROVING THE PRELIMINARY PLAT OF A SUBDIVISION OF THE REPLAT OF BLOCK 2, WYOMING AVENUE ADDITION TO THE CITY OF ALLIANCE, BOX BUTTE COUNTY, NEBRASKA.

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

SECTION 1. The City of Alliance has received the application for approval of the Preliminary Plat of a Subdivision of the Replat of Block 2, Wyoming Avenue Addition to the City of Alliance, Box Butte County, Nebraska from Colorado Hospitality Services, Inc., a Colorado corporation.

SECTION 2. The Planning Commission held a public hearing July 8, 2008, and has recommended the approval of the Preliminary Plat with a condition that a covenant be contained in the deed that the owner of Lot 2 will have a concurrent Parking Agreement to use parking of Lot 1.

SECTION 3. The Preliminary Plat contains information required by the City Code at Section 11-305, which is relevant to this request.

SECTION 4. The Preliminary Plat of a Subdivision of the Replat of Block 2, Wyoming Avenue Addition to the City of Alliance, Box Butte County, Nebraska, is hereby approved and the subdividers are authorized to proceed with any required public works elements and preparation of a Final Plat with a condition that there is a concurrent Parking Agreement between the owner of Lot 1 and Lot 2, which authorizes Lot 2 to use parking stalls of Lot 1.

SECTION 5. This approval shall expire one year from this date unless the Final Plat has been submitted. This approval does not constitute Final Plat approval or guarantee the approval of the subdivision by the City Council or the City Council's authorization to proceed on construction of improvements within the subdivision.

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

Motion by Councilman Dickenson, seconded by Councilwoman Rowley to waive the statutory rule requiring three separate readings of Ordinance No. 2617.

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

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

Voting Nay: None.

Motion carried.

Roll call vote to approve Ordinance No. 2617 on final reading with the following results:

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

Voting Nay: None.

Motion carried.

Mayor Kusek stated, "the passage and adoption of Ordinance No. 2617 has been concurred by

a majority of all members elected to the Council, I declare it passed, adopted and order it published.”

- A public hearing on the Class I Liquor License Application of Heartland Pointe, L.L.C. dba Holiday Inn Express was the next item on Council’s agenda. Mayor Kusek stated, “Now is the date, time, and place to conduct a public hearing on the Class I Liquor License Application of Heartland Pointe, L.L.C. dba Holiday Inn Express, 1420 West 3rd Street, Alliance.” Mayor Kusek opened the public hearing at 7:51 p.m. Marge Turek, 941 County Road, Hemingford, NE addressed Council as General Manager of Holiday Inn Express and explained that the license would be used for Manager’s Receptions which would be held Monday through Thursday from 5:30 p.m. to 7:00 p.m. for hotel guests only. The hotel will be serving two complimentary glasses of wine or beer. No liquor will be sold on the premises. No other testimony was offered and Mayor Kusek closed the public hearing at 7:54 p.m.

Motion by Councilman Yeager, seconded by Councilman Dickenson to approve Resolution No. 08-77 which follows in its entirety:

RESOLUTION NO. 08-77

WHEREAS, The City of Alliance has received a notice and copy of an application for a Retail Class I Liquor license submitted by Heartland Pointe L.L.C, dba Holiday Inn Express; and

WHEREAS, The Alliance City Council has held a public hearing as provided for by law within forty-five days after the date of receipt of the notice from the Nebraska Liquor Control Commission with the application; and

WHEREAS, Notice of such hearing was given as provided by law; and

WHEREAS, At such hearing, evidence was received by the Council bearing upon the propriety of the issuance of such license; and

WHEREAS, The cost of published notice for the application is \$10.79.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of the City of Alliance, Nebraska, that the City Council does recommend the issuance of a Retail Class I Liquor License to Heartland Pointe L.L.C, dba Holiday Inn Express, to be located at 1420 West Third Street, in Alliance, Nebraska.

Roll call vote with the following results:

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

Voting Nay: None.

Motion carried.

- The next item to be brought before Council was Resolution No. 08-79 authorizing the amendment of the Procurement Policy with the inclusion of an Intellectual Property Clause which requires the City to become the owner of all information developed on our behalf.

Motion by Councilwoman Rowley, seconded by Councilman Yeager to approve Resolution No. 08-79 which follows in its entirety:

RESOLUTION NO. 08-79

WHEREAS, The City of Alliance enters into contracts for the design and construction of various and diverse projects; and

WHEREAS, It is important to the City of Alliance that the City obtain and retain all rights, title and interest in and to any plans, drawings, designs, as-builts, data bases and models for future repairs, remodeling, expansion or use; and

WHEREAS, The information is of no benefit to the City of Alliance if it is not in a form that is compatible with the brand and version of software that is used by the City of Alliance; and

WHEREAS, It is important that all contracts are consistent in providing this information to the City in a format that is compatible with the City's software;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Alliance, Nebraska, that the Procurement Policy of the City of Alliance be amended as follows:

3-206 Intellectual Property

All generated plans, drawings, maps, as-builts prints, modeling, etc. shall become the property of the City of Alliance, and be supplied in a digital format that is compatible, by program and version, with software used by the City of Alliance. Portable Document Files (PDF) or other electronic media will not be accepted. If the aforementioned media and/or documents are protected by copyright law, the consultant shall ensure the City of Alliance has the legal authority to access and manipulate said media and/or document.

Roll call vote with the following results:

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

Voting Nay: None.

Motion carried.

- The next item on Council's agenda was Resolution No. 08-80 authorizing the purchase of a reduced cost building from Premiere Steel Building, Inc. in the amount of \$26,151.00 for the Electric

and Water Departments.

Motion by Councilman Dickenson, seconded by Councilman Benzel to approve Resolution No. 08-80 which follows in its entirety:

RESOLUTION NO. 08-80

WHEREAS, The Electric and Water Departments had on their capital improvements for the fourth quarter of 2008, the purchase of a steel building for storage; and

WHEREAS, The bids have been sought and the cost under the bidding process was Twenty Nine Thousand Five Hundred Sixty Dollars (\$29,560.00) and Twenty Nine Thousand Six Hundred Thirty Dollars (\$29,630.00); and

WHEREAS, The City of Alliance has received an offer to purchase a building which was originally fabricated for another customer, who cancelled the order, at a cost of Twenty Six Thousand One Hundred Fifty-One Dollars (\$26,151.00); and

WHEREAS, The City Council believes this to be a significant cost savings.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of Alliance, Nebraska, that Electric and Water Superintendent be and hereby is authorized to enter into a contract for the purchase of a 40 foot by 60 foot steel building from Premiere Steel Building, Inc. for the price of Twenty Six Thousand One Hundred Fifty-One Dollars (\$26,151.00).

BE IT FURTHER RESOLVED, that if Premiere Steel Building, Inc. will not honor that price, that the project will be priced through the normal bidding process.

Electric Superintendent Larry Heinrich explained that the building will be installed near the current pole yard. Premiere Steel Building, Inc. will honor the price if a deposit is made on the building tomorrow, August 8, 2008.

Roll call vote with the following results:

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

Voting Nay: None.

Motion carried.

- A board resignation was the next item on Council's agenda.

Motion by Councilman Benzel, seconded by Councilman Dickenson to accept the resignation of Gary Goodell from the Alliance Planning Commission.

Roll call vote with the following results:

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

Voting Nay: None.

Motion carried.

- The last item to be presented to Council was Resolution No. 08-81 approving the Final Settlement Agreement between the City of Alliance and the Eldred Foundation providing for the acceptance by the City of the Addition to the Knight Museum of the High Plains Heritage.

Motion by Mayor Kusek, seconded by Councilman Dickenson to approve Resolution No. 08-81 which follows in its entirety:

RESOLUTION NO. 08-81

WHEREAS, The Eldred Foundation generously offered to add an addition to the Knight Museum; and

WHEREAS, The building has been completed; and

WHEREAS, The interior of the building needs to be completed including the design, construction and installation of display cases, exhibits and other interior furnishings, including an introductory video; and

WHEREAS, Unfortunate circumstances have arisen which resulted in disagreements between the City of Alliance and the benefactor, the Eldred Foundation; and

WHEREAS, The City of Alliance authorized Dan Kusek as Mayor of the City of Alliance to negotiate a final settlement and resolution of the issues between the Eldred Foundation and the City of Alliance; and

WHEREAS, A Settlement Agreement has been negotiated and is presented to the City Council for its approval.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Alliance, Nebraska, that the Mayor is authorized to execute the Final Settlement Agreement with the Eldred Foundation for and on behalf of the City of Alliance; and

BE IT FURTHER RESOLVED that the City of Alliance understands that this Agreement is a resolution of all claims, known or unknown, between the City of Alliance and the Eldred Foundation regarding the construction of the addition to the Knight Museum, which is now called the Knight Museum and Sandhills Center, and all of the obligations of the Eldred Foundation to provide funding for the building or the completion of the interior, exhibits, displays and the introductory video.

Mayor Kusek explained the negotiation process between the City of Alliance and the Eldred Foundation and reviewed the Final Settlement Agreement.

Fred Feldges, 231 West 21st Street addressed Council asking if all building guarantees and warranties will be transferred to the City. City Attorney Miller advised Council that all guarantees and warranties will be assigned to the City. He also asked if the money given to the City by the Foundation will be sufficient to complete the interior. Mayor Kusek replied that the original estimate to complete the displays and the interpretive video was \$500,000.00. Mr. Feldges also questioned the need for sending a Quarterly Report to the Eldred Foundation. Mayor Kusek explained that most foundations ask for an accounting of expended funds. City Manager Caskie advised Council that staff is working to have the museum fully opened by March, 2009. Mayor Kusek encouraged citizens to begin utilizing the building by hosting meetings and events in the facility.

Fern Weinell, 904 Niobrara Avenue addressed Council and asked what staff will be moving into the museum. City Manager Caskie explained that Museum Director Becci Thomas, Museum Aide Tracy Davis, and Cultural and Leisure Services Director Chuck Carbert will be moving into the museum.

Mayor Kusek read his statement regarding the evolution of the Knight Museum and Sandhills Center Expansion Project.

Roll call vote with the following results:

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

Voting Nay: None.

Motion carried.

- Mayor Kusek asked Council members if they had any items for future Council agendas. Councilman Dickenson requested a revision to the designed snow routes; Councilman Benzel requested an amendment to the ATV ordinance regarding juvenile passengers; and Councilwoman Rowley requested research be done for the use of the covered picnic shelter which was removed from Central Park, at the Alliance Municipal Airport.

- Mayor Kusek stated, “there being no further business to come before the Alliance City Council, the meeting is adjourned at 8:27 p.m.”

Dan Kusek, Mayor

(SEAL)
