

August 4, 2015

ALLIANCE CITY COUNCIL

REGULAR MEETING, TUESDAY, AUGUST 4, 2015

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

The Alliance City Council met in a Regular Meeting, August 4, 2015 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, 2015. 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 Yeager opened the August 4, 2015 Regular Meeting of the Alliance, Nebraska City Council at 7:00 p.m. Present were Mayor Yeager, Council Members Feldges, Jones and Korber-Gonzalez. Also present were City Manager Cox, Assistant City Manager/Finance Director Waggener, City Attorney Olsen and City Clerk Jines.

A motion was made by Councilman Feldges, seconded by Councilman Jones to excuse the absence of Councilman Seiler.

Roll call with the following results:

Voting Aye: Jones, Korber-Gonzalez, Yeager, Feldges.

Voting Nay: None.

Motion carried.

- Mayor Yeager read the Open Meetings Act Announcement.
- The first agenda item was the introduction of the City's new Public Transit employees, Al Lundy, Dick Amsk, Mike Hulquist, and Guy Hielscher. Justin Kittleman, Street Maintenance Worker, was also introduced.

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- The next agenda item was the approval of the Consent Calendar.

Councilman Feldges made a motion, which was seconded by Councilman Jones to approve the Consent Calendar as follows:

CONSENT CALENDAR – AUGUST 4, 2015

1. Approval: Minutes of the Regular Meeting, July 21, 2015 and the Budget Workshop, July 28, 2015.
2. Approval: Payroll and Employer Taxes for the period July 4, 2015 through July 17, 2015 inclusive: \$197,853.56 and \$14,059.39 respectively.
3. Approval: Claims against all funds of the City of Alliance for the period July 14, 2015 through July 28, 2015 in the amount of \$269,875.69.
4. Approval: The issuance of the following Cemetery Certificates:

The East One Half (E1/2) of Lot Thirty-two (32), Section Nine (9), Block Twenty (20), Third Addition to the Alliance Cemetery to Lori Foster and Mike Montague.

The West One Half (W1/2) of Lot Twenty-five (25), Section Nine (9), Block Twenty (20), Third Addition to the Alliance Cemetery to Charles R. Hamm and Rhonda S. Hamm.

The West One Half (W1/2) of Lot Twenty-four (24), Section Nine (9), Block Twenty (20), Third Addition to the Alliance Cemetery to Terry L. Frohman, Deb A. Frohman and Rhonda S. Hamm.

Acceptance of the Quitclaim Deed from Renee S. Smith for the South One Half of the Northeast Quarter (S1/2-NE1/4) of Lot Seven (7), Section One (1), Block Seventeen (17), Second Addition to the Alliance Cemetery in the amount of \$170.00.
5. Correction: The appointment of Brian Mischnick to the Alliance Planning Commission at our last meeting, July 21, 2015 should have been for a term expiring December 31, 2017. Council was provided an incorrect date of December 31, 2015.
6. Approval: The purchase of 61 refuse containers and associated accessories and hardware from Snyder Industries of Lincoln, NE in the amount of \$40,547.00. Staff solicited quotes from three vendors and received one responsive quote.
7. Approval: Resolution No. 15-63 authorizes the Mayor to sign the Federal-Aid Urban Area Boundary Map Update. After each decennial census the Federal Highway Administration (FHWA) initiates an update, applying the latest census data, to the Federal-Aid Urban Area Boundaries. Along with this update the functional classifications are reviewed. As per guidelines from the FHWA, the State Transportation Agency has the primary responsibility for developing and updating urban area boundaries

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and functional classifications and works with governmental entities to complete the update.

8. Approval: Resolution No. 15-64 will alter the landfill hours for Saturday service. The proposal is to shorten customer access by 30 minutes during the winter season and 60 minutes during the remainder of the year. This will allow staff adequate time to cover refuse and clean landfill equipment as required by the Nebraska Department of Environmental Quality (NDEQ). NDEQ has been critical of our current practices during recent inspections. The cleaning practice should also prolong the life of our equipment.
9. Approval: Resolution No. 15-65 authorizing the City to once again enter into the Open Fields and Waters Contract with the Nebraska Game and Parks Commission which will provide controlled public access for the purpose of hunting and trapping on specific property owned by the City.

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.

Councilman Feldges informed the public that he has reimbursed the City for his airfare for the Boutique inaugural flight.

Council questioned two claims which will need to be researched: porta-pots expenses and West Plains Engineering billings.

Roll call vote with the following results:

Voting Aye: Feldges, Korber-Gonzalez, Jones, Yeager.

Voting Nay: None.

Motion carried.

- A Conflict Claim reimbursing Councilman Feldges for expenses to attend the Nebraska Municipal League Executive Board Meeting, with the total amount of reimbursement being \$476.92 was the next matter before Council.

A motion was made by Councilman Jones, seconded by Councilman Korber-Gonzalez to approve the conflict claim in the amount of \$476.92 reimbursing Councilman Feldges.

Roll call vote with the following results:

Voting Aye: Jones, Korber-Gonzalez.

Voting Nay: Yeager.

Abstaining: Feldges.

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Motion carried.

- City Manager Cox gave the City Manager's Report which follows in outline form:

1. Library
 - Appears Diagnosed Accurately
 - Mechanical issues appear to be resolved;
 - No more huge fluctuations
2. 10th Street
 - Bid letting: Sept 2016
 - Construction: June 2016
3. Hwy 385
 - Bid letting: Dec 2015
 - Construction: May 2016
 - Time Line: 2016-Alliance to County Line; 2017-County Line to L62;
4. Hwy 2/3rd Street
 - Bid letting: 2018
 - Construction: 2019
 - Bad News: 4 lanes-\$1M; 3 lanes-\$500K
5. Streetscape
 - Construction: Hoping for a March 2016 Start
6. Underpass
 - City can complete work
 - NDOR will count work toward Hwy 2/3rd St
7. FEMA
 - Conducting surveys in Panhandle for Two Months
 - Headquarter out of Alliance – we're providing space at museum
8. Park Foundation will be having an event by the fountain on August 17
9. Putting together camera system needs for submittal to Charter for franchise
10. Allo may be seeking a cable franchise
11. Bridge at Laing Lake
 - Painting & Repairs

Highlights of Upcoming Council:

- Aug 18 – Parkade Discussion & Lien Discussion, CRA, Fencing & Setbacks
- The next item before Council was the first reading of Ordinance No. 2779, which will approve the 2015-2016 Proposed Budget.

A motion was made by Councilman Korber-Gonzalez, seconded by Councilman Jones to approve the first reading of Ordinance No. 2779 which City Clerk Jines read by title and follows in its entirety.

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ORDINANCE NO. 2779

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, 2015, AND ENDING SEPTEMBER 30, 2016, 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 the Nebraska R.R.S. 1943, §19-646, has submitted to the City Council a preliminary budget. This preliminary budget being submitted to the City Council at a workshop which was held on July 28, 2015 and a proposed budget was produced. A public hearing will be held on said proposed budget on August 18, 2015, 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, 2015, 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	Public Safety	Airport	Airport Reserves	Total
Approved Budget Amount	1,070,700	133,600	118,000	122,000	47,600	1,491,900
County Treasurer's Fee (1%)	10,707	1,336	1,180	1,220	476	14,919
Delinquent Allowance (5%)	53,507	6,665	5,947	6,078	2,392	74,589
Total Property Tax Request	1,134,914	141,601	125,127	129,298	50,468	1,581,408
Using the following levies	0.272104	0.033950	0.030000	0.031000	0.012100	0.379154
Approved Mill Levy for 2015	0.379154					
Based on Assessed Valuation	417,088,739					

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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 2016.

General	7,604,000
Electric	15,595,600
Refuse	1,358,600
Sewer	871,000
Water	1,932,200
Golf Course	369,700
Airport Operations	8,968,800
Public Transit	350,000
Streets	3,071,600
Handyman Services	62,200
RSVP	80,500
Museum Exhibit	28,200
BID #1 and #2	13,600
Nuisance Cleanup	6,600
HUD/CDBG	150,000
Community Betterment (KENO)	18,200
Economic Development	110,000
LB 840 Fund	303,500
Redevelopment (TIF)	250,000
Sales Tax Fund	1,975,000
Lodging Occupation Tax	227,600
Capital Projects	1,030,000
Public Safety Tax	275,000
State 911 Funds	55,000
General Internal Service	1,338,100
Enterprise Internal Service	679,500
Health Support Internal Service	2,406,300
General Debt Service	43,600
Airport Capital Reserve	550,000
<i>Gross Expenditures</i>	<u>49,724,400</u>

There is hereby included \$125,000 within the General Fund Budget [City Council Activity], \$10,000 within the General Fund Budget [Police Grant] \$60,000 within the Electric Fund, \$190,000 within the Water Fund, \$25,000 within the Sewer Fund, \$15,000 within the Refuse Fund, \$5,000 within the Airport Fund, \$50,000 and 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 Unused Restricted Funds Authority of \$91,518.09 for Fiscal Year 2016.

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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, 2015.

Assistant City Manager/Finance Director Waggener reviewed the following Budget Highlights with Council:

Overall Assumptions and Comments

- Property Taxes. Property valuations were increased in the preliminary budget by 1.6% to \$417,088,739 and the initial property tax levy held at \$0.379154 for the 2015-16 fiscal year projections. The resulting projected increase of \$23,500 results in total property taxes of \$1,491,900 which will partially fund general, fire, public safety and airport operating and sinking fund budgets. Actual valuations should be available by August 20 and the final property tax levels established at the September 1st Council meeting.
- Local Option Taxes. Local option (city sales) taxes are projected at \$1,975,000. This represents an increase of 6.75% from last year's conservative budget and a 1.3% increase from this fiscal year's anticipated revenues. Estimated reserves at the end of the current fiscal year should be approximately \$100,000. Of the total transfer, \$1,351,000 will become general funds, \$264,000 for street improvements, \$250,000 for capital projects and \$110,000 for economic development (including \$25,000 for possible Community Redevelopment Authority projects). With over \$500,000 in reserves, the regular LB 840 fund allotment will be redirected to the economic development fund and to the general fund for building demolition.
- Enterprise Fees. Enterprise fees transferred to the general fund are maintained at a 12% rate of budgeted enterprise fee revenue. This source will provide up to \$2,141,600 toward the general fund operations which is a \$218,700 (or 10.7%) increase over the prior year. Amounts will be evaluated and possibly adjusted down toward the end of the fiscal year based on actual general and enterprise fund results.
- Salaries and Benefits. Salaries are budgeted with a 1.6% cost-of-living adjustment (COLA) compared to the 1.5% included in the prior budget year. This adjustment is consistent with the Social Security COLA as well as the CPI for the calendar year ending December 31, 2014 and represents a \$79,500 increase in salaries. Budgeted Health Care Fund transfers from City operating funds are increased by 22% (or \$296,700) in order to cover the increased claims and slow the erosion of reserves. Budgeted workers compensation premium levels increased 4.5%. Authorized strength is increased by 9.12 FTE from the prior year following the acquisition of the public transit program (8.24 FTE) and the possible addition of a school resource officer (pending grant funding). The public works director position is eliminated from the budget with offsetting increases to correct a .47 FTE error in parks and a potential interim increase in utility customer service staff (.51 FTE) to allow transition pending staff retirements. Temporary summer staff funding was increased \$47,000 as a result of a 24% in minimum wages subsequent to the prior budget approval as well as increased Carhenge hours.

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- Capital Projects. Capital projects of almost \$13.2 million are included in the submitted plan with just over \$1.2 million either deferred or eliminated from the original request. The majority of the total consists of the balance of the airport runway rejuvenation project (\$6.6 million) and several major street projects totaling almost \$1.5 million. A total of \$390,000 is carried forward for the Laing Lake project and \$350,000 for a parks garage. Several of the larger projects are contingent upon approved funding proposals and actual scheduling of the improvements. Bond issues of \$1.9 million are included in the plan to partially fund the airport runway projects and hangar, parks garage and street improvements. A new ambulance (\$200,000) will be funded with a lease while the current aerial fire truck will be refurbished (\$275,000) with funds from the Public Safety Tax fund.
- Enterprise capital projects account for just under \$2 million are included in the plan while the Electric Fund is focused on infrastructure improvements with over \$600,000 dedicated to urban and rural system rebuilds and improvements and \$350,000 included for the transition to automated metering. A small utility bucket truck is also included in the Electric Fund at \$150,000. The Refuse Fund budget includes \$60,000 toward the ongoing replacement of aging trash receptacles. A total of \$200,000 is included for the landfill for necessary improvements. The Sewer Fund includes \$400,000 for the replacement of two lift stations with proceeds coming from retained earnings. An \$80,000 allotment is included in the warehouse budget to expand the yard at the public works facility.
- Contingency “Reserves”. Total contingency reserves were increased slightly to \$480,000 compared to the 2014-15 fiscal year budget of \$396,000. The plan adds \$150,000 for water main replacement and deletes the community betterment contingency of \$20,000.
- Debt Levels. External debt is projected to increase by up to \$800,000 depending on the actual new bond issues approved by Council. The anticipated debt level will be around \$6.1 million. A new ambulance lease of \$200,000 is included and approximately \$65,000 will remain on the old fire truck lease. The remaining debt is related to utility enterprise funds with the largest debt of just over \$3.5 million in the water fund and just under \$400,000 remaining in electric bonds. As a note, the highest recent external debt level was just over \$12 million at fiscal year-end 2008. Payments on the internal swimming pool loan between the General and Electric Funds were accelerated in the 2014-15 year with full payment expected in 2017.
- Utility Rates. Electric rates will increase in April 2016 by the 1% approved by Council on April 7, 2015. Refuse and landfill rates are presently being reviewed by NMPP. A proposal may be presented to Council to adjust base water rates in addition to the 1% automatic increase in consumption rates. Rate increases for the sewer fund will be limited to the 1% annual allowance implemented by Council in 2012.
- Grants. The City could receive just over \$11 million in Federal and State funding and grants within the upcoming fiscal year. The majority (\$6.3 million) will be from Federal Aviation and Aeronautics for runway projects. Almost \$4 million of funding is committed toward the East Tenth Street and Meadowood Trail projects, the Heartland Expressway-South and the Historic Lighting as a portion of the Phase 2 of Streetscape. Other carryover grant funding of up to \$355,000 will be provided by the Nebraska Department of Environmental Quality, Nebraska Environmental Trust and Upper Niobrara White Natural Resources District for the Laing Lake renovation project. Just over \$263,000 of federal and state funding is expected in relation to the newly-acquired public transit program. Additionally, \$62,000 in federal and state revenues may be realized if the school resource officer grant is approved. Funding from the Aging Office of

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Western Nebraska will remain unchanged for the Handyman Program with RSVP funding up by \$3,000.

- Special Funding Requests. Staff has recommended special funding in the amount of \$128,100 which is unchanged from the 2014-15 budget. The \$10,000 expanded support for Box Butte Development Corporation (BBDC) will continue to be paid in support of specific business development needs. A portion of the local option taxes (\$25,000) has been set aside in the economic development plan as reserve for a potential Community Redevelopment Authority project. Requests by Panhandle Area Development District (\$13,200) and Panhandle Resource Conservation and Development (\$300) are not recommended for funding.

Miscellaneous Highlights

- Airport Fund. The budget includes two full-time airport workers to address staffing and safety issues. Some funding is included for the remainder of the water study and spill study as well as for services of an airport development consultant. The major portion of the runway rejuvenation project is again carried forward from the prior year and is now estimated at \$6,600,000 remaining (funded 90% by the FAA and 10% from the airport sinking fund and borrowings). Likewise, another FAA project is added in the amount of \$400,000 for the sealing of the taxiways and apron (also funded at 90% by FAA). The \$450,000 for an additional hangar is included again with actual funding contingent on acceptable cash flow and borrowing options. Funds are included for the resurfacing of a portion of the airport road in cooperation with the County and State (reduced to \$50,000 based on a recent \$43,000 estimate); additional building repairs on the airport property and a used snow plow (\$50,000) to assist with efficient clearing of the runways.
- Street Fund. The 20% City share of three Federal street projects (East Tenth, Meadowood Trail and Heartland Expressway - South) are now included at a current estimated total of \$635,500. In addition, the second phase of the Box Butte Avenue Streetscape (downtown revitalization) project is forwarded at a cost of \$850,000 including the historic street lighting which is 80% grant-funded. Funding for Streetscape is anticipated through vehicle sales tax and electric funds (a transfer of \$158,800 for lighting). Asphalt and concrete maintenance budgets have been increased to a combined total of \$600,000 in anticipation of an aggressive street repair plan.
- Golf Course. General operating results of the golf course are relatively unchanged again in the 2015-16 budget. The funding for the golf pro was increased by 2% in accordance with the contract. Capital authority is included for a greens mower in the amount of \$29,000.
- Retired and Senior Volunteer Program (RSVP) and Handyman. Federal funding for the RSVP program will increase by \$3,000 for the next fiscal year with handyman funding remaining at previous levels. The acquisition of the handyman and public transit programs have allowed allocation of personnel and operating expense to lessen the fundraising requirements and expand the services offered through the City. The budgets will remain tight for the upcoming year with the Friends of Box Butte RSVP (a 501(c)(3) corporation) assisting with fundraising efforts for both programs.
- Public Transit. The public transit program was assumed by the City in July 2015. A budget of \$350,000 has been approved by Nebraska Department of Roads and is included in the City budget. The expenses are to be funded by approximately \$200,000 in Federal funds; \$60,000 in state funds; \$60,000 in local matches; and \$27,000 in rider fares. A capital expense of \$8,200 is included for technology for the program.

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- Economic Development. Authority is included to pursue community development and housing funding up to \$150,000 in the CDBG Fund. Sales tax revenue of \$110,000 will be transferred to the economic development fund including \$25,000 for possible Community Redevelopment Authority projects. No additions are included for the LB840 fund other than loan repayments; however, \$300,000 is allowed for potential projects. Three TIF projects will generate around \$200,000 in tax increment payments passed through the redevelopment fund in 2015-16. A transfer of \$60,000 of local option taxes along with \$40,000 in general funds is dedicated to building demolition.
- Capital Projects Fund. The capital projects fund will be funded by sales tax revenue in 2015-16 in the amount of \$250,000. These funds will provide partial funding of the parks garage; \$40,000 for pool debt payment and \$35,000 for the City's matching portion of the Laing Lake renovation project. An allocation of \$20,000 is included for the Central Park pillar reconstruction with the majority of the \$250,000 to be provided through fundraising efforts.

Roll call vote to approve the first reading of Ordinance No. 2779 with the following results:

Voting Aye: Feldges, Yeager, Jones, Korber-Gonzalez.

Voting Nay: None.

Motion carried.

- The next agenda item was the first reading of Ordinance No. 2780, which will authorize the City to exceed the Allowable Growth and Basic Allowable Growth for the 2015-2016 Fiscal Year Budget by 1%. Council was provided with the following background information:

[The attached ordinance will allow the City of Alliance (with a 75% affirmative vote by Council) to exceed the base allowable growth limitation of the restricted funds authority for the 2015-16 fiscal year budget by 1% (or \$61,288) with total restricted funds authority at \$6,343,346. This does not increase the new fiscal budget, but rather allows the City to increase the unused budget authority for use in future years.]

A motion was made by Mayor Yeager, seconded by Councilman Feldges to approve the first reading of Ordinance No. 2780 which City Clerk Jines read by title and follows in its entirety.

ORDINANCE NO. 2780

AN ORDINANCE ALLOWING FOR EXCEEDING THE ALLOWABLE GROWTH AND BASIC ALLOWABLE GROWTH LIMITS FOR THE 2015-2016 FISCAL YEAR BY ONE PERCENT OF BUDGETED RESTRICTED FUNDS, AND CORRECTING THE ADOPTED BUDGET STATEMENT AND ACCOMPANYING FORMS.

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

SECTION 1. Governmental units are authorized pursuant to State law at Chapter 13, Section 519, to exceed the Allowable Growth (§13-518(1)) and the Basic Allowable Growth (§77-3446) for budgeted restricted funds authority up to an additional one percent, by affirmative vote of the City Council of at least 75%.

SECTION 2. The City Council finds that such limit as provided by Section 13-519 (a) and (b) should be exceeded by one percent.

SECTION 3. An affirmative vote of at least 75% in favor of this increase is hereby cast.

SECTION 4. Section 13-511 allows correction of an adopted budget statement for clerical, mathematical, and accounting errors, which correction does not affect the total amount budgeted by more than one percent or increase the amount required from property taxes. The one percent limit increase is calculated into the current budget statement; however the unused budget authority amount is in need of modification.

SECTION 5. The “total restricted funds authority” with the additional 1% is \$61,288 and the resulting “unused budget authority” in the adopted budget ordinance is hereby amended to the amount of \$6,343,346.

SECTION 6. Those portions of the existing budget ordinance for 2015-2016 are amended accordingly.

SECTION 7. The City Treasurer is authorized to make appropriate changes in the submitted forms for computation of the limit for fiscal year 2015-2016, and transmit those changes to the State Auditor’s office.

SECTION 8. 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: Feldges, Yeager, Jones, Korber-Gonzalez.

Voting Nay: None.

Motion carried.

- Resolution No. 15-66, awarding the City of Alliance’s auditing services to Almquist, Maltzahn, Galloway & Luth, P.C., of Grand Island, through September 30, 2019 was the next matter before Council. The following background information was provided to Council:

The Alliance City Council approved a 5-year contract for auditing services with Almquist, Maltzahn, Galloway & Luth of Grand Island that began with a fee of

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\$19,500 for the base audit for the 2006-07 fiscal year and increased by \$500 per year through 2011. The Council has extended that contract for three additional years with \$500 increases for each subsequent year.

A Request for Proposal (RFP 2121-15-01) for financial and compliance audit services was issued July 10, 2015 and published on July 15, 2015. Six local accounting firms were contacted by phone and twelve firms across the state that have completed first-class city audits were contacted by phone and/or email. Bid packets were provided to three audit firms that all ultimately submitted proposals for the bid opening on July 29, 2015. Below is a bid tab detailing the quoted amounts for the three firms.

Audit Firm	Service	2014-15	2015-16	2016-17	2017-18	2018-19	Totals
Almquist, Maltzahn, Galloway & Luth CPA Grand Island, NE	Audit	\$23,300	\$23,800	\$24,300	\$24,800	\$25,300	\$121,500
	A-133	2,400	2,450	2,500	2,550	2,600	12,500
	Total	\$25,700	\$26,250	\$26,800	\$27,350	\$27,900	\$134,000
HSMC-Orizon, LLC Omaha, NE	Audit	\$25,500	\$26,500	\$27,500	\$28,500	\$29,500	\$137,500
	A-133	2,500	2,650	2,800	3,050	3,250	14,250
	Expense	1,750	1,800	1,900	1,950	2,000	9,400
	Total	\$29,750	\$30,950	\$32,200	\$33,500	\$34,750	\$161,150
Gabriel, Burger & Else, CPA, PC Seward, NE	Audit	\$28,500	\$28,500	\$28,500	\$28,500	\$28,500	\$142,500
	A-133	4,000	4,000	4,000	4,000	4,000	20,000
	Total*	\$32,500	\$32,500	\$32,500	\$32,500	\$32,500	\$162,500

*Bid is the maximum and may be billed at lesser amount.

Almquist, Maltzahn, Galloway & Luth CPA has provided excellent service on behalf of the City. The CPA staff prepares in advance of the audit and is very efficient and cordial, usually completing their on-site work in less than two days. The firm's efficiency has allowed the City to control audit costs. Staff is recommending that the auditing services contract be awarded to the firm for an additional five years.]

A motion was made by Councilman Feldges, seconded by Councilman Jones to approve Resolution No. 15-66 which follows in its entirety:

RESOLUTION NO. 15-66

WHEREAS, The City of Alliance is in need of auditing services for future fiscal years;
and

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WHEREAS, The prior contract for auditing services has expired; and

WHEREAS, The City has advertised for bids for auditing services; and

WHEREAS, The City has received the proposal of Almquist, Maltzahn, Galloway & Luth, P.C., of Grand Island, Nebraska, to audit the City of Alliance financial statements for the fiscal year ending as follows: September 30, 2015 in the amount of \$25,700; September 30, 2016 in the amount of \$26,250; September 30, 2017, in the amount of \$26,800; September 30, 2018 in the amount of \$27,350; and September 30, 2019 in the amount of \$27,900.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of Alliance, Nebraska, that the proposal of Almquist, Maltzahn, Galloway & Luth, P.C., of Grand Island, Nebraska, for audit services is hereby accepted, and the Mayor and City staff are authorized to execute contract documents consistent with the proposal and bid.

Roll call vote with the following results:

Voting Aye: Feldges, Jones, Korber-Gonzalez, Yeager.

Voting Nay: None.

Motion carried.

- The next item before Council was Resolution No. 15-67, granting the Mayor permission to sign the Memorandum of Understanding between the City of Alliance and the Alliance Housing Authority. Council was provided with the following background information:

[The Alliance Housing Authority (AHA) is the local public housing authority (PHA) charged with providing affordable housing for low-income residents within the City of Alliance. Any request of Federal financial assistance through the U.S. Department of Housing and Urban Development (HUD) requires an environmental review record prior to any acquisition, rehabilitation, demolition, conversion, leasing repair or construction of housing units. The City of Alliance (referred to as the responsible entity or RE) is the unit of government that holds jurisdictional authority for the community in which the PHA resides and that performs environmental reviews. The roles and responsibilities of the PHA and RE in regard to the environmental reviews are detailed in a memorandum of understanding (MOU) between the two parties.

The Alliance Housing Authority engaged Panhandle Area Development District (PADD) to complete the required environmental review at their expense. The current project provides for improvements to thirteen existing sites as operated by the Alliance Housing Agency and located throughout the City. The funds will be used to assist with upgrades to electrical, flooring, interior and exterior painting, cabinets and windows. Upon completion of the review, a PADD grant administrator has certified that there is no known compliance exceptions included in the fourteen areas reviewed. This certification allows the Mayor on behalf of

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the City of Alliance (as RE) to request release of the Federal funds for the proposed Alliance Housing Authority project.]

A motion was made by Councilman Jones, seconded by Councilman Korber-Gonzalez to approve Resolution No. 15-67 which follows in its entirety:

RESOLUTION NO. 15-67

WHEREAS, The Alliance Housing Authority is the local public housing authority (PHA) charged with providing affordable housing for low-income residents within the City of Alliance; and

WHEREAS, The City of Alliance is the responsible entity (RE) that holds jurisdictional authority for the Alliance Housing Authority; and

WHEREAS, In order for the Alliance Housing Authority to secure funding through the U.S. Department of Housing and Urban Development (HUD) an environmental review must be conducted; and

WHEREAS, A Memorandum of Understanding is required between the City of Alliance and the Alliance Housing Authority establishing the responsibilities of the environmental review process.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Alliance, Nebraska, that the Mayor is hereby authorized to sign on behalf of the City of Alliance the Memorandum of Understanding between the City of Alliance and the Alliance Housing Authority and the associated documents to secure funding.

Patricia Olson, Executive Director of the Alliance Housing Authority addressed Council and answered questions. The capital funding that will be provided will remodel 3 to 4 units. At the present time 36 of the 59 units are completed.

Roll call vote with the following results:

Voting Aye: Feldges, Jones, Korber-Gonzalez, Yeager.

Voting Nay: None.

Motion carried.

- Resolution No. 15-68 approving an amendment to the One Year Plan of the One and Six Year Street Improvement Plans was the next item before Council. Council was provided with the following background information:

The City Council approved the annual street plan to the Nebraska Board of Public Roads at its February 17, 2015 meeting. The following ten projects are included in the One Year Program:

August 4, 2015

Project No	Street	Cross Streets	Material	Miles	Est. Costs
M-108(158)	Emerson Avenue	25 th to 31 st Street	Asphalt	0.3	\$200,000
M-108(159)	Tenth Street	Box Butte to Flack Avenue	Concrete	1.1	\$2,677,500
M-108(163)	Box Butte Avenue	3 rd to 5 th Street	Concrete	0.1	\$723,000
M-108(167)	Eighteenth Street	Colorado to Big Horn Avenue (west 200 ft)	Asphalt	0.3	\$100,000
M-108(173)	18 th Terrace Place		Asphalt	0.1	\$50,000
M-108(174)	Black Hills Court	Cul-de-sac	Asphalt	0.1	\$50,000
M-108(175)	Platte Avenue	16 th Street to 18 th Street	Asphalt	0.1	\$50,000
M-108(176)	West 3 rd Street	150 ft. east & west of Railroad Underpass	Asphalt	0.1	\$40,000
M-108(177)	East 3 rd Street	Flack Avenue to Elkhorn Avenue	Asphalt	0.3	\$120,000
M-108(178)	18 th St. & Box Butte	Intersection	Concrete	N/A	\$150,000

The following four programs appear in the Six Year Program:

Project No	Street	Cross Streets	Material	Miles	Est. Costs
M-108(168)	Sixteenth Street	Buchfinck to Platte Avenue	Concrete	0.3	\$1,000,000
M-108(164)	Sweetwater Avenue	18 th to 25 th Street	Concrete	0.5	\$1,200,000
M-108(166)	Third Street	Howard to Elkhorn Avenue (with NDOR)	Concrete	1.5	\$1,357,000
M-108(115)	West Third Street	Black Hills to Howard Avenue (underpass with NDOR and BNSF)	Concrete Asphalt	0.3	\$5,443,000

UPDATE 8/4/2015

Subsequent to the preparation of the report, two additional asphalt streets were identified that received damage from winter weather conditions with deterioration to the point where Staff determined they should be added to the one-year plan. The amendment has been prepared by M.C. Schaff & Associates of Scottsbluff, NE as our certified Street Superintendent and included the following two additions:

August 4, 2015

Project No	Street	Cross Streets	Material	Miles	Est. Costs
M-108(180)	Kansas Street	Creswell Place West 200 ft.	Asphalt	0.1	\$115,000
	South Potash Avenue	Adjacent to BNSF Underpass	Asphalt		Included

A motion was made by Councilman Korber-Gonzalez, seconded by Councilman Jones to approve Resolution No. 15-68 which follows in its entirety:

RESOLUTION NO. 15-68

WHEREAS, The Nebraska Law requires that the City of Alliance approve and submit with the Board of Public Roads Classifications and Standards, any changes to the current Alliance One and Six Year City Street Improvement Plan; and

WHEREAS, The City of Alliance desires to change the current One and Six Year Plan; and

WHEREAS, The City of Alliance desires to add Project No. M-108(180) for improvements to Kansas Street and Potash Avenue to the current One and Six Year Plan; and

WHEREAS, The Project No. M-108(180) was submitted to the Council and examined by the City Council at a regular meeting conducted on August 4, 2015; and

WHEREAS, Council believes the project is appropriate and should be approved for the current One and Six Year Plan.

NOW, THEREFORE, BE IT RESOLVE, by the Mayor and City Council of Alliance, Nebraska, that the One and Six Year City Street Improvement Plan be revised to include Project No. M-108(180) prepared by the City of Alliance Department of Public Works is hereby approved and the City staff is authorized to forward the Revised Plan to the Board of Public Roads and Classifications and Standards.

Council discussed the two areas to be improved and the condition of the adjoining ditch areas. Council requested staff to pursue discussions with BNSF regarding the drainage problems.

Roll call vote with the following results:

Voting Aye: Feldges, Jones, Korber-Gonzalez, Yeager.

Voting Nay: None.

Motion carried.

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- The next agenda item was the Third Quarter Financial Report.

Assistant City Manager/Finance Director Randy Waggener provided an overview of the City's Third Quarter Financial Report ending July 30, 2015.

A motion was made by Councilman Jones, seconded by Councilman Feldges to accept the Third Quarter Financial Report as presented.

Roll call with the following results:

Voting Aye: Feldges, Jones, Korber-Gonzalez, Yeager.

Voting Nay: None.

Motion carried.

- The final agenda item was a board appointment and vacancy announcements.

Mayor Yeager announced that the City of Alliance has the following openings at this time: one vacancy on the Board of Adjustment, one vacancy on the A-1 Downtown Improvement Board, two vacancies on the Economic Development Application Review Board, two youth ex-officio positions on the Library Board, and a Hispanic representative on the Police Advisory Board. Anyone interested in serving on these Boards should contact the City Clerk's Office. Information on all of the City Boards is also available on our web site, www.cityofalliance.net.

A motion was made by Mayor Yeager, Seconded by Councilman Jones to reappoint Scott Moller to the Economic Development Application Review Board with a term expiring June 30, 2018.

Roll call vote with the following results:

Voting Aye: Feldges, Korber-Gonzalez, Yeager, Jones.

Voting Nay: None.

Motion carried.

A motion was made by Mayor Yeager, Seconded by Councilman Jones to reappoint Brenda McDonald to the Economic Development Application Review Board with a term expiring June 30, 2018.

Roll call vote with the following results:

August 4, 2015

Voting Aye: Feldges, Korber-Gonzalez, Yeager, Jones.

Voting Nay: None.

Motion carried.

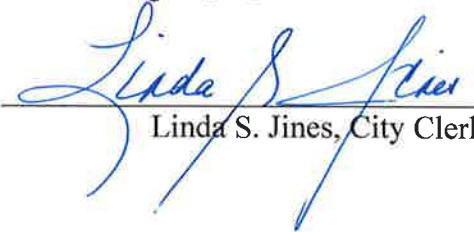
Prior to adjourning Council requested staff to research and report back on the following items: condition of the foot bridge which is located between the swimming pool and the dog park, the possibility of spraying for mosquitoes, and if the Cody Substation generation plant will meet the newly proposed EPA emission standard of 32.

- Mayor Yeager stated, "there being no further business to come before the Alliance City Council, the meeting is adjourned at 8:39 p.m."

(SEAL)



Ralph Yeager, Mayor



Linda S. Jines, City Clerk