
City of Grand Island



Tuesday, June 28, 2005

Council Session Packet

City Council:

Carole Cornelius
Peg Gilbert
Joyce Haase
Margaret Hornady
Robert Meyer
Mitchell Nickerson
Don Pauly
Jackie Pielstick
Scott Walker
Fred Whitesides

Mayor:

Jay Vavricek

City Administrator:

Gary Greer

City Clerk:

RaNae Edwards

7:00:00 PM

Council Chambers - City Hall
100 East First Street

Call to Order

Invocation - Pastor David Zellmer, Messiah Lutheran Church, 708 North Locust Street

Pledge of Allegiance

Roll Call

A - SUBMITTAL OF REQUESTS FOR FUTURE ITEMS

Individuals who have appropriate items for City Council consideration should complete the Request for Future Agenda Items form located at the Information Booth. If the issue can be handled administratively without Council action, notification will be provided. If the item is scheduled for a meeting or study session, notification of the date will be given.

B - RESERVE TIME TO SPEAK ON AGENDA ITEMS

This is an opportunity for individuals wishing to provide input on any of tonight's agenda items to reserve time to speak. Please come forward, state your name and address, and the Agenda topic on which you will be speaking.

MAYOR COMMUNICATION

This is an opportunity for the Mayor to comment on current events, activities, and issues of interest to the community.



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item E1

**Public Hearing on Request of Central Nebraska Humane Society
for Conditional Use Permit for a Temporary Office Trailer
Located at 1312 Sky Park Road**

Staff Contact: Craig Lewis

Council Agenda Memo

From: Craig A. Lewis, Building Department Director

Meeting: June 28, 2003

Subject: Request of Central Nebraska Humane Society for a Conditional Use Permit to allow for the Continued Use of a Temporary Portable Office Structure at 1312 Skypark Road

Item #'s: E-1 & G-4

Presenter(s): Craig Lewis, Building Department Director

Background

The property is currently zoned M-2, Heavy Manufacturing and as such temporary buildings and uses are only allowed as conditional uses approved by the City Council. In 2003 the Humane Society requested and received approval from the City Council for the use of this mobile office for two years, as that time expires on July 8, 2005 a request to extend the use for an additional two years has been submitted.

Discussion

The provisions in the City code which allows for the use of temporary buildings is intended to allow for operations to either continue or commence while a permanent facility is being constructed with limitations of two years in undeveloped areas

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the request.
2. Disapprove or /Deny the request.
3. Modify the request to meet the wishes of the Council
4. Table the issue

Recommendation

City Administration recommends that the Council approve the request for a two year time limit.

Sample Motion

Motion to approve the conditional use permit as requested for a two year time period..



Non-Refundable Fee: \$155.00
Return by: _____
Council Action on: _____

Conditional Use Permit Application

pc: Building, Legal, Utilities
Planning, Public Works

1. The specific use/construction requested is: Temp OFFICE TRAILER
2. The owner(s) of the described property is/are: CENTRAL NEBRASKA HUMANITARIAN SOCIETY INC
3. The legal description of the property is: FRANK P. BARKS sub 3 Lot 40-43
4. The address of the property is: 1312 Sky Park Road
5. The zoning classification of the property is: M-2
6. Existing improvements on the property is: N/A
7. The duration of the proposed use is: 2 YEARS
8. Plans for construction of permanent facility is: 12-18 MONTHS OUT
9. The character of the immediate neighborhood is: Blighted / Industrial Mixed
10. There is hereby **attached** a list of the names and addresses of all property owners within 200' of the property upon which the Conditional Use Permit is requested.
11. Explanation of request: CNHS IS UTILIZING THE MOBILE BUILDING FOR ADMINISTRATIVE OFFICES UNTIL SUCH TIME A PERMANENT FACILITY CAN BE CONSTRUCTED WE ESTIMATE THAT WE WILL HAVE A PERMANENT STRUCTURE WITHIN 18 MONTHS.

I/We do hereby certify that the above statements are true and correct and this application is signed as an acknowledgement of that fact.

6-6-05
Date

[Signature]
Owners(s) Exec. Director

308-385-5579
Phone Number

1312 Sky Park Road
Address

Grand Island NE 68801
City State Zip

Please Note: Delays May Occur if Application is Incomplete or Inaccurate.

Aerials Extents Zoom In Zoom Out Select R

1706 1724 1822 2020 1102
Capital Ave E
1808 1821
Gadder St
1311 1303 1304 1223 1210
Truman St
1123 1902 1312

1312 Sky Park Rd Subdivision: Frank P Barks' Sub 3 Lot: 40 Block: 0 [Multiple Photos](#)
[Register of Deeds' Documents](#) [Assessor's Documents](#) [Treasurer's Documents](#) [District Informatio](#)



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item E2

**Public Hearing on Request of Dale Hartwig for Conditional Use
Permit for Temporary Water and Sanitary Sewer Tie-In to Service
Construction Office Located at 2620 West Faidley Avenue**

Staff Contact: Craig Lewis

Council Agenda Memo

From: Craig A. Lewis, Building Department Director

Meeting: June 28, 2003

Subject: Request of St. Francis Medical Center for a Conditional Use Permit to allow for sewer and water services to a temporary construction trailer at 825 Orleans Drive

Item #'s: E-2 & G-5

Presenter(s): Craig Lewis, Building Department Director

Background

The property is currently zoned RO Residential Office, this zoning classification would allow for office types of establishments as permanent facilities in permanent buildings connected to all utilities. This request is to allow for a temporary construction trailer to be connected to public sewer and water mains as if permanent construction.

Discussion

The utilization of construction trailer to facilitate the construction and development of property within the city's jurisdiction has been allowed for years and is a common practice, but the connection of these temporary trailers to permanent utilities is not typically allowed or requested as they rarely remain on the site for any extended period of time. A conditional use permit may be a tool to identify and formally approve the connection to public utilities and establish a time certain for the temporary trailer and connections to be terminated.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the request.
2. Disapprove or /Deny the request.
3. Modify the request to meet the wishes of the Council
4. Table the issue

Recommendation

City Administration recommends that the Council approve the request to allow utility connection to a temporary construction trailer for the time specified.

Sample Motion

A motion to approve a conditional use permit to allow utility connection to a construction trailer at 825 Orleans Dr. for a period not to exceed three years from the date of approval.



Phone # 308-384-7443 X224
KENT HAZZARD

Non-Refundable Fee: \$155.00
Return by: _____
Council Action on: _____

Conditional Use Permit Application

pc: Building, Legal, Utilities
Planning, Public Works

- 1. The specific use/construction requested is: WATER + SANITARY SEWER TIE-IN FOR SERVICE TO CONSTRUCTION OFFICE.
- 2. The owner(s) of the described property is/are: ST. FRANCIS MEDICAL CENTER.
- 3. The legal description of the property is: LOTS 7+8 COLONIAL ESTATES 3RD SUBDIVISION.
- 4. The address of the property is: 2620 WEST FAIDLEY AVE.
- 5. The zoning classification of the property is: _____
- 6. Existing improvements on the property is: N/A
- 7. The duration of the proposed use is: 3 yrs.
- 8. Plans for construction of permanent facility is: N/A
- 9. The character of the immediate neighborhood is: GOOD
- 10. There is hereby attached a list of the names and addresses of all property owners within 200' of the property upon which the Conditional Use Permit is requested.
- 11. Explanation of request: JE DUNN CONSTRUCTION REQUESTS THAT THEY ARE ABLE TO INSTALL WATER + SANITARY SEWER SERVICE TO THEIR CONSTRUCTION TRAILER AT ST. FRANCIS MEDICAL CENTER.

I/We do hereby certify that the above statements are true and correct and this application is signed as an acknowledgement of that fact.

5/31/05
Date

[Signature] (Dale Hartwig)
Owners(s)

308-384-4600
Phone Number

2620 WEST FAIDLEY AVE.
Address

GRAND ISLAND NE 68803
City State Zip

Please Note: Delays May Occur if Application is Incomplete or Inaccurate.

Aerials Extents Zoom In Zoom Out Select ReCenter

10th St W

Orleans Dr

Kennedy Dr

Saint Francis Medical Center

825 Orleans Dr Subdivision: Colonial Estates 3rd Sub Lot: 9 Block: 0
Register of Deeds' Documents Assessor's Documents Treasurer's Documents District Information



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item E3

**Public Hearing on Acquisition of Utility Easements - 3114 and
3116 S. Blaine Street - Gauthier**

Staff Contact: Gary R. Mader

Council Agenda Memo

From: Robert H. Smith, Asst. Utilities Director
Meeting: June 28, 2005
Subject: Acquisition of Utility Easements – 3114 & 3116 S. Blaine Street - Gauthier
Item #'s: E-3 & G-6
Presenter(s): Gary R. Mader, Utilities Director

Background

Nebraska State Law requires that acquisition of property must be approved by City Council. The Utilities Department needs to acquire two easements relative to the property of Clark A. Gauthier located through a part of Lot Four (4), and part of Lot Five (5) Riverside Farm Fourth Subdivision (3116 and 3114 S. Blaine Street), in the City of Grand Island, Hall County, in order to have access to install, upgrade, maintain, and repair power appurtenances, including lines and transformers.

Discussion

These easements will be used to locate underground primary and pad-mounted transformers to provide power to the new home on Lot Five (5), Riverside Farm Fourth Subdivision.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

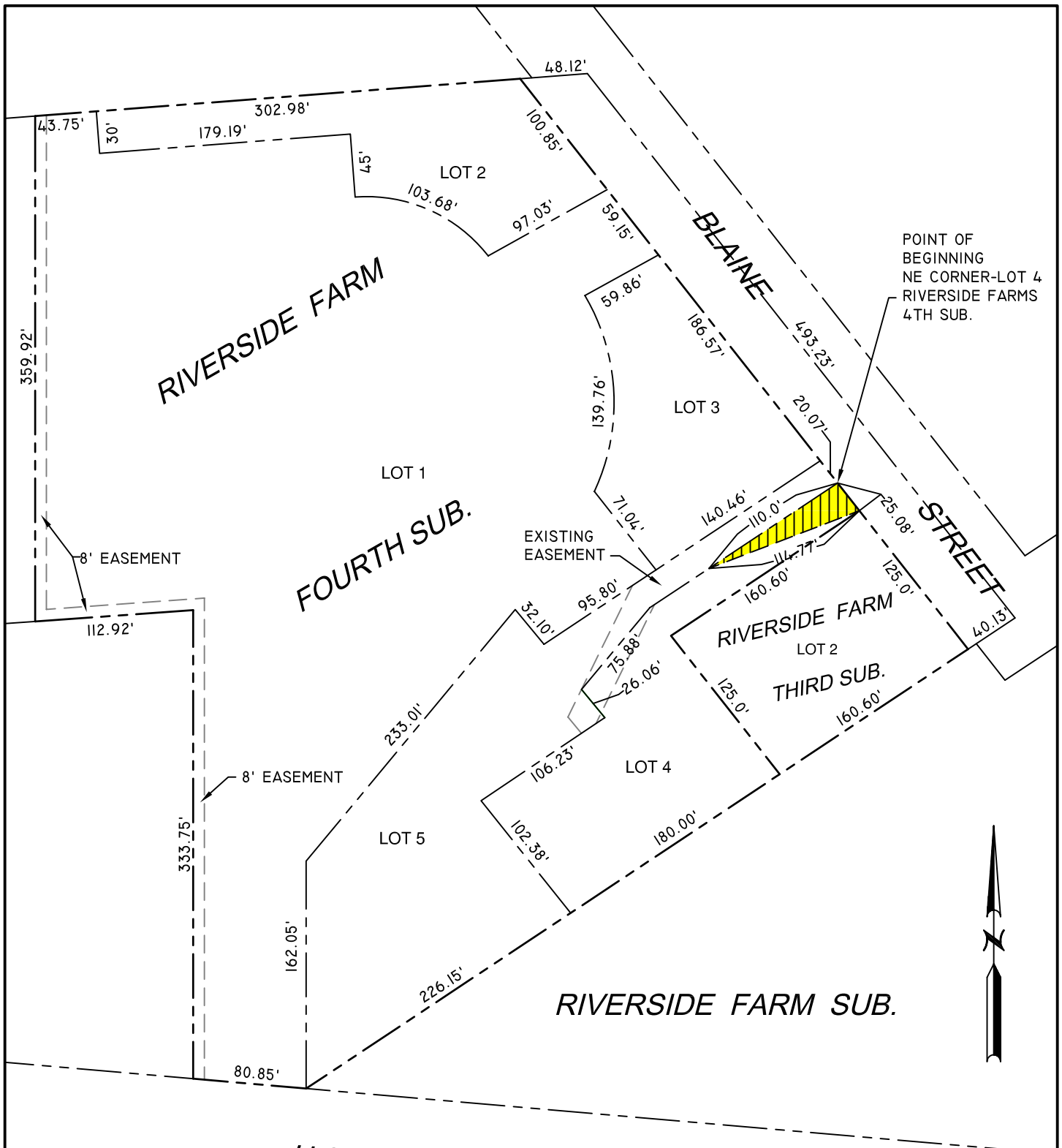
1. Make a motion to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the resolution for the acquisition of the easements for one dollar (\$1.00) each.

Sample Motion

Motion to approve acquisition of the Utility Easements.



POINT OF BEGINNING
NE CORNER-LOT 4
RIVERSIDE FARMS
4TH SUB.

8' EASEMENT

EXISTING
EASEMENT

8' EASEMENT

LEGEND

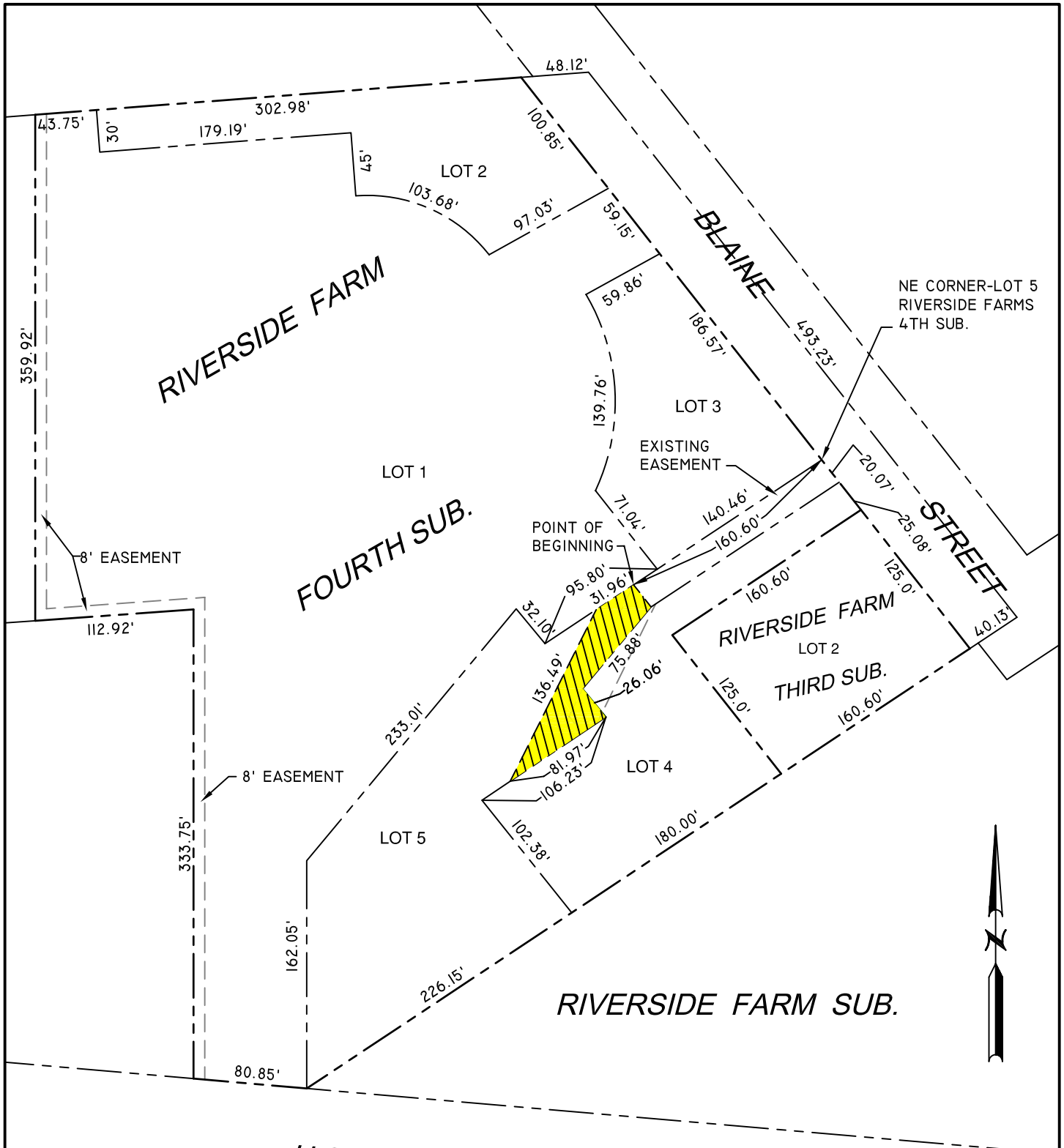


INDICATES
UTILITY EASEMENT


CITY OF
GRAND ISLAND
UTILITIES DEPARTMENT

EXHIBIT "A"

DRN BY: K.J.M.	SCALE: 1"= 100'
DATE: 5/25/2005	FILE: RIVERSIDE



U.S. HWY 34

LEGEND
 INDICATES
 UTILITY EASEMENT

CITY OF
GRAND ISLAND
 UTILITIES DEPARTMENT

EXHIBIT "A"

DRN BY: K.J.M.	SCALE: 1"= 100'
DATE: 5/25/2005	FILE: RIVERSIDE



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item E4

**Public Hearing on Acquisition of Utility Easement - 804 N. Webb
Road - WCI, LLC**

Staff Contact: Gary R. Mader

Council Agenda Memo

From: Robert H. Smith, Asst. Utilities Director
Meeting: June 28, 2005
Subject: Acquisition of Utility Easement – 804 N. Webb Road – WCI, LLC
Item #'s: E-4 & G-7
Presenter(s): Gary R. Mader, Utilities Director

Background

Nebraska State Law requires that acquisition of property must be approved by City Council. The Utilities Department needs to acquire an easement relative to the property of WCI, LLC located at the southeast corner of property located at 804 N. Webb Road, between Home Depot and TierOne Bank, in the City Of Grand Island, Hall County, in order to have access to install, upgrade, maintain, and repair power appurtenances, including lines and transformers.

Discussion

This easement will be used to provide water service while maintaining required clearances from the water line to the storm and sanitary sewer lines. This allows public access to the shutoff valve for the water service.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

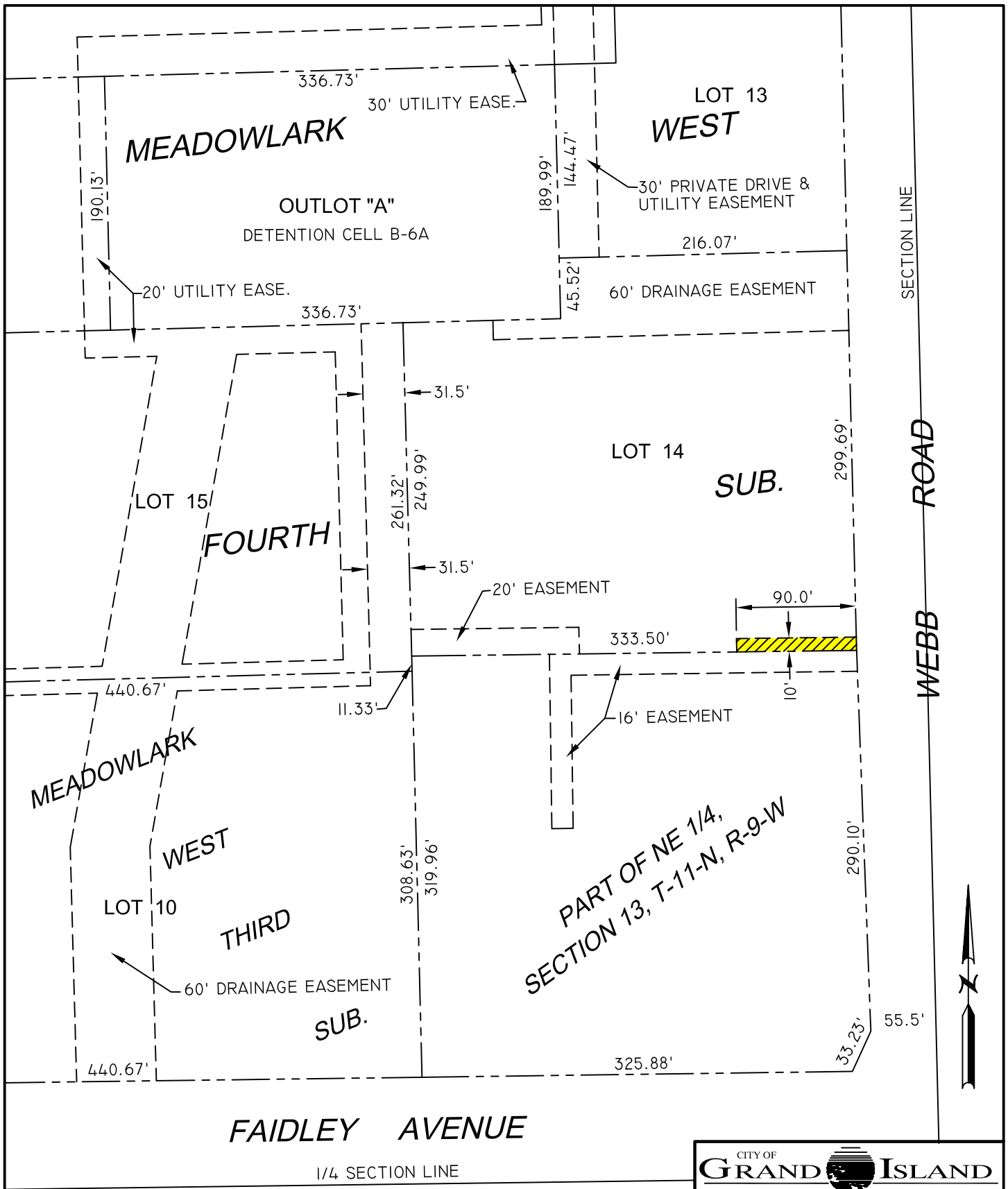
1. Make a motion to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue


Recommendation

City Administration recommends that the Council approve the resolution for the acquisition of the easement for one dollar (\$1.00).

Sample Motion

Motion to approve acquisition of the Utility Easement.



LEGEND
 INDICATES 10' WIDE UTILITY EASEMENT

CITY OF GRAND ISLAND UTILITIES DEPARTMENT	
<h1>EXHIBIT "A"</h1>	
DRN BY: K.J.M.	SCALE: 1"= 100'
DATE: 6/2/2005	MEADOWLARK WEST



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item E5

**Public Hearing on Acquisition of Utility Easement - 820 N. Webb
Road - Allen Phase III**

Staff Contact: Gary R. Mader

Council Agenda Memo

From: Robert H. Smith, Asst. Utilities Director
Meeting: June 28, 2005
Subject: Acquisition of Utility Easement – 820 N. Webb Road – Allen Phase III, LLC
Item #'s: E-5 & G-8
Presenter(s): Gary R. Mader, Utilities Director

Background

Nebraska State Law requires that acquisition of property must be approved by City Council. The Utilities Department needs to acquire an easement relative to the property of Allen Phase III, LLC located at the southeast corner of property located at 820 N. Webb Road, south and east of Home Depot, in the City Of Grand Island, Hall County, in order to have access to install, upgrade, maintain, and repair power appurtenances, including lines and transformers.

Discussion

This easement will be used to provide a location for public water main that is not under the concrete street of Webb Road. It will allow more convenient access for the service line in Lot 13 of Meadowlark West Fourth Subdivision.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

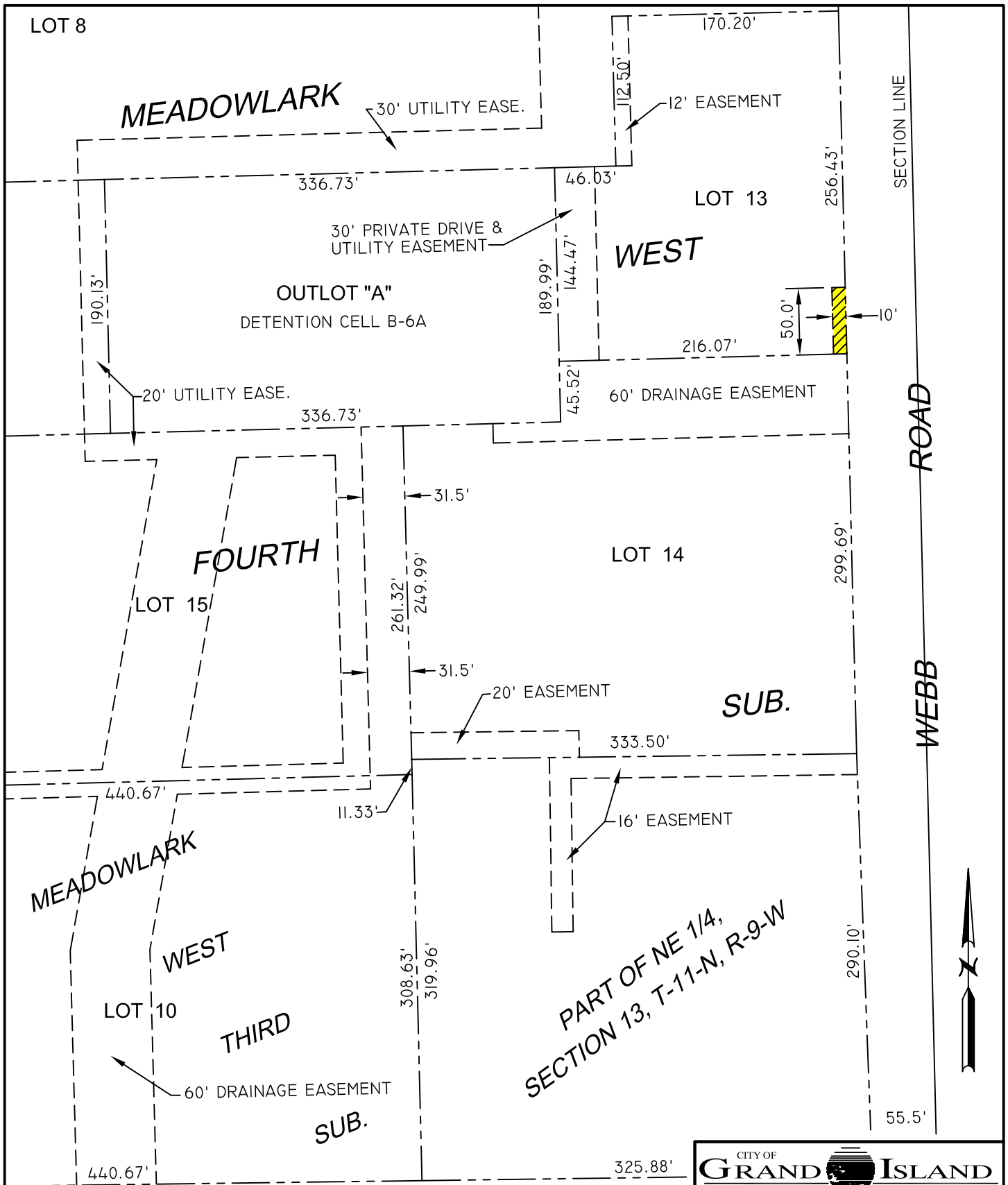
1. Make a motion to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the resolution for the acquisition of the easement for one dollar (\$1.00).

Sample Motion

Motion to approve acquisition of the Utility Easement.



CITY OF GRAND ISLAND	
UTILITIES DEPARTMENT	
<h1>EXHIBIT "A"</h1>	
DRN BY: K.J.M.	SCALE: 1" = 100'
DATE: 6/2/2005	MEADOWLARK WEST

LEGEND



INDICATES 10' WIDE
UTILITY EASEMENT

FAIDLEY AVENUE

1/4 SECTION LINE



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item E6

**Public Hearing Concerning Acquisition of Utility Easement - 2105
S. Locust - Pharmacy Properties, LLC**

Staff Contact: Gary R. Mader

Council Agenda Memo

From: Robert H. Smith, Asst. Utilities Director
Meeting: June 28, 2005
Subject: Acquisition of Utility Easement – Pharmacy Properties, LLC – 2105 S. Locust
Item #'s: E-6 & G-9
Presenter(s): Gary R. Mader, Utilities Director

Background

Nebraska State Law requires that acquisition of property must be approved by City Council. The Utilities Department needs to acquire an easement relative to the property of Pharmacy Properties, LLC., located at 2105 S. Locust Street, in the City of Grand Island, Hall County, in order to have access to install, upgrade, maintain, and repair power appurtenances, including lines and transformers.

Discussion

This easement will be used to place primary underground electric cables and a pad-mounted transformer to serve the new buildings of U-Save Pharmacy and Sonic Drive-In.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

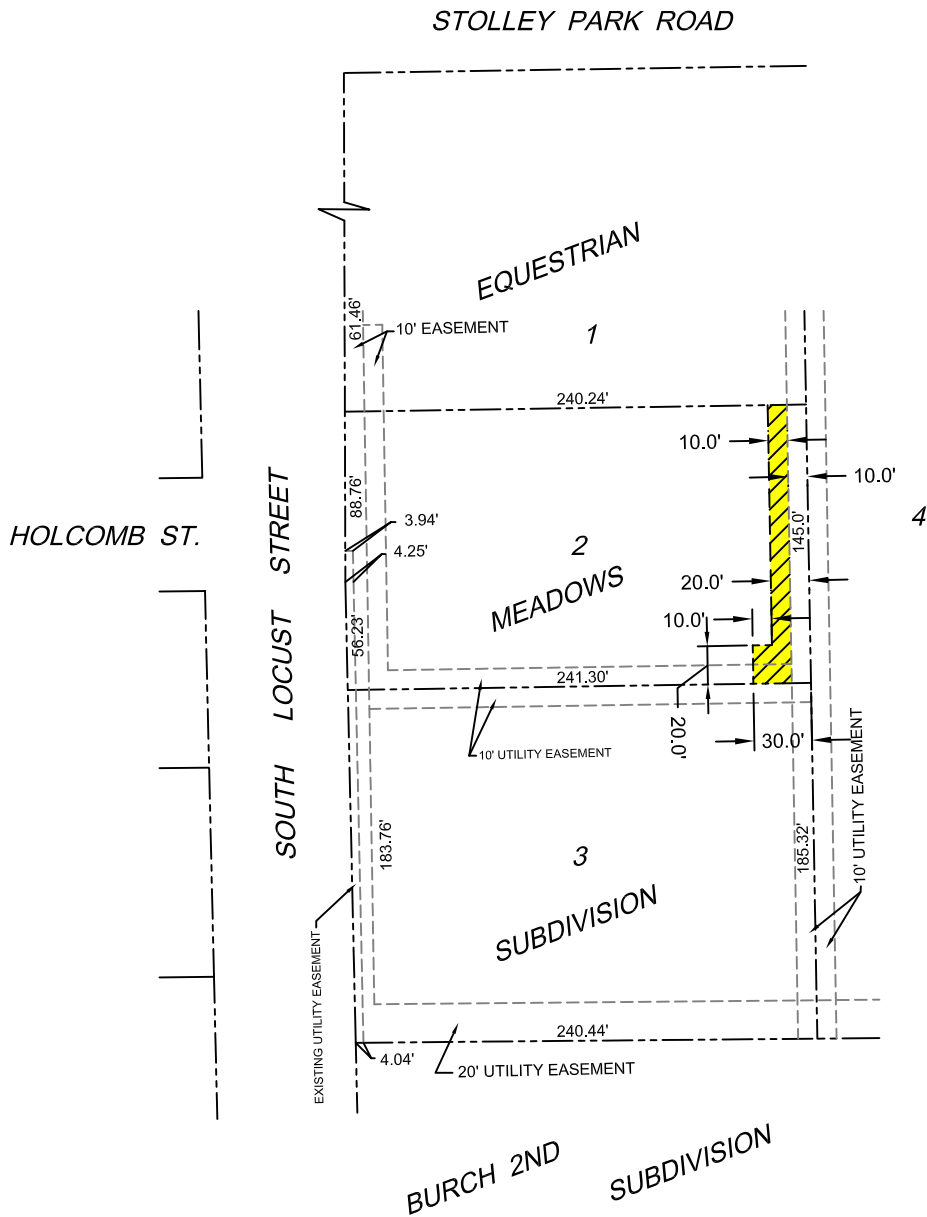
1. Make a motion to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation


City Administration recommends that the Council approve the resolution for the acquisition of the easement for one dollar (\$1.00).

Sample Motion

Motion to approve acquisition of the Utility Easement.



LEGEND

 INDICATES UTILITY EASEMENT

CITY OF GRAND ISLAND UTILITIES DEPARTMENT	
<h1>EXHIBIT "A"</h1>	
DRN BY: K.J.M.	SCALE: 1"= 100'
DATE: 6/15/2005	FILE: EQUESTRIAN



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item E7

**Public Hearing Concerning Acquisition of Utility Easement - 2117
S. Locust - Equestrian Meadows, LLC**

Staff Contact: Gary R. Mader

Council Agenda Memo

From: Robert H. Smith, Asst. Utilities Director
Meeting: June 28, 2005
Subject: Acquisition of Utility Easement – 2117 S. Locust –
Equestrian Meadows, LLC
Item #'s: E-7 & G-10
Presenter(s): Gary R. Mader, Utilities Director

Background

Nebraska State Law requires that acquisition of property must be approved by City Council. The Utilities Department needs to acquire an easement relative to the property of Equestrian Meadows, L.L. C., located at 2117 S. Locust Street, in the City Of Grand Island, Hall County, in order to have access to install, upgrade, maintain, and repair power appurtenances, including lines and transformers.

Discussion

This easement will be used to place primary underground electric cables and a pad-mounted transformer to serve the new buildings of U-Save Pharmacy and Sonic Drive-In.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Make a motion to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the resolution for the acquisition of the easement for one dollar (\$1.00).

Sample Motion

Motion to approve acquisition of the Utility Easement.

STOLLEY PARK ROAD

HOLCOMB ST.

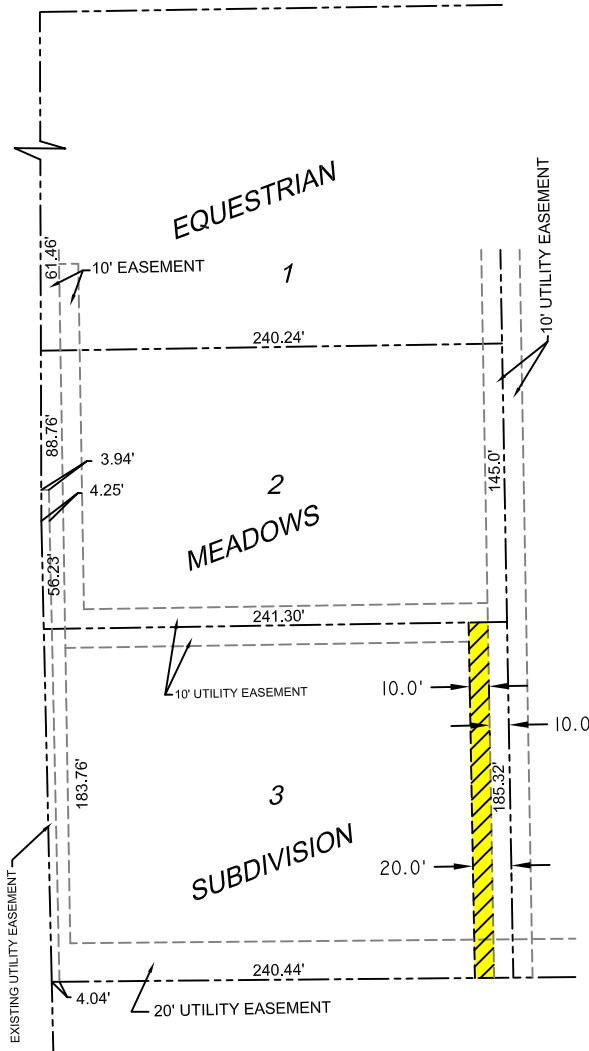
SOUTH LOCUST STREET

EQUESTRIAN

MEADOWS


SUBDIVISION

BURCH 2ND SUBDIVISION



4

LEGEND

 INDICATES UTILITY EASEMENT



CITY OF
GRAND ISLAND
 UTILITIES DEPARTMENT

EXHIBIT "A"

DRN BY: K.J.M.	SCALE: 1"= 100'
DATE: 6/15/2005	FILE: EQUESTRIAN



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item E8

Public Hearing on Annexation of Land Located North of Capital Avenue and East of St. Paul Road and Various Properties Adjacent to the City of Grand Island

Staff Contact: Chad Nabity

Council Agenda Memo

From: Regional Planning Commission
Meeting: June 28, 2005
Subject: Annexation
Item #'s: E-8 & F-1
Presenter(s): Chad Naby AICP, Regional Planning Director

Background

This application proposes to annex properties located north of Capital Avenue east of St. Paul Road and west of the rail line as well as properties east of Shady Bend Road and north of Bismark Road and Right of Way on Stuhr Road adjacent to B & C subdivision and Right of Way on Schimmer Drive South of Ponderosa Lake. Detailed maps and property descriptions can be found in the annexation plan as approved by council on June 14, 2005. (C-27-2005GI)

Discussion

This item was brought forward as a result of the owners of 1024 E Capital Avenue requesting annexation so they can hook into city sewer. Staff has reviewed other annexation needs and is suggesting that this property and the others included herein be considered for annexation into the City Of Grand Island.

Sewer and water are available to some of the properties included in this annexation request; details are available in the annexation plan. These properties are within the Grand Island Utilities Electrical Service District. These properties are within the Grand Island School District. Annexing these properties will not impact the two mile extraterritorial jurisdiction of Grand Island.

No members of the public testified at the hearing held by the Regional Planning Commission.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the annexation as presented
2. Modify the annexation to meet the wishes of the Council
3. Deny the request for annexation
4. Table the issue

Recommendation

A motion was made by Hayes 2nd by Haskins to recommend that the Grand Island City Council approve these annexations.

A roll call vote was taken and the motion passed with 8 members present (Haskins, O'Neill, Niemann, Miller, Ruge, Hayes, Eriksen, Reynolds) voting in favor.

Sample Motion

Approve this annexation as presented.

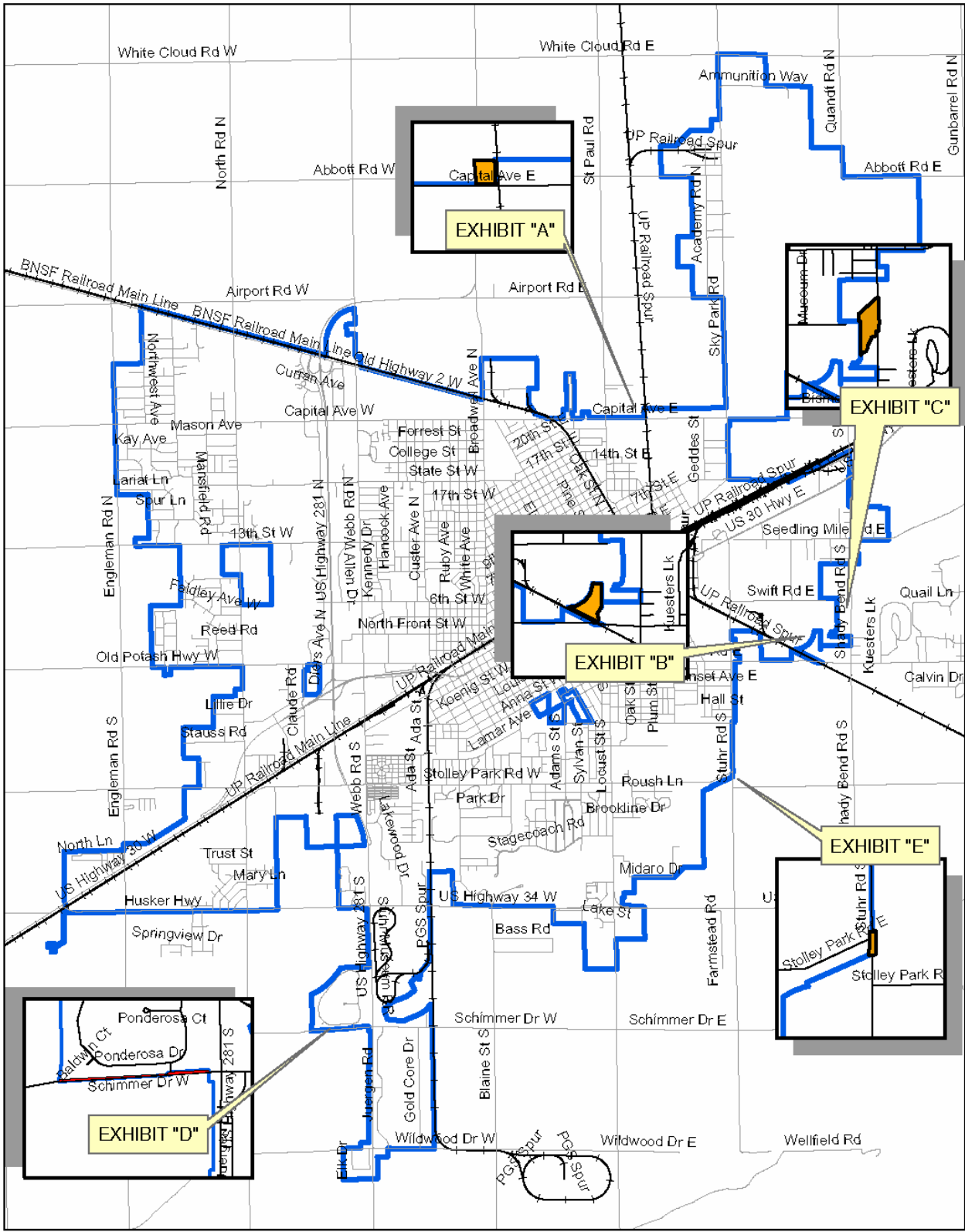


EXHIBIT "A"

EXHIBIT "C"

EXHIBIT "B"

EXHIBIT "E"

EXHIBIT "D"



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item F1

#8982 - Consideration of Annexation of Land Located North of Capital Avenue and East of St. Paul Road and Various Properties Adjacent to the City of Grand Island (First Reading)

This item relates to the aforementioned Public Hearing Item E-8.

Staff Contact: Chad Nabity

* This Space Reserved For Register of Deeds *

ORDINANCE NO. 8982

An ordinance to extend the boundaries and include within the corporate limits of, and to annex to the City of Grand Island, Nebraska, five tracts of land more particularly described herein; to provide service benefits thereto; to confirm zoning classifications; to repeal any ordinance or resolutions or parts of thereof in conflict herewith; to provide for publication in pamphlet form; and to provide the effective date of this ordinance.

WHEREAS, after public hearing on June 1, 2005, the Regional Planning Commission recommended the approval of annexing five tracts of land more particularly described below, into the City of Grand Island, Hall County, Nebraska; and

WHEREAS, after public hearing on June 28, 2005, the City Council of the City of Grand Island found and determined that such annexation be approved.

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

SECTION 1. It is hereby found and determined that:

Approved as to Form	☐ _____
June 23, 2005	☐ City Attorney

ORDINANCE NO. 8982 (Cont.)

(A) The five tracts of land, the boundaries of which are more particularly described as follows are urban or suburban in character, and that the subject property is contiguous or adjacent to the corporate limits of said City:

Annexation Area 1:

Beginning at a point where the north line of Capital Avenue intersects the west line of the Ord. Branch of the Union Pacific Railroad; thence north on the west line of the Ord. Branch of the Union Pacific Railroad for a distance of 515.61 feet; thence west on a line 516 feet north of and parallel to the south line of Section 3-11-9 for a distance of 295.53 feet; thence south on a line perpendicular to the south line of Section 3-11-9 for a distance of 483 feet to the north line of Capital Avenue thence east on the north line of Capital Avenue to the point of beginning, as shown on Exhibit "A" attached hereto and incorporated herein by this reference.

Annexation Area 2:

Beginning at a point on the north line of the Burlington Northern / Sante Fe Railroad, said point being 202 feet southeasterly of the east line of Lot 107 Industrial Addition; thence deflecting left 35°07' and running northeasterly a distance of 279.22 feet; thence deflecting left 23°23' and running northeasterly a distance of 312.45 feet; thence deflecting left 19°00' and running northeasterly a distance of 249.25 feet; thence deflecting left 13°21' and running northeasterly a distance of 118.45 feet; thence deflecting left 12°55' and running northeasterly a distance of 328.07 feet to a point on the south line of Lot 89 Industrial Addition; thence east on the south line of Lot 89 Industrial Addition to the southeast corner of Lot 89 Industrial Addition; thence southerly on a line for a distance of 842.8 feet more or less, to a point on the westerly line of Lot 3 of B & T Subdivision, thence southerly and westerly on the westerly line of Lot 3 B & T Subdivision and Lot 1 Shady Lane Subdivision to the northerly line of Burlington Northern / Sante Fe Railroad; thence northwesterly on the north line of the Burlington Northern / Sante Fe Railroad to the point of beginning, as shown on Exhibit "B" attached hereto and incorporated herein by this reference.

Annexation Area 3:

Beginning at a point on the east line of Shady Bend Road, said point being 33 feet east of the northeast corner of the Southeast Quarter (SE1/4) of Section 14-11-9; thence north on a line 33 feet east of and parallel to the east line of Section 14-11-9 for a distance of 919.93 feet; thence west on a line 919.93 feet north of and parallel to the south line of the Southeast Quarter of the Northeast Quarter (SE1/4, NE1/4) of Section 14-11-9 for a distance of 33 feet; thence S48°34'51"W for a distance of 899.72 feet; thence S3°00'W parallel with the east line of said Northeast Quarter (NE1/4) of Section 14-11-9 for a distance of 252.62 feet to a point 66 feet north of the south line of the Northeast Quarter (NE1/4) of Section 14-11-9; thence east on a line 66 feet north of and parallel to the south line of said Northeast Quarter (NE1/4) for a distance of 50.72 feet; thence south on a line for a distance of 1,220 feet more or less, to a point on the northwesterly line of Lot 2 Billy Poe Subdivision; thence northerly and easterly on the northwest line of Lots 1 and 2 Billy Poe Subdivision to the northeasterly most corner of Lot 1 Billy Poe Subdivision; thence east on a line perpendicular to the east line of Section 14-11-9 for a distance of 73 feet to the east line of Shady Bend Road; thence north on the east line of Shady Bend Road to the point of beginning, as shown on Exhibit "C" attached hereto and incorporated herein by this reference.

ORDINANCE NO. 8982 (Cont.)

Annexation Area 4:

Beginning at a point on the south line of Section 36-11-10, said point being 157 feet west of the southeast corner of the Southeast Quarter (SE1/4) of Section 36-11-10; thence north on the west line of U.S. Highway 281 for a distance of 33.03 feet; thence west on the south line of Ponderosa Lake Estates Fourth Subdivision for a distance of 723.5 feet; thence southwest on a line for a distance of 74.7 feet to a point where it intersects the south line of Section 36-11-10; thence west on the south line of Section 36-11-10 to the southwest corner of Ponderosa Lake Estates Fifth Subdivision; thence south on a line perpendicular to the south line of Section 36-11-10 for a distance of 33 feet; thence east on a line 33 feet south of and parallel with the south line of Section 36-11-10 to a point on the west line of U.S. Highway 281; thence north on the west line of U.S. Highway 281 for a distance of 33 feet to the point of beginning, as shown on Exhibit "D" attached hereto and incorporated herein by this reference.

Annexation Area 5:

Beginning at the northeast corner of B & C Subdivision; thence southerly on the east line of B & C Subdivision for a distance of 192.9 feet; thence easterly perpendicular to the east line of B & C Subdivision for a distance of 73 feet to the east line of Stuhr Road; thence north on the east line of Stuhr Road for a distance of 192.9 feet; thence westerly on a line for a distance of 73 feet to the point of beginning, as shown on Exhibit "E" attached hereto and incorporated herein by this reference.

(B) The subject lands will receive the material benefits and advantages currently provided to lands within the City's corporate limits including, but not limited to police, fire, emergency services, street maintenance, and utilities services upon annexation to the City of Grand Island, Nebraska, and that City electric, water and sanitary sewer service is available, or will be made available, as provided by law.

(C) The various zoning classifications of the subject tracts of land shown on the Official Zoning Map of the City of Grand Island, Nebraska, are hereby confirmed.

(D) There is unity of interest in the use of the said tracts of land, lots, tracts, highways and streets (lands) with the use of lands in the City, and the community convenience and welfare and in the interests of the said City will be enhanced through incorporating the subject lands within the corporate limits of the City of Grand Island.

(E) The plan for extending City services adopted by the City Council by the passage and approval of Resolution No. 2005-179 is hereby approved and ratified as amended.

ORDINANCE NO. 8982 (Cont.)

SECTION 2. The boundaries of the City of Grand Island, Nebraska, be and are hereby extended to include within the corporate limits of the said City the contiguous and adjacent tracts of land located within the boundaries described above.

SECTION 3. The subject tracts of land are hereby annexed to the City of Grand Island, Hall County, Nebraska, and said lands and the persons thereon shall thereafter be subject to all rules, regulations, ordinances, taxes and all other burdens and benefits of other persons and territory included within the City of Grand Island, Nebraska.

SECTION 4. The owners of the land so brought within the corporate limits of the City of Grand Island, Nebraska, are hereby compelled to continue with the streets, alleys, easements, and public rights-of-way that are presently platted and laid out in and through said real estate in conformity with and continuous with the streets, alleys, easements and public rights-of-way of the City.

SECTION 5. That a certified copy of this Ordinance shall be recorded in the office of the Register of Deeds of Hall County, Nebraska and indexed against the tracts of land.

SECTION 6. Upon taking effect of this Ordinance, the services of said City shall be furnished to the lands and persons thereon as provided by law, in accordance with the Plan for Extension of City Services adopted by herein.

SECTION 7. That all ordinances and resolutions or parts thereof in conflict herewith are hereby repealed.

SECTION 8. This ordinance shall be in full force and effect from and after its passage, approval and publication, in pamphlet form, as provided by law.

Approved June 28, 2005 on first reading.

ORDINANCE NO. 8982 (Cont.)

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item F2

**#8983 - Consideration of Conveyance of Property Located at 4949
Juergen Road, Lot 11, Platte Valley Industrial Park 3rd
Subdivision**

Staff Contact: Doug Walker

Council Agenda Memo

From: Douglas R. Walker, City Attorney
Gary Mader, Utilities Director

Meeting: June 28, 2005

Subject: Conveyance of 4949 Juergen Road, Lot 11, Platte Valley Industrial Park Third Subdivision

Item #'s: F-2 & G-12

Presenter(s): Douglas R. Walker, City Attorney
Gary Mader, Utilities Director

Background

Grand Island's electric utility purchased real estate along the east side of Highway 281 and south of the Hall County Park for development of an industrial park several years ago. Over the last several years lots have been sold to businesses to locate new facilities. The City of Grand Island has received an offer to purchase Lot 11 in Platte Valley Industrial Park Third Subdivision from BM&M, L.L.C.

Discussion

BM&M, L.L.C. has agreed to purchase Lot 11 in Platte Valley Industrial Park Third Subdivision for the asking price of \$206,400.00. BM&M, L.L.C. currently operates a construction equipment business in Grand Island known as Road Builders Machinery and Supply. They are interested in relocating to this site where they will be constructing a new building for the use of their business.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve the purchase agreement for the sale of this real estate.
2. Refer the issue to a Committee.
3. Postpone the issue to future date.
4. Take no action on the issue.

Recommendation

City Administration recommends that the Council approve the sale of Lot 11, Platte Valley Industrial Park Third Subdivision to BM&M, L.L.C. for the asking price of \$206,400.00.

Sample Motion

Motion to approve the sale of Lot 11, Platte Valley Industrial Park Third Subdivision.



THIS IS A LEGALLY BINDING AGREEMENT. IF NOT UNDERSTOOD, SEEK LEGAL ADVICE.



PURCHASE AGREEMENT

WOODS BROS. REALTY INC. GRAND ISLAND, NE

June 22, 2005

The undersigned, as Buyer, agrees to purchase the following property on the following terms:

ADDRESS: 4949 JUERGEN RD., GRAND ISLAND, NE.

LEGAL DESCRIPTION: LOT 11, PLATTE VALLEY INDUSTRIAL PARK 3rd SUBDIVISION, TO THE CITY OF GRAND ISLAND, HALL COUNTY, NEBRASKA.

Buyer shall be furnished a current title insurance commitment before closing and a title insurance policy insuring marketability. Title insurance will be ordered through Grand Island Abstract, Escrow and Title Co. The cost of title insurance for this sale shall be equally divided between Buyer and Seller. Buyer agrees that should a valid title defect exist, Seller has a reasonable time to correct said defect, not to exceed 30 days from the date of the title commitment. If the title defects are not cured within a such time period, the Buyer may declare this Agreement null and void and the earnest money shall be refunded. Seller agrees to convey marketable title to Buyer by WARRANTY DEED free and clear of all liens, encumbrances, special assessments levied or assessed, and subject to all easements and restrictions or covenants now on record. Special assessments for items such as paving, curbing, sidewalk or utilities previously constructed, now under construction, or ordered to be constructed by public authority, levied, assessed or not yet assessed as of the date of closing shall be paid by Seller. The documentary stamp tax shall be paid by the Seller. This Offer is contingent on the above described property not requiring flood insurance. If the property does require flood insurance, the Buyer will have the option of declaring this contract Null and Void with a full refund of the Earnest Deposit to the Buyer.

Buyer agrees to pay: TWO HUNDRED SIX THOUSAND FOUR HUNDRED, (\$206,400.00) DOLLARS, on the following terms: an earnest money deposit of TWENTY THOUSAND FOUR HUNDRED SIXTY (\$20,460.00) DOLLARS at this time as shown by the receipt herein. If paid by check, it will be cashed. The earnest money deposit will be transferred to the Listing Broker on acceptance, if the Selling Broker is other than the Listing Broker. All monies shall be deposited in a Trust Account, to be held until the time of closing or until transferred to an escrow agent by agreement of Buyer and Seller; balance to be paid as shown in the following Paragraphs:

ALL CASH Balance of \$183,960.00 shall be paid in GOOD FUNDS (per LB-1275) at time of delivery of deed, no financing being required.

1. EARNEST DEPOSIT OF \$20,460.00 WILL BE DEPOSITED INTO WOODS BROS. TRUST ACCOUNT WITHIN 5 BUSINESS DAYS OF THE ACCEPTANCE OF THIS OFFER. THE CITY OF GRAND ISLAND AGREES TO PAY WOODS BROS. REALTY A COMMISSION OF 5% OF THE SELLING PRICE UPON THE CLOSING OF THIS SALE. SELLING PRICE DOES NOT INCLUDE ANY LANDSCAPING ALLOWANCE TO THE BUYER.

2. Real Estate Taxes: Seller shall pay all taxes to and including 2005. Taxes for the calendar year 2006, together with interest, rents, and homeowner's association dues, if any, shall be prorated to date of possession. Taxes shall be prorated on the basis of the county assessor's valuation at the date of closing and the most recently certified mill levy.

3. Possession and Closing: Closing of the sale shall be on or before 13th day of JANUARY, 2006. Possession of the property shall be given to the Buyer at CLOSING. This agreement shall in no manner be construed to convey Property or to give any right of possession.

4. Rescission, Termination or Default: If Buyer fails to consummate this purchase according to the terms of this agreement, Seller may, at Seller's option, retain the earnest money as liquidated damages for such failure, or utilize such other legal remedies as are available to Seller by reason of such failure. If this agreement is rescinded or terminated by either party without fault as allowed hereby, each party shall bear his or her costs and the earnest money shall be refunded.

5. Escrow Closing: Buyer and Seller agree that the closing of the sale may be handled by an escrow agent. If so, the listing broker is authorized to transfer to the escrow agent the earnest money, other trust funds received by the listing broker and all documents and other items received by the listing broker in connection with the sale. After the transfer, the listing broker shall have no further responsibility or liability to the Buyer or Seller to account for funds or preparation of documents in connection with the closing of the sale. Buyer agrees to request an insured closing letter for the benefit of Buyer and Seller. Cost, if any, shall be split equally. Escrow agent will not be required to disburse funds or deliver or record any documents until it has received certified funds or other good, sufficient and collected funds, and all conditions, terms and provisions of this agreement have been satisfied, performed and met. Buyers request that Grand Island Abstract, Escrow and Title Co. be the Escrow Closing company. Closing charges shall divided equally between Buyers and Sellers.

6. Counterparts and Fax Transmission: This agreement may be executed in one or more counterpart, each of which is deemed to be an original hereof, and all of which shall together constitute on and the same instrument. The facsimile transmission of a signed copy hereof or any counter offer to the other party or his/her agent with confirmation of transmission shall constitute delivery. The parties agree to confirm delivery by mail or personal delivery of a signed copy to the other party or his/her agent.

7. Entire Agreement: This document contains the entire agreement of the parties and supersedes all prior agreements or representations oral or written with respect to the Property which are not expressly set forth herein or incorporated herein by reference. This agreement may be modified only by a writing signed and dated by both parties. All express representations and warranties shall survive closing. Both parties acknowledge that they have not relied on any statement of the real estate agent or broker which are not hereto expressed. Time is of the essence in this agreement.

8. Acceptance Date: This offer shall expire JUNE 30, 2005 at 5:00 o'clock P.M. (hour at the office of the Seller's Agent) and be automatically null and void unless prior to the time of expiration, Seller's written acceptance is delivered to the Buyer or the office of the Buyer's limited agent or his or her designated broker.

BUYER: [Signature]

June 22, 2005

ADDRESS: 4115 S. 90TH CITY: OMAHA NEBRASKA, 68127 PHONE: 402-331-9200
BUYERS' Limited Agent is Gregory D. Roberts (agent) of WOODS BROS. Realty

RECEIPT FOR EARNEST MONEY

NAMES FOR DEED: B.M AND M. LLC.

RECEIVED FROM: the sum of SEE PARAGRAPH #1 DOLLARS (by Check) to apply to the purchase price of the Property on terms and conditions as stated. In the event this offer is not accepted by the Seller of the Property within the time specified, or if there are any defects in the title which cannot be cured as specified above, the Deposit shall be refunded. WOODS BROS. REALTY INC. REALTORS BY: _____

ACCEPTANCE

Seller accepts this agreement on the terms stated and agrees to convey title to Property, deliver possession, and perform all the terms and conditions set forth.

SELLER: _____ DATE: _____

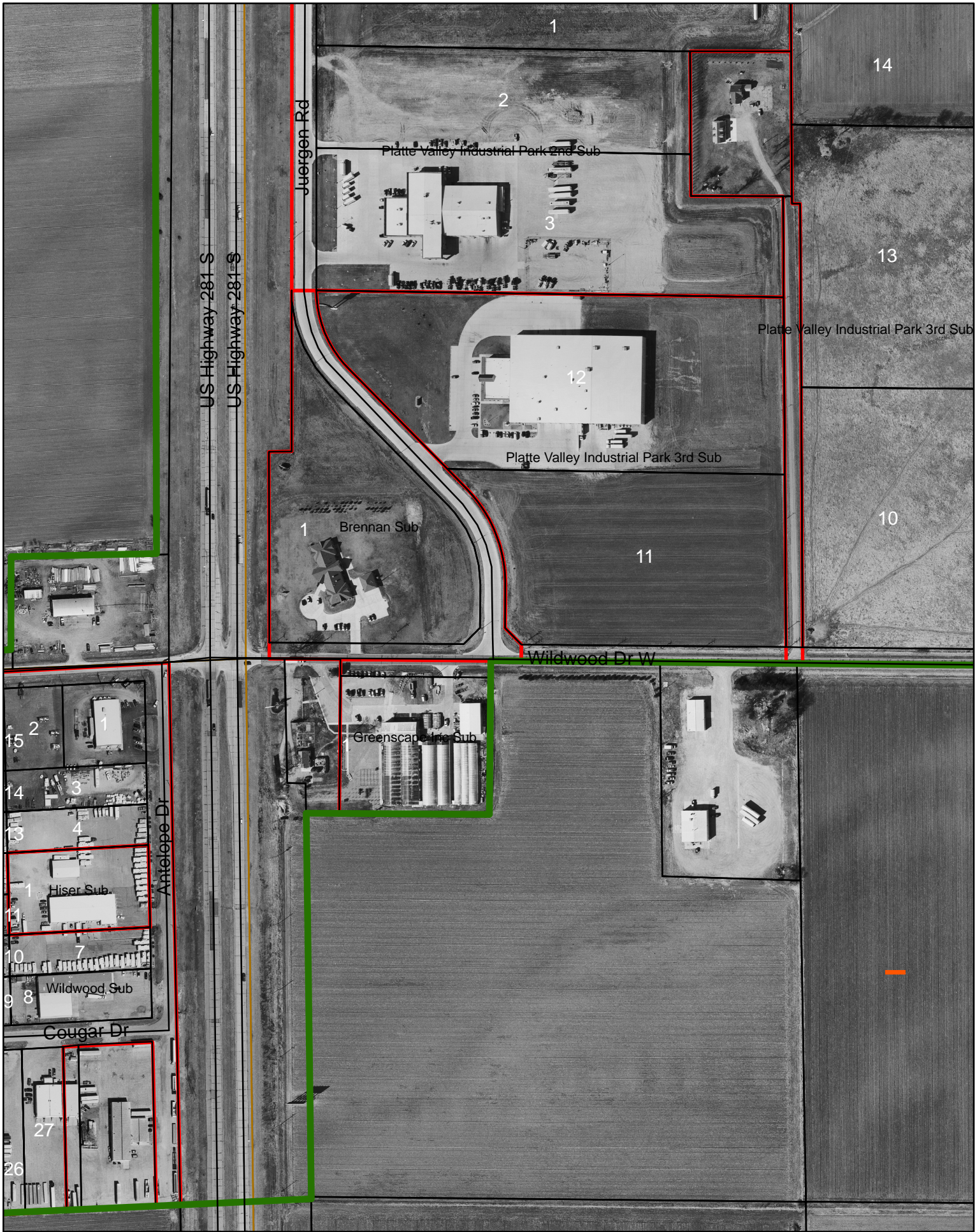
RECEIPTS FOR FULLY EXECUTED PURCHASE AGREEMENT

Seller acknowledges receipt of executed copy of this agreement.

SELLER: _____ Date: _____

Buyer acknowledges receipt of executed copy of the agreement.

BUYER: _____ Date: _____



Juergeren Rd

US Highway 281 S

US Highway 281 S

Platte Valley Industrial Park 2nd Sub

Platte Valley Industrial Park 3rd Sub

Platte Valley Industrial Park 3rd Sub

Brennan Sub

Greenscape Inc Sub

Hiser Sub

Wildwood Sub

Cougar Dr

Wildwood Dr W

1

2

3

12

1

11

14

13

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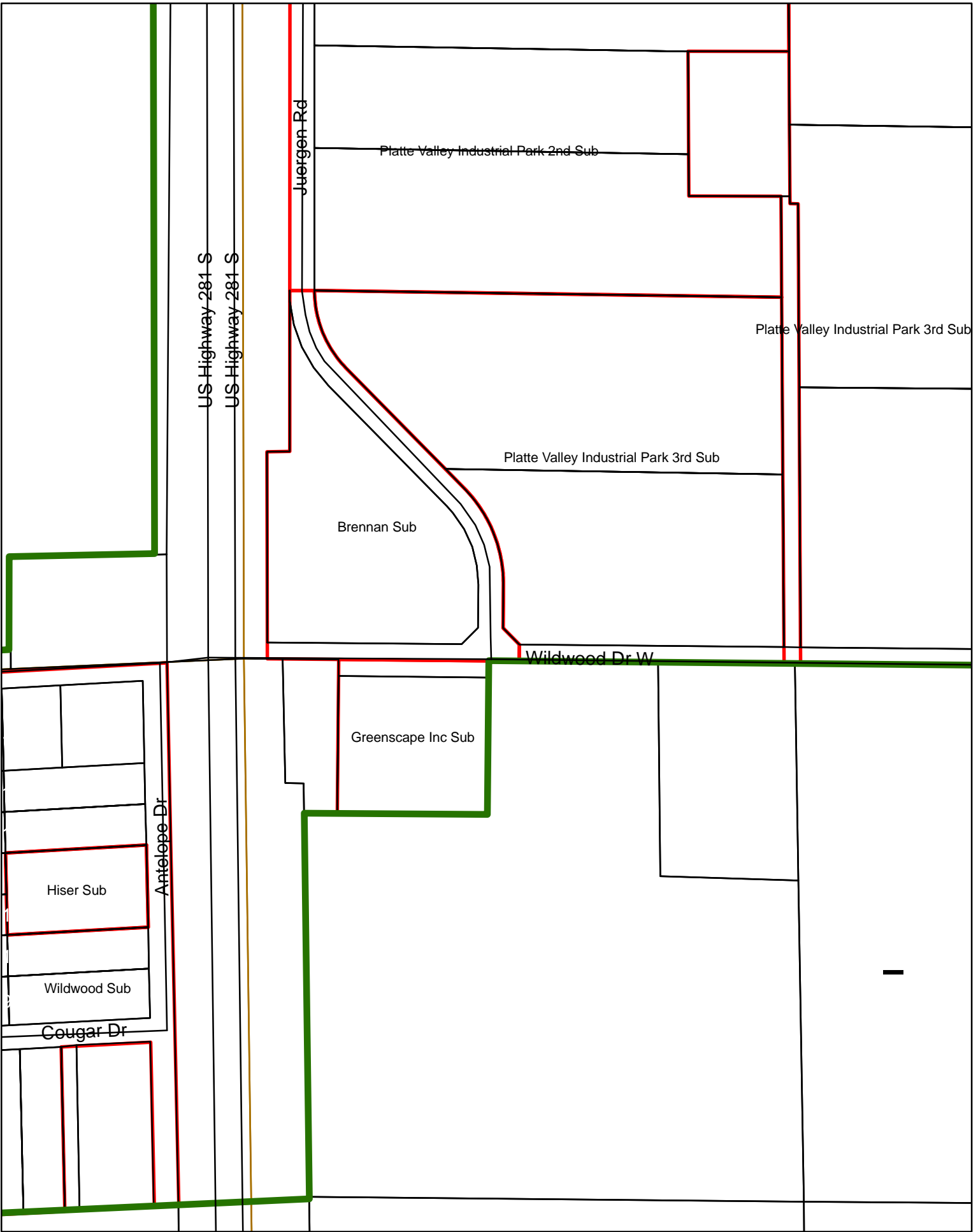
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ORDINANCE NO. 8983

An ordinance directing and authorizing the conveyance of property to B.M. and M. L.L.C., a limited liability company; providing for the giving of notice of such conveyance and the terms thereof; providing for the right to file a remonstrance against such conveyance; providing for publication and the effective date of this ordinance.

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

SECTION 1. The conveyance to B.M. and M. L.L.C., a limited liability company, of a tract of land comprising of Lot Eleven (11), Platte Valley Industrial Park Third Subdivision in the City of Grand Island, Hall County, Nebraska; such tract commonly known as 4949 Juergen Road.

SECTION 2. The consideration for such conveyance shall be Two Hundred Six Thousand Four Hundred Dollars. Conveyance of the real estate above described shall be by warranty deed, upon payment of the consideration pursuant to the terms and conditions of a Purchase Agreement between the parties.

SECTION 3. As provided by law, notice of such conveyance and the terms thereof shall be published for three consecutive weeks in the *Grand Island Independent*, a newspaper published for general circulation in the City of Grand Island. Immediately after the passage and publication of this ordinance, the City Clerk is hereby directed and instructed to prepare and publish said notice.

SECTION 6. Authority is hereby granted to the electors of the City of Grand Island to file a remonstrance against the conveyance of such within described real estate; and if a remonstrance against such conveyance signed by registered voters of the City of Grand Island

ORDINANCE NO. 8983 (Cont.)

equal in number to thirty percent of the registered voters of the City of Grand Island voting at the last regular municipal election held in such City be filed with the City Council within thirty days of passage and publication of such ordinance, said property shall not then, nor within one year thereafter, be conveyed.

SECTION 7. The conveyance of said real estate is hereby authorized, directed and confirmed; and if no remonstrance be filed against such conveyance, the Mayor shall make, execute and deliver to B.M. and M. L.L.C., a limited liability company, a warranty deed for said real estate, and the execution of such deed is hereby authorized without further action on behalf of the City Council.

SECTION 8. This ordinance shall be in force and take effect from and after its passage and publication, within fifteen days in one issue of the Grand Island Independent as provided by law.

Enacted: June 28, 2005.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item G1

Approving Minutes of June 14, 2005 City Council Regular Meeting

The Minutes of June 14, 2005 City Council Regular Meeting are submitted for approval. See attached MINUTES.

Staff Contact: RaNae Edwards

OFFICIAL PROCEEDINGS

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL REGULAR MEETING

June 14, 2005

Pursuant to due call and notice thereof, a Regular Meeting of the City Council of the City of Grand Island, Nebraska was conducted in the Council Chambers of City Hall, 100 East First Street, on June 14, 2005. Notice of the meeting was given in the *Grand Island Independent* on June 8, 2005.

Mayor Jay Vavricek called the meeting to order at 7:00 p.m. The following members were present: Councilmember's Meyer, Whitesides, Pielstick, Gilbert, Nickerson, Cornelius, Pauly, Hornady, Walker, and Haase. The following City Officials were present: City Administrator Gary Greer, City Clerk RaNae Edwards, Finance Director David Springer, Public Works Assistant Director Bud Buettner, and City Attorney Doug Walker.

INVOCATION was given by Youth Minister Brian Pielstick, Independent Bethel Baptist Church, 1223 East 6th Street followed by the PLEDGE OF ALLEGIANCE.

PRESENTATIONS AND PROCLAMATIONS:

Recognition of Diane Smutny, Purchasing Technician with the Finance Department for 20 Years of Service with the City. Mayor Vavricek and the City Council recognized Diane Smutny for her 20 years of dedicated service with the City as a Purchasing Technician in the Finance Department. Ms. Smutny was present for the recognition.

Recognition of Erika Anschutz for U.S. World Team Archery and U.S. National Team Archery Competitions. Mayor Vavricek and the City Council recognized Erika Anschutz for her many national championships and world records in archery. Ms. Anschutz was present for the recognition.

Recognition of Students from Senior High, Central Catholic, and Northwest High Schools for State Championships in Track. Mayor Vavricek and the City Council recognized the following students for their Championships at the State Track Meet:

Grand Island Senior High:

Eric Steele – Class “A: Pole Vault

Rebecca Brown and Megan Dillman – Girls #2 Tennis

Grand Island Central Catholic:

Kenny Howard – Class “C” Discus

Mallory Tinger – Girls Pole Vault

Northwest High School:

Brandon Harrington – 110 High Hurdles, 300 Intermediate Hurdles, and Long Jump

Sam Ogden – Pole Vault

Northwest Track Team – Class “B” Overall State Champions – Head Coach Dave Gee

PUBLIC HEARINGS:

Public Hearing on Request of Wal-Mart Stores, Inc. dba Wal-Mart Supercenter #3395, 3501 South Locust Street for a Class “D” Liquor License. City Clerk RaNae Edwards reported that Wal-Mart Stores, Inc. dba Wal-Mart Supercenter #3395, 3501 South Locust Street had submitted an application with the City Clerk’s Office for a Class “D” Liquor License. Ms. Edwards presented the following exhibits for the record: application submitted to the Liquor Control Commission and received by the City on May 26, 2005; notice to the applicant of date, time, and place of hearing mailed on May 31, 2005; notice to the general public of date, time, and place of hearing published on June 4, 2005; and Chapter 4 of the City Code. Recommendation was to approve contingent upon final inspections. No public testimony was heard.

Public Hearing on Amendment to Community Redevelopment Authority (CRA) Redevelopment Plan and Authorizing Tax Increment Financing. Doug Walker, City Attorney reported that Procon Development, LLC, had applied for tax increment financing to development twenty handicap accessible rental units located along the south side of Capital Avenue and the east side of Geddes Street. Approval had been given by CRA and the Regional Planning Commission. No public testimony was heard.

Public Hearing on Acquisition of Property Located at 1212 West 2nd Street. (Robert C. Ramold dba Domino’s Pizza) Doug Walker, City Attorney reported that acquisition of property located at 1212 West 2nd Street was required for the Library expansion project. Currently, negotiations were under way but had not been successful. The use of eminent domain would be necessary if negotiations were unsuccessful. No public testimony was heard.

Public Hearing on Acquisition of Property Located at 244 and 304 Stuhr Road. (Melvin W. & Jo Ann Meyer and M.J. Lake, LLC) Doug Walker, City Attorney reported that acquisition of property located at 244 and 304 Stuhr Road was required for development of a fire training facility. The purchase of the real estate as this location had been negotiated for the appraised price of \$583,900.00. No public testimony was heard.

Public Hearing Concerning Economic Development CDBG Grant. Joni Kuzma, Community Development Specialist reported that the City was applying for an economic development grant in the amount of \$254,000, of which \$250,000 would be loaned to the Grand Island Area Economic Development Corporation for funding a speculative building targeted to metal working or warehouse type companies. No public testimony was heard.

Public Hearing on Amendment to Extend CDBG Grant. Joni Kuzma, Community Development Specialist reported that in August of 2003, the City was awarded a Community Development Block Grant (CDBG) in the amount of \$270,4000 from the Nebraska Department of Economic Development for the rehabilitation of owner-occupied homes with the projects to be completed

by August 15, 2005. It was recommended that the project completion date be extended to February 15, 2006. No public testimony was heard.

ORDINANCES:

Councilmember Pielstick moved “that the statutory rules requiring ordinances to be read by title on three different days be suspended and that ordinances numbered:

#8979 – Consideration of Vacating a Portion of Adams Street North of West Koenig and Adjacent to the Property of 1224 & 1304 West Koenig Street

#8980 – Consideration of Vacating a Utility Easement in Voitles Addition, the North 112’ of a 16’ Wide Easement East of 727 East 9th Street

#8981 – Consideration of Creation of Street Improvement District No. 1257, Shanna Street in Western Heights 4th Subdivision

be considered for passage on the same day upon reading by number only and that the City Clerk be permitted to call out the number of these ordinances on first reading and then upon final passage and call for a roll call vote on each reading and then upon final passage.” Councilmember Gilbert seconded the motion. Upon roll call vote, all voted aye. Motion adopted.

Bud Buettner, Assistant Public Works Director explained Ordinance’s #8979, #8980, and #8981.

Motion by Pielstick, second by Hornady to approve Ordinances #8979, #8980, and #8981.

City Clerk: Ordinances #8979, #8980, and #8981 on first reading. All those in favor of the passage of these ordinances on first reading, answer roll call vote. Upon roll call vote, all voted aye. Motion adopted.

City Clerk: Ordinances #8979, #8980, and #8981 on final passage. All those in favor of the passage of these ordinances on final passage, answer roll call vote. Upon roll call vote, all voted aye. Motion adopted.

Mayor Vavricek: By reason of the roll call votes on first reading and then upon final passage, Ordinances #8979, #8980, and #8981 are declared to be lawfully adopted upon publication as required by law.

CONSENT AGENDA: Consent Agenda items G-10, G-11, and G-12 were pulled for further discussion. Motion by Hornady, second by Cornelius to approve the Consent Agenda excluding items G-10, G-11, and G-12. Upon roll call vote, all voted aye. Motion adopted.

Approving Minutes of May 24, 2005 City Council Regular Meeting.

Approving Minutes of June 7, 2005 City Council Study Session.

Approving Appointment of Councilmember Mitch Nickerson to the Central District Health Department Board.

Approving Appointment of Matthew Armstrong to the Business Improvement District #5 Board.

Approving Appointment of Mark Stelk to the Citizens' Review Committee.

Approving Appointments of Councilmember's Margaret Hornady and Mitch Nicerson and Kurt Haecker to the City/County Efficiency Effectiveness Committee.

Approving Request of Wal-Mart Stores, Inc. dba Wal-Mart Supercenter #3395, 3501 South Locust Street for Class "D" Liquor License.

Approving Request of Bradley Koza, 2539 Delmonte Avenue for Liquor Manager Designation for Wal-Mart Supercenter #3395, 3501 South Locust Street.

Approving Preliminary Plat for Woodland Park Subdivision.

#2005-164 – Approving Final Plat and Subdivision Agreement for John Voitle's Second Subdivision. It was noted that Starostka Group Unlimited had submitted the final plat for John Voitle's Second Subdivision located on ground south of 9th Street and east of Beal Street for the purpose of creating 3 lots.

#2005-165 – Approving Final Plat and Subdivision Agreement for Northview First Subdivision. It was noted that Melvin E. and Dorothy V. Zichek had submitted the final plat for Northview First Subdivision located on a parcel of land in the E 1/2 NE 1/4 of Section 12-11-10 for the purpose of creating 33 lots.

#2005-166 – Approving Final Plat and Subdivision Agreement for Schimmer's Second Subdivision. It was noted that Jerome W. and Doralene F. Niedfelt Trustees had submitted the final plat for Schimmer's Second Subdivision located on property at 18th and Eddy Streets for the purpose of moving lot lines on two existing lots from a north/south configuration to an east/west configuration.

#2005-167 – Approving Final Plat and Subdivision Agreement for V & C Subdivision. It was noted that Melvin E. and Dorothy V. Zichek had submitted the final plat for V & C Subdivision located on an 80 acre parcel of land at the intersection of Stuhr Road and Swift Road for the purpose of splitting an existing farmstead.

#2005-168 – Approving Final Plat and Subdivision Agreement for Woodland Park Third Subdivision. It was noted that Hastings Ventures L.L.C. had submitted the final plat for Woodland Park Third Subdivision located on a parcel of land in the W 1/2 SE 1/4 of Section 2-11-10 for the purpose of creating 16 lots.

#2005-169 – Approving Final Plat and Subdivision Agreement for Woodland Park Fourth Subdivision. It was noted that Hastings Ventures L.L.C. had submitted the final plat for Woodland Park Fourth Subdivision located on a parcel of land in the W 1/2 SE 1/4 of Section 2-11-10 for the purpose of creating 30 lots.

#2005-170 – Approving Nebraska Community Improvement Program (NCIP) Intent to Enter and Proclamation.

#2005-171 – Approving Economic Development CDBG Grant.

#2005-172 – Approving Amendment to Extend CDBG Rahab Grant.

#2005-173 – Approving Designating the North Side of State Street between Custer Avenue and Lafayette Street as No Parking.

#2005-174 – Approivng Amendment “C” to the Agreement with CH2M Hill for the UV Disinfection Project at the Wastewater Treatment Plant for an amount of \$326,500.00.

#2005-175 – Approving Task #1 under the Agreement with SH2M Hill for On-Call Engineering Consulting Services, Design of Lift Station Near the Intersection of Capital and Diers Avenues.

#2005-176 – Approving Bid Award for Modular Home Design/Build with Lockhart Homes of Grand Island, Nebraska in an Amount of \$141,210.00.

#2005-177 – Approving Agreement with Convention Visitors Bureau for Sub-Lease of Interstate 80 Signs in an Amount of \$250.00 per year for each sign.

#2005-178 – Approving Amendment No. 5 to the Agreement with Olsson Associates of Grand Island, Nebraska for Street Improvement District 1246, South Locust from Stolley Park Road to Fonner Park Road in an Amount of \$22,850.00.

#2005-161 – Approving Amendment to Community Redevelopment Authority (CRA) Redevelopment Plan and Authorizing Tax Increment Financing for Procon, LLC Proposed Handicapped Accessible Apartments Located along Capital Avenue and Geddes Street. Doug Walker, City Attorney and K.C. Henke, developer explained the \$1.4 million project. Discussion was held on the TIF financing.

Motion by Pielstick, second by Hornady to approve Resolution #2005-161. Upon roll call vote, all voted aye. Motion was adopted.

#2005-162 – Approving Acquisition of Property Located at 1212 West 2nd Street. (Robert C. Ramold dba Domino’s Pizza) Doug Walker, City Attorney explained that negotiations had taken place since February 2005. Discussion was held regarding eminent domain procedures. Mr. Walker stated negotiations would continue with eminent domain being used as a last resort.

Motion by Nickerson, second by Hornady to approve Resolution #2005-162. Upon roll call vote, all voted aye. Motion was adopted.

#2005-163 – Approving Acquisition of Property Located at 244 and 304 Stuhr Road. (Melvin W. & Jo Ann Meyer and M.J. Lake, LLC) Doug Walker, City Attorney reported that negotiations

had taken place with the Meyer's to purchase property located at 244 and 304 Stuhr Road for the development of a fire training facility. Mr. Walker stated that an appraised price of \$583,900.00 had been agreed upon.

Discussion was held with regards to costs and the type of facility that was proposed at this site versus the site east of the Central Community College. Fire Chief Jim Rowell stated there may be more meeting rooms at this site since they were a distance from the Community College which they had planned to use for meetings.

Gary Greer, City Administrator commented on the differences in these locations with regards to cost, location, and type of facility. Mentioned was the Law Enforcement facility that was going to be built in the same location which could be used for meetings, thereby eliminating the need for more meeting rooms at the training center.

Councilmember Gilbert thanked the Meyer family for negotiating and selling this property to the City.

Motion by Meyer, second by Pielstick to approve Resolution #2005-163. Upon roll call vote, Councilmember's Meyer, Whitesides, Pielstick, Gilbert, Nickerson, Cornelius, Pauly, Hornady, and Haase vote aye. Councilmember Walker voted no. Motion was adopted.

RESOLUTIONS:

#2005-179 – Approving Annexation Plan for Properties Located North of Capital Avenue and East of St. Paul Road and Various Properties Adjacent to the City of Grand Island and Scheduling Public Hearing. Chad Nabity, Regional Planning Director reported that a request had been made to annex property north of Capital Avenue and east of St. Paul Road to connect to city sewer. City Administration suggested other properties adjacent to 1024 Capital Avenue and properties purchased by the waste water utility department as well as street right-of-way be annexed into the City. Mr. Nabity reviewed the Annexation Plan – June 2005.

Motion by Hornady, second by Pielstick to approve Resolution #2005-179. Upon roll call vote, all voted aye. Motion adopted.

PAYMENT OF CLAIMS:

Motion by Cornelius, second by Hornady to approve the Claims for the period of May 25, 2005 through June 14, 2005, for a total amount of \$3,010,092.27. Motion adopted unanimously.

ADJOURNMENT: The meeting was adjourned at 8:30 p.m.

RaNae Edwards
City Clerk



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item G2

Approving Minutes of June 21, 2005 City Council Study Session

The Minutes of June 21, 2005 City Council Study Session are submitted for approval. See attached MINUTES.

Staff Contact: RaNae Edwards

OFFICIAL PROCEEDINGS

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL STUDY SESSION

June 21, 2005

Pursuant to due call and notice thereof, a Study Session of the City Council of the City of Grand Island, Nebraska was conducted in the Council Chambers of City Hall, 100 East First Street, on June 21, 2005. Notice of the meeting was given in the *Grand Island Independent* on June 15, 2005.

Mayor Jay Vavricek called the meeting to order at 7:00 p.m. The following members were present: Councilmember's Meyer, Whitesides, Pielstick, Gilbert, Nickerson, Cornelius, Pauly, Hornady, and Walker. Councilmember Haase was absent. The following City Officials were present: City Administrator Gary Greer, City Clerk RaNae Edwards, Finance Director David Springer, and City Attorney Doug Walker

Mayor Communication: Mayor Vavricek commented on the following:

- Informal Meet and Great Event on Friday, June 23, 2005 at 11:15 a.m. to meet Lela Lowry and Andrew Hills – candidates for the Emergency Management Director
- Introduced Wendy Meyer-Jerke, Public Information Officer

Presentation of Water Department Financial Status Report. Gary Mader, Utilities Department Director reported that the Water Department was an equipment and facilities intensive enterprise where a large percentage of revenue must be used for Capital Projects to meet growth and Operations and Maintenance costs of existing infrastructure. The philosophy of the department had been limit long term debt and “pay as you go” for operations, maintenance, and normal and routine system expansions. The last major increase was in 1994.

The following financial requirements were presented and discussed over the last five years:

Capital Projects

- Overall System Improvements
- Water Department Projects
- System Extensions for new subdivisions

Operation and Maintenance Costs

- Production Expenses
- Operating Expenses

Also presented were several immediate future projects such as expansion of the Well Field, replace motor on Burdick Pump Station Pump 1, extensions of major trunk lines, addition of a second water storage reservoir in west Grand Island, replacement of old electric switchgear at Well Field pumping station, construction of Water Mains, replacement of older fire hydrants, continued upgrade of older Well Field wells piping and closures, and regulation and control of the Platte River.

Mr. Mader recommended adding \$0.10 per 100 cubic feet which would increase revenue by \$500,000 per year covering the immediate shortfall. Presented were water rate comparisons with North Platte, Hastings, Kearney, Lincoln, and Omaha.

Discussion was held with regards to different rate structures. The following water rates were proposed:

Residential: 1,500 cubic ft. (11,220 gallons)

- GI Present: \$11.77
- GI Proposed: \$13.27

Commercial: 50,000 cubic ft. (374,000 gallons)

- GI Present: \$208.06
- GI Proposed: \$258.06

Commercial/Industrial: 1,500,000 cubic ft. (11,220,000 gallons)

- GI Present: \$4,306.06
- GI Proposed: \$5,806.06

Large Industrial: 6,000,000 cubic ft. (44,880,000 gallons)

- GI Present: \$16,726.06
- GI Proposed: \$22,726.06

The Council requested more information be brought back to them on different rate structures before they make a decision. City Administrator Gary Greer commented on the importance of increasing the rates this fiscal year because of the short-fall in revenues instead of through the budget process which would start in October.

ADJOURNMENT: The meeting was adjourned at 8:20 p.m.

RaNae Edwards
City Clerk



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item G3

Approving Appointment to the Heartland Events Center Board

The Mayor is recommending the appointment of Scott Zana to the Heartland Events Center Board of Directors to complete the unexpired term of John Brownell. The appointment would take affect immediately with Council approval.

The Fonner Park Exposition and Events Center, Inc. (Heartland Events Center) is a 501(c)(3) nonprofit corporation with the following provisions:

- (1) The Mayor of the City of Grand Island, Nebraska nominates one (1) member of the Board of Directors of Fonner Park Exposition and Events Center, Inc.; and*
- (2) The election of the members of the Board of Directors of Fonner Park Exposition and Events Center, Inc. is submitted to the City Council of the City of Grand Island, Nebraska for ratification.*

The term is for one year with the election of directors at the annual meeting held in July of each year. Approval is recommended.

Staff Contact: Mayor Vavricek



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item G4

**Approving Request of Central Nebraska Humane Society for
Conditional Use Permit for a Temporary Office Trailer Located at
1312 Sky Park Road**

This item relates to the aforementioned Public Hearing Item E-1.

Staff Contact: Craig Lewis



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item G5

**Approving Request of Dale Hartwig for Conditional Use Permit
for Temporary Water and Sanitary Sewer Tie-In to Service
Construction Office Located at 2620 West Faidley Avenue**

This item relates to the aforementioned Public Hearing Item E-2.

Staff Contact: Craig Lewis



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item G6

#2005-180 - Approving Acquisition of Utility Easements - 3114 and 3116 S. Blaine Street - Gauthier

This item relates to the aforementioned Public Hearing Item E-3.

Staff Contact: Gary R. Mader

RESOLUTION 2005-180

WHEREAS, public utility easements are required by the City of Grand Island, from Clark A. Gauthier, a single person, to install, upgrade, maintain, and repair public utilities; and

WHEREAS, a public hearing was held on June 28, 2005, for the purpose of discussing the proposed acquisition of an easements and rights-of-way as follows:

Tract No. 1:

A part of Lot Four (4), Riverside Farm Fourth Subdivision located in the city of Grand Island, Hall County, Nebraska, the easement and right-of-way being more particularly described as follows: Beginning at the northeast corner of Lot Four (4), Riverside Farm Fourth Subdivision; thence southwesterly along the northerly line of said Lot Four (4), a distance of One Hundred Ten (110.0) feet; thence easterly, a distance of One Hundred Fourteen and Seventy Seven Hundredths (114.77) feet to the southeast corner of said Lot Four (4); thence northwesterly along the easterly line of said Lot Four (4), a distance of Twenty Five and Eight Hundredths (25.08) feet to the said Point of Beginning The above-described easement and right-of-way containing 0.032 acres more or less, as shown on the plat dated May 25, 2005, marked Exhibit "A", attached hereto and incorporated herein by reference.

Tract No. 2:

A part of Lot Five (5), Riverside Farm Fourth Subdivision located in the city of Grand Island, Hall County, Nebraska, the easement and right-of-way being more particularly described as follows: Commencing at the northeast corner of Lot Five (5), Riverside Farm Fourth Subdivision; thence southwesterly along the northerly line of said Lot Five (5), a distance of One Hundred Sixty and Sixty Hundredths (160.60) feet to the ACTUAL Point of Beginning; thence continuing southwesterly along the northerly line of said Lot Five (5), a distance of Thirty One and Ninety Six Hundredths (31.96) feet; thence running southwesterly, a distance of One Hundred Thirty Six and Forty Nine Hundredths (136.49) feet to a point on a southerly line of said Lot Five (5); thence northeasterly along a southerly line of said Lot Five (5), a distance of Eighty One and Ninety Seven Hundredths (81.97) feet; thence northwesterly along a line of said Lot Five (5), a distance of Twenty Six and Six Hundredths (26.06) feet; thence northeasterly along a southerly line of said Lot Five (5), a distance of Seventy Five and Eighty Eight Hundredths (75.88) feet; thence northwesterly, a distance of Twenty and Seven Hundredths (20.07) feet to the said point of beginning. The above-described easement and right-of-way containing 0.083 acres more or less, as shown on the plat dated May 25, 2005, marked Exhibit "B", attached hereto and incorporated herein by reference.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF

Approved as to Form	☐ _____
June 23, 2005	☐ City Attorney

THE CITY OF GRAND ISLAND, NEBRASKA, that the City of Grand Island be, and hereby is, authorized to acquire public utility easements from Clark A. Gauthier, a single person, on the above-described tracts of land.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, June 28, 2005.

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item G7

#2005-181 - Approving Acquisition of Utility Easement - 804 N. Webb Road - WCI, LLC

This item relates the to aforementioned Public Hearing Item E-4.

Staff Contact: Gary R. Mader

RESOLUTION 2005-181

WHEREAS, a public utility easement is required by the City of Grand Island, from WCI, LLC, a Nebraska limited liability company, to install, upgrade, maintain, and repair public utilities; and

WHEREAS, a public hearing was held on June 28, 2005, for the purpose of discussing the proposed acquisition of an easement and right-of-way through a part of Lot Fourteen (14), Meadowlark West Fourth Subdivision in the City of Grand Island, Hall County, Nebraska, the easement and right-of-way being more particularly described as follows:

The southerly ten (10.0) feet of the easterly ninety (90.0) feet of Lot Fourteen (14) Meadowlark West Fourth Subdivision. The above-described easement and right-of-way containing 0.021 acres, more or less, as shown on the plat dated June 2, 2005, attached hereto as Exhibit "A" and incorporated herein by this reference.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the City of Grand Island be, and hereby is, authorized to acquire a public utility easement from WCI, LLC, a Nebraska limited liability company, on the above-described tract of land.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, June 28, 2005.

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item G8

**#2005-182 - Approving Acquisition of Utility Easement - 820 N.
Webb Road - Allen Phase III**

This item relates to the aforementioned Public Hearing Item E-5.

Staff Contact: Gary R. Mader

RESOLUTION 2005-182

WHEREAS, a public utility easement is required by the City of Grand Island, from Allen Phase III, LLC, a Nebraska limited liability company, to install, upgrade, maintain, and repair public utilities; and

WHEREAS, a public hearing was held on June 28, 2005, for the purpose of discussing the proposed acquisition of an easement and right-of-way through a part of Lot Thirteen (13), Meadowlark West Fourth Subdivision in the City of Grand Island, Hall County, Nebraska, the easement and right-of-way being more particularly described as follows:

The easterly ten (10.0) feet of the southerly fifty (50.0) feet of Lot Thirteen (13) Meadowlark West Fourth Subdivision. The above-described easement and right-of-way containing 0.011 acres, more or less, as shown on the plat dated June 2, 2005, attached hereto as Exhibit "A" and incorporated herein by this reference.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the City of Grand Island be, and hereby is, authorized to acquire a public utility easement from Allen Phase III, LLC, a Nebraska limited liability company, on the above-described tract of land.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, June 28, 2005.

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item G9

**#2005-183 - Approving Acquisition of Utility Easement - 2105 S.
Locust - Pharmacy Properties, LLC**

This item relates to the aforementioned Public Hearing Item E-6.

Staff Contact: Gary R. Mader

R E S O L U T I O N 2005-183

WHEREAS, a public utility easement is required by the City of Grand Island, from Pharmacy Properties, L.L.C., a Nebraska limited liability company, to install, upgrade, maintain, and repair public utilities; and

WHEREAS, a public hearing was held on June 28, 2005, for the purpose of discussing the proposed acquisition of an easement and right-of-way through a part of Lot Two (2), Equestrian Meadows Subdivision in the City of Grand Island, Hall County, Nebraska, the easement and right-of-way being more particularly described as follows:

The westerly ten (10.0) feet of the easterly twenty (20.0) feet and the westerly ten (10.0) feet of the easterly thirty (30.0) feet of the southerly twenty (20.0) feet of Lot Two (2), Equestrian Meadows Subdivision. The above-described easement and right-of-way containing 0.038 acres, more or less, as shown on the plat dated June 15, 2005, attached hereto as Exhibit "A" and incorporated herein by this reference.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the City of Grand Island be, and hereby is, authorized to acquire a public utility easement from Pharmacy Properties, L.L.C., a Nebraska limited liability company, on the above-described tract of land.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, June 28, 2005.

RaNae Edwards, City Clerk

Approved as to Form <input type="checkbox"/> _____ June 23, 2005 <input type="checkbox"/> City Attorney
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City of Grand Island

Tuesday, June 28, 2005

Council Session

Item G10

**#2005-184 - Approving Acquisition of Utility Easement - 2117
South Locust - Equestrian Meadows, LLC**

This item relates to the aforementioned Public Hearing Item E-7.

Staff Contact: Gary R. Mader

RESOLUTION 2005-184

WHEREAS, a public utility easement is required by the City of Grand Island, from Equestrian Meadows, L.L.C., a Nebraska limited liability company, to install, upgrade, maintain, and repair public utilities; and

WHEREAS, a public hearing was held on June 28, 2005, for the purpose of discussing the proposed acquisition of an easement and right-of-way through a part of Lot Three (3), Equestrian Meadows Subdivision in the City of Grand Island, Hall County, Nebraska, the ten (10.0) foot wide easement and right-of-way being more particularly described as follows:

The westerly ten (10.0) feet of the easterly twenty (20.0) feet of Lot Three (3), Equestrian Meadows Subdivision. The above-described easement and right-of-way containing 0.043 acres, more or less, as shown on the plat dated June 15, 2005, attached hereto as Exhibit "A" and incorporated herein by this reference.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the City of Grand Island be, and hereby is, authorized to acquire a public utility easement from Equestrian Meadows, L.L.C., a Nebraska limited liability company, on the above-described tract of land.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, June 28, 2005.

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item G11

**#2005-185 - Approving Bid Award - Transmission Line Work,
Utilities Department - Project 05-PCC-01**

Staff Contact: Gary R. Mader; DaleShotkoski

Council Agenda Memo

From: Gary R. Mader, Utilities Director
Dale Shotkoski, Asst. City Attorney/Purchasing

Meeting: June 28, 2005

Subject: Award of Contract #05-PCC-01, Transmission Line Work

Item #'s: G-11

Presenter(s): Gary R. Mader, Utilities Director

Background

Grand Island Utilities Department is working with CXT to support the expansion of their existing manufacturing plant in Grand Island. As part of the expansion, nearly a mile of new rail spur line will be constructed by CXT to serve the increased capacity of their plant. A fifty foot tall gantry crane will be used along the new rails to load concrete ties on to rail cars.

The existing CXT plant and the planned expansion are located in the Union Pacific rail yards on the east side of Grand Island. The Utilities Department has a 115,000 volt (115kV) transmission line crossing the area. This line will have to be raised to provide safe clearance for the gantry crane.

Discussion

Advantage Engineering was retained in February to design the portion of 115 kV transmission line associated with the CXT facility. This design is consistent with the current construction standards adopted for Grand Island's 115 kV loop. The line section involved in this reconstruction project is 30 years old and was planned for upgrade to meet increasing electric loads in the next five years. With the line being rebuilt now, the capacity upgrade is included in the current proposed project.

In accordance with Department policy, the cost of reconstructing power lines is considered a cost to the development project when that reconstruction is required solely because of the development project. In this case, the non-betterment cost, not to exceed \$300,000, will be captured by the engineer and reimbursed by CXT, per the agreement with CXT of April 12, 2005.

Specifications for Transmission Line Work, Contract #05-PCC-01, were issued on April 22, 2005. The advertisement appeared in the Grand Island Independent on April 26. The Engineers Estimate was \$700,000. Bids were publicly opened on June 14, 2005. The three bids are tabulated as follows:

Bidder	Location	Bid Amount
Hutton Contracting Co.	Strasburg, CO	\$922,213.80
PAR Electrical Contractors	Des Moines, IA	\$799,315.00
Dominion Construction Co.	Scottsbluff, NE	\$655,691.37

None of the bidders took any exceptions to the Specifications.

Dominion Construction Company provided the low bid of \$655,691.37. In previous work on Grand Island's 115 kV, Dominion Construction Company has performed admirably. The Utility Department staff and Advantage Engineering recommend retaining Dominion Construction Company for Contract 05-PCC-01, in the amount of \$655,691.37

The project is included in the Electric Department's Capital Improvement Budget proposed for F.Y. 2005-06.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to accept the bid from Dominion Construction Company for Contract #05-PCC-01, Transmission Line Work.
2. Refer the issue to a Committee
3. Award the Contract to another bidder
4. Take no action on the issue

Recommendation

City Administration recommends that the Council accept the Bid and enter into Contract #05-PCC-01, Transmission Line Work, with Dominion Construction Company.

Sample Motion

Motion to accept the Bid and enter into Contract #05-PCC-01, Transmission Line Work, with Dominion Construction Company of Scottsbluff, NE.



Dale M. Shotkoski, Assistant City Attorney

*Working Together for a
Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: June 14, 2005 at 11:00 a.m.

FOR: Transmission Line Work, Contract #05-PPC-01

DEPARTMENT: Utilities

ESTIMATE: \$700,00.00

FUND/ACCOUNT: 520

PUBLICATION DATE: April 26, 2005

NO. POTENTIAL BIDDERS: 7

SUMMARY

Bidder:	<u>PAR Electrical Contractors, Inc.</u> Des Moines, IA	<u>Hutton Contracting Co., Inc.</u> Strasburg, CO
Bid Security:	Federal Insurance Company	Western Surety Company
Exceptions:	None	None
Bid Price:	\$799,315.00	\$922,213.80

Bidder:	<u>Dominion Construction Company</u> Scottsbluff, NE
Bid Security:	Travelers Casualty & Surety
Exceptions:	None
Bid Price:	\$655,691.37

cc: Gary Mader, Utilities Director
Pat Gericke, Admin. Assist. Utilities
Gary Greer, City Administrator
Laura Berthelsen, Legal Assistant

Bob Smith, Assist. Utilities Director
Burhl Gilpin, Assist. Utilities Director
Dale Shotkoski, Purchasing Agent

RESOLUTION 2005-185

WHEREAS, the City of Grand Island invited sealed bids for Transmission Line Work, Contract No. 05-PPC-01, according to plans and specifications on file in the Utilities Department; and

WHEREAS, on June 14, 2005, bids were received, opened and reviewed; and

WHEREAS, Dominion Construction Company of Scottsbluff, Nebraska, submitted a bid in accordance with the terms of the advertisement of bids and plans and specifications and all other statutory requirements contained therein, such bid being in the amount of \$655,691.37; and

WHEREAS, such bid is below the estimate for such project.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Dominion Construction Company of Scottsbluff, Nebraska, in the amount of \$655,691.37 for Transmission Line Work, Contract No. 05-PPC-01 is hereby approved as the lowest responsible bid.

BE IT FURTHER RESOLVED, that a contract with such contractor for such project be entered into, and the Mayor is hereby authorized and directed to execute such contract on behalf of the City of Grand Island.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, June 28, 2005.

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
June 23, 2005	☐ City Attorney



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item G12

**#2005-186 - Approving Purchase Agreement for Sale of Lot 11,
Platte Valley Industrial Park 3rd Subdivision**

This item relates to the aforementioned Ordinance Item F-2.

Staff Contact: Gary R. Mader; Doug Walker

RESOLUTION 2005-186

WHEREAS, B.M. and M. LLC, a limited liability company, has expressed an interest in purchasing Lot Eleven (11), Platte Valley Industrial Park Third Subdivision, in the City of Grand Island, Hall County, Nebraska; and

WHEREAS, the purchase price of the property shall be \$206,400; and

WHEREAS, a Purchase Agreement has been prepared setting out the terms and conditions of such property purchase; and

WHEREAS, the City Attorney's office has reviewed and approved the Purchase Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the sale of Lot Eleven (11), Platte Valley Industrial Park Third Subdivision in the City of Grand Island, Hall County, Nebraska to B.M. and M. LLC, a limited liability company, for the purchase price of \$206,400 is hereby approved in accordance with the terms of the Purchase Agreement.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized and directed to execute such Purchase Agreement on behalf of the City of Grand Island.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, June 28, 2005.

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item G13

#2005-187 - Approving Bid Award for Sanitary Sewer District No. 517, Deadwood Subdivision (Arch Avenue and Johnstown Road Area)

Staff Contact: Steven P. Riehle, Public Works Director

Council Agenda Memo

From: Steven P. Riehle, Public Works Director

Meeting: June 28, 2005

Subject: Approving Bid Award for Sanitary Sewer District No. 517, Deadwood Subdivision (Arch Avenue and Johnstown Road Area)

Item #'s: G-13

Presenter(s): Steven P. Riehle, Public Works Director

Background

On June 2, 2005 the Engineering Division of the Public Works Department advertised for bids for Sanitary Sewer No. 517; Arch Avenue and Johnstown Road Area.

Discussion

Two bids were received and opened on June 20, 2005. The Engineering Division of the Public Works Department and the Purchasing Division of the City Attorney's Office have reviewed the bids that were received. All bids were submitted in compliance with the contract, plans, and specifications with no exceptions. A summary of the bids is shown below.

<i>Bidder</i>	<i>Exceptions</i>	<i>Bid Security</i>	<i>Bid Price</i>
Diamond Engineering Co. Grand Island NE	None	Universal Surety Co.	\$25,361.85
Starostka Group Grand Island NE	None	Merchants Bonding Co.	\$20,408.03

The engineers estimate for this project was \$38,216.00. There are sufficient funds in Account No. 53030055-85213 to fund this contract.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand.

1. Make a motion to approve awarding the bid to Staroska Group for Sanitary Sewer District No. 517 in the amount of \$20,408.03.

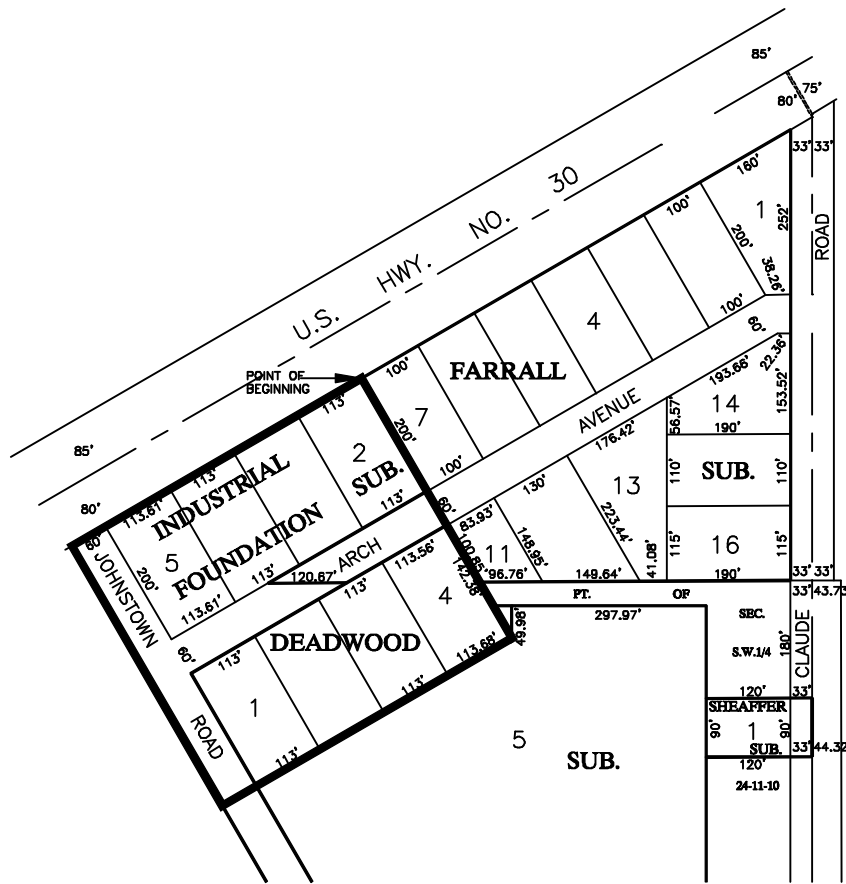
2. Refer the issue to a Committee.
3. Postpone the issue to a future date.
4. Take no action on the issue.

Recommendation

City Administration recommends that the Council approve awarding the contract and passing a resolution authorizing the Mayor to sign a contract with Staroska Group of Grand Island in the amount of \$20,408.03.

Sample Motion

Move to approve the award of the contract to the lowest bidder, Staroska Group for Sanitary Sewer District 517.



SANITARY SEWER DIST. 517

CITY OF GRAND ISLAND
PUBLIC WORKS DEPARTMENT

DATE: 3-4-05
DRN BY: L.D.C.
SCALE: 1"=200'

PLAT TO ACCOMPANY
ORDINANCE NO. 8968

Purchasing Division of Legal Department
INTEROFFICE MEMORANDUM



Dale M. Shotkoski, Assistant City Attorney

*Working Together for a
Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: June 20, 2005 at 11:00 a.m.
FOR: Sanitary Sewer District No. 517
DEPARTMENT: Public Works
ESTIMATE: \$38,216.00
FUND/ACCOUNT: 53030055-85213
PUBLICATION DATE: June 10, 2005
NO. POTENTIAL BIDDERS: 6

SUMMARY

Bidder:	<u>Diamond Engineering Co.</u> Grand Island, NE	<u>Starostka Group</u> Grand Island, NE
Bid Security:	Universal Surety Co.	Merchants Bond Co.
Exceptions:	None	None
Bid Price:	\$25,361.85	\$20,408.03

cc: Steve Riehle, Public Works Director
Danelle Collins, Public Works Admin. Assist.
Dale Shotkoski, Purchasing Agent

Ben Thayer, WWTP Supt.
Gary Greer, City Administrator
Laura Berthelsen, Legal Assistant

P1001

R E S O L U T I O N 2005-187

WHEREAS, the City of Grand Island invited sealed bids for Sanitary Sewer District No. 517 located in Deadwood Subdivision on Arch Avenue, east of Johnstown Road, according to plans and specifications on file with the City Engineer; and

WHEREAS, on June 20, 2005, bids were received, opened and reviewed; and

WHEREAS, Starostka Group of Grand Island, Nebraska, submitted a bid in accordance with the terms of the advertisement of bids and plans and specifications and all other statutory requirements contained therein, such bid being in the amount of \$20,408.03; and

WHEREAS, such bid is below the estimate for such project.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Starostka Group of Grand Island, Nebraska, in the amount of \$20,408.03 for Sanitary Sewer District No. 517 is hereby approved as the lowest responsible bid.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, June 28, 2005.

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
June 23, 2005	☐ City Attorney



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item G14

**#2005-188 - Approving Discontinuation of Sanitary Sewer No. 518,
Westwood Subdivision and Westwood Second Subdivision
(Driftwood, Maywood, Sweetwood, Greenwood, & Norwood
Drives and Driftwood and Redwood Courts)**

Staff Contact: Steven P. Riehle, Public Works Director

Council Agenda Memo

From: Steven P. Riehle, Public Works Director

Meeting: June 28, 2005

Subject: Approving Discontinuation of Sanitary Sewer No. 518, Westwood Subdivision and Westwood Second Subdivision (Driftwood, Maywood, Sweetwood, Greenwood, & Norwood Drives and Driftwood and Redwood Courts)

Item #'s: G-14

Presenter(s): Steven P. Riehle, Public Works Director

Background

Sanitary Sewer District 518 was created by the City Council on May 10, 2005. Legal notice of the creation of the District was published in the *Grand Island Independent* on May 17, 2005. A letter was also mailed to all property owners on that date.

Discussion

Sanitary Sewer District 518 completed the 30-day protest period at 5:00 p.m., Thursday, June 16, 2005. There were protests filed against this District by 42 abutting property owners. These owners represented 5,281.53 front feet, or 59.24% of the total District frontage of 8,915.22 feet.

Alternatives

It appears that the Council has the following alternatives concerning this issue at hand. The Council may:

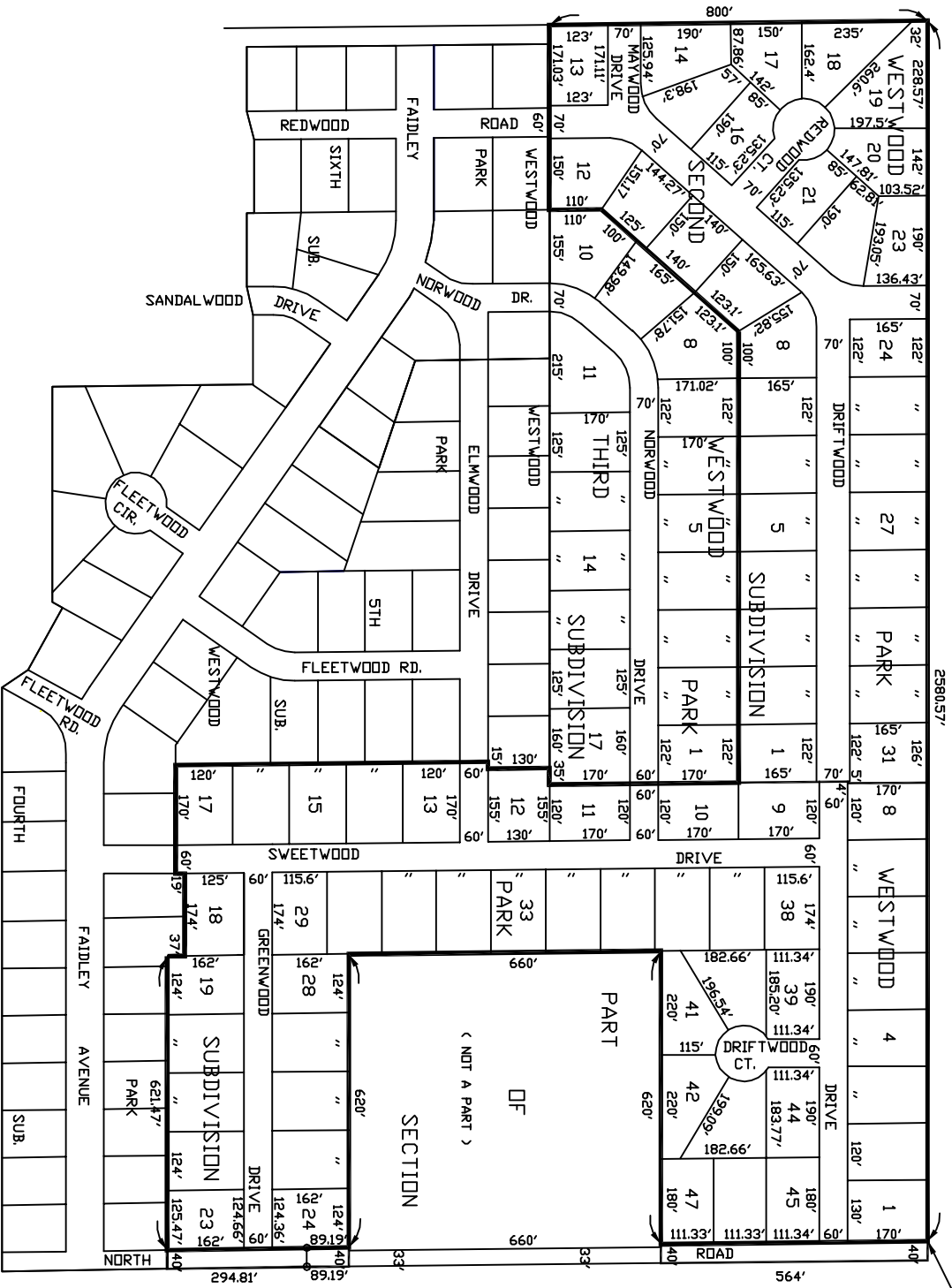
1. Approve the discontinuation Sanitary Sewer District 518.
2. Refer the issue to a Committee.
3. Postpone the issue to a future date.
4. Take no action on the issue.

Recommendation

City Administration recommends that the Council approve the discontinuation of Sanitary Sewer District 518.

Sample Motion

Move to approve the discontinuation of Sanitary Sewer District # 518.



POINT OF BEGINNING

EXHIBIT "A"

GRAND ISLAND
PUBLIC WORKS DEPARTMENT

PLAT TO ACCOMPANY
ORDINANCE NO. 8974

SCALE 1"=400' L.D.C. 4-20-05

SANITARY SEWER DISTRICT 518

R E S O L U T I O N 2005-188

WHEREAS, Sanitary Sewer District No. 518 was created by Ordinance No. 8974 on May 10, 2005; and

WHEREAS, notice of the creation of such Sanitary Sewer District No. 518 was published in the *Grand Island Independent*, in accordance with the provisions of Section 16-619 et seq., Neb. Rev. Stat. 1943; and

WHEREAS, Section 16-620, Neb. R.R.S. 1943, provides that if owners of record title representing more than 50% of the front footage of the property abutting or adjoining the streets, avenues or alleys, or parts thereof to be improved in any district shall file with the City Clerk within thirty days from the first publication of said notice written objections to the sanitary sewer district, said work shall not be done and the ordinance shall be repealed; and

WHEREAS, protests were filed with the City Clerk against the creation of Sanitary Sewer District No. 518 by abutting property owners representing 59.24% of the total district frontage.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that sufficient protests having been filed with the City Clerk against the creation of Sanitary Sewer District No. 518, such district should not be continued and the ordinance which created said district shall be repealed.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, June 28, 2005.

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
June 23, 2005	☐ City Attorney



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item G15

**#2005-189 - Approving Contract for Architectural Services Design
for Fire Station**

Staff Contact: Jim Rowell

Council Agenda Memo

From: Douglas R. Walker, City Attorney
Jim Rowell, Fire Chief

Meeting: June 28, 2005

Subject: Approving Contract for Architectural Services
Design for Fire Station

Item #'s: G-15

Presenter(s): Douglas R. Walker, City Attorney
Jim Rowell, Fire Chief

Background

The City Council has approved the replacement of Fire Station No. 1 with a new facility to be located on property being donated by Fonner Park. As part of the process for building a new fire station, the City of Grand Island published a Request for Proposals for architectural services and has interviewed the finalist architecture firms and has begun negotiations for architectural services to design the new fire station.

Discussion

The City Council has before it a contract for retaining the services of Cannon, Moss, Brygger & Associates, P.C., to design a new fire station at Fonner Park. The contract that has been negotiated and is before the Council for approval contains the provisions that are necessary for designing a fire station building and has been negotiated by the city's Fire Department representatives and by the City Attorney's Office. We are recommending approval of this contract because we believe it will accomplish the design of the fire station to enable the city to go out for bids and that the architectural services set forth in the agreement at a reasonable price.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve the contract to retain Cannon, Moss, Brygger & Associates, P.C., to design the new fire station.
2. Deny the proposed contract.
3. Postpone the issue to future date.
4. Take no action on the issue.

Recommendation

City Administration recommends that the Council approve the contract between the City of Grand Island and Cannon, Moss, Brygger & Associates, P.C. for designing the new fire station.

Sample Motion

Motion to approve the contract with Cannon, Moss, Brygger & Associates, P.C. for designing the new fire station.



Dale M. Shotkoski, Assistant City Attorney

*Working Together for a
Better Tomorrow, Today*

**REQUEST FOR PROPOSAL
FOR
ARCHITECTURAL SERVICES
DESIGN FOR FIRE STATION**

RFP DUE DATE: April 29, 2005 at 3:00 p.m.

DEPARTMENT: Fire

PUBLICATION DATE: March 31, 2005

NO. POTENTIAL BIDDERS: 24

SUMMARY OF PROPOSALS RECEIVED

Cannon Moss Brygger & Associates/ Stewart Cooper Newell Architects
Grand Island, Nebraska/Gastonia, NC

BKV Group/ RDG
Minneapolis, MN/Arlington Heights, Ill

Victor Aufdemberge Architecture/Prochaska & Associates
Grand Island, Nebraska/Omaha, Nebraska

Richard E. Willis & Associates
Grand Island, NE

HGM Associates Inc.
Omaha, NE

cc: Jim Rowell, Fire Chief
Gary Greer, City Administrator
Dale Shotkoski, Purchasing Agent

Curt Rohling, Division Chief
David Springer, Finance Director
Laura Berthelsen, Legal Assistant

AIA[®] Document B155[™] – 1993

Standard Form of Agreement Between Owner and Architect for a Small Project

This **AGREEMENT** is made: June 23, 2005
(Date)

BETWEEN the Owner:

CITY OF GRAND ISLAND
100 E. FIRST ST., P.O. BOX 1968
GRAND ISLAND, NE 68802

and the Architect:

CANNON MOSS BRYGGER & ASSOCIATES, P.C.
2535 CARLETON AVENUE, SUITE A
GRAND ISLAND, NE 68803

for the following Project:

NEW GRAND ISLAND FIRE STATION NO. 1
GRAND ISLAND, NEBRASKA

The Owner and Architect agree as follows.

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences.

Consultation with an attorney is encouraged with respect to its completion or modification.

ARTICLE 1 ARCHITECT'S RESPONSIBILITIES

The Architect shall provide architectural services for the project, including normal structural, mechanical and electrical design services. Services shall be performed in a manner consistent with professional skill and care.

§ 1.1 During the Design Phase, the Architect shall perform the following tasks:

- .1** describe the project requirements for the Owner's approval;
- .2** develop a design solution based on the approved project requirements;
- .3** upon the Owner's approval of the design solution, prepare Construction Documents indicating requirements for construction of the project, including estimated cost of construction;
- .4** assist the Owner in filing documents required for the approval of governmental authorities; and
- .5** assist the Owner in obtaining proposals and award contracts for construction.

§ 1.2 During the Construction Phase, the Architect shall act as the Owner's representative and provide administration of the Contract between the Owner and Contractor. The extent of the Architect's authority and responsibility during construction is described in this Agreement and in AIA Document A205, General Conditions of the Contract for Construction of a Small Project. Unless otherwise agreed, the Architect's services during construction include visiting the site, reviewing and certifying payments, reviewing the Contractor's submittals, rejecting nonconforming Work, and interpreting the Contract Documents.

§ 1.3 Architect shall maintain professional liability insurance in the amount of \$1 million throughout the duration of the project.

ARTICLE 2 OWNER'S RESPONSIBILITIES

The Owner shall provide full information about the objectives, schedule, constraints and existing conditions of the project, and shall establish a budget with reasonable contingencies that meets the project requirements. The Owner shall furnish surveying, geotechnical engineering and environmental testing services upon request by the Architect. The Owner shall employ a contractor to perform the construction Work.

ARTICLE 3 OWNERSHIP OF DOCUMENTS

The Design Documents and the Contract Documents, including but not limited to, the drawings, specifications and other documents prepared by Architect for the Project, shall immediately become the property of the Owner. Any documents furnished by Owner shall remain the property of Owner. Owner may be permitted to retain copies of the Design Documents and Contract Documents and any documents furnished by Architect for its records with approval in writing of Architect; provided, however, that in no event shall Owner use, or permit to be used, any portion or all of such documents on other projects without Architect's prior written authorization.

ARTICLE 4 TERMINATION, SUSPENSION OR ABANDONMENT

In the event of termination, suspension or abandonment of the project, the Architect shall be equitably compensated for services performed through the phase completed. Failure of the Owner to make payments to the Architect in accordance with this Agreement shall be considered substantial nonperformance and is sufficient cause for the Architect to either suspend or terminate services. Either the Architect or the Owner may terminate this Agreement after giving no less than seven days' written notice if the other party substantially fails to perform in accordance with the terms of this Agreement.

ARTICLE 5 MISCELLANEOUS PROVISIONS

§ 5.1 This Agreement shall be governed by the law of the location of the project.

§ 5.2 Terms in this Agreement shall have the same meaning as those in AIA Document A205, General Conditions of the Contract for Construction of a Small Project, current as of the date of this Agreement.

§ 5.3 The Owner and Architect, respectively, bind themselves, their partners, successors and assigns to this Agreement. Neither party to this Agreement shall assign the contract as a whole without written consent of the other.

§ 5.4 The Architect and Architect's consultants shall have no responsibility for the identification, discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials in any form at the project site.

ARTICLE 6 PAYMENTS AND COMPENSATION TO THE ARCHITECT

The Owner shall compensate the Architect as follows.

§ 6.1 The Architect's Compensation shall be:
(Indicate method of compensation.)

Seven and Three-Quarters Percent (7-3/4%) of the construction cost plus reimbursables as indicated in 6.2 for developing a new design for owner's building; however, if owner decides to use a prototype plan previously design by architect or architect's consultant, the fee will be six percent (6%) of the construction cost plus reimbursables as indicated in 6.2, plus additional fees at architect's or architect's consultant's standard hourly rates for any alterations made to the prototype plan construction documents. Additional fees will not apply to alterations necessary to adapt the prototype plan to the owner's site.

Standard hourly rates for the architect or architect's consultant shall be as follows:

Principal/Architect I	\$130
Principal/Architect II	\$105
Architect III	\$ 95
Intern Architect	\$ 75
Technician I	\$ 75
Technician II	\$ 65
Technician III	\$ 50
Graphic Designer	\$ 75
Interior Designer I	\$ 75
Interior Designer II	\$ 60
Clerical	\$ 40

§ 6.2 The Architect shall be reimbursed for expenses incurred in the interest of the project. (No mark-up on reimbursables.)
(List reimbursable items.)

- Printing and Copies of Presentation Materials
- Printing of Bid Documents
- Distribution of Bid Documents
- Consultant's Travel Expenses
- Agency Review Fees
- Architectural Rendering

§ 6.3 Payments are due and payable upon receipt of the Architect's invoice. Amounts shall be paid within 60 (sixty) days.

§ 6.4 Architectural Services not covered by this Agreement include, among others, revisions due to significant changes in the scope, quality or budget. The Architect and Owner shall negotiate fees for these services performed.

ARTICLE 7 OTHER PROVISIONS

§ 7.1 PROGRESS PAYMENTS FOR BASIC SERVICES IN EACH PHASE SHALL TOTAL THE FOLLOWING PERCENTAGES OF THE TOTAL BASIC COMPENSATION PAYABLE:

SCHEMATIC DESIGN PHASE	TEN PERCENT	(10%)
DESIGN DEVELOPMENT PHASE	FIFTEEN PERCENT	(15%)
CONSTRUCTION DOCUMENTS PHASE	FORTY-FIVE PERCENT	(45%)
BIDDING OR NEGOTIATION PHASE	FIVE PERCENT	(5%)
CONSTRUCTION PHASE	TWENTY-FIVE PERCENT	(25%)
TOTAL BASIC COMPENSATION	ONE HUNDRED PERCENT	(100%)

WHEN COMPENSATION IS BASED ON A PERCENTAGE OF THE COST OF THE WORK AND ANY PORTIONS OF THE PROJECT ARE DELETED OR OTHERWISE NOT CONSTRUCTED, COMPENSATION FOR THOSE PORTIONS OF THE PROJECT SHALL BE PAYABLE TO THE EXTENT SERVICES ARE PERFORMED ON THOSE PORTIONS, IN ACCORDANCE WITH THE CHART SET FORTH IN THIS PARAGRAPH 1.5.1, BASED ON (1) THE LOWEST BONA FIDE BID OR NEGOTIATED PROPOSAL, OR (2) IF NO SUCH BID OR PROPOSAL IS RECEIVED, THE MOST RECENT PRELIMINARY ESTIMATE OF THE COST OF THE WORK OR DETAILED ESTIMATE OF THE COST OF THE WORK FOR SUCH PORTIONS OF THE PROJECT.

NOTHING CONTAINED IN THIS AGREEMENT SHALL CREATE A CONTRACTUAL RELATIONSHIP WITH, OR A CAUSE OF ACTION IN FAVOR OF, A THIRD PARTY AGAINST EITHER THE OWNER, ARCHITECT, OR CONSULTANT.

CANNON MOSS BRYGGER & ASSOCIATES' LIABILITY FOR ANY AND ALL INJURIES, CLAIMS, LOSSES, EXPENSES, DAMAGES OR CLAIM EXPENSES ARISING OUT OF THIS AGREEMENT FROM ANY CAUSE OR CAUSES SHALL NOT EXCEED THE TOTAL AMOUNT OF OUR PROFESSIONAL LIABILITY INSURANCE LIMIT. SUCH CAUSES INCLUDE, BUT ARE NOT LIMITED TO, DESIGN PROFESSIONALS' NEGLIGENCE, ERRORS, OMISSIONS, STRICT LIABILITY, BREACH OF CONTRACT AND BREACH OF WARRANTY.

FEE DOES NOT INCLUDE SPECIAL INSPECTIONS THAT MAY BE REQUIRED BY CURRENT BUILDING CODE THAT CANNOT BE COMPLETED BY THE ARCHITECT. IF THESE INSPECTIONS ARE REQUIRED, THEY WILL BE BILLED AS HOURLY RATES WITH REIMBURSABLE EXPENSES.

IF THE LOWEST BONA FIDE BID OR NEGOTIATED PROPOSAL EXCEEDS THE BUDGET OR THE COST OF THE WORK BY MORE THAN TWENTY-FIVE PERCENT (25%), THE ARCHITECT, WITHOUT ADDITIONAL COMPENSATION, SHALL MODIFY THE DOCUMENTS FOR WHICH THE ARCHITECT IS RESPONSIBLE UNDER THIS AGREEMENT AS NECESSARY TO COMPLY WITH THE BUDGET FOR THE COST OF THE WORK. THE MODIFICATION OF SUCH DOCUMENTS SHALL BE THE LIMIT OF THE ARCHITECT'S RESPONSIBILITY; HOWEVER, IF THE LOWEST BONA FIDE BID OR NEGOTIATED PROPOSAL EXCEEDS THE BUDGET OR THE COST OF THE WORK BY TEN PERCENT (10%) OR LESS, THE ARCHITECT SHALL RECEIVE ADDITIONAL COMPENSATION FOR OWNER REQUESTED MODIFICATIONS TO CONSTRUCTION DOCUMENTS.

THE ARCHITECT SHALL BE ENTITLED TO COMPENSATION IN ACCORDANCE WITH THIS AGREEMENT FOR ALL SERVICES PERFORMED WHETHER OR NOT CONSTRUCTION IS COMMENCED.

This Agreement entered into as of the day and year first written above.
(If required by law, insert cancellation period, disclosures or other warning statements above the signatures.)

OWNER

(Signature)

JAY VAVRICEK
MAYOR

(Printed name and title)

ARCHITECT

Bradley C. Kissler

(Signature)

BRADLEY C. KISSLER, AIA
PRINCIPAL ARCHITECT

(Printed name and title)



AIA[®] Document A205[™] – 1993

General Conditions of the Contract for Construction of a Small Project

for the following PROJECT:

(Name and location or address):

NEW GRAND ISLAND FIRE STATION NO. 1
GRAND ISLAND, NEBRASKA

THE OWNER:

(Name and address):

CITY OF GRAND ISLAND
100 E. FIRST ST., P.O. BOX 1968
GRAND ISLAND, NE 68802

THE ARCHITECT:

(Name and address):

CANNON MOSS BRYGGER & ASSOCIATES, P.C.
2535 CARLETON AVENUE, SUITE A
GRAND ISLAND, NE 68803

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

ARTICLE 1 GENERAL PROVISIONS

§ 1.1 THE CONTRACT

The Contract represents the entire and integrated agreement between the parties and supersedes prior negotiations, representations or agreements, either written or oral. The Contract may be amended or modified only by a written modification.

§ 1.2 THE WORK

The term "Work" means the construction and services required by the Contract Documents, and includes all other labor, materials, equipment and services provided by the Contractor to fulfill the Contractor's obligations.

§ 1.3 INTENT

The intent of the Contract Documents is to include all items necessary for the proper execution and completion of the Work by the Contractor. The Contract Documents are complementary, and what is required by one shall be as binding as if required by all.

§ 1.4

OWNERSHIP AND USE OF ARCHITECT'S DRAWINGS, SPECIFICATIONS AND OTHER DOCUMENTS

Documents prepared by the Architect are instruments of the Architect's service for use solely with respect to this project. They are not to be used by the Contractor or any Subcontractor, Sub-subcontractor or material or equipment supplier for other projects or for additions to this project outside the scope of the Work without the specific written consent of the Owner and Architect.

ARTICLE 2 OWNER

§ 2.1 INFORMATION AND SERVICES REQUIRED OF THE OWNER

§ 2.1.1 If requested by the Contractor, the Owner shall furnish and pay for a survey and a legal description of the site.

§ 2.1.2 Except for permits and fees which are the responsibility of the Contractor under the Contract Documents, the Owner shall obtain and pay for other necessary approvals, easements, assessments and charges.

§ 2.2 OWNER'S RIGHT TO STOP THE WORK

If the Contractor fails to correct Work which is not in accordance with the Contract Documents, the Owner may direct the Contractor in writing to stop the Work until the correction is made.

§ 2.3 OWNER'S RIGHT TO CARRY OUT THE WORK

If the Contractor defaults or neglects to carry out the Work in accordance with the Contract Documents and fails within a seven day period after receipt of written notice from the Owner to correct such default or neglect with diligence and promptness, the Owner may, without prejudice to other remedies, correct such deficiencies. In such case, a Change Order shall be issued deducting the cost of correction from payments due the Contractor.

§ 2.4

OWNER'S RIGHT TO PERFORM CONSTRUCTION AND TO AWARD SEPARATE CONTRACTS

§ 2.4.1 The Owner reserves the right to perform construction or operations related to the project with the Owner's own forces, and to award separate contracts in connection with other portions of the project.

§ 2.4.2 The Contractor shall coordinate and cooperate with separate contractors employed by the Owner.

§ 2.4.3 Costs caused by delays or by improperly timed activities or defective construction shall be borne by the party responsible therefor.

ARTICLE 3 CONTRACTOR

§ 3.1 EXECUTION OF THE CONTRACT

Execution of the Contract by the Contractor is a representation that the Contractor has visited the site, become familiar with local conditions under which the Work is to be performed and correlated personal observations with requirements of the Contract Documents.

§ 3.2 REVIEW OF CONTRACT DOCUMENTS AND FIELD CONDITIONS BY CONTRACTOR

The Contractor shall carefully study and compare the Contract Documents with each other and with information furnished by the Owner. Before commencing activities, the Contractor shall: (1) take field measurements and verify field conditions; (2) carefully compare this and other information known to the Contractor with the Contract Documents; and (3) promptly report errors, inconsistencies or omissions discovered to the Architect.

§ 3.3 SUPERVISION AND CONSTRUCTION PROCEDURES

§ 3.3.1 The Contractor shall supervise and direct the Work, using the Contractor's best skill and attention. The Contractor shall be solely responsible for and have control over construction means, methods, techniques, sequences and procedures, and for coordinating all portions of the Work.

§ 3.3.2 The Contractor, as soon as practicable after award of the Contract, shall furnish in writing to the Owner through the Architect the names of subcontractors or suppliers for each portion of the Work. The Architect will promptly reply to the Contractor in writing if the Owner or the Architect, after due investigation, has reasonable objection to the subcontractors or suppliers listed.

§ 3.4 LABOR AND MATERIALS

§ 3.4.1 Unless otherwise provided in the Contract Documents, the Contractor shall provide and pay for labor, materials, equipment, tools, utilities, transportation, and other facilities and services necessary for proper execution and completion of the Work.

§ 3.4.2 The Contractor shall deliver, handle, store and install materials in accordance with manufacturers' instructions.

§ 3.5 WARRANTY

The Contractor warrants to the Owner and Architect that: (1) materials and equipment furnished under the Contract will be new and of good quality unless otherwise required or permitted by the Contract Documents; (2) the Work will be free from defects not inherent in the quality required or permitted; and (3) the Work will conform to the requirements of the Contract Documents.

§ 3.6 TAXES

The Contractor shall pay sales, consumer, use and similar taxes that are legally required when the Contract is executed.

§ 3.7 PERMITS, FEES AND NOTICES

§ 3.7.1 The Contractor shall obtain and pay for the building permit and other permits and governmental fees, licenses and inspections necessary for proper execution and completion of the Work.

§ 3.7.2 The Contractor shall comply with and give notices required by agencies having jurisdiction over the Work. If the Contractor performs Work knowing it to be contrary to laws, statutes, ordinances, building codes, and rules and regulations without notice to the Architect and Owner, the Contractor shall assume full responsibility for such Work and shall bear the attributable costs. The Contractor shall promptly notify the Architect in writing of any known inconsistencies in the Contract Documents with such governmental laws, rules and regulations.

§ 3.8 SUBMITTALS

The Contractor shall promptly review, approve in writing and submit to the Architect Shop Drawings, Product Data, Samples and similar submittals required by the Contract Documents. Shop Drawings, Product Data, Samples and similar submittals are not Contract Documents.

§ 3.9 USE OF SITE

The Contractor shall confine operations at the site to areas permitted by law, ordinances, permits, the Contract Documents and the Owner.

§ 3.10 CUTTING AND PATCHING

The Contractor shall be responsible for cutting, fitting or patching required to complete the Work or to make its parts fit together properly.

§ 3.11 CLEANING UP

The Contractor shall keep the premises and surrounding area free from accumulation of debris and trash related to the Work.

§ 3.12 INDEMNIFICATION

To the fullest extent permitted by law, the Contractor shall indemnify and hold harmless the Owner, Architect, Architect's consultants and agents and employees of any of them from and against claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the Work, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself) including loss of use resulting therefrom, but only to the extent caused in whole or in part by negligent acts or omissions of the Contractor, a Subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss or expense is caused in part by a party indemnified hereunder.

ARTICLE 4 ARCHITECT'S ADMINISTRATION OF THE CONTRACT

§ 4.1 The Architect will provide administration of the Contract as described in the Contract Documents. The Architect will have authority to act on behalf of the Owner only to the extent provided in the Contract Documents.

§ 4.2 The Architect will visit the site at intervals appropriate to the stage of construction to become generally familiar with the progress and quality of the Work.

§ 4.3 The Architect will not have control over or charge of and will not be responsible for construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work,

since these are solely the Contractor's responsibility. The Architect will be responsible for notifying the Owner of the Contractor's failure to carry out the Work in accordance with the Contract Documents.

§ 4.4 Based on the Architect's observations and evaluations of the Contractor's Applications for Payment, the Architect will review and certify the amounts due the Contractor.

§ 4.5 The Architect will have authority to reject Work that does not conform to the Contract Documents.

§ 4.6 The Architect will promptly review and approve or take appropriate action upon Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents.

§ 4.7 The Architect will promptly interpret and decide matters concerning performance under and requirements of the Contract Documents on written request of either the Owner or Contractor.

§ 4.8 Interpretations and decisions of the Architect will be consistent with the intent of and reasonably inferable from the Contract Documents and will be in writing or in the form of drawings. When making such interpretations and decisions, the Architect will endeavor to secure faithful performance by both Owner and Contractor, will not show partiality to either and will not be liable for results of interpretations or decisions so rendered in good faith.

§ 4.9 The Architect's duties, responsibilities and limits of authority as described in the Contract Documents will not be changed without written consent of the Owner, Contractor and Architect. Consent shall not be unreasonably withheld.

ARTICLE 5 CHANGES IN THE WORK

§ 5.1 After execution of the Contract, changes in the Work may be accomplished by Change Order or by order for a minor change in the Work. The Owner, without invalidating the Contract, may order changes in the Work within the general scope of the Contract consisting of additions, deletions or other revisions, the Contract Sum and Contract Time being adjusted accordingly.

§ 5.2 A Change Order shall be a written order to the Contractor signed by the Owner and Architect to change the Work, Contract Sum or Contract Time.

§ 5.3 The Architect will have authority to order minor changes in the Work not involving changes in the Contract Sum or the Contract Time and not inconsistent with the intent of the Contract Documents. Such changes shall be written orders and shall be binding on the Owner and Contractor. The Contractor shall carry out such written orders promptly.

§ 5.4 If concealed or unknown physical conditions are encountered at the site that differ materially from those indicated in the Contract Documents or from those conditions ordinarily found to exist, the Contract Sum and Contract Time shall be subject to equitable adjustment.

ARTICLE 6 TIME

§ 6.1 Time limits stated in the Contract Documents are of the essence of the Contract.

§ 6.2 If the Contractor is delayed at any time in progress of the Work by changes ordered in the Work, or by labor disputes, fire, unusual delay in deliveries, unavoidable casualties or other causes beyond the Contractor's control, the Contract Time shall be extended by Change Order for such reasonable time as the Architect and Owner may determine.

ARTICLE 7 PAYMENTS AND COMPLETION

§ 7.1 CONTRACT SUM

The Contract Sum stated in the Agreement, including authorized adjustments, is the total amount payable by the Owner to the Contractor for performance of the Work under the Contract Documents.

§ 7.2 APPLICATIONS FOR PAYMENT

§ 7.2.1 At least sixty days before the date established for each progress payment, the Contractor shall submit to the Architect an itemized Application for Payment for operations completed in accordance with the values stated in the Agreement. Such application shall be supported by such data substantiating the Contractor's right to payment as the Owner or Architect may reasonably require and reflecting retainage if provided for elsewhere in the Contract Documents.

§ 7.2.2 The Contractor warrants that title to all Work covered by an Application for Payment will pass to the Owner no later than the time of payment. The Contractor further warrants that upon submittal of an Application for Payment, all Work for which Certificates for Payment have been previously issued and payments received from the Owner shall, to the best of the Contractor's knowledge, information and belief, be free and clear of liens, claims, security interests or other encumbrances adverse to the Owner's interests.

§ 7.3 CERTIFICATES FOR PAYMENT

The Architect will, within ten days after receipt of the Contractor's Application for Payment, either issue to the Owner a Certificate for Payment, with a copy to the Contractor, for such amount as the Architect determines is properly due, or notify the Contractor and Owner in writing of the Architect's reasons for withholding certification in whole or in part.

§ 7.4 PROGRESS PAYMENTS

§ 7.4.1 After the Architect has issued a Certificate for Payment, the Owner shall make payment in the manner provided in the Contract Documents.

§ 7.4.2 The Contractor shall promptly pay each Subcontractor and material supplier, upon receipt of payment from the Owner, out of the amount paid to the Contractor on account of such entities' portion of the Work.

§ 7.4.3 Neither the Owner nor the Architect shall have responsibility for the payment of money to a Subcontractor or material supplier.

§ 7.4.4 A Certificate for Payment, a progress payment, or partial or entire use or occupancy of the project by the Owner shall not constitute acceptance of Work not in accordance with the requirements of the Contract Documents.

§ 7.5 SUBSTANTIAL COMPLETION

§ 7.5.1 Substantial Completion is the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete in accordance with the Contract Documents so the Owner can occupy or utilize the Work for its intended use.

§ 7.5.2 When the Work or designated portion thereof is substantially complete, the Architect will prepare a Certificate of Substantial Completion which shall establish the date of Substantial Completion, shall establish the responsibilities of the Owner and Contractor, and shall fix the time within which the Contractor shall finish all items on the list accompanying the Certificate. Warranties required by the Contract Documents shall commence on the date of Substantial Completion of the Work or designated portion thereof unless otherwise provided in the Certificate of Substantial Completion.

§ 7.6 FINAL COMPLETION AND FINAL PAYMENT

§ 7.6.1 Upon receipt of a final Application for Payment, the Architect will inspect the Work. When the Architect finds the Work acceptable and the Contract fully performed, the Architect will promptly issue a final Certificate for Payment.

§ 7.6.2 Final payment shall not become due until the Contractor submits to the Architect releases and waivers of liens, and data establishing payment or satisfaction of obligations, such as receipts, claims, security interests or encumbrances arising out of the Contract.

§ 7.6.3 Acceptance of final payment by the Contractor, a Subcontractor or material supplier shall constitute a waiver of claims by that payee except those previously made in writing and identified by that payee as unsettled at the time of final Application for Payment.

ARTICLE 8 PROTECTION OF PERSONS AND PROPERTY

§ 8.1 SAFETY PRECAUTIONS AND PROGRAMS

The Contractor shall be responsible for initiating, maintaining and supervising all safety precautions and programs, including all those required by law in connection with performance of the Contract. The Contractor shall promptly remedy damage and loss to property caused in whole or in part by the Contractor, or by anyone for whose acts the Contractor may be liable.

ARTICLE 9 CORRECTION OF WORK

§ 9.1 The Contractor shall promptly correct Work rejected by the Architect as failing to conform to the requirements of the Contract Documents. The Contractor shall bear the cost of correcting such rejected Work.

§ 9.2 In addition to the Contractor's other obligations including warranties under the Contract, the Contractor shall, for a period of one year after Substantial Completion, correct work not conforming to the requirements of the Contract Documents.

§ 9.3 If the Contractor fails to correct nonconforming Work within a reasonable time, the Owner may correct it and the Contractor shall reimburse the Owner for the cost of correction.

ARTICLE 10 MISCELLANEOUS PROVISIONS

§ 10.1 ASSIGNMENT OF CONTRACT

Neither party to the Contract shall assign the Contract as a whole without written consent of the other.

§ 10.2 TESTS AND INSPECTIONS

§ 10.2.1 Tests, inspections and approvals of portions of the Work required by the Contract Documents or by laws, ordinances, rules, regulations or orders of public authorities having jurisdiction shall be made at an appropriate time.

§ 10.2.2 If the Architect requires additional testing, the Contractor shall perform these tests.

§ 10.2.3 The Owner shall pay for tests except for testing Work found to be defective for which the Contractor shall pay.

§ 10.3 GOVERNING LAW

The Contract shall be governed by the law of the place where the project is located.

ARTICLE 11 TERMINATION OF THE CONTRACT

§ 11.1 TERMINATION BY THE CONTRACTOR

If the Owner fails to make payment when due or substantially breaches any other obligation of this Contract, following thirty days' written notice to the Owner, the Contractor may terminate the Contract and recover from the Owner payment for Work executed and for proven loss with respect to materials, equipment, tools, construction equipment and machinery, including reasonable overhead, profit and damages.

§ 11.2 TERMINATION BY THE OWNER

§ 11.2.1 The Owner may terminate the Contract if the Contractor:

- .1** persistently or repeatedly refuses or fails to supply enough properly skilled workers or proper materials;
- .2** fails to make payment to Subcontractors for materials or labor in accordance with the respective agreements between the Contractor and the Subcontractors;
- .3** persistently disregards laws, ordinances, or rules, regulations or orders of a public authority having jurisdiction; or
- .4** is otherwise guilty of substantial breach of a provision of the Contract Documents.

§ 11.2.2 When any of the above reasons exist, the Owner, after consultation with the Architect, may without prejudice to any other rights or remedies of the Owner and after giving the Contractor and the Contractor's surety, if any, seven days' written notice, terminate employment of the Contractor and may:

- .1** take possession of the site and of all materials thereon owned by the Contractor;

.2 finish the Work by whatever reasonable method the Owner may deem expedient.

§ 11.2.3 When the Owner terminates the Contract for one of the reasons stated in Section 11.2.1, the Contractor shall not be entitled to receive further payment until the Work is finished.

§ 11.2.4 If the unpaid balance of the Contract Sum exceeds costs of finishing the Work, such excess shall be paid to the Contractor. If such costs exceed the unpaid balance, the Contractor shall pay the difference to the Owner. This obligation for payment shall survive termination of the Contract.

RESOLUTION 2005-189

WHEREAS, the City of Grand Island invited proposals for Architectural Services – Design of a Fire Station in accordance with a Request for Proposal on file with the Fire Department; and

WHEREAS, on April 29, 2005, proposals were received, reviewed and evaluated in accordance with established criteria; and

WHEREAS, presentations were made by each of the companies that submitted a proposal for the project; and

WHEREAS, Cannon, Moss, Brygger & Associates, P.C., of Grand Island, Nebraska, submitted a proposal in accordance with the terms of the request for proposals and all statutory requirements contained therein and the City Procurement Code; and

WHEREAS, as a result of negotiations, it is recommended that the firm of Cannon, Moss, Brygger & Associates, P.C., be retained to provide architectural services for the design of a replacement Fire Station No. 1 for the compensation set forth in the agreement; and

WHEREAS, a contract for such services has been reviewed and approved by the City Attorney.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the proposal of Cannon, Moss, Brygger & Associates, P.C. of Grand Island, Nebraska, is hereby approved for architectural services for the design of a replacement Fire Station No. 1 for the compensation set forth in the agreement.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized and directed to execute a contract for such services on behalf of the City of Grand Island.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, June 28, 2005.

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
June 23, 2005	☐ City Attorney



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item G16

**#2005-190 - Approving Subordination Agreement for CDBG Home
Located at 915 East 6th Street. (Alfred & Panchita Portillo)**

Staff Contact: Marsha Kaslon

Council Agenda Memo

From: Joni Kuzma, Community Development

Meeting: June 28, 2005

Subject: Subordination Agreement for House Purchased under CDBG Down Payment Assistance Program

Item #'s: G-16

Presenter(s): Joni Kuzma, Community Development Specialist

Background

The City of Grand Island has a real estate lien on property owned by Alfred & Panchita Portillo at 915 E. 6th Street, in the amount of \$24,500.00. This lien is a result of the City Down Payment Assistance Program. On January 2, 1997, down payment funds in the amount of \$24,500.00 were loaned to Alfred & Panchita Portillo, a married couple, to assist in the purchase of a home in the Community Development Block Grant Project area. The legal description is: Lot Three (3), Block Five (5), Evan's Addition to the City of Grand Island, NE, a/k/a/ 905 E. 6th Street. The owners are requesting permission to combine their first and second mortgage at a lower interest rate, which will save the homeowner over \$250 per month in house payments.

Discussion

The City's current real estate lien is junior in priority to a Deed of Trust to Wells Fargo Home Mortgage in the amount of \$42,933 and in front of a Deed of Trust to Beneficial Finance in the amount of \$32,507. These two amounts will be combined into a single loan to which the City will subordinate. By law, the new Deed of Trust would be junior in priority to the City's lien, however, the new lender; The Mortgage Authority Inc., has asked the City to subordinate its real estate lien to the new Deed of Trust.

The new appraised value of the property is \$90,000 and is sufficient to secure the refinanced loan of \$80,000 and the remaining 20% of the City's loan. The City's loan of \$24,500 will be forgiven if the original owners of the property (Alfred & Panchita Portillo) reside in the house for a period of 10 years from the date of purchase which was January 2, 1997. The Portillo's have two years left on their loan with the City. Approval of the proposed Subordination Agreement, placing the City in the junior position to the new Deed of Trust, is recommended.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the Subordination Agreement
2. Disapprove or /Deny the Subordination Agreement
3. Modify the Subordination Agreement to meet the wishes of the Council
4. Table the issue

Recommendation

City Administration recommends that the Council approve the proposed Subordination Agreement, placing the City's lien in the junior position to the new Deed of Trust.

Sample Motion

Approve the Subordination Agreement with The Mortgage Authority, Inc. placing the City in the junior position to the new Deed of Trust.

RESOLUTION 2005-190

WHEREAS, the City of Grand Island, is the lender and secured party of a Deed of Trust dated January 2, 1997 and recorded on January 3, 1997 as Instrument No. 97-100085, in the amount of \$24,500.00, secured by property located at 915 E. 6th Street and owned by Alfredo V. Portillo and Panchita Portillo, husband and wife, said property being described as follows:

Lot Three (3), Block Five (5), Evan's Addition to the City of Grand Island, Hall County, Nebraska.

WHEREAS, Alfredo and Panchita Portillo wish to execute a Deed of Trust and Note in the amount of \$80,000 with The Mortgage Authority, Inc. to be secured by the above-described real estate; and

WHEREAS, the new lender, The Mortgage Authority, Inc., Beneficiary, wishes to extend the new loan secured by a Deed of Trust conditioned upon the City subordinating its Deed of Trust to their lien priority; and

WHEREAS, the value of the above-described real estate is sufficient to adequately secure these loans.

WHEREAS, the requested subordination of the City's lien priority is in the best interests of all parties.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Mayor is hereby authorized and directed to execute an agreement subordinating the lien priority of the above described Deed of Trust from Alfredo V. Portillo and Panchita Portillo, husband and wife, to the City of Grand Island, as beneficiary to that of the new loan and Deed of Trust of The Mortgage Authority, Inc., Beneficiary, as more particularly set out in the subordination agreement.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, June 28, 2005.

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
June 23, 2005	☐ City Attorney



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item G17

**#2005-191 - Approving Interlocal Agreement with Community
Redevelopment Authority**

Staff Contact: Doug Walker

Council Agenda Memo

From: Douglas R. Walker, City Attorney

Meeting: June 28, 2005

Subject: Approving Interlocal Agreement with the
Community Redevelop Authority

Item #'s: G-17

Presenter(s): Douglas R. Walker, City Attorney

Background

Earlier this year discussions took place regarding the administration of the Grand Island Community Redevelopment Authority. The Community Redevelopment Authority has decided to request that the city provide administration services for the CRA beginning July 1, 2005, through September 30, 2006. The Interlocal Agreement has been prepared to enable the city to provide these services for the CRA.

Discussion

The City is proposing an Interlocal Agreement to the CRA to provide services of an administrative nature to enable the CRA to accomplish its purposes. The agreement is that the City will supply a director to provide administrative services and devote 10% of his or her time as the director of the CRA. The CRA is to reimburse the City for 10% of the Director's annual salary and benefits and also 10% of the Planning secretary's total annual salary and benefits as determined by the Grand Island Salary Ordinance in effect on the date of the execution of the agreement. The agreement further provides that the City Finance Director will serve as treasurer of the CRA as required by the Nebraska Statutes.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve the Interlocal Agreement to provide administrative services to the Community Redevelopment Authority.

2. Do not approve the Interlocal Agreement.
3. Postpone the issue to future date.
4. Take no action on the issue.

Recommendation

City Administration recommends that the Interlocal Agreement to provide administrative services for the Community Redevelopment Authority be approved.

Sample Motion

Motion to approve the Interlocal Agreement to extend administrative services to the Community Redevelopment Authority.

INTERLOCAL AGREEMENT

This Interlocal Agreement (“Agreement”) is made pursuant to the Nebraska Interlocal Cooperation Act (the “Act”) by and between the City of Grand Island, Nebraska (the “City”) and the Community Redevelopment Authority of the City of Grand Island, Nebraska (the “Authority”) with respect to the following facts:

1. The City is a city of the first class and a public agency within the meaning of the Act; and
2. The Authority is a community redevelopment authority duly created by the City and is a public agency within the meaning of the Act; and
3. The City and the Authority desire to enter into an agreement whereby the Authority will reimburse the City related to the performance of services by whomever the City Administrator shall designate, as Director for the Authority.

NOW, THEREFORE, in consideration of the foregoing facts, the terms and conditions of the Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Authority agree as follows:

1. The City and the Authority specify the following pursuant to Section 3 of the Act:
 - a. The duration of this Agreement is for the period beginning on July 1, 2005 and ending September 30, 2006; thereafter, the Agreement shall automatically renew for successive one year terms beginning each October 1st until terminated as provided in this Agreement.
 - b. No separate legal or administrative entity is created by this Agreement.
 - c. The purpose of this Agreement is to provide for reimbursement by the Authority to the City for certain services provided by whomever the City Administrator shall designate, as Director of the Authority (“Director”).
 - d. The obligations of the City and the Authority pursuant to this Agreement shall be financed pursuant to their general budgets. No additional budgets or financing shall be required.
 - e. This Agreement may be terminated at any time by either party upon 30 days prior written notice to the other party. All facilities and equipment provided by the City and used by the Director for the benefit of the Authority shall remain the property of the City upon termination of this Agreement. If termination occurs on any day other than the last day of the month, the monthly reimbursement payable to the City by the Authority

pursuant to this Agreement for the month of termination shall be prorated based on the number of days in the month of termination during which this Agreement is in effect.

- f. (1) The City agrees that the Director will spend, during the term of this Agreement, approximately ten percent (10%) of his or her time, more or less, as Director of the Authority. The City further agrees that the Director may use the physical office provided to him or her by the City, together with equipment, supplies and services (such as telephone and utilities) provided in connection with his or her office for his or her services as Director of the Authority. Neither the City nor the Director shall be obligated to record or maintain records of the actual allocation of his or her time or of the equipment, supplies and services provided in connection therewith, as between the City and the Authority.

(2) In consideration of the provision of the services of the Director, and the related provision of the use of his or her office and of equipment, supplies and services in connection therewith, the Authority shall reimburse to the City a sum equal to ten percent (10%) of the Director's total annual salary and benefits and ten percent (10%) of the Planning secretary's total annual salary and benefits, as determined by the City of Grand Island Salary Ordinance in effect on the date of this Agreement, and on the first day of October for each subsequent year. All reimbursements due under this provision are to be made in equal quarterly installments due on the last day of the quarter.

(3) CRA shall also reimburse the City for expenses directly attributable to the operation of the CRA. These expenses shall include, but not be limited to, publication expenses, such as legal notices, office supplies and postage, travel expenses and all other line item expenditures set forth in the CRA budget.

- g. The City Finance Director will serve, as provided by Neb. Rev. Stat., §18-2102.01(7), as Ex-Officio Treasurer of the Authority, at no additional compensation. The City agrees that but for equipment and supplies unique to the Authority, that the physical office, equipment, supplies and services provided in connection with his or her services as Ex-Officio Treasurer of the Authority, is also at no additional compensation.

- 2. The City and the Authority specify the following pursuant to Neb. Rev. Stat. §18-2102.01(4):

- a. This Agreement shall be administered by the members of the Authority and the Mayor and Council of the City.

- b. The office and equipment shall remain the property of the City. Supplies and services provided to the Authority shall become the property of the Authority as and when used by the Authority. No other property shall be conveyed or transferred as between the City and the Authority in connection with this Agreement.
- c. This Agreement shall not relieve either the City or the Authority of any obligations imposed on it by law. This Agreement shall be governed by the laws of the State of Nebraska. This Agreement is entered into strictly for the benefit of the parties hereto and shall not inure to the benefit of or create rights in favor of any third party. This Agreement shall be effective upon approval by the members of the Authority and by the Mayor and Council of the City.

IN WITNESS WHEREOF, the City and the Authority hereby execute this Agreement by their duly authorized officers as of the date written below.

Attest:

CITY OF GRAND ISLAND, NEBRASKA,
A Municipal Corporation,

RaNae Edwards, City Clerk

By: _____
Jay Vavricek, Mayor

Approved as to form by City Attorney _____
Approved by Resolution 2003-_____

Attest:

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF GRAND
ISLAND, NEBRASKA,

Secretary

By: _____
, Chairperson

STATE OF NEBRASKA)
) SS.
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this ____ day of _____, 2005, by Jay Vavricek, Mayor on behalf of the City of Grand Island, Nebraska, a municipal corporation.

Notary Public

STATE OF NEBRASKA)
)SS.
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this ____ day of _____, 2005,
by _____, on behalf of the Community Redevelopment Authority of the City of Grand Island,
Nebraska..

Notary Public



Working Together for a
Better Tomorrow. Today.

June 24, 2005

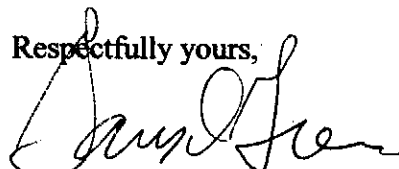
Mayor and City Council

RE: Community Redevelopment Authority (CRA) Appointment

Dear Chad:

It is my duty under Section 2-123 of the Grand Island City Code allows me to appoint a person to serve as the Director and Ex Officio Secretary of the Community Redevelopment Authority to perform the necessary administrative functions described in Neb. Rev. Stat. §18-2101, et seq.

I hereby officially appoint Chad Nability, Regional Planning Director as the Director of the Community Redevelopment Authority effective July 1, 2005.

Respectfully yours,


Gary Greer
City Administrator

cc: Chad Nability, Regional Planning Director
RaNae Edwards, City Clerk

RESOLUTION 2005-191

WHEREAS, the City Council for the City of Grand Island, Nebraska, enacted Ordinance No. 8021 on June 27, 1994, creating the Community Redevelopment Authority of the City of Grand Island, Nebraska, to address the need for economic development opportunities through the provisions of Neb. Rev. Stat. §18-2101, et seq.; and

WHEREAS, Ordinance No. 8021 was incorporated into the Grand Island City Code in Article XI. of Chapter 2; and

WHEREAS, Section 2-123 of the Grand Island City Code states that the City Administrator shall select a person to serve as the Director and Ex Officio Secretary of the Community Redevelopment Authority to perform the necessary administrative functions described in Neb. Rev. Stat. §18-2101, et seq.; and

WHEREAS, an Interlocal Agreement between the City of Grand Island and the Community Redevelopment Authority of the City of Grand Island, Nebraska, has been prepared to provide for the designation of a City employee as the Director of the Community Redevelopment Authority and to provide for reimbursement by the Community Redevelopment Authority to the City for the services provided; and

WHEREAS, said Interlocal Agreement also provides for the appointment of the City Finance Director as Ex-Officio Treasurer of the Community Redevelopment Authority as required by state law, at no additional compensation.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Interlocal Agreement between the City and the Community Redevelopment Authority of Grand Island, Nebraska, is hereby approved.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized and directed to execute the Interlocal Agreement on behalf of the City of Grand Island.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, June 28, 2005.

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
June 23, 2005	☐ City Attorney



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item G18

#2005-192 - Approving Change Order No. 7 to the Contract with Starostka Group for Grand Generation Center Renovation and Expansion Project

Staff Contact: Joni Kuzma

Council Agenda Memo

From: Joni Kuzma, Community Development Specialist

Council Meeting: June 28, 2005

Subject: Change Order #7 Grand Generation Center

Item #'s: G-18

Presenter(s): Joni Kuzma, Community Development Specialist

Background

The City of Grand Island is the owner of record of the building occupied by Senior Citizen Industries, Inc, located at 304 East 3rd Street. In July 2004, the City awarded a contract in the amount of \$615,985.00 to Starostka Group Unlimited for the expansion and renovation of the Center. The City received a Community Development Block grant in the amount of \$350,000 to assist in this expansion and renovation.

At the October 26, 2004 meeting of the City Council, Change Order #1 was approved in the amount of \$17,524.25 for removal of miscellaneous debris found under the footings during the redigging for the laying of the foundation. Change Order #2 was approved at the Dec. 21, 2004 Council meeting to decrease the amount of the contract by \$29,992.00 for the deduction of the Fire Sprinkler system and allow a 45 day time extension for completion. Change Order #3 was approved at the January 25, 2005 to decrease the contract sum by \$2,000 from a Home Depot gift applied to contractor supply purchases. Change Order #4, approved February 22, 2005, increased costs by \$4,940 for a revision of Footings and Foundations, which includes additional work needed in the Kitchen Work Room and the addition of two receptacles on the east side of the center wall of the kitchen. On March 22, 2005, Council approved Change Order #5 for a variety of electrical conduit additions and addition of a fire extinguisher cabinet. On April 26, Council Approved Change Order #6 for \$5,065.00 to reflect a base amount of \$614,153.75, an amount less than the original contracted base bid.

Discussion

Change Order #7 provides for a variety of additions and changes approved by the Grand Generation Center Board of Directors. With Council approval, the contract amount of \$614,153.75 will be increased by \$2,426.00. The new contract amount will be \$616,579.75 and will be assumed by the Grand Generation Center as their cost.

Since the City owns the building and the original contract was signed by the City, Change Order #7 is being submitted to the City for their approval. The contract termination date for this project is July 9, 2005.

ALTERNATIVES

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve Change Order #7.
2. Refer the issue to a Committee.
3. Postpone the issue to a later date.

Recommendation

City Administration recommends that the Council approve Change Order #7.

Sample Motion

Motion to approve Change Order #7 to the contract with Starostka Group Unlimited on the expansion and renovation of the Senior Citizens Industries, Inc.

RESOLUTION 2005-192

WHEREAS, on July 13, 2004, by Resolution 2004-166, the City Council of the City of Grand Island awarded the bid for the addition and renovation of the Grand Generation Center at 304 East Third Street to Starostka Group, Inc. of Grand Island, Nebraska; and

WHEREAS, on October 26, 2004, by Resolution 2004-274, the City Council of the City of Grand Island approved Change Order No. 1 for such project to authorize the removal of miscellaneous debris found under the footings; and

WHEREAS, on December 21, 2004, by Resolution 2004-322, the City Council of the City of Grand Island approved Change Order No. 2 for such project to extend the base bid contract completion date to February 26, 2005 and to transfer the costs of the fire sprinkler system to a separate contract; and

WHEREAS, on January 25, 2005, by Resolution 2005-24, the City Council of the City of Grand Island approved Change Order No. 3 decreasing the contract sum by \$2,000 due to a Home Depot gift applied to contractor supply purchases; and

WHEREAS, on February 22, 2005, by Resolution 2005-55, the City Council of the City of Grand Island approved Change Order No. 4 increased the contract sum by \$4,940 for a revision of footings and foundations including additional kitchen work; and

WHEREAS, on March 22, 2005, by Resolution 2005-86, the City Council of the City of Grand Island approved Change Order No. 5 for a variety of electrical conduit additions and a fire extinguisher cabinet increasing the contract by \$2,631.50; and

WHEREAS, on April 26, 2005, by Resolution 2005-133, the City Council of the City of Grand Island approved Change Order No. 6 for additional electrical work increasing the contract by \$5,065.00; and

WHEREAS, additional work as set out in Change Order No. 7 is necessary which will increase the contract by \$2,426.00 for a total adjusted contract amount of \$616,579.75.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Mayor be, and hereby is, authorized and directed to execute Change Order No. 7 between the City of Grand Island and Starostka Group, Inc. of Grand Island, Nebraska, to increase the contract amount by \$2,426.00 for a variety of additions and changes as set out in such change order.

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Adopted by the City Council of the City of Grand Island, Nebraska, June 28, 2005.

Approved as to Form	☐ _____
June 23, 2005	☐ City Attorney

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item I1

#2005-193 - Consideration of Economic Development Incentive Agreement with Westward Airways, Inc.

Staff Contact: Doug Walker

Council Agenda Memo

From: Douglas R. Walker, City Attorney

Meeting: June 28, 2005

Subject: Approving Economic Development Incentive Agreement with Westward Airways, Inc.

Item #'s: I-1

Presenter(s): Douglas R. Walker, City Attorney

Background

At the May 2003 special election, the voters of the City of Grand Island approved LB840 funding to enable the city to extend economic development incentives through the Grand Island Economic Development Corporation. The Economic Development Corporation has received an application from Westward Airways, Inc. for economic development incentives to enable it to provide air service to Kansas City and Lincoln, Nebraska, from the Hall County Regional Airport.

Discussion

Westward Airways has submitted an application (attached) for economic development incentives, which would be in the amount of \$120,000.00. These incentives would be paid at a rate of \$10,000 per month and would be billed after the air service was delivered each month for a twelve month period. Westward Airways is agreeing to provide eastbound air service from the Hall County Regional Airport to Kansas City, Missouri and to Lincoln, Nebraska. As part of the process of approving an application, the application needs to first be approved by the Executive Board of the Economic Development Corporation and by the Citizens Review Committee. Both the Economic Development Corporation Executive Board and the Citizens Review Committee have approved this application and is now being forwarded to the City Council for final consideration.

At the Citizens Review Committee meeting held on June 21, 2005, the City Attorney advised the Citizen's Review Committee that he was not recommending extending LB840 funds to Westward Air. The City Attorney's concern was that this corporation did not clearly fit under the qualifying business categories as set forth in Article IV of the

Economic Development Plan. Concerns were also raised about whether the extension of incentives would be to a business that would meet the objectives in Article II of the plan to create jobs at or above the average wage and benefits in the community and to encourage investments in fixed assets that would increase the valuation in the community. Legal counsel for the Airport Authority and the EDC have given opinions indicating that they believe that Westward Air would be a qualifying business under category number 4 in Section IV as a business that sells services in interstate commerce.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve the Economic Development Agreement with Westward Airways, Inc.
2. Do not approve the Economic Development Agreement with Westward Airways, Inc.
3. Postpone the issue to future date.
4. Take no action on the issue.

Recommendation

City Administration has several concerns about the application in question. Summarily, the following issues are not resolved to an appropriate level:

- DOT funding has not been secured for this project.
- The project does not effectively meet the objectives of creating jobs or providing investments as required in Article II of the Communities LB840 Plan.
- The long term viability of the project is questionable.
- There seem to be a shortage of private investment/support from the business that will benefit most directly.

It appears that this project would be beneficial to boardings for the airport, which is a great benefit to the Hall County Airport Authority. A resolution and contract to approve the project is attached. It is recommended that the aforementioned concerns be addressed before the project is approved.

business finance and accounting as a banker or accountant, at least one member of the Committee shall be a business owner. No member shall be an elected or appointed City Official, an employee of the City, an official or employee of any qualifying business receiving financial assistance under the Program or an official or employee of any financial institution participating directly in the Program. The City Administrator or designee will serve as Liaison to the Economic Development Corporation.

The City has prepared the Program for submission, first to the City Council and, upon Council approval, to the voters of Grand Island. The Legislature of the State of Nebraska has made available through the Act an invaluable tool to recruit new businesses and to retain and expand businesses presently located in a community. The City intends to use this tool to spur further economic development within the City. The City seeks, through the Economic Development Program, to be more competitive or at least as competitive in the economic development area as any other community in this or any other State of comparative size. With voter approval, the provisions of the Program become the basis for funding the economic development program and thereby expanding job opportunities and the tax base in our community.

Through voter approval of the Economic Development Program, the City would be in a position to operate a low-interest, performance based revolving loan fund, provide job creation incentives, equity participation, interest buy downs, acquire commercial and industrial sites, promote their development, and bond the costs of economic development pending sufficient general fund revenues. The City proposes that funding from the City's general fund be dedicated for the economic development program.

SECTION II. STATEMENT OF PURPOSE DESCRIBING GENERAL INTENT AND PROPOSED GOALS

The general intent and goal of the Grand Island Economic Development Program is to provide well paying jobs to the citizens of Grand Island, Nebraska, by encouraging and assisting local businesses to expand as regards job creation and capital investment and to recruit new qualified businesses which results in creation of jobs and expansion of the tax base. The success of the Program will be measured by the number of jobs created and retained for the length of the Program, the total dollars invested in fixed assets, i.e., buildings, new commercial real estate and business equipment and finally, the growth in total valuation in the City. Each project will be considered on its merits, but priority will be given to jobs created and/or retained at or above average wage and benefits for the community.

SECTION III. TYPES OF ECONOMIC ACTIVITIES THAT WILL BE ELIGIBLE FOR ASSISTANCE

A. Definition of Program

Economic Development shall mean any project or program utilizing funds derived from the City's General Fund, which funds will be expended primarily for the purpose of providing direct

SECTION IV. DESCRIPTION OF TYPES OF BUSINESSES THAT WILL BE ELIGIBLE

- A. A qualifying business shall mean any corporation, partnership, limited liability company or sole proprietorship that derives its principal source of income from any of the following:
1. The manufacturer of articles of commerce;
 2. The conduct of research and development;
 3. The processing, storage, transport, or sale of goods or commodities which are sold or traded in interstate commerce as distinguished from goods offered for sale at retail locally;
 4. The sale of services in interstate commerce as distinguished from services offered on a local or area basis;
 5. Headquarters facilities relating to eligible activities as listed in this section;
 6. Telecommunications activities; or
 7. End Destination Tourism-Related Activities.
- B. A qualifying business must be located within the zoning jurisdiction of the city unless a variance is granted for special circumstances.
- C. Any other business deemed a qualifying business through future action of the Legislature.

SECTION V. REVOLVING LOAN FUND

- A. The amount of funds available for any single project shall not exceed the amount of funds available under the Economic Development Program during the project term, nor shall it provide for more than fifty percent (50%) of total project costs. An applicant must provide participation and evidence of participation through private funding as distinguished from federal, state, or local funding in the minimum amount of fifteen percent (15%) equity investment. The right is reserved to negotiate the terms and conditions of the loan with each applicant, which terms and conditions may differ substantially from applicant to applicant.
- B. The interest rate shall be negotiated on an individual basis. The term shall not exceed fifteen (15) years for loans used for real estate and building assets and not to exceed seven (7) years for loans involving any other asset category such as furniture, fixtures, equipment or working capital. Security for loans will include, but will not be limited to, Promissory Notes, a Deed of Trust, UCC filings and personal and/or corporate guarantees as appropriate and may be in a subordinate position to the primary commercial or government lender.
- C. If the loan is approved as performance based, a qualifying business may be approved to recapture on a grant basis a portion of the loan amount to be determined by the Economic



GRAND ISLAND AREA
ECONOMIC
DEVELOPMENT CORPORATION

308-381-7500 • 800-658-4283 • Fax 308-398-7205 • www.grandisland.org

P.O. Box 1151

GRAND ISLAND, NE 68802-1151

June 13, 2005

TO: Citizens Review Committee

FROM: Marlan Ferguson, President *mf*

Reliable, convenient, and affordable air service is vital to rural economic development and to the citizens of Central Nebraska. The vitality and continuing growth of our local economies is sustainable in large part to the air service and the connections to the national air transportation system that exists today.

The economic and social links between the Grand Island Area and Kansas City are already strong, but we believe that direct air service to/from Kansas City will help immensely to strengthen and grow this social and economic bond to the benefit of our residents. It is also important to our businesses and industries that their potential to get vendors and customers to their facilities in a timely and convenient matter, specifically by air service to Grand Island.

Improved air transportation and service has long been a goal for the community and the Grand Island Area Economic Development Corporation. The 1997 Heartland Vision Report encouraged regional cooperation for improved airline travel. In 2000, improved air service was one of the top five priorities listed by the EDC Board at their planning retreat. It was a goal to have three (3) flights per day east and three (3) flights per day west. Again in 2003 Air Service to the East was listed as a high priority. Over the last few years several Air Service Task Force groups have been formed to study and review Air Service and East bound service in particular. The most recent was in 2002 and 2003 when a task force was initiated to assist in air service improvement and review the DOT essential air service proposals. This resulted in the Tri-City initiative that asked for a Kansas City, Grand Island, Kearney, Denver route and back. This was not funded by the DOT; however a nonstop flight from Grand Island to Denver was approved. Citizens and businesses continued to ask the EDC for assistance in obtaining east bound service and various alternatives and proposals were discussed and reviewed.

The current proposal is to utilize a Nebraska Company, Westward Airways to provide service to Kansas City and include Lincoln as part of their current route from Scottsbluff. The Grand Island Area Economic Development Corporation Executive Committee has approved utilizing LB-840 funds of \$120,000 to match a federal grant of \$380,000 for start up costs and promotional activities. The grant would not only promote Westward Airways but also be used to promote the current EAS flights from Grand Island to Denver. The matching funds will be paid in equal monthly payments in arrears. It is also important to remember that the additional boardings will assist the Airport Authority in reaching the 10,000 enplanements which are needed to secure 1 million dollars of federal funds for airport improvements. The EDC conducted an internal survey concerning this project and had overwhelming positive results, thus the decision to approve the application and forward it to the Citizen's Review Committee.



Project Application for Economic Development Programs

1. Applicant Business Name: Westward Airways, Inc.
Address: 250027 Airport Terminal Street, Scottsbluff, Nebraska 69361
Telephone: 308-220-3838
Email Address: eldon.anthony@westwardairways.com
Business Contact Person: Eldon Anthony
Telephone: 308-220-3838
2. Business Organization: Corporation _____ Partnership
 _____ Proprietor _____ Other
3. Business Type: Startup _____ Existing
 _____ Business Buyout _____ Spec Building
 _____ Other
4. Project Location:
 Within the city limits of Grand Island.
____ Outside the city limits, but within the 2 mile zoning jurisdiction.
____ Outside the zoning jurisdiction of Grand Island in (county) _____.

5. Product or Service Provided: Two round trip flights per day (Mon-Fri) to Kansas City.
Two round trip flights per day (Mon-Fri) to Lincoln.
A total of four round trip flights per day from Grand
Island to points east.

6. Project Description: Partnership between Westward Airways, Inc. and the
Community/EDC to provide matching funds of \$120,000 along
with the Hall County Airport Authority's grant for \$380,000
allowing the utilization of the Small Communities Air Service
Grant which will provide quality, affordable, air service and
Connections to the business community.

7. Project Timetable: Flights to begin within 60 days

8. Employment Information:

Current # of employees: 47 (full-time equivalent)

Proposed # of employees: 53 (full-time equivalent)

What is the average hourly wage for all employees? \$12.25 plus benefits

Number of new jobs to be created: 6 (full-time equivalent)

What would be the average hourly wage for new jobs? \$12.25 plus benefits

Number of jobs to be retained, if any: n/a (full-time equivalent)

Please describe all benefits which the business provides to employees:

Full health benefit package

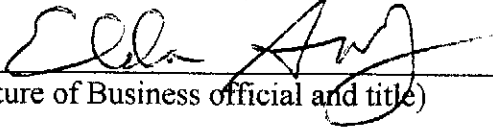
9. Financing/Incentives Requested:

\$120,000 matching funds from community (required)

NOTE: Additional Information may be required and made part of this application by attachment.

To the best of my knowledge, this application and supporting information is accurate, and may be relied upon by representatives of the Grand Island Area Economic Development Corporation (GIAEDC).

By: Eldon Anthony, President



(Signature of Business official and title)

April 26, 2005

Project: Westward Airways

Date Referred to Grand Island Area Economic Development Board: 4-26-05

Approved: X Disapproved: _____ Date: 6-8-05

Comments: See Cover Letter dated 6-13-05

Signature of President: Marlan Ferguson
Marlan Ferguson

Date Referred to Citizen's Review Committee: _____

Approved: _____ Disapproved: _____ Date: _____

Comments: _____

Signature of Chairman: _____
Tim White

Date Referred to City Council: _____

Approved: _____ Disapproved: _____ Date: _____

Comments: _____

Signature of Mayor: _____
Jay Vavricek

Application of

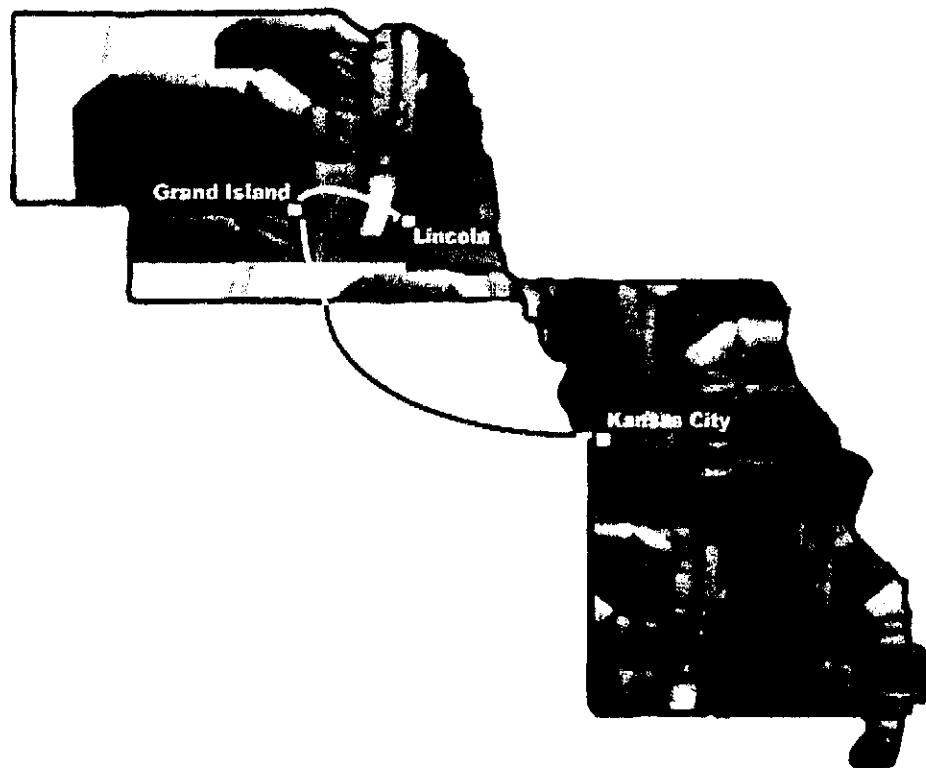
Westward WA Airways

To

The City of Grand Island /
Grand Island Economic Development Corporation

Requesting

LB840 Funding



Application Submitted to:

Grand Island Area Economic Development Corporation
308 North Locust Street
Grand Island, Nebraska 68801-5924

Application Submitted by:

Eldon D. Anthony
Westward Airways, Inc.
250027 Airport Terminal Street
Scottsbluff, Nebraska 69361
Telephone: 308.220.3838
Fax: 308.220.0576



www.westwardairways.com

June 10, 2005

Ms. Denise McGovern
Executive Assistant
Grand Island Economic Development
P. O. Box 1151
Grand Island, Nebraska 68802-1151

Dear Ms. McGovern,

This letter is to serve as an agreement between Grand Island Economic Development and Westward Airways, Inc. acknowledging the fact that Grand Island Economic Development shall be included as part of the marketing committee for eastern air service.

Also acknowledged is the fact that grant payments due to Westward Airways, Inc. shall be in arrears. These payments are due by the 10th of the month following delivery of service. These payments shall be made without regards to receipt of invoice or statement.

Sincerely,

A handwritten signature in black ink that reads 'Eldon Anthony'. The signature is written in a cursive style with a large, sweeping 'A' at the end.

Eldon Anthony
President
Westward Airways, Inc.

EXECUTIVE SUMMARY

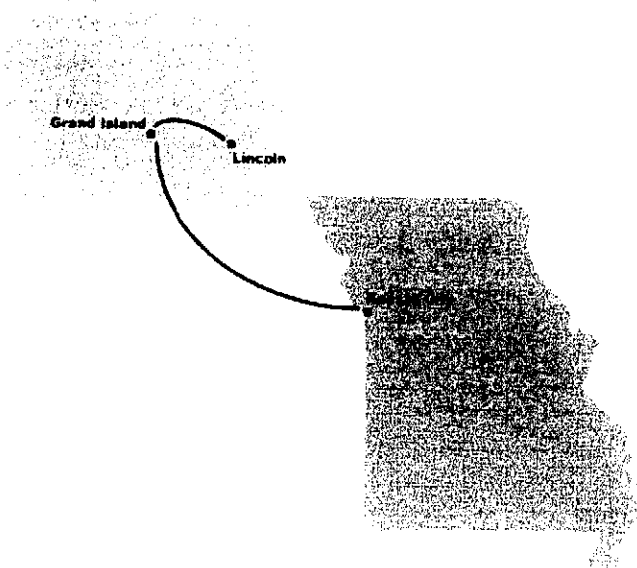
Westward Airways is very pleased to provide this Application in order to provide East Air Service from Grand Island to **both** Kansas City, Missouri and Lincoln, Nebraska.

Westward Airways, Inc., a scheduled regional airline, presently operates the Pilatus PC-12 in Nebraska. The PC-12 seats up to nine passengers in pressurized comfort at altitudes to 30,000 feet and airspeeds to 300 miles per hour. Westward is the second operator in the United States to place this unique aircraft in scheduled service; presently, one Alaskan operator and six Canadian air carriers utilize the PC-12 in scheduled service.

Westward Airways has agreed to provide non-stop **East** Air Shuttle Service from Grand Island to Kansas City, providing Grand Island and surrounding communities with the greatest economic return. Summarized, the options are as follows: 60 days after contract execution the first aircraft will link the community of Grand Island with Kansas City and Lincoln, where passengers may connect to a whole host of major airline carriers. Grand Island will receive two round-trip operations each weekday to Kansas City. As a result of morning and evening aircraft repositioning for the River Run, Grand Island will also receive as added value two round trips per weekday to Lincoln.

In order to execute this routing, and as presented in detail herein, the Company will request that USDOT Small Community Air Service Development Pilot Program (SCASDPP) matching funds of \$120,000 be provided to Westward Airways as prescribed in the Hall County Airport Authority proposal for Small Community Air Service match usage. The aircraft possession cost is requested monthly for a period of twelve months. Overall, the community funding required by Westward Airways is equal to \$120,000 over the one-year period.

Eldon Anthony is the President of Westward Airways; he presently leads 11 dedicated aviation professionals with a combined 153 years of experience. Under this proposal, Westward will increase its staffing by the following levels in Nebraska: four Flight Crewmembers and two Local Customer Service Specialists.



Westward Airways believes the service contemplated in this Application will exceed the community's goal of providing "consistent, reliable, and reasonably priced eastern air service." It is the goal of Westward Airways to: 1) Enable Grand Island to reach the enplanement level to continue to qualify for \$1,000,000 annually in entitlement funding, and 2) Create an operation which is self-sustaining at the end of the Contract period.

Grand Island Westward Airways Proposal

INITIAL STATION START UP COSTS		\$99,000
	Communications equipment	
	Station Training	
	Counter space	
	Utilities	
	Telephone & Reservation Systems	
	Reservation Support Fees	
EMPLOYEE COMPENSATION AND ADMINISTRATION START UP COSTS		\$103,000
	Station Manager	
	Station Agent	
	Ground Personnel	
	Flight Crews	
FLIGHT CREW TRAINING START UP COSTS		\$78,000
	Initial in-house aircraft systems and ground school	\$16,000
	Aircraft simulator training	\$30,000
	Maintenance crew training	\$5,000
	Station and aircraft liability insurance	\$27,000
START UP AIRCRAFT POSSESSION COSTS		\$120,000
	Funded by community match	
	City of Grand Island	\$60,000
	Economic Development Corporation	\$60,000
START UP MARKETING COSTS		\$114,250
	150 one-way tickets for promotion	\$14,250
	12-month Tri-Cities Marketing Campaign	
	First Quarter	
	Fly Central Nebraska Program	
	Second Quarter	
	Fair Fares Program	
	Third Quarter	
	Off The Road and In The Air Program	
	Fourth Quarter	
	Fly The Shuttle Program	
GRAND TOTAL		\$514,250

Westward Airways Financial Information

April 1, 2005

During the month of March, we devoted our time to analyzing the financial statements and cash flows of the company. We brought current all past due bills and feel that the month of April will provide us with enhanced knowledge of our monthly expenses to operate this airline. We are extremely positive as we head into the month of April.

As you can see from our balance sheet we have made great strides during the month of March. We received equity injections of \$270,114 from our shareholders. We have properly billed for our New Mexico grant revenue and have collected outstanding balances from our customers. We currently have accounts receivable of \$262,662. All accounts receivable are outstanding from government agencies who have pledged to support Westward Airways, Inc. (Detailed listing attached)

Our income statement is a reflection of the past due status of Westward Airways, Inc. to many of our creditors before the month of March. March is not a good reflection of the monthly company results. Included in this income statement are expenses for previous month. The following list includes major expenses we paid for previous months in the month of March.

Account		
5002	Aircraft Lease Payments	\$ 45,700
5003	Fuel	30,000
5019	Dues and Subscriptions	5,269
5000	Flying Operations – Other	16,065
5102	Engine Accrual – Aircraft 1	10,450
5103	Parts – Aircraft 1	8,550
5117	Parts – Aircraft 2	22,733
5118	Engine Accrual – Aircraft 2	11,770
5201-01	Landing Fees	<u>8,541</u>
		<u>\$ 159,078</u>

If we add back these expenses to our current net loss of \$(188,636) on our 3/31/05 financial statement, subtract out revenue earned in previous months of \$10,932 would show a net loss of \$(40,490). In our opinion this level of loss on our operations is good news because it is not insurmountable. Our passenger loads are growing in Nebraska and New Mexico. We believe we can narrow this cash gap over the coming months.

For future reports we submit to you, we have devised a system to allocate income and expenses to our Nebraska and New Mexico operations independently. We are implementing this system as of April 1, 2005.

Below is a detailed Explanation of our Balance Sheet accounts. As stated earlier, we have made significant progress in bringing our balance sheet current.

Checking/Savings

The Checking and Savings accounts currently show a deficit balance with prior approval from our bank. This deficit balance will be cleared by amounts receivable from February from our New Mexico operations.

Accounts Receivable

See attached aged listing of outstanding receivables.

Prepaid Expenses

Prepaid expenses include aircraft insurance.

Refundable Deposits

Refundable deposits include a \$6,000 deposit to the City of Alamogordo and \$16,000 of deposits paid at start-up of Westward Airways, Inc.

AC Parts Inventory

This is an estimate of inventory on hand provided by our Director of Maintenance.

Loan to J. Lohman

This is a loan to an employee. The balance is being paid down monthly through payroll deduction.

PVNB – Certificates of Deposit

This is collateral for our credit cards.

Total Fixed Assets

This is the total fixed assets purchased by Westward Airways, Inc. less accumulated depreciation.

Other Assets

This is startup expenses capitalized by Westward Airways, Inc.

Accrued Payroll Taxes

These are payroll taxes payable to Nebraska, New Mexico and the Internal Revenue Service.

Note Payable – Western Way, LLC

This is a note from a related entity for working capital granted in 2004. It is being paid down monthly.

LT Debt

This is a loan from the City of Gering reuse funds.

Note Payable – VB Fuel Farm

This is a loan from the bank for the purchase of a fuel farm.

CDBG Loan

This is a County Development Block Grant Loan.

Note Payable – Govt Grant

This is a County Development Block Grant

Deferred Revenue – Govt Grant

This is and LB840 Grant.

March/April Equity Contribution

This is the amount contributed for additional purchases of stock during the month of March and on April 1, 2005.

FAA INFORMATION PAGE

AIR CARRIER Westward Airways, Inc. DATE August 26, 2004

ADDRESS 250027 Airport Terminal Street

CITY Scottsbluff STATE NE ZIP 69361

CONTACT PERSON Eldon D. Anthony

TELEPHONE 308-220-3838

FAA COMMUTER AIR CARRIER OPERATING CERTIFICATE NO. W9YA373J

FAA DISTRICT OFFICE RESPONSIBLE FOR CARRIER OPERATIONS:

FAA REP Jacob E. Wilson

ADDRESS 3431 Aviation Road, Suite 120

CITY/ST/ZIP Lincoln, NE 68524

FAA DISTRICT OFFICE RESPONSIBLE FOR CARRIER MAINTENANCE:

FAA REP John D. Graham

ADDRESS 3431 Aviation Road, Suite 120

CITY/ST/ZIP Lincoln, NE 68524

INSURANCE COMPANY INSURING CARRIER:

CARRIER INSURANCE POLICY NO. NAC3025770

AGENT W. Brown & Associates Insurance Services

INSURANCE CO. XL Specialty Insurance Company

ADDRESS 19000 MacArthur Boulevard, Suite 700

CITY/ST/ZIP Irvine, CA 92612

FINANCIAL BACKING AND EXPERIENCE

On June 7, 2004, the United States Department of Transportation issued their Order finding Westward "fit, willing, and able" to provide scheduled interstate air transportation to the consumers of the United States. As part of that fitness determination, the Company was required to provide independent, third-party verification (i.e. – a bank letter) indicating deposits sufficient to meet the criteria of the DOT. The Company's working capital balance of \$1,114,418 exceeded the DOT's requirement of \$841,000.

With regard to experience, inasmuch as the Company is a new regional airline, it is a creative and unique regional airline designed to provide a long-term solution to those smaller – and rural communities which either have lost or are losing their scheduled air service as a result of industry and regulatory dynamics. Over 1,500 Nebraskans have been extremely pleased with Westward Airways' service.

AIR CARRIER CERTIFICATION

Westward Airways holds safety authority in the form of an Air Carrier Operating Certificate issued by the Federal Aviation Administration pursuant to 14CFR135, as well as Economic Authority in the form of a Certificate of Public and Necessity issued by the United States Department of Transportation.

COMMENCEMENT OF OPERATIONS TIMEFRAME

Westward Airways is prepared to commence operations within 60 days of execution of Contract.

SCHEDULES

Westward Airways proposes to provide scheduled air service from the Central Nebraska Regional Airport in Grand Island, NE to Lincoln, NE and Kansas City, MO using two Pilatus PC-12 aircraft based at Scottsbluff, NE. As described elsewhere in this Application, the Pilatus PC-12 is a pressurized nine-passenger turboprop aircraft operated by Westward Airways with a two-person flight crew.

Specifically, Westward Airways proposes to commence service in the following markets operating under the following flight schedules no later than 60 days after execution of the Contract.

Monday through Friday (excluding major holidays)

Grand Island / Lincoln

<i>Market</i>	<i>Departs</i>	<i>Arrives</i>	<i>Stops</i>
Grand Island to Lincoln	11:15 a.m.	11:45 a.m.	n/s
	8:45 p.m.	9:15 p.m.	n/s
Lincoln to Grand Island	8:10 a.m.	8:40 a.m.	n/s
	5:40 p.m.	6:10 p.m.	n/s

Grand Island / Kansas City

<i>Market</i>	<i>Departs</i>	<i>Arrives</i>	<i>Stops</i>
Grand Island to Kansas City	8:50 a.m.	9:50 a.m.	n/s
	6:20 p.m.	7:20 p.m.	n/s
Kansas City to Grand Island	10:05 a.m.	11:05 a.m.	n/s
	7:25 p.m.	8:35 p.m.	n/s

AIRFARES

Based on an examination of historical passenger behavior, Westward Airways has established three fare classes:

- ◆ 21-day advance purchase, no Saturday night stay required,
- ◆ 3-day advance purchase, no Saturday night stay required, and
- ◆ Less than three day advance purchase, no Saturday night stay required.

All Westward Airways airfares are non-refundable; passengers who cancel their itineraries receive a credit for future travel on Westward Airways.

Also, Westward Airways presently offers municipalities and military agencies / departments the option to establish a net 30 invoice account with Westward Airways on which municipality employees and military personnel may ticket travel, thus eliminating the requirement to produce a credit card at the time travel is booked. Westward Airways provides account monthly invoices. Westward Airways will extend this net 30 offer to all municipalities and military agencies / departments in Nebraska.

All listed airfares are for one-way travel; roundtrip airfares are approximately double. Applicable taxes will be added at time of purchase.

	Advance Purchase Requirement		
	21 Days	3 Days	<3 Days
Grand Island / Kansas City	\$77*	\$98	\$118
Grand Island / Lincoln	\$27	\$27	\$27

* As part of the marketing program Westward Airways will offer a \$77 one-way fare with a seven-day advance notice through the summer (Labor Day) to build an awareness of the services offered.

**W. BROWN & ASSOCIATES
INSURANCE SERVICES**

19000 MacArthur Blvd., Suite 700
Irvine, CA 92612
(949) 851-2000

CERTIFICATE OF INSURANCE

THIS IS TO CERTIFY TO: **Hall County Airport Authority, 3743 Sky Park Road, Grand Island, NE 68601**
THAT THE FOLLOWING POLICY OF INSURANCE HAS BEEN ISSUED TO

**Westward Airways, Inc.
250027 Airport Terminal Street, Scottsbluff, NE, 68361**

POLICY NUMBER: **NAC3025770**
POLICY PERIOD: **FROM: March 3, 2005 TO: March 3, 2006**
INSURANCE COMPANY: **XL SPECIALTY INSURANCE COMPANY**

DESCRIPTION OF COVERAGES AND LIMITS OF LIABILITY

FAA#	Single Limit Injury and Property Damage	Passenger Liability Limited to:		Medical Expense Each Person	Medical Expense Each Occurrence
		Each Person	Each Occurrence		
N481VA	\$30,000,000.00	1000K	1000K	\$10,000.00	\$110,000.00
N258AT	\$30,000,000.00	1000K	1000K	\$10,000.00	\$110,000.00
N276CN	\$30,000,000.00	1000K	1000K	\$10,000.00	\$110,000.00

Aircraft	Insured Value	Deductible Per Occurrence	Deductible In Period	Physical Damage Excluded
2003 Airbus PC-12 N481VA	\$2,400,000.00	\$10,000.00	\$10,000.00	F As Per Bole
1999 Airbus PC-12 N258AT	\$2,300,000.00	\$10,000.00	\$10,000.00	F As Per Bole
1999 Airbus PC-12 N276CN	\$2,650,000.00	\$10,000.00	\$10,000.00	F As Per Bole

All the aircraft listed above include Passenger Liability

This certificate is issued as Evidence of Coverage only.

Subject to 12% Endorsement.

Information contained herein valid April 22, 2005

This certificate of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirements, term, or condition of any contract or other document with respect to which this certificate of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies.

Should any of the above described policy(ies) be cancelled before the expiration date hereof, the issuing company will endeavor to give 30 days (10 days for non-payment) notice to the certificate holder named herein. However, failure to mail such notice shall not impose any obligation for any liability of any kind upon the company, its representatives, or agents.

By



W. Brown & Associates
Insurance Services

Date of Issue: **Friday, April 22, 2005**

Certificate No.: **5**

Flight Operations

1. IS CARRIER OPERATED UNDER FAR 121? 135?

ANSWER:

Westward Airways, Inc. is operated under Part 135.

EXPLANATION:

With regard to scheduled passenger operations, FAR Part 135 is applicable to those operators whose passenger seating capacity is nine or less, while FAR Part 121 applies to those operators who operate aircraft seating 10 or more passengers.

The Company is of the opinion that scheduled airline service to the smaller- and rural communities of our Country has been stymied by the effects of the Commuter Rule by the United States Department of Transportation in 1996. The Commuter Rule applied FAR Part 121 regulations to any aircraft seating 10 or more passengers. Prior to the Commuter Rule, FAR Part 121 applied to aircraft seating over 30 passengers.

2. PLEASE INDICATE YOUR BASE OF OPERATIONS IN NEBRASKA.

ANSWER:

Westward's present base of operations is at the Western Nebraska Regional Airport (BFF) Scottsbluff, Nebraska. If awarded the LB840 funding Westward will continue its headquarters in Scottsbluff but use Central Nebraska Regional Airport (GRI), Grand Island as a reliever airport.

EXPLANATION:

Westward Airways is aware of temporary hangar space in Grand Island which is suitable for initial operations. If awarded the funding, Westward will use Central Nebraska Regional Airport as a reliever during inclement weather.

3. DOES COMPANY HAVE AN OPERATIONS OFFICER?

ANSWER:

Westward Airways, Inc. does employ a Director of Operations.

EXPLANATION:

The Director of Operations position is required by FAR 135; Mr. Ryan Roberts serves as Westward's Director of Operations. Ryan previously served as Chief Pilot with Ram Air Freight with over 5,000 hours total flight time.

4. DOES COMPANY EMPLOY A CHIEF PILOT?

ANSWER:

Westward Airways, Inc. does employ a Chief Pilot.

The Chief Pilot position is also required by FAR 135; Mr. William Hill serves as Westward's Chief Pilot. William recently completed a career with SkyWest Airlines and has amassed over 10,000 hours total flight time.

5. DOES COMPANY HAVE A DESIGNATED CHECK AIRMAN? IF SO, HOW MANY?

ANSWER:

The FAA has not awarded Check Airman status on any pilot at Westward as of yet.

EXPLANATION:

The Lincoln Flight Standards District Office (FSDO) has informed Westward that Mr. Roberts and Mr. Hill will be designated as Check Airman after the next class of pilots receives their training under the Westward Airways Approved Training Manual.

Check Airman are placed in an unenviable position where they have dual responsibilities to both the FAA and the Company. Accordingly, the FAA only awards Check Airman status to those individuals whom they believe can effectively represent the interests of the FAA, with safety foremost in mind.

6. NUMBER OF PILOTS EMPLOYED? CAPTAINS? CO-PILOTS?

ANSWER:

Pilots presently employed: 15, including Director of Flight Operations and Chief Pilot. First Officers presently employed: eight.

EXPLANATION:

If awarded the LB840 funding, Westward will hire an additional two Captains and two First Officers.

7. AVERAGE FLIGHT TIME PER MONTH FOR CAPTAINS? CO-PILOTS?

ANSWER:

Captains and First Officers presently fly 76 hours per month. If awarded the LB840 funding, both Captains and First Officers will fly approximately 74 hours per month.

EXPLANATION:

Federal Aviation Regulations govern the amount each Flight Crewmember may fly in a given month, year, or seven-day period. Westward Flight Crewmembers are within such limitations.

8. NUMBER OF FLIGHT ATTENDANTS EMPLOYED?

ANSWER:

None.

EXPLANATION:

Federal Aviation Regulations require a Flight Attendant for aircraft which seat over 19 passengers; therefore, Westward Airways does not require a Flight Attendant on its nine-passenger Pilatus aircraft.

9. DO PILOTS AND CUSTOMER SERVICE AGENTS HAVE UNIFORMS?

ANSWER:

Flight Crewmembers at Westward Airways have uniforms issued to them, which consist of shirts, epaulets, pants, ties, and their personalized wings.

EXPLANATION:

Westward Airways strives to present the highest degree of professionalism as possible. Flight Crewmembers are permitted to accent their uniform with several approved articles, such as ropers-style cowboy boots and bolo ties. Several Flight Crewmembers wear such accents.

10. ARE THERE ANY ACCIDENT OR INCIDENT REPORTS ON FILE AT FAA? IF YES, PLEASE EXPLAIN.

ANSWER:

Westward Airways has not been involved in any accidents or incidents; therefore, no incident or accident reports are on file at the FAA or NTSB.

EXPLANATION:

Westward Airways operates with safety first and foremost in mind.

11. DOES COMPANY HAVE A DISPATCH DEPARTMENT? IF SO, GIVE LOCATION.

ANSWER:

Westward Airways does not have a dispatch department.

EXPLANATION:

A dispatch department and dispatchers are not required under FAR Part 135.

In a typical dispatch department with a Part 121 carrier, the Dispatcher and Dispatch Department are responsible for load planning and weather collection and dissemination to the Flight Crewmembers. With the typical Part 135 operation, the Captain of a given flight is responsible for collecting weather and determining the weight-and-balance of the aircraft.

Westward Airways subscribes to the Weather Service International (WSI) Pilot Brief system, which allows Westward Flight Crewmembers to brief themselves from a vast array of meteorological data and graphics at any of its service points. The WSI Pilot Brief system as well as Westward's policies and procedures for the procurement of weather data are all FAA approved.

The Company also maintains a Flight Following program using a combination of "on/in/out/off" times as reported by Flight Crewmembers via radio, and the Aircraft Situational Display (ASD) to which Westward subscribes. ASD uses a computer to graphically depict the position of Company airborne flights, along with the associated origin, destination, speed, and altitude. In short, Westward ground personnel know the position of Company aircraft at any given moment.

The Company will establish a duplicate Flight Following program in its expanded operations if awarded the LB840 funding.

12. WHAT ARE COMPANY WEATHER REPORTING GUIDELINES?

ANSWER:

Westward Airways follows the weather reporting guidelines as outlined in FAR 135, which generally states that any encounter with unforecasted severe turbulence or icing must be reported to a Flight Service Station as soon as practicable.

13. DOES COMPANY HAVE AN OPERATIONS MANUAL?

ANSWER:

Yes.

EXPLANATION:

The 300+ page Flight Operations Manual of Westward Airways provides the Flight Operations Department policy and procedure for conducting its operations in a safe, efficient, and compliant manner.

The Westward Airways Flight Operations Manual is approved by the Federal Aviation Administration.

14. DOES COMPANY POLICY REQUIRE ALL SCHEDULED FLIGHTS TO BE OPERATED UNDER IFR FLIGHT PLANS OR ARE FLIGHTS OPERATED UNDER VISUAL FLIGHT RULES (VFR) WHEN WEATHER PERMITS?

ANSWER:

Either.

EXPLANATION:

More often than not, Westward flights depart under an IFR clearance from air traffic control. However, if radio contact with air traffic control is not possible; flights may depart under VFR conditions subject to certain conditions and limitations. The flexibility to depart VFR is important in the more rural areas because of air traffic control radar coverage limitations.

15. WILL AIRCRAFT OPERATED ON ROUTE SYSTEM DURING IFR OPERATIONS PROVIDE FULL SEATING CAPACITY?

ANSWER:

Yes. Our PC-12 aircraft are not "weight restricted" on warm, summer days at higher altitudes.

EXPLANATION:

Grand Island is at an elevation of 1,847 feet. At 90° F and a full passenger load, the Pilatus PC-12 is able to depart from Grand Island with enough fuel to fly 1,200 miles nonstop, while maintaining an initial rate of climb of 1,500 feet per minute.

16. ARE ALL SCHEDULED FLIGHTS OPERATED WITH TWIN-ENGINE AIRCRAFT?

ANSWER:

No. Westward Airways will operate all flights with the Pilatus PC-12, which is a pressurized, single-engine aircraft powered by the Pratt & Whitney PT-6A-67B.

EXPLANATION:

Westward Airways believes—and is proving—that smaller and rural communities may still receive quality scheduled airline service using the appropriate aircraft, and operating under the appropriate regulatory environment.

Contrary to popular belief, the second engine on light- and medium-sized twin-engine aircraft does not at all ensure one will safely reach the ground in the event of engine failure in the air. In fact, years of accident data collected by the National Transportation Safety Board data establish that single-engine; turbine-powered aircraft are safer than their multi-engine counterparts.

In short, the second engine on twin-engine aircraft assists with lifting the load. In the event of engine failure on a light- or medium-sized twin-engine aircraft, the results are more often than not catastrophic.

17. ARE ALL SCHEDULED FLIGHTS OPERATED WITH ONE OR TWO PILOTS?

ANSWER:

Westward Airways operates all scheduled flights with two pilots: A Captain and a First Officer.

EXPLANATION:

Although the Pilatus PC-12 is type-certificated by the FAA for operation with one pilot, Westward operates flights with a crew of two. The presence of a First Officer to assist the Captain and ground crew presents a good value to the Company and its passenger.

In addition, by operating with First Officers, the Company also has a pipeline of future Captains.

18. DOES COMPANY HAVE A SECURITY PROGRAM?

ANSWER:

Westward Airways does not have a security program.

EXPLANATION:

Transportation Security Administration regulations do not require operators of aircraft with maximum certificated gross landing weights of less than 12,500 to conduct passenger screening.

However, Flight and Ground Crewmembers employed by Westward always exercise vigilance for suspicious activity while transporting passengers, and are authorized by federal regulations to search baggage, cargo, or question any suspicious passengers.

Maintenance

1. WHERE IS PRIMARY MAINTENANCE FACILITY LOCATED?

ANSWER:

The primary maintenance facility is presently located in Scottsbluff, Nebraska.

2. DOES COMPANY EMPLOY A DIRECTOR OF MAINTENANCE?

ANSWER:

Yes.

EXPLANATION:

The Director of Maintenance position is required by FAR Part 135. Mr. James W. "Jim" Lohman serves as Westward's Director of Maintenance Operations.

3. DOES COMPANY EMPLOY A CHIEF INSPECTOR?

ANSWER:

No.

EXPLANATION:

The Chief Inspector position is required by those carries which operate under FAR Part 121. The Federal Aviation Regulations do not require a Chief Inspector for those carriers operating under Part 135.

4. IS MAINTENANCE AVAILABLE AT ALL STATIONS?

ANSWER:

Yes, on a case-by-case basis.

EXPLANATION:

At Grand Island there are two maintenance facilities available that employ both Airframe and Power Plant Technicians.

5. NUMBER OF LICENSED MECHANICS ON STAFF?

ANSWER:

At the present, there are three licensed Airframe and Power Plant technicians on staff at Westward Airways.

6. NUMBER OF AUTHORIZED INSPECTORS ON STAFF?

ANSWER:

None.

EXPLANATION:

The positions of Inspector and Chief Inspector are required under FAR Part 121 regulations. They are not required for Part 135 operators.

7. DESCRIBE ROTABLE PARTS INVENTORY ON HAND.

ANSWER:

At its Scottsbluff Base of Operations, Westward Airways maintains a parts inventory with a value slightly in excess of \$100,000.

EXPLANATION:

With the assistance of Pilatus and Kelner Pilatus Center, The Company has identified components and rotables which are likely to have a higher wear rate. The Company then purchased these parts, and maintains them in a secured parts storage facility.

8. DOES COMPANY HAVE A SPARE ENGINE(S) AND PROPELLER(S) ON HAND? IF NOT, HOW LONG WOULD IT TAKE TO GET A SPARE TO YOUR LOCATION?

ANSWER:

The Company does not maintain a spare engine and propeller.

EXPLANATION:

The likelihood of the Pratt & Whitney engine developing any problems which would require a complete engine removal is not only extremely remote, but simply not worth the Company acquiring and storing this \$400,000 engine.

Because Pilatus Business Aircraft Limited maintains its North American headquarters at nearby Broomfield, Colorado, the Company has quick access to a spare power plant and propeller, should it ever be needed.

9. DOES COMPANY MAINTAIN A CARDEX OR PARTS INVENTORY PROGRAM, AND DOES A FULL-TIME RECORDS CLERK MAINTAIN IT? HOW IS INVENTORY CONTROL MAINTAINED?

ANSWER:

The Company utilizes a custom-designed Microsoft Access based program to track its spare parts inventory.

EXPLANATION:

This program tracks the Company's spare parts inventory, including (but not limited to) when and from whom the part was purchased, how much was paid for that part; when it was installed on which aircraft, and who installed it. In short, it provides the MIS capability the Company requires with a smaller fleet.

10. WHAT TRAINING DOES COMPANY PROVIDE FOR MECHANICS AND IS IT FACTORY APPROVED?

ANSWER:

Company Maintenance Technicians receive factory training from Pilatus Business Aircraft at Broomfield, Colorado. Basic and trouble-shooting courses have been attended by Westward's Maintenance Technicians.

Station Operations

1. DOES CARRIER HAVE OPERATIONS/STATION PROCEDURES MANUAL?

ANSWER:
Yes.

EXPLANATION:
Station policies and procedures are governed by the Station Operations Manual, which includes policies and procedures to ensure a safe and efficient operation within the station environment. The manual includes (but is not limited to) such topics as baggage check-in; passenger ticketing and processing; enplaning and deplaning, and deicing.

2. DOES CARRIER HAVE FACILITIES AT EACH CITY SERVED ON ROUTE SYSTEM?

ANSWER:
If awarded the LB840 funding, the Company will lease and equip at each airport it serves.

3. DOES COMPANY CONTRACT GROUND SERVICE FROM ANOTHER CARRIER?

ANSWER:
No – in present Nebraska operations.

EXPLANATION:
In the present Nebraska operations, passengers board out of FBOs at each city – except Scottsbluff – where the Company performs its own Station Operations. If awarded the LB840 funding, the Company will plan to lease, equip, and staff ticket counters at each airport it serves.

4. DOES CARRIER MAINTAIN OWNED EQUIPMENT AT STATIONS; FOR EXAMPLE, DE-ICE EQUIPMENT, BAGGAGE CARTS, ETC.?

ANSWER:
In present Nebraska operations, the Company does own equipment to operate its own stations; the more expensive pieces are the de-ice carts and Ground Power Units (GPUs). There are also other miscellaneous required equipment, such as computers, VHF radios, and furniture. Presently, each FBO is issued a Westward-owned GPU and De-Ice cart.

If awarded the LB840 funding, the Company will supply each station with the necessary equipment to safely and efficiently operate that station.

5. DO STATION PERSONNEL HAVE DIRECT CONTACT WITH DISPATCH/RESERVATIONS/GENERAL OFFICE?

ANSWER:
Yes.

EXPLANATION:
For its communications needs, the Company makes use of telephone, facsimile, internet e-mail, and cellular technology.

6. DESCRIBE BASIC COMPANY POLICY ON PASSENGERS DENIED BOARDING.

ANSWER:

Westward Airways does not overbook flights. Accordingly, the only conceivable way a passenger may be denied boarding is if they are inebriated or under the obvious influence of a drug to the point where they are a hazard to themselves or a fellow passenger.

7. DESCRIBE ON-LINE AND INTERLINE BAGGAGE-CHECKING PROCEDURES.

ANSWER:

For on-line baggage acceptance, the procedure is generally as follows: 1) At the time the baggage is presented for check-in, the immediate concern for the Customer Care Agent is the quantity of bags, and the weight, size and condition of each bag. If the bag is damaged, a waiver of liability is obtained from the passenger. If the bag is overweight and/or oversized, a fee is assessed. Once the control of the bag is with the Company, every care is taken to ensure the security of that bag until it is loaded onto the aircraft.

Because the Company has no interline agreements, there are no interline baggage procedures.

8. WHO IS THE LOCAL CARRIER'S FUEL SUPPLIER?

ANSWER:

The local Fixed Based Operator (Trego-Dugan Aviation of Grand Island).

Marketing

1. DOES THE COMPANY BELONG TO AIRLINE REPORTING CORPORATION (ARC)?

ANSWER:

Yes.

2. DOES THE COMPANY BELONG TO THE AREA SETTLEMENT PLAN?

ANSWER:

No.

EXPLANATION:

There is no need to belong to the BSP as the majority of the Company's revenue is derived from online bookings or telephone calls to the Company Reservations Center. See explanation to question #1 above.

3. WHAT ARE THE RESERVATION CONFIRMATION PROCEDURES/

ANSWER:

When making the reservation, the itinerary is twice verified with the Customer. Upon creating the reservation, a Confirmation Sheet is delivered to the Customer, either by fax, e-mail, or USPS.

4. WHAT IS COMPANY'S OVER-SALES/BUMPING POLICY?

ANSWER:

The company does not over-sell any of its flights, and therefore is not required to bump passengers.

5. IF CARRIER IS ON A MANUAL RESERVATIONS SYSTEM, DESCRIBE TYPE AND HOW THE STATIONS RETRIEVE MANIFEST, CAPACITY OF SYSTEM, ETC.

ANSWER:

The Company Reservation System is automated and is hosted in the RadixxAir system. We do not operate in a manual environment.



www.westwardairways.com

**DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
Attn: Mr. Trace Atkinson
400 7th Street SE
Nassif Building
Suite 6401Q
Washington, DC 20590**

4/20/2005

Dear Mr. Atkinson,

This letter is to inform you of recent management and ownership changes at Westward Airways and to demonstrate our continued fitness to operate. I would also like to thank you for your assistance in educating me on the requirements of Part 204, having never dealt with these requirements before.

If you have any questions concerning this information, or if you need more information, don't hesitate to give me a call.

Thank you again,
Ryan Roberts
Director of Operations
Westward Airways, Inc.
505) 527-5300



www.westwardairways.com

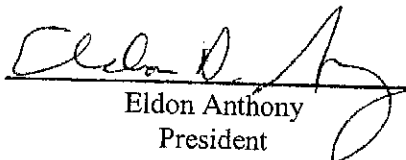
WESTWARD AIRWAYS, INC.
Eldon Anthony, President
250027 Airport Terminal Street
Scottsbluff, NE 69361
Phone: (308) 220-3838
Fax: (308) 220-0576
E-mail: eldon.anthony@westwardairways.com

Pursuant to Title 18 United States Code Section 1001, I, Eldon Anthony, President, Westward Airways, Inc., in my individual capacity and as the authorized representative of the Applicant, have not in any manner knowingly and willfully falsified, concealed or failed to disclose any material fact or made any false, fictitious or fraudulent statement or knowingly used any documents which contain such statements in connection with the preparation, filing, or prosecution of the Application. I understand that an individual who is found to have violated the provisions of 18 U.S.C. section 1001 shall be fined not more than \$10,000 or imprisoned not more than five years, or both.

Respectfully submitted,

WESTWARD AIRWAYS, INC.

By:


Eldon Anthony
President

1. New key personnel who are currently employed by Westward Airways (Section 204.3(f)):

Name	Title	Address
Eldon Anthony	President	2305 17 th Street Gering, NE 69341
James P. Elwood	Chief Financial Officer	719 Mountain View Lane Scottsbluff, Nebraska 69361
Paul L. Reed	Chairman of the Board of Directors	880 E. Country Club Rd Gering, NE 69341
Todd E. Hlavaty	Member-at-Large, Board of Directors	189 N. Longschool Rd North Platte, NE 69101

2. New key personnel resumes:

a. ELDON ANTHONY

EMPLOYMENT Westward Airways, Inc., President
March 1, 2005 – Present

Anthony Consulting, Owner
October 2003 – Present

3-A Rentals, LLC, Owner

Double M Investments, LLC, Owner

Oregon Trail Plumbing and Heating, Owner
October 1978 – October 2003
Scottsbluff, Nebraska

Custom Plumbing and Heating
November 1977 – October 1978
Scottsbluff, Nebraska

Schiefelbein Plumbing and Heating – Apprenticeship
April 1977 to November 1977
Scottsbluff, Nebraska

Settles Plumbing and Heating – Apprenticeship
March 1976 to April 1977
Scottsbluff, Nebraska

EDUCATION Master Plumbing License – 1983:
 IAPMO Test Score = 99%
 Journeyman Plumbing License – 1979
 High School Diploma – 1970 Scottsbluff High School
 Scottsbluff, Nebraska

AREAS OF EXPERTISE: Various types of pump installations, applications, sizing, and repair to include centrifugal, submersible, diaphragm, lift stations, Microsoft Excel, and business programs and structure.

A/C and Heating: Installation, sizing applications and repair of hot water boilers, steam boilers, electric boilers, infrared, heat pumps, gas forced air, gravity air, air-to-air heat pumps, and water-to-air heat pumps; humidification of homes, offices and computer areas; fresh air and make-up air units; electronic air cleaning and media air cleaning; and media air cleaning; application and design of HVAC systems.

Plumbing: Servicing and repairing all facets of plumbing fixtures and brands to include faucets, closets, water coolers, and flush valves. New installations to include sizing and designing potable water, drain wastes, and vent systems from a single dwelling to a thirty-six unit townhouse complex with a swimming pool.

New and Remodel: Residential, commercial, industrial, plumbing, heating, air conditioning, refrigeration, to include designs at the Gering Civic Center and the Bluffs Business Center, and service repair.

SEMINARS/WORKSHOPS:

York Heat Pump and Air Conditioning Training
York Heating and Combustion Air Training
Boiler and Radiant Heating School: Febr.1981, Denver
American Refrigeration Institute Study Course

CERTIFICATION/LICENSES:

Water Furnace Brand Certified Fusion Technician
City of Torrington Master Plumber
IMACA Certified R-12 Refrigerant Recovery
ACCA Universal Technician (Refrigerant)
City of Scottsbluff Master Plumber
Propane Certified by the Nebraska Propane Gas Assoc. and
the PHCC of Nebraska
Certified TITEFLEX Interior Gas Piping
City of Gering Master Plumber
City of Sidney Master Plumber
City of North Platte Master Plumber
City of Alliance Heating and Cooling Contractor
City of Alliance Gas Fitter

PURON Refrigerant Specialist
Certified Air Rotation Applications
Certified Make-Up Air Applications
Certified Trenching and Shoring Safety

LOCAL ACTIVITIES:

Scottsbluff Country Club, Elks Lodge, Eagles Lodge
Western Nebraska Blood Bank
Western Nebraska Arts Center
Zion Evangelical Church
Gering Plumbing Board, President 1984-2004
Wyo-Braska Builders Exchange, President 1996-Present

b. JAMES P. ELWOOD

Formal Education University of Nebraska, Bachelor of Science, Business Administration 1973

Employment Chief Financial Officer – WESTWARD AIRWAYS, INC.
March 2005 – present

Owner, Business Manager – OREGON TRAIL PLUMBING,
HEATING & COOLING INC.
March 1990 – retirement January 2005

Owner – OHANA INVESTMENTS L.L.C., purchase,
manage, negotiate and resell residential & commercial
investment property August 1978 - present

Partner – DOUBLE M INVESTMENTS L.L.C.
Industrial and commercial real estate development
March 1990 - present

Personal Interests Private Pilot, Single Engine Land

c. PAUL L. REED

Education Hughesville High School 1972
University of Wisconsin Superior 1972-1973
University of Wyoming 1973-1977
BS Degree in Construction Management

Employment R&C Welding & Fabrication, Inc. 1985-present
Western Terminal Storage, Inc. 1987-present
Western Travel Terminal, Inc. 1998-present

	Torrington Travel Terminal	1999-present
	Reed & Madden LLC	2000-present
	Reed & Wilson LLC	2001-present
	Western Terminal Transportation	2002-present
	Reed & Robinson LLC	2002-present
	R & Twombly LLC	2002-present
	Thorn & Roses LLC	2003-present
	Reed Farms LLC	2004-present
	Westward Airways, Inc. Chairman of the Board	2005-present
Organizations	Twin City Development Board of Directors	2003-present
	NE Association of General Contractors Board of Directors	1983-present
	Member at Large: Scottsbluff/Gering Chamber of Commerce NFTB Masonic Lodge Scottsbluff Country Club	

d. Todd E. Hlavaty, MD

Todd B. Hlavaty, M.D. 48. Dr Hlavaty is currently the CEO and President of Sandhills Oncology, P.C., a professional corporation providing cancer services to patients in Western Nebraska. He founded the company in 1997 and has served in that role for the past eight years. He also serves on the Board of Directors of several corporations in which he has direct ownership.

He is past Chairman of the Board and is currently a member of the Board of Directors for Great Plains, PHO, a physicians/hospital organization dedicated to the management of physician's practices that currently represents over 70 physicians at Great Plains Regional Medical Center. He is currently a principal stockholder of Nebraskaland National Bank where he serves as one of initial stockholders and is a member of the Board of Directors and is a member of the holding company board. He is the managing general partner of 21 Century Visionaries, LLC, a corporation dedicated to ownership and management of residential housing in North Platte, Nebraska which was founded in 2000. He is also a member of the Board of Directors for Westward Airways, a start-up airline that initialized flight operations in Nebraska and New Mexico in May of 2004 and was involved in the initial organization and management of the company.

He is the current managing partner of Soaring LLC, which is a firm dedicated to hotel management in which he currently owns and operates hotels located in

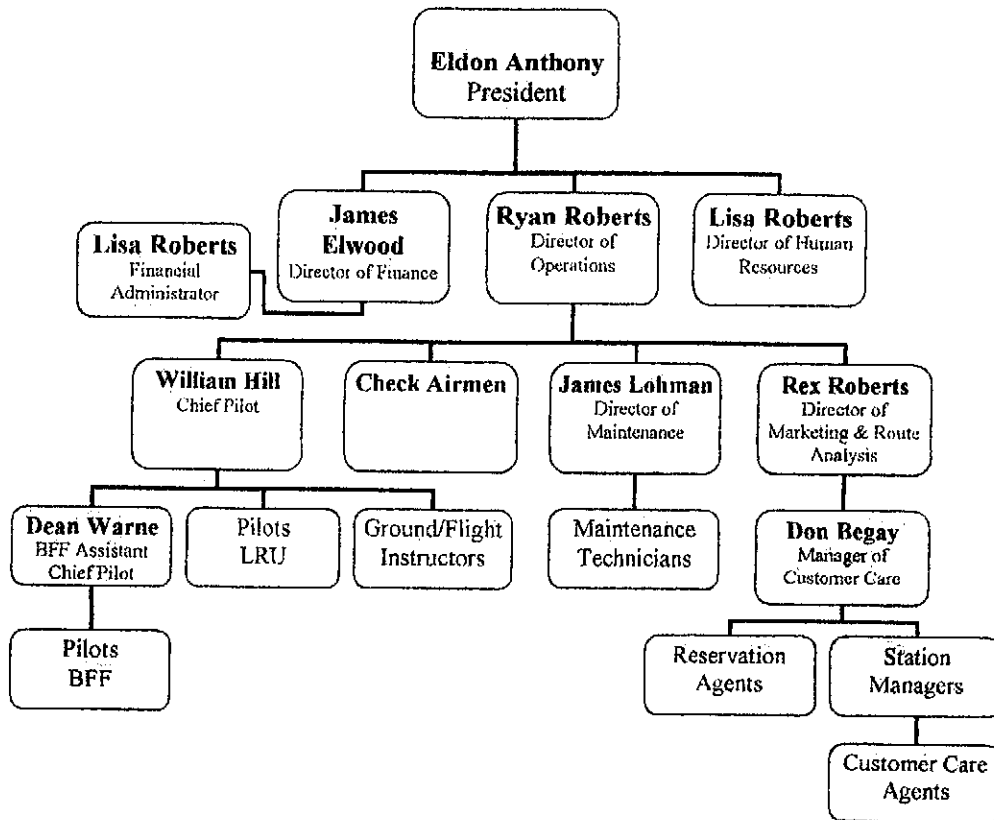
North Platte and Sidney, Nebraska. The newest property is a 4.5 million dollar project, the La Quinta hotel in North Platte, Nebraska.

He is the new managing partner and principal stockholder in Surgery investors LLC, a company dedicated to the management and control of the property of the free-standing surgery center in North Platte, Nebraska.

He is currently active in the community where he has served the past two years as President of the Mid-Nebraska Community Foundation managing over 10 million dollars in assets for a non-profit corporation.

Education B.S. Biology and Physics Tulane University New Orleans, La M.A. Health Sciences Management Webster University St Louis, Mo M.D. University of Arkansas Little Rock, Ark Internship Iowa Methodist Hospital Des Moines, IA Residency University of Iowa Hospitals and Clines Iowa City, IA

3) Organizational Chart:



4) Responsibilities of new key persons:

Eldon Anthony, President, is responsible for Company operations. All decisions are subject to his review. He may delegate duties but not the responsibility for those duties.

Duties and Responsibilities:

- a. Responsible for ensuring qualified operational control personnel are employed for Company Part 135 operations.
- b. Monitors operations to ensure the highest degree of compliance with Company policies and procedures.
- c. Analyses overall Company operations to improve safety and efficiency.
- d. Responsible for company planning.
- e. Responsible for maintaining the financial integrity of the Company.
- f. He/she is expected to have a full understanding of Aviation Safety Standards, the Federal Aviation Regulations, the Operations Specifications issued to the company, and the Manuals approved or accepted by the Administrator.

James Elwood, Chief Financial Officer, directs and oversees all financial activities of the corporation including preparation of current financial reports as well as summaries and forecasts for future business growth and general economic outlook.

Duties and Responsibilities:

- a. Prepare financial reports on a regular basis as directed by the President and the Board of Directors.
- b. Coordinate with the Director of Operations in the development of departmental budgets.
- c. Responsible for the general planning of the Company's financial administration.
- d. Responsible for paying what is owed to vendors in a timely manner.
- e. Responsible for the processing of employee payrolls.
- f. Responsible for the preparation, filing, and timely payment of all required Federal, State, and local taxes.
- g. Responsible for the preparation and mailing of invoices to customers as required.

Paul L. Reed, Chairman of the Board of Directors, leads the Board of Directors in providing general direction to the Company's senior management focusing primarily on strategic planning. Mr. Reed

Todd E. Hlavaty, Member-at-Large, Board of Directors, assists the Board of Directors in providing general direction to the Company's senior management focusing primarily on strategic planning.

5) The citizenship of each new key person:

All key personnel are U.S. citizens, as shown in their attached affidavits.

6) Westward's fleet of aircraft

a. The number of each type of aircraft owned, leased and to be purchased or leased:

The Applicant presently leases 3 Pilatus PC-12 aircraft.

Douglas R. Walker, City Attorney
Dale M. Shotkoski, Assistant City Attorney

June 20, 2005



Citizens Review Committee

7 E: Application of Westward Air – June 21, 2005 Meeting

Dear Member:

I am writing to provide you with a copy of the Nebraska statute which defines eligible businesses for economic development funding. You will also find enclosed the portion of the Grand Island Economic Development Plan approved by the voters of Grand Island in May 2003, which sets forth the categories of eligible businesses. It is my opinion that the Westward Air application for funding does not allow it to qualify under the categories for eligible businesses for EDC funding as set forth in Neb. Rev. Stat. §18-8709 or pursuant to Section IV of the City's Economic Development Plan. I have enclosed copies of these documents for your review. It will therefore be my recommendation that EDC funds not be extended to Westward Air because they do not appear to fit within any of the categories of businesses that are eligible for LB 840 plan funds.

Sincerely yours,

CITY OF GRAND ISLAND

DOUGLAS R. WALKER
City Attorney

DRW/sp

Enc.

cc: Mayor Jay Vavricek
Gary Greer, City Administrator
Marlan Ferguson, Economic Development Corporation

18-2709**Qualifying business, defined.**

Qualifying business shall mean any corporation, partnership, limited liability company, or sole proprietorship which derives its principal source of income from any of the following: The manufacture of articles of commerce; the conduct of research and development; the processing, storage, transport, or sale of goods or commodities which are sold or traded in interstate commerce; the sale of services in interstate commerce; headquarters facilities relating to eligible activities as listed in this section; telecommunications activities, including services providing advanced telecommunications capability; or tourism-related activities. In cities of the first and second class and villages, a business shall also be a qualifying business if it derives its principal source of income from the construction or rehabilitation of housing. In cities with a population of more than two thousand five hundred inhabitants and less than ten thousand inhabitants, a business shall also be a qualifying business if it derives its principal source of income from retail trade, except that no more than forty percent of the total revenue generated pursuant to the Local Option Municipal Economic Development Act for an economic development program in any twelve-month period and no more than twenty percent of the total revenue generated pursuant to the act for an economic development program in any five-year period, commencing from the date of municipal approval of an economic development program, shall be used by the city for or devoted to the use of retail trade businesses. For purposes of this section, retail trade shall mean a business which is principally engaged in the sale of goods or commodities to ultimate consumers for their own use or consumption and not for resale. In cities with a population of two thousand five hundred inhabitants or less, a business shall be a qualifying business even though it derives its principal source of income from activities other than those set out in this section.

If a business which would otherwise be a qualifying business employs people and carries on activities in more than one city in Nebraska or will do so at any time during the first year following its application for participation in an economic development program, it shall be a qualifying business only if, in each such city, it maintains employment for the first two years following the date on which such business begins operations in the city as a participant in its economic development program at a level not less than its average employment in such city over the twelve-month period preceding participation.

A qualifying business need not be located within the

territorial boundaries of the city from which it is or will be receiving financial assistance.

Source:

Laws 1991, LB 840, § 10; Laws 1993, LB 121, § 145;

Laws 1993, LB 732, § 18; Laws 1994, LB 1188, § 1;

Laws 1995, LB 207, § 4; Laws 2001, LB 827, § 14.

SECTION IV. DESCRIPTION OF TYPES OF BUSINESSES THAT WILL BE ELIGIBLE

- A. A qualifying business shall mean any corporation, partnership, limited liability company or sole proprietorship that derives its principal source of income from any of the following:
1. The manufacturer of articles of commerce;
 2. The conduct of research and development;
 3. The processing, storage, transport, or sale of goods or commodities which are sold or traded in interstate commerce as distinguished from goods offered for sale at retail locally;
 4. The sale of services in interstate commerce as distinguished from services offered on a local or area basis;
 5. Headquarters facilities relating to eligible activities as listed in this section;
 6. Telecommunications activities; or
 7. End Destination Tourism-Related Activities.
- B. A qualifying business must be located within the zoning jurisdiction of the city unless a variance is granted for special circumstances.
- C. Any other business deemed a qualifying business through future action of the Legislature.

SECTION V. REVOLVING LOAN FUND

- A. The amount of funds available for any single project shall not exceed the amount of funds available under the Economic Development Program during the project term, nor shall it provide for more than fifty percent (50%) of total project costs. An applicant must provide participation and evidence of participation through private funding as distinguished from federal, state, or local funding in the minimum amount of fifteen percent (15%) equity investment. The right is reserved to negotiate the terms and conditions of the loan with each applicant, which terms and conditions may differ substantially from applicant to applicant.
- B. The interest rate shall be negotiated on an individual basis. The term shall not exceed fifteen (15) years for loans used for real estate and building assets and not to exceed seven (7) years for loans involving any other asset category such as furniture, fixtures, equipment or working capital. Security for loans will include, but will not be limited to, Promissory Notes, a Deed of Trust, UCC filings and personal and/or corporate guarantees as appropriate and may be in a subordinate position to the primary commercial or government lender.
- C. If the loan is approved as performance based, a qualifying business may be approved to recapture on a grant basis a portion of the loan amount to be determined by the Economic

COPY

THE LEGAL PROFESSIONAL CORPORATION
of
HOWARD E. TRACY

ATTORNEY AT LAW
HOWARD E. TRACY

706 WEST KOENIG STREET
GRAND ISLAND, NEBRASKA 68801-6556

TELEPHONE 308-382-5154
FAX 308-382-3242
E-MAIL lpclaw@kdsi.net

June 20, 2005

Board of Directors
Grand Island Area Economic
Development Corporation
P.O. Box 1151
Grand Island, NE 68802



Re: Westward Airways LB-840 Project Application

Dear Board Members:

Your President, Marlan Ferguson, has requested that we review the above named Application and present our opinion on the limited question of whether Westward Airways is a qualifying business whose proposed project is a qualified activity under the Local Option Municipal Economic Development Act, often referred to as LB 840 (The State Act) and the City of Grand Island, Nebraska, Economic Development Program (The City Program).

In connection with giving this opinion we have reviewed The State Act and The City Program and have considered the relevant legal procedures for interpreting legislative language.

Section 18-2709 of The State Act provides in part that:

Qualifying business shall mean any corporation, . . .
which derives its principal source of income from . . .
. the sale of services in interstate commerce; . . .
as listed in this section,

A basic rule of statutory interpretation is:

Absent anything indicating to contrary, statutory language is to be given its plain and ordinary meaning; when words of statute are plain, direct and

Board of Directors
Grand Island Area Economic Development Corporation
June 20, 2005
Page 2

unambiguous, no interpretation is necessary or will be indulged to ascertain their meaning.

Another basic rule of statutory interpretation is:

In settling upon meaning of statute, appellate court must determine and give effect to purpose and intent of Legislature as ascertained from entire language of statute considered in its plain, ordinary, and popular sense, it being court's duty to discover, if possible, Legislature's intent from language of statute itself.

When examined in light of those two (2) basic rules we find that Westward Airways' Application to secure financing to allow it to provide airline flight services from Grand Island, Nebraska, to Kansas City, Missouri, qualifies as the "sales of services in interstate commerce" under The State Act.

In Section IV, item 4, The City Program uses slightly different language as follows:

The sale of services in interstate commerce as distinguished from services offered on a local or area basis;

However, we do not believe that difference in language disqualifies Westward Airways from The City Program.

In Section 18-2705 The State Act provides in part:

Economic development program shall mean any project or program utilizing funds derived from local sources of revenue for the purpose of providing direct or indirect financial assistance to qualifying business An economic development program may include, but shall not be limited to, the following activities: Direct loans or grants to qualifying businesses for fixed assets or working capital or both;

Board of Directors
Grand Island Area Economic Development Corporation
June 20, 2005
Page 3

Item 7 of paragraph B of Section V of The City Program provides:

The Economic Development Program may include, but shall not be limited to, the following activities: . . .
. 7. Other creative and flexible initiatives to stimulate the economic growth in the Grand Island area (activities which may be funded through the Economic Development Program or General Fund as authorized by Section 13-315 R.R.S.).

Section 13-315 R.R.S. which The City Program refers to including using City funds "for the purpose of encouraging immigration, new industries, and investment"

We conclude that the project included in the Westward Airways' Application falls within the parameters of those provisions.

Finally, we note that Section 18-2709 of The State Act specifically states that:

A qualifying business need not be located within the territorial boundaries of the city from which it is or will be receiving financial assistance.

However, The City Program states in Section IV, paragraph B:

A qualifying business must be located within the zoning jurisdiction of the city unless a variance is granted for special circumstances.

Under that provision a question might arise. However, our understanding is that Westward Airways will have employees located at the Hall County Regional Airport under the proposed project and we believe that means that they are located there in the same general sense that, for example, many banks advertise that they have locations in several different towns. Moreover, the separate listing of permitted activities in paragraph A of that same Section IV states:

Board of Directors
Grand Island Area Economic Development Corporation
June 20, 2005
Page 4

5. Headquarters facilities relating to eligible activities as listed in this section;

That separation implies that the headquarters of an otherwise qualifying business is not required to be located in Grand Island.

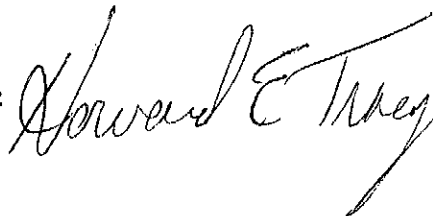
Accordingly, it is our opinion that Westward Airways is a "qualified business" and that the project anticipated on its Application is a qualified activity under The State Act and The City Program.

This letter is limited to the issues discussed and does not include any other issues which may arise in the determination of the approval or disapproval of the Westward Airways Application.

Very truly yours,

THE LEGAL PROFESSIONAL CORPORATION
OF HOWARD E. TRACY

BY:



HET:kjz

OFFICIAL PROCEEDINGS

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITIZENS' REVIEW COMMITTEE

June 21, 2005

Pursuant to due call and notice thereof, a Regular Meeting of the Citizens' Review Committee (CRC) of Grand Island, Nebraska was conducted in the Council Chambers of City Hall, 100 East First Street, on June 21, 2005. Notice of the meeting was given in the *Grand Island Independent* on June 15, 2005.

Chairman Tim White called the meeting to order at 8:00 a.m. The following board members were present: Tim White, Ed Armstrong, Lisa Willman, Dehn Renter, Dan Eakes, and Mark Stelk. Board member Bill Thiemann was absent. The following City Officials were present: City Administrator Gary Greer, City Clerk RaNae Edwards, Finance Director David Springer, and City Attorney Doug Walker

APPROVAL OF MINUTES. Motion was made by Armstrong, second by Willman to approve the minutes of the February 15, 2005 CRC meeting. Motion adopted unanimously.

REVIEW OF LB-840 APPLICATION – WESTWARD AIRWAYS, INC.: Marlan Ferguson, Grand Island Economic Development (EDC) President reported on the Westward Airways, Inc. application. Mr. Ferguson stated east and west air service had been a top priority for many years. The request was for \$120,000 matching funds. The Grand Island Area Economic Development Corporation Executive Committee approved utilizing LB-840 funds of \$120,000 to match a federal grant of \$380,000 for start up costs and promotional activities for east bound air service to Lincoln and Kansas City.

Mr. Ferguson mentioned that additional boarding's would assist the Airport Authority in reaching the 10,000 enplanements which were needed to secure 1 million dollars of federal funds for airport improvements. Also mentioned was a survey done by the EDC which showed support for this project.

Eldon Anthony, President of Westward Airways, Inc. explained that a Pilatus PC-12 airplane would be used that would seat 9 passengers. Also explained were the areas that Westward Airways served, benefits to the City, and job creation of 6 positions.

Discussion was held with regards to departure and arrival times with connecting flights, usage of this service, fuel costs, and ticket prices.

Ken Caldwell, Chairman of the Hall County Airport Authority explained the DOT support for LB-840 funds. Also mentioned were the infrastructure improvements at the airport. Discussed was the importance of the 1 million dollar matching funds which would benefit the City.

Doug Walker, City Attorney commented on a report submitted to the committee concerning the eligibility of this business for economic development funding. He felt the purpose of this committee was to fund businesses which would create jobs for the community and that this application was a subsidy for Westward Airways, Inc.

Marlan Ferguson, EDC President stated the state statute was broad and would allow for this type of application.

Curtis Greiss, 26 Kuester Lake and Ron Depue, Attorney for Hall County Airport Authority spoke in support of this application. Renee Seifert, Hall County Convention Visitor's Bureau spoke concerning the opportunities and events within the community and supported this application.

Gary Greer, City Administrator commented on a question from the Board with regards to the City Attorney's opinion. He stated the board needed to weigh all the facts and make a decision on what was presented at this meeting.

Cindy Johnson, President of the Chamber of Commerce spoke with regards to the cost of doing business and the impact this application would have on other businesses.

Motion was made by Armstrong, second by Renter to approve the application of Westward Airways, Inc. for \$120,000 of LB-840 funds. Upon roll call vote, Willman, Eakes, Stelk, Armstrong, and Renter voted aye. White abstained. Thiemann was absent. Motion adopted.

ADJOURNMENT: The meeting was adjourned at 9:25 a.m.

RaNae Edwards
City Clerk



Project Application for Economic Development Programs

1. Applicant Business Name: Westward Airways, Inc.
Address: 250027 Airport Terminal Street, Scottsbluff, Nebraska 69361
Telephone: 308-220-3838
Email Address: eldon.anthony@westwardairways.com
Business Contact Person: Eldon Anthony
Telephone: 308-220-3838
2. Business Organization: Corporation _____ Partnership
 _____ Proprietor _____ Other
3. Business Type: Startup _____ Existing
 _____ Business Buyout _____ Spec Building
 _____ Other
4. Project Location:
 Within the city limits of Grand Island.
_____ Outside the city limits, but within the 2 mile zoning jurisdiction.
_____ Outside the zoning jurisdiction of Grand Island in (county) _____.

5. Product or Service Provided: Two round trip flights per day (Mon-Fri) to Kansas City.
Two round trip flights per day (Mon-Fri) to Lincoln.
A total of four round trip flights per day from Grand
Island to points east.

6. Project Description: Partnership between Westward Airways, Inc. and the
Community/EDC to provide matching funds of \$120,000 along
with the Hall County Airport Authority's grant for \$380,000
allowing the utilization of the Small Communities Air Service
Grant which will provide quality, affordable, air service and
Connections to the business community.

7. Project Timetable: Flights to begin within 60 days

8. Employment Information:

Current # of employees: 47 (full-time equivalent)

Proposed # of employees: 53 (full-time equivalent)

What is the average hourly wage for all employees? \$12.25 plus benefits

Number of new jobs to be created: 6 (full-time equivalent)

What would be the average hourly wage for new jobs? \$12.25 plus benefits

Number of jobs to be retained, if any: n/a (full-time equivalent)

Please describe all benefits which the business provides to employees:

Full health benefit package

9. Financing/Incentives Requested:

\$120,000 matching funds from community (required)

NOTE: Additional Information may be required and made part of this application by attachment.

To the best of my knowledge, this application and supporting information is accurate, and may be relied upon by representatives of the Grand Island Area Economic Development Corporation (GIAEDC).

By: Eldon Anthony, President



(Signature of Business official and title)

April 26, 2005

Project: Westward Airways

Date Referred to Grand Island Area Economic Development Board: 4.26-05

Approved: X Disapproved: _____ Date: 6-8-05

Comments: See Cover Letter dated 6-13-05

Signature of President: Marlan Ferguson
Marlan Ferguson

Date Referred to Citizen's Review Committee: _____

Approved: X Disapproved: _____ Date: _____

Comments: _____

Signature of Chairman: Tim White, Chairman
Tim White

Date Referred to City Council: _____

Approved: _____ Disapproved: _____ Date: _____

Comments: _____

Signature of Mayor: _____
Jay Vavricek

ECONOMIC DEVELOPMENT AGREEMENT

In reliance upon the LB-840 project application of Westward Airways, Inc. (Westward), which is a qualifying business and which will have a beneficial economic impact upon the Grand Island area by providing eastern air service to and from Grand Island, Nebraska, the City of Grand Island (The City), and the Grand Island Area Economic Development Corporation (the Development Corporation) hereby agree to provide Westward with the assistance described in this Economic Development Agreement. Westward hereby accepts the economic assistance expressly set forth below and agrees to the terms and conditions.

1. Subject to the provisions of paragraphs 2 and 3 of this Economic Development Agreement, The City will provide Westward \$120,000 from the LB-840 funds over a twelve-month period so that Westward may provide eastern air service out of the Central Nebraska Regional Airport. For the purpose of this Agreement a month means thirty (30) consecutive days.

2. The \$120,000 obligation of The City is intended to constitute matching funds for a federal Department of Transportation grant for the Hall County Airport Authority in the amount of \$380,000. The LB-840 funds will only be provided if the Hall County Airport Authority secures the federal grant and The City will have no obligation if that federal grant is not obtained.

3. Beginning not later than sixty (60) days after the Hall County Airport Authority notifies The City and Westward that the federal grant has been approved and funded, Westward will begin providing the following Flight Service to and from the Hall County Regional Airport: two (2) round trip flights to and from Kansas City, Missouri, and two (2) round trip flights to and from Lincoln, Nebraska, each day, Monday through Friday of each week. For up to twelve (12) months payments at the rate of \$10,000 per month will be paid by The City to Westward for each consecutive month that Flight Service is maintained. The City will have no obligation to make any payments to Westward for any month that Westward does not maintain the Flight Service or any month thereafter.

4. Westward will invoice The City through the Hall County Airport Authority at the end of each one-month period during which the Flight Service is continuously maintained. The Hall County Airport Authority will confirm the validity of the invoice and send it to The City for payment.

5. Throughout the twelve-month period Westward will make commercially reasonable efforts to provide safe, reliable, on-time air service, weather permitting. Westward will work jointly with the Hall County Airport Authority to market the Westward eastbound air service with a goal to attain the necessary 10,000 passenger enplanements that will allow the Hall County Airport Authority to continue the existing primary status and maintain Airport Improvement Program entitlement funds in the amount of \$1 million annually from the FAA. The Westward business marketing team will be committed to monitoring the Kansas City departure banks and will alter flight times as necessary to meet market demand. Westward will work to provide reasonable pricing of their tickets to promote enplanements at the Hall County Regional Airport and the financial growth of Westward.

6. Westward will provide courtesy van shuttle service to and from the main terminal area in Kansas City and Lincoln.

7. Upon request of Development Corporation, Westward shall furnish any additional documentation Development Corporation deems necessary to confirm that Westward has met its obligations under this Economic Development Agreement.

8. This Economic Development Agreement contains all of the agreements and understandings between the Development Corporation, The City, and Westward relative to the provisions hereof and supersedes any and all prior agreements and understandings whether written or oral concerning economic development grants or incentives.

9. The provisions of this Agreement are fully binding upon the Development Corporation, the City and Westward.

Dated this _____ day of June, 2005.

GRAND ISLAND AREA ECONOMIC
DEVELOPMENT CORPORATION

By Marlan Ferguson
Marlan Ferguson, President

WESTWARD AIRWAYS, INC.
Qualifying Business

By Eldon Anthony
Eldon Anthony, President

THE CITY OF GRAND ISLAND

By _____
Jay Vavricék, Mayor

RESOLUTION 2005-193

WHEREAS, on July 22, 2003, the City of Grand Island adopted an Economic Development Program and a Citizens Advisory Review Committee to oversee the process of approving applications for economic development incentives; and

WHEREAS, Westward Airways, Inc., a Nebraska corporation, has applied for a forgivable loan in the amount of \$120,000 from the Grand Island Area Economic Development Corporation in accordance with the Economic Development Program to match a federal grant of \$380,000 for start up costs and promotional activities; and

WHEREAS, such application has been approved by the executive committee of the Economic Development Corporation and was approved on June 21, 2005 by the Citizens Advisory Review Committee.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Economic Development Agreement by and between the City, the Grand Island Area Economic Development Corporation and Westward Airways, Inc., a Nebraska corporation, to provide \$120,000 in economic assistance through a forgivable loan to Westward Airways, Inc., to be used as a match for a federal grant in the amount of \$380,000 for start up costs and promotional activities to provide eastbound flight service from Grand Island, Nebraska is hereby approved.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized and directed to execute such agreement on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, June 28, 2005.

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
June 23, 2005	☐ City Attorney



City of Grand Island

Tuesday, June 28, 2005

Council Session

Item J1

Payment of Claims for the Period of June 15, 2005 through June 28, 2005

The Claims for the period of June 15, 2005 through June 28, 2005 for a total amount of \$2,080,297.27. A MOTION is in order.

Staff Contact: RaNae Edwards