
City of Grand Island



Tuesday, August 25, 2015
Council Session Packet

City Council:

Linna Dee Donaldson
Michelle Fitzke
Chuck Haase
Julie Hehnke
Jeremy Jones
Vaughn Minton
Mitchell Nickerson
Mike Paulick
Roger Steele
Mark Stelk

Mayor:

Jeremy L. Jensen

City Administrator:

Marlan Ferguson

City Clerk:

RaNae Edwards

7:00 PM
Council Chambers - City Hall
100 East 1st Street

Call to Order

This is an open meeting of the Grand Island City Council. The City of Grand Island abides by the Open Meetings Act in conducting business. A copy of the Open Meetings Act is displayed in the back of this room as required by state law.

The City Council may vote to go into Closed Session on any agenda item as allowed by state law.

Invocation - Father Todd Philipsen, Blessed Sacrament Catholic Church, 518 West State 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.



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item D-1

**#2015-BE-4 - Consideration of Determining Benefits and Levy
Special Assessments for Westgate Drainage Improvements;
District No. 2013-D-4**

Council action will take place under Ordinances item F-1.

Staff Contact: John Collins, P.E. - Public Works Director

Council Agenda Memo

From: Terry Brown PE, Assistant Public Works Director

Meeting: August 25, 2015

Subject: Consideration of Determining Benefits and Levy Special Assessments for Westgate Drainage Improvements; District No. 2013-D-4

Presenter(s): John Collins PE, Public Works Director

Background

The Certificate of Final Completion for Westgate Drainage Improvements; District No. 2013-D-4 was approved by City Council on July 28, 2015, via Resolution No. 2015-194; with August 25, 2015 set as the date for Council to sit as the Board of Equalization. The Diamond Engineering Company of Grand Island, Nebraska was hired to perform such work in the amount of \$146,349.15. Work was completed at a price of \$150,052.74; with additional costs of \$30,662.58, all detailed below.

Original Bid	\$ 146,349.15
Underruns	\$ 3,703.59
Sub Total (Construction Price) =	\$ 150,052.74
Additional Costs:	
Olsson Associates - (Engineering)	\$ 30,545.00
The Grand Island Independent - (advertising)	\$ 89.58
Hall County Register of Deeds - (filing fees)	\$ 28.00
Sub Total of Additional Costs =	\$ 30,662.58
TOTAL COST = \$ 180,715.32	

Total project costs equate to \$180,715.32, of which all are assessable to property owners within this district.

All work has been completed and special assessments have been calculated for the improvements.

Discussion

The costs for this project will be assessed to the adjacent property. The payments are spread over ten (10) years at 7% simple interest. The first payment of principle only at 1/10th of the assessment is due 10 days after filing of the ordinance that levies the costs as approved at the Board of Equalization. The City has had multiple correspondences with the property owners and sent a reminder letter advising them that the BOE is scheduled for August 25, 2015 and the first payment will be due shortly after.

The final assessment for each lot is listed in both the Resolution and Ordinance for this item.

Alternatives

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

1. Move 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 meet as the Board of Equalization to determine benefits and pass an ordinance to levy Special Assessments to the individual properties.

Sample Motion

(Sample Motion for the Board of Equalization)

Move to approve the resolution establishing benefits for Westgate Drainage Improvements; District No. 2013-D-4.

(Sample Motion for the Ordinance)

Move to approve the ordinance levying the assessments for Westgate Drainage Improvements; District No. 2013-D-4.

STATE OF NEBRASKA)
) ss
COUNTY OF HALL)

AFFIDAVIT OF MAILING

RaNae Edwards, City Clerk, being first duly sworn on oath, deposes and says that she is the duly appointed and acting City Clerk of the City of Grand Island, Nebraska, and that on August 6, 2015; she mailed copies of the "Notice of Board of Equalization Hearing – Westgate Drainage Improvements; District No. 2013-D-4", which notice was first published in the Grand Island Independent on August 4, 2015, to the following named parties:

*Samuel H & Gaila J Prill
23636 Wilderness Canyon Rd
Rapid City, SD 57702

*Bradley W Barrow – Trustee
MHEC Land Trust VI
PO Box 50
Mossville, IL 61552-0050

Gstar Investments, LLC
3703 W Old Potash Hwy
Grand Island, NE 68803

John P & Lisa L Webb
3104 Bison Ct
Grand Island, NE 68803

Harry L Lilienthal
4215 E Bismark Rd
Grand Island, NE 68801

Quad Endeavors, LLC
25 Lillian Ln
Doniphan, NE 68832

Husker Storage, LLC
410 Gold Rd
Grand Island, NE 68803

Highland Park Lawn Company
402 S Claude Rd
Grand Island, NE 68803

Twin Valley Investments, LTD
502 Claude Rd
Grand Island, NE 68803

Harry L & Wanda R Lilienthal
4215 E Bismark Rd
Grand Island, NE 68801

Robert D & Patricia J Hancock
5938 N 80th Rd
Cairo, NE 68824

Husker Storage, LLC
4215 E Bismark Rd
Grand Island, NE 68801

Such communications were properly posted and deposited in the United States mail.

Those names shown with an asterisk were mailed copies by certified mail, return receipt requested, being owners of property within the district whose addresses were shown on the tax rolls of Hall County at the time said Notice was first published as being outside the boundaries of Hall County.

Affiant further states that she, and her attorney, after diligent investigation and inquiry, were unable to ascertain and does not know the post office address of any other party appearing to have a direct legal interest in the proceedings other than the above parties to whom notice has been mailed.

DATED: August 6, 2015



RaNae Edwards, City Clerk

Subscribed and sworn to before me this 6th date August, 2015.



Notary Public



8B CLASSIFIED

Legals

NOTICE OF BOARD OF EQUALIZATION HEARING

**Westgate Drainage Improve-
ments; District No. 2013-D-4**

NOTICE is hereby given to all persons owning real estate within the Westgate Drainage Improvements; District No. 2013-D-4 in the City of Grand Island, Hall County, Nebraska, and to all persons interested, that the City Council of said City will sit as a Board of Equalization at the City Council Chambers on August 25, at 7:00 p.m., to determine benefits accruing to the respective lots, tracts, and parcels of land in said district to pay the cost of such drainage district. All owners of real estate within said drainage district, and all persons interested, will take notice of the time and place of the sitting of the Board of Equalization, at which time any person or persons may appear and show cause, if any there be, why assessments should not be made.

By order of the City Council,
Grand Island, Nebraska.

RaNae Edwards, City Clerk
4.11.18

NOTICE OF BOARD OF EQUALIZATION HEARING

Westgate Drainage Improvements; District No. 2013-D-4

NOTICE is hereby given to all persons owning real estate within the Westgate Drainage Improvements; District No. 2013-D-4 in the City of Grand Island, Hall County, Nebraska, and to all persons interested, that the City Council of said City will sit as a Board of Equalization at the City Council Chambers on August 25, at 7:00 p.m., to determine benefits accruing to the respective lots, tracts, and parcels of land in said district to pay the cost of such drainage district. All owners of real estate within said drainage district, and all persons interested, will take notice of the time and place of the sitting of the Board of Equalization, at which time any person or persons may appear and show cause, if any there be, why assessments should not be made.

By order of the City Council, Grand Island, Nebraska.

RaNae Edwards, City Clerk

Publication Dates:

August 4, 2015

August 11, 2015

August 18, 2015

DRAFT

This Space Reserved for Register of Deeds

ORDINANCE NO. _____

An ordinance assessing and levying a special tax to pay the cost of Westgate Drainage Improvements; District No. 2013-D-4 of the City of Grand Island, Nebraska; providing for the collection of such special tax; repealing any provisions of the Grand Island City Code, ordinances, and parts of ordinances in conflict herewith; and to provide 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. There is hereby assessed upon the following described lots, tracts and parcels of land specially benefited, for the purpose of paying the cost of Westgate Drainage Improvements; District No. 2013-D-4, as adjudged by the Mayor and Council of the City, to the extent of benefits thereto by reason of such improvement, after due notice having been given thereof as provided by law; and a special tax for such cost of construction is hereby levied at one time upon such lots, tracts and land as follows:

Parcel No.	Owner	Legal Description	Assessment by Frontage
400367823	Samuel H & Gaila J Prill	Lot 6, Westgate Fifth Subdivision	\$9,104.92
400367815	Bradley W Barrow Trustee MHEC Land Trust VI	Lot 1, Westgate Seventh Subdivision	\$21,091.14
400367807	GStar Investments, LLC	Lot 4, Westgate Fifth Subdivision	\$9,104.92
400367793	GStar Investments, LLC	Lot 3, Westgate Fifth Subdivision	\$9,104.92
400367785	John P & Lisa L Webb	Lot 2, Westgate Fifth Subdivision	\$11,870.97
400375354	Harry L Lilienthal	Lot 2, Westgate Sixth Subdivision	\$11,870.97
400367777	Quad Endeavors, LLC	Lot 1, Westgate Fifth Subdivision	\$11,870.97
400375362 & 400375370	Husker Storage, LLC	Lot 3 & 4, Westgate Sixth Subdivision	\$23,741.94
400166887	Highland Park Lawn Company	Lot 2, Westgate Third Subdivision	\$11,870.97

Approved as to Form _____
August 20, 2015 City Attorney

ORDINANCE NO. _____ (Cont.)

400166852	Twin Valley Investments, LTD	Lot 26, Westgate Subdivision & Lot 1 Westgate Third Subdivision	\$23,857.16
400166755	Harry L & Wanda R Lilienthal	Lot 18, Westgate Subdivision	\$11,870.97
400166763	Husker Storage, LLC	Lot 1, Westgate Tenth Subdivision	\$13,484.50
400166844	Robert D & Patricia J Hancock	Lot 25, Westgate Subdivision	\$11,870.97

Assessment Total = \$180,715.32

SECTION 2. The special tax shall become delinquent as follows: One-tenth of the total amount shall become delinquent in ten days; one-tenth in one year; one-tenth in two years; one-tenth in three years; one-tenth in four years; one-tenth in five years; one-tenth in six years; one-tenth in seven years; one-tenth in eight years; one-tenth in nine years respectively, after the date of such levy; provided, however, the entire amount so assessed and levied against any lot, tract or parcel of land may be paid within ten days from the date of this levy without interest, and the lien of special tax thereby satisfied and released. Each of said installments, except the first, shall draw interest at the rate of not exceeding seven percent (7.0%) per annum from the time of such levy until they shall become delinquent. After the same become delinquent, interest at the rate of three-fourths of one percent per month shall be paid thereon as in the case of other special taxes, until the same is collected and paid.

SECTION 3. The treasurer of the City of Grand Island, Nebraska is hereby directed to collect the amount of said taxes herein set forth as provided by law.

SECTION 5. Any provision of the Grand Island City Code and any provision of any ordinance, or part of ordinance, in conflict herewith is hereby repealed.

SECTION 6. 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: August 25, 2015

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

DRAFT

RESOLUTION 2015

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, sitting as a Board of Equalization for Westgate Drainage Improvements; District No. 2013-D-4, after due notice having been given thereof, that we find and adjudge:

That the benefits accruing to the real estate in such district to be the total sum of \$180,715.32; and

Such benefits are based on Westgate Drainage Improvements; District No. 2013-D-4 at the adjacent property; and

According to the actual cost of Westgate Drainage Improvements; District No. 2013-D-4 adjacent to the respective lots, tracts, and real estate within such drainage district area, such benefits are the sums set opposite the description as follows:

Parcel No.	Owner	Legal Description	Assessment by Frontage
400367823	Samuel H & Gaila J Prill	Lot 6, Westgate Fifth Subdivision	\$9,104.92
400367815	Bradley W Barrow Trustee MHEC Land Trust VI	Lot 1, Westgate Seventh Subdivision	\$21,091.14
400367807	GStar Investments, LLC	Lot 4, Westgate Fifth Subdivision	\$9,104.92
400367793	GStar Investments, LLC	Lot 3, Westgate Fifth Subdivision	\$9,104.92
400367785	John P & Lisa L Webb	Lot 2, Westgate Fifth Subdivision	\$11,870.97
400375354	Harry L Lilienthal	Lot 2, Westgate Sixth Subdivision	\$11,870.97
400367777	Quad Endeavors, LLC	Lot 1, Westgate Fifth Subdivision	\$11,870.97
400375362 & 400375370	Husker Storage, LLC	Lot 3 & 4, Westgate Sixth Subdivision	\$23,741.94
400166887	Highland Park Lawn Company	Lot 2, Westgate Third Subdivision	\$11,870.97
400166852	Twin Valley Investments, LTD	Lot 26, Westgate Subdivision & Lot 1 Westgate Third Subdivision	\$23,857.16
400166755	Harry L & Wanda R Lilienthal	Lot 18, Westgate Subdivision	\$11,870.97
400166763	Husker Storage, LLC	Lot 1, Westgate Tenth Subdivision	\$13,484.50
400166844	Robert D & Patricia J Hancock	Lot 25, Westgate Subdivision	\$11,870.97
<i>Assessment Total =</i>			\$180,715.32

Adopted by the City Council of the City of Grand Island, Nebraska, August 25, 2015.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	□ _____
August 5, 2015	□ City Attorney

RESOLUTION 2015-BE-4

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, sitting as a Board of Equalization for Westgate Drainage Improvements; District No. 2013-D-4, after due notice having been given thereof, that we find and adjudge:

That the benefits accruing to the real estate in such district to be the total sum of \$180,715.32; and

Such benefits are based on Westgate Drainage Improvements; District No. 2013-D-4 at the adjacent property; and

According to the actual cost of Westgate Drainage Improvements; District No. 2013-D-4 adjacent to the respective lots, tracts, and real estate within such drainage district area, such benefits are the sums set opposite the description as follows:

Parcel No.	Owner	Legal Description	Assessment by Frontage
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400166887	Highland Park Lawn Company	Lot 2, Westgate Third Subdivision	\$11,870.97
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400166763	Husker Storage, LLC	Lot 1, Westgate Tenth Subdivision	\$13,484.50
400166844	Robert D & Patricia J Hancock	Lot 25, Westgate Subdivision	\$11,870.97

Assessment Total =

\$180,715.32

Adopted by the City Council of the City of Grand Island, Nebraska, August 25, 2015.

Jeremy L. Jensen, Mayor

Attest:

Approved as to Form ✕ _____ August 21, 2015 ✕ City Attorney
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RaNae Edwards, City Clerk



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item E-1

**Public Hearing on Request from Bosselman Pump & Pantry, Inc.
dba, Pump & Pantry #2, 821 South Webb Road for a Class “D”
Liquor License**

Council action will take place under Resolutions item I-1.

Staff Contact: RaNae Edwards

Council Agenda Memo

From: RaNae Edwards, City Clerk

Meeting: August 25, 2015

Subject: Public Hearing on Request from Bosselman Pump & Pantry, Inc. dba Pump & Pantry #2, 821 South Webb Road for a Class “D” Liquor License

Presenter(s): RaNae Edwards, City Clerk

Background

Section 4-2 of the Grand Island City Code declares the intent of the City Council regarding liquor licenses and the sale of alcohol.

Declared Legislative Intent

- It is hereby declared to be the intent and purpose of the city council in adopting and administering the provisions of this chapter:
- (A) To express the community sentiment that the control of availability of alcoholic liquor to the public in general and to minors in particular promotes the public health, safety, and welfare;
 - (B) To encourage temperance in the consumption of alcoholic liquor by sound and careful control and regulation of the sale and distribution thereof; and
 - (C) To ensure that the number of retail outlets and the manner in which they are operated is such that they can be adequately policed by local law enforcement agencies so that the abuse of alcohol and the occurrence of alcohol-related crimes and offenses is kept to a minimum.

Discussion

Bosselman Pump & Pantry, Inc. dba Pump & Pantry #2, 821 South Webb Road has submitted an application for a Class “D” Liquor License. A Class “D” Liquor License allows for the sale of alcohol off sale inside the corporate limits of the city. Currently they hold a Class “B” Liquor License which is for beer off sale only and would like to upgrade to a Class “D”.

City Council action is required and forwarded to the Nebraska Liquor Control Commission for issuance of all licenses. This application has been reviewed by the Clerk, Building, Fire, Health, and Police Departments. Since it appears that all of the Pump &

Pantry stores in Grand Island are upgrading from a Class B to a Class D license, and the Police Department did the first upgrade investigation less than two weeks ago, they don't plan on doing any other reports as the new requests come in. The only thing to consider is the fact that the liquor manager will be managing over 50 Pump & Pantry stores around the state, but Bosselman's is headquartered in Grand Island and the liquor manager lives in Grand Island.

Also submitted with the application was a request from Brian Fausch, 2009 West Highway 34 for a Liquor Manager Designation. Mr. Fausch has completed a state approved alcohol server/seller training program and is currently the manager at this location.

Alternatives

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

1. Approve the application.
2. Forward to the Nebraska Liquor Control Commission with no recommendation.
3. Forward to the Nebraska Liquor Control Commission with recommendations.
4. Deny the application.

Recommendation

Based on the Nebraska Liquor Control Commission's criteria for the approval of Liquor Licenses, City Administration recommends that the Council approve this application.

Sample Motion

Move to approve the application for Bosselman Pump & Pantry, Inc. dba Pump & Pantry #2, 821 South Webb Road for a Class "D" Liquor License contingent upon final inspections and Liquor Manager Designation for Brian Fausch, 2009 West Highway 34.



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item E-2

**Public Hearing on Request from Bosselman Pump & Pantry, Inc.
dba, Pump & Pantry #11, 704 West 2nd Street for a Class “D”
Liquor License**

Council action will take place under Resolutions item I-2.

Staff Contact: RaNae Edwards

Council Agenda Memo

From: RaNae Edwards, City Clerk

Meeting: August 25, 2015

Subject: Public Hearing on Request from Bosselman Pump & Pantry, Inc. dba Pump & Pantry #11, 704 West 2nd Street for a Class “D” Liquor License

Presenter(s): RaNae Edwards, City Clerk

Background

Section 4-2 of the Grand Island City Code declares the intent of the City Council regarding liquor licenses and the sale of alcohol.

Declared Legislative Intent

- It is hereby declared to be the intent and purpose of the city council in adopting and administering the provisions of this chapter:
- (A) To express the community sentiment that the control of availability of alcoholic liquor to the public in general and to minors in particular promotes the public health, safety, and welfare;
 - (B) To encourage temperance in the consumption of alcoholic liquor by sound and careful control and regulation of the sale and distribution thereof; and
 - (C) To ensure that the number of retail outlets and the manner in which they are operated is such that they can be adequately policed by local law enforcement agencies so that the abuse of alcohol and the occurrence of alcohol-related crimes and offenses is kept to a minimum.

Discussion

Bosselman Pump & Pantry, Inc. dba Pump & Pantry #11, 704 West 2nd Street has submitted an application for a Class “D” Liquor License. A Class “D” Liquor License allows for the sale of alcohol off sale inside the corporate limits of the city. Currently they hold a Class “B” Liquor License which is for beer off sale only and would like to upgrade to a Class “D”.

City Council action is required and forwarded to the Nebraska Liquor Control Commission for issuance of all licenses. This application has been reviewed by the Clerk, Building, Fire, Health, and Police Departments. Since it appears that all of the Pump &

Pantry stores in Grand Island are upgrading from a Class B to a Class D license, and the Police Department did the first upgrade investigation less than two weeks ago, they don't plan on doing any other reports as the new requests come in. The only thing to consider is the fact that the liquor manager will be managing over 50 Pump & Pantry stores around the state, but Bosselman's is headquartered in Grand Island and the liquor manager lives in Grand Island.

Also submitted with the application was a request from Brian Fausch, 2009 West Highway 34 for a Liquor Manager Designation. Mr. Fausch has completed a state approved alcohol server/seller training program and is currently the manager at this location.

Alternatives

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

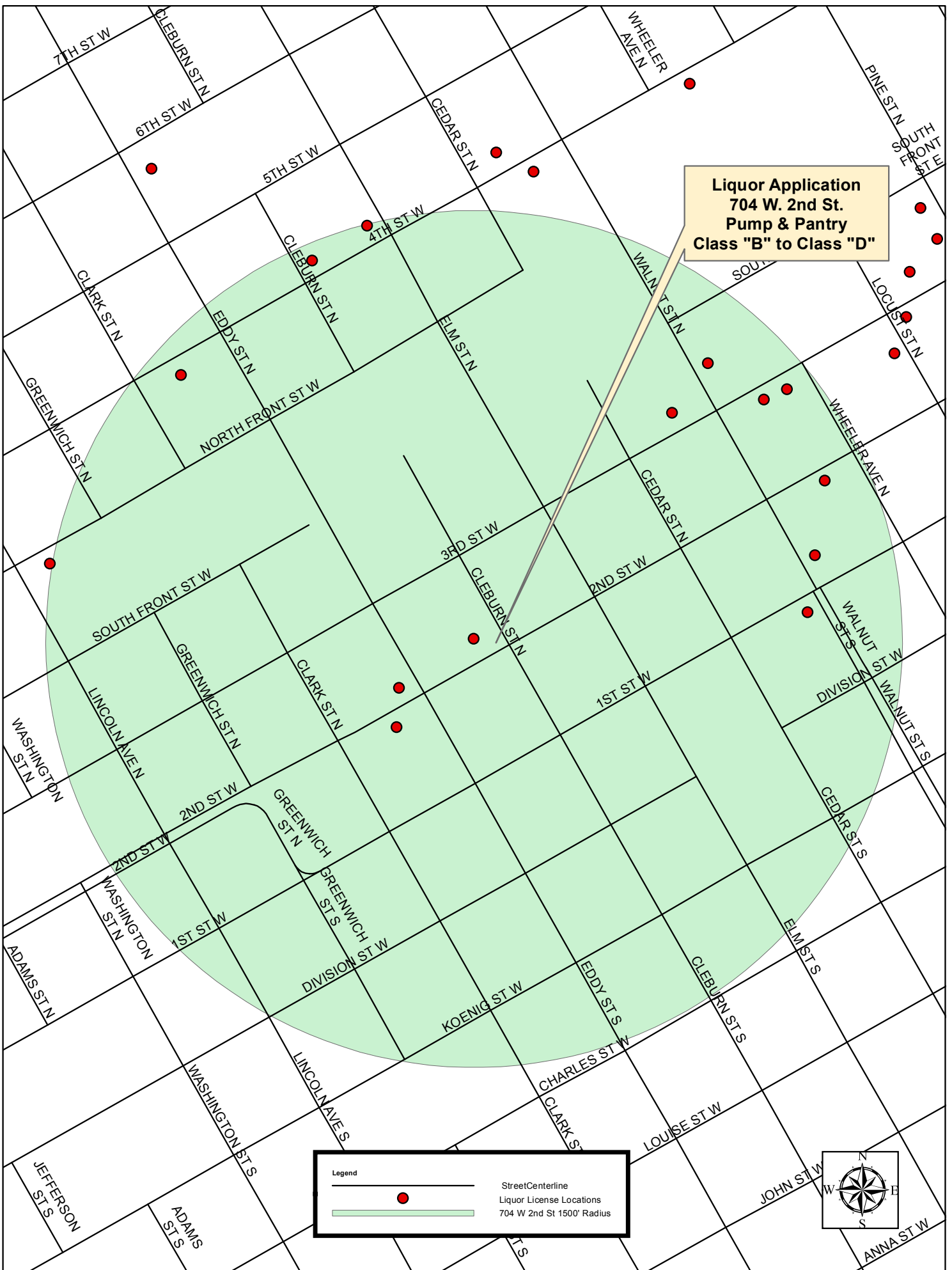
1. Approve the application.
2. Forward to the Nebraska Liquor Control Commission with no recommendation.
3. Forward to the Nebraska Liquor Control Commission with recommendations.
4. Deny the application.

Recommendation

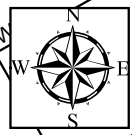
Based on the Nebraska Liquor Control Commission's criteria for the approval of Liquor Licenses, City Administration recommends that the Council approve this application.

Sample Motion

Move to approve the application for Bosselman Pump & Pantry, Inc. dba Pump & Pantry #11, 704 West 2nd Street for a Class "D" Liquor License contingent upon final inspections and Liquor Manager Designation for Brian Fausch, 2009 West Highway 34.



Legend	
	Street Centerline
	Liquor License Locations
	704 W 2nd St 1500' Radius





City of Grand Island

Tuesday, August 25, 2015

Council Session

Item E-3

Public Hearing on Request from Grand Island Associates, LLC for a Conditional Use Permit to Install and Operate a Remediation System to Address Petroleum Contamination located at 1607 South Locust Street

Council action will take place under Requests and Referrals item H-1.

Staff Contact: Craig Lewis

Council Agenda Memo

From: Craig A. Lewis, Building Department Director

Meeting: August 25, 2015

Subject: Request of GSI Engineering on behalf of Grand Island Associates LLC for Approval of a Conditional Use Permit to Allow a Temporary Remediation Trailer located at 1607 S. Locust

Presenter(s): Craig Lewis, Building Department Director

Background

This request is for approval of a conditional use permit to allow for the temporary placement of a remediation system to facilitate the removal of petroleum contamination from groundwater at the site. The site is currently zoned (B-2) General Business with an (AC) Arterial Commercial Overlay Zone. Trailers and temporary buildings are only allowed within this zoning classification if approved by the City Council in the form of a conditional use permit.

The request is for approval of a five year period.

Discussion

This proposal is to allow for the use of the trailer at the site to aid in the clean up of groundwater. The proposed length of time is for five years. City Code provides for a two year approval with the possibility of subsequent approvals. The site location is such that it would not appear that this request will have any negative impact on the neighboring properties and no concerns have been presented.

The proposal includes the installation of a privacy fence for screening, it does appear appropriate to include this as a condition to any approval as the Business Improvement District and local property owners have a considerable investment in providing landscaping along the South Locust street corridor.

Alternatives

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

1. Approve the request for a Conditional Use Permit finding that the proposed application is and will continue to be in conformance with the purpose of the zoning regulations.
2. Disapprove or /Deny the request, finding that the proposed application does not conform to the purpose of the zoning regulations.
3. Approve the request with additional or revised conditions and a finding of fact.
4. Refer the matter to a special committee for a determination of a finding of fact.

Recommendation

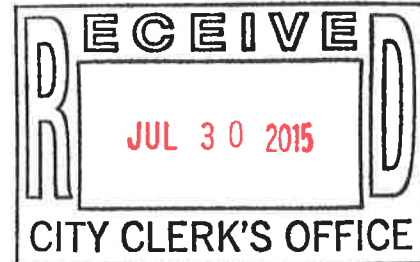
Approve the request with the condition that the proposed privacy fence be maintained at a height of 6' around the trailer and associated equipment during the duration of the conditional use permit and for a two year period, finding that the proposed use and application promotes the health, safety, and general welfare of the community, protects property against blight and depreciation, and is generally harmonious with the surrounding neighborhood.

Sample Motion

Move to approve the request for a conditional use permit to allow for the use of a temporary vapor extraction facility for a two year period, including staff recommendations, finding that the application conforms with the purpose of the zoning regulations.

July 28, 2015

Craig Lewis
City of Grand Island
Building Department
P.O. Box 1968
Grand Island, Nebraska 68802-1968



RE: Conditional Use Permit Application
1607 South Locust Street
Grand Island, Nebraska
NDEQ LST #012114-NM-1005; IIS #79603
GSI Project No. 145020

Dear Mr. Lewis:

GSI Engineering Northern Division, LLC (GSI) is pleased to present this application for a Conditional Use Permit for 1607 South Locust Street, Grand Island. The application is for the installation and operation for a remediation system to address petroleum contamination. This work is being done at the request of the Nebraska Department of Environmental Quality (NDEQ) in connection with the investigation of a former leaking underground storage tank. Please note that no leak is occurring at this time.

GSI will install an enclosed trailer which houses the remediation system and a privacy fence. GSI estimates the system will be on-site for approximately five years, although the exact time frame is difficult to predict. Once the NDEQ determines that the system is no longer needed, GSI personnel will remove the system and fencing. During the time of operation, GSI personnel will periodically return to inspect the system to make sure it is operating efficiently.

Thank you for your assistance. Should you have any questions or require additional information, please contact Carrie Thomas at 308.381.1987 or cthomas@gsinetwork.com.

Respectfully,
GSI Engineering Northern Division, LLC

Prepared by,



Carrie A. Thomas
Environmental Scientist

Reviewed by,



for Rick Bean, P.G.
Senior Geologist

Attached: Conditional Use Permit Application
GSI check #5388

Conditional Use Permit Application

pc: Building, Legal, Utilities
 Planning, Public Works

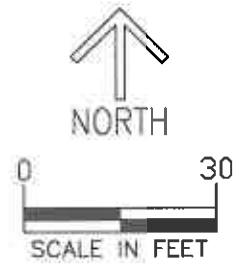
1. The specific use/construction requested is: to install and operate a remediation system to address petroleum contamination.
2. The owner(s) of the described property is/are: Grand Island Associates LLC
3. The legal description of the property is: Former Fourth Sub Lot 1
4. The address of the property is: 1607 South Locust
5. The zoning classification of the property is: B2-AC
6. Existing improvements on the property is: See Attached Commercial Data Sheet From Hall County Assessor
7. The duration of the proposed use is: 5 years
8. Plans for construction of permanent facility is: No permanent structure
9. The character of the immediate neighborhood is: Commercial
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: See Cover letter.

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












July 21, 2015
 Date
312-755-9411
 Phone Number

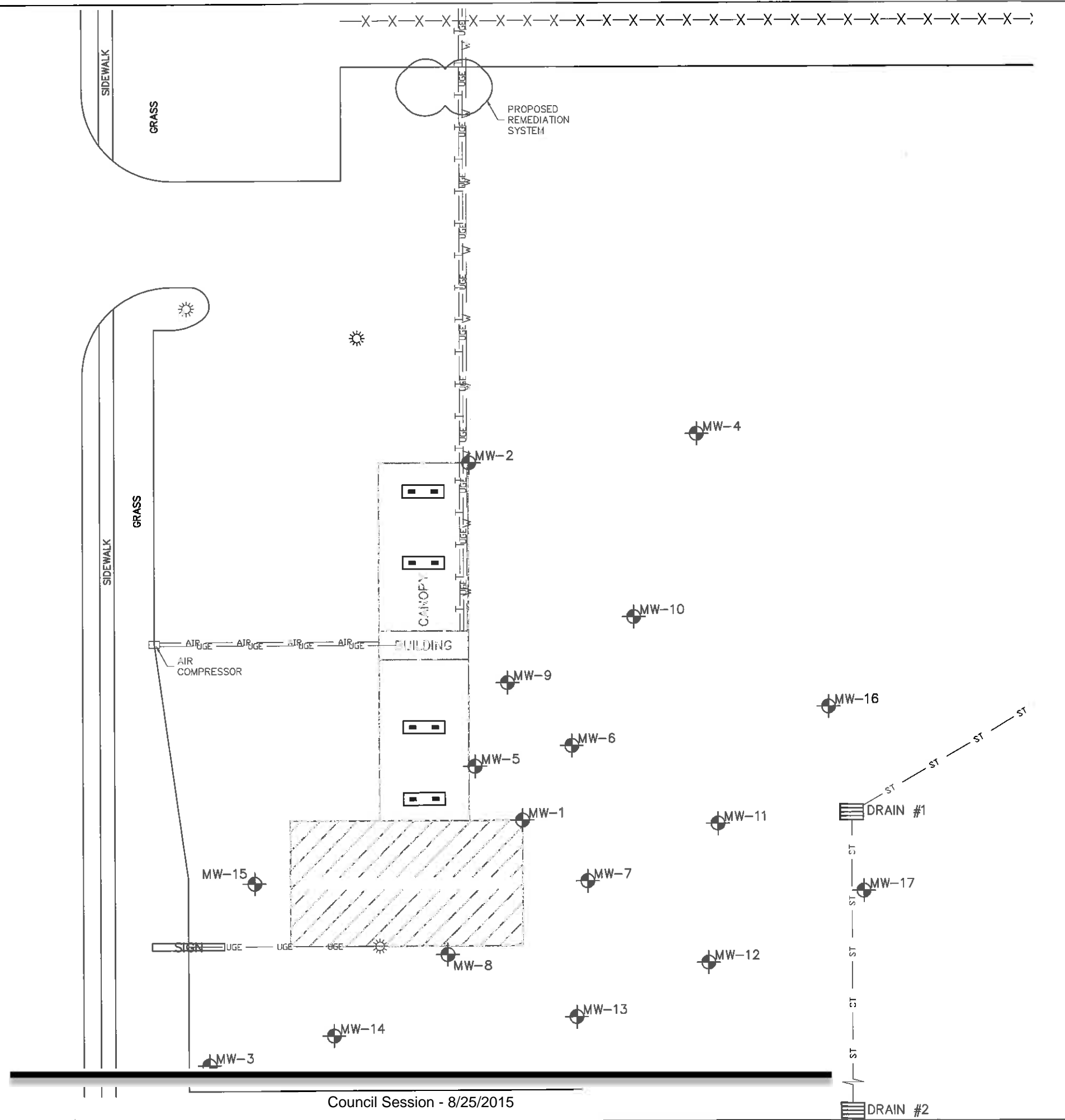
[Signature]
 Owners(s)
212 W. Kinzie Street, 5th Floor
 Address
Chicago IL 60654
 City State Zip

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



LEGEND

-  MONITOR WELL
-  LIGHT POLE
-  FORMER GAS PUMPS
-  STORM SEWER DRAIN
-  ST STORM SEWER LINE
-  UGE UNDERGROUND ELECTRIC LINE
-  T UNDERGROUND TELEPHONE LINE
-  V UNDERGROUND WATER LINE
-  AIR UNDERGROUND AIR COMPRESSOR LINE
-  X-X FENCE LINE
-  FORMER UNDERGROUND STORAGE TANKS



REVISED/REPRINTED	
DATE	BY
02/07/14	LAD
02/28/14	LAD
03/05/14	LAD
04/29/14	LAD
05/12/14	LAD
09/03/14	CAT
2/27/15	LAD
5/6/15	LAD

GSI
 2960 North Diers Avenue
 Grand Island, Nebraska
 Telephone: (308) 381-1987
 Fax: (308) 381-2467

SITE MAP

1607 SOUTH LOCUST STREET
 GRAND ISLAND, NEBRASKA

FILE NAME	145020
DRAWN	LAD
CHECKED	CAT
BASE MAP DRAWN	01/17/14
NDEQ ID:	79603
PROGRAM ID:	LST 012114-WM-1005



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item E-4

Public Hearing on Request to Declare Proposed Area 18 as Blighted and Substandard located between Webb Road on the West, Blaine Street and Custer Avenue on the East, U.S. Highway 30 on the North and 2nd Street on the South (Middleton Electric).

Council action will take place under Resolutions item I-3.

Staff Contact: Chad Nabity

Council Agenda Memo

From: Regional Planning Commission

Meeting: August 25, 2015

Subject: Middleton Electric Blight Study (Proposed Area 18)
C-21-2015GI

Presenter(s): Chad Nabity, Regional Planning Director

Background

Middleton Electric commissioned a Blight and Substandard Study for Proposed Redevelopment Area No. 18 to be prepared by Marvin Planning Associates of David City, Nebraska. The study area includes approximately 115 acres referred to as CRA Area No. 18. The study focused on property located south of U.S. Highway 30 and north of Second Street between Webb Road on the west and Blaine Street on the east in west central Grand Island. (See the attached map) On June 23, 2015, Council referred the attached study to the Planning Commission for its review and recommendation.

The decision on whether to declare an area substandard and blighted is entirely within the jurisdiction of the City Council.

Discussion

The Statutory authority and direction to the Planning Commission is referenced below to explain the Planning Commission purpose in reviewing the study:

Section 18-2109

Redevelopment plan; preparation; requirements.

An authority shall not prepare a redevelopment plan for a redevelopment project area unless the governing body of the city in which such area is located has, by resolution adopted after a public hearing with notice provided as specified in section 18-2115, declared such area to be a substandard and blighted area in need of redevelopment. The governing body of the city shall submit the question of whether an area is substandard and blighted to the planning commission or board of the city for its review and recommendation prior to making its declaration. The planning commission or board shall submit its written recommendations within thirty days after receipt of the request. Upon receipt of the recommendations or

after thirty days if no recommendation is received, the governing body may make its declaration.

~Reissue Revised Statutes of Nebraska

A flow chart of the blight declaration process is shown in Figure 2.

At this time, the Council is only concerned with determining if the property is blighted and substandard. Figure 3 is an overview of the differences between the blight and substandard declaration and the redevelopment plan. If a declaration as blighted and substandard is made by Council then the Community Redevelopment Authority (CRA) can consider appropriate redevelopment plans. The redevelopment plans must also be reviewed by the Planning Commission and approved by Council prior to final approval.

Grand Island has 16 areas that have been declared blighted and substandard 3,671 acres. This represents 19.18% of the area of the City. Grand Island can declare up to 35% of its municipal area blighted and substandard. If Council approves the declaration of this area as blighted and substandard 116.5 acres would be added to the blighted and substandard area in Grand Island increasing the percentage by 0.6% to 19.78% well below the 35% limitation.

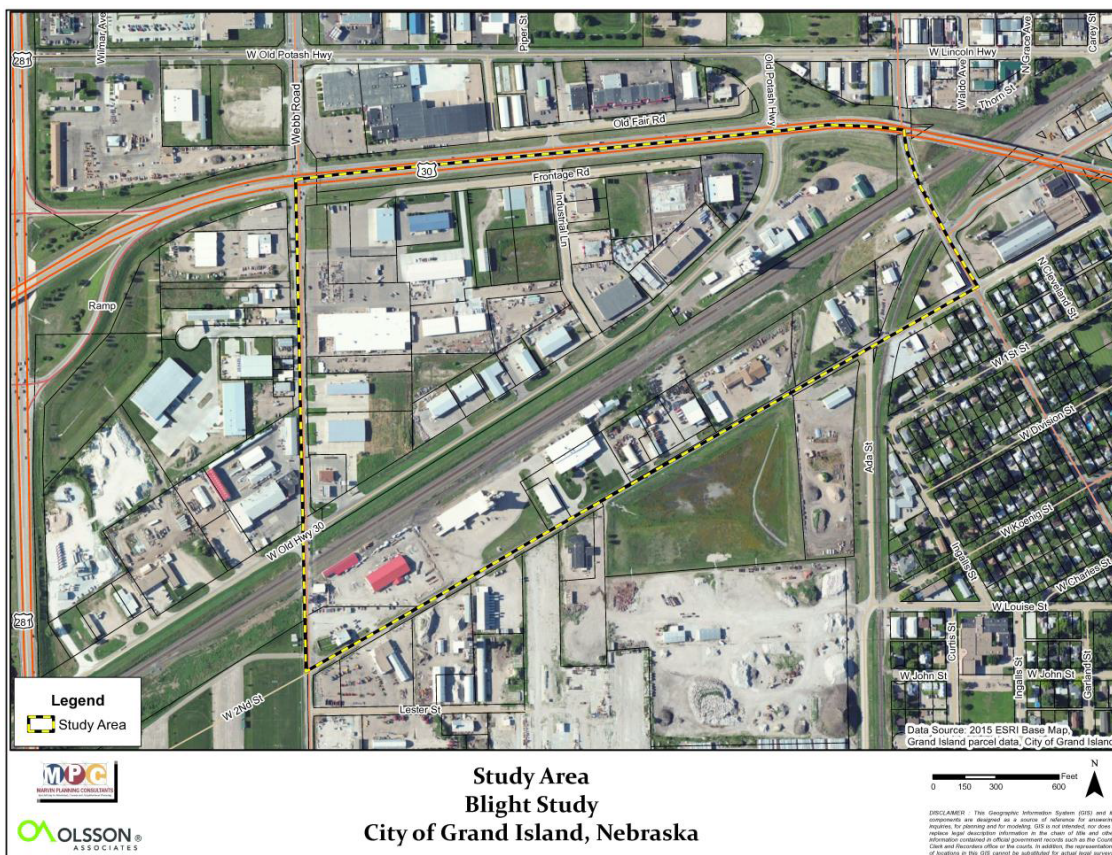


Figure 1 Redevelopment Area 18

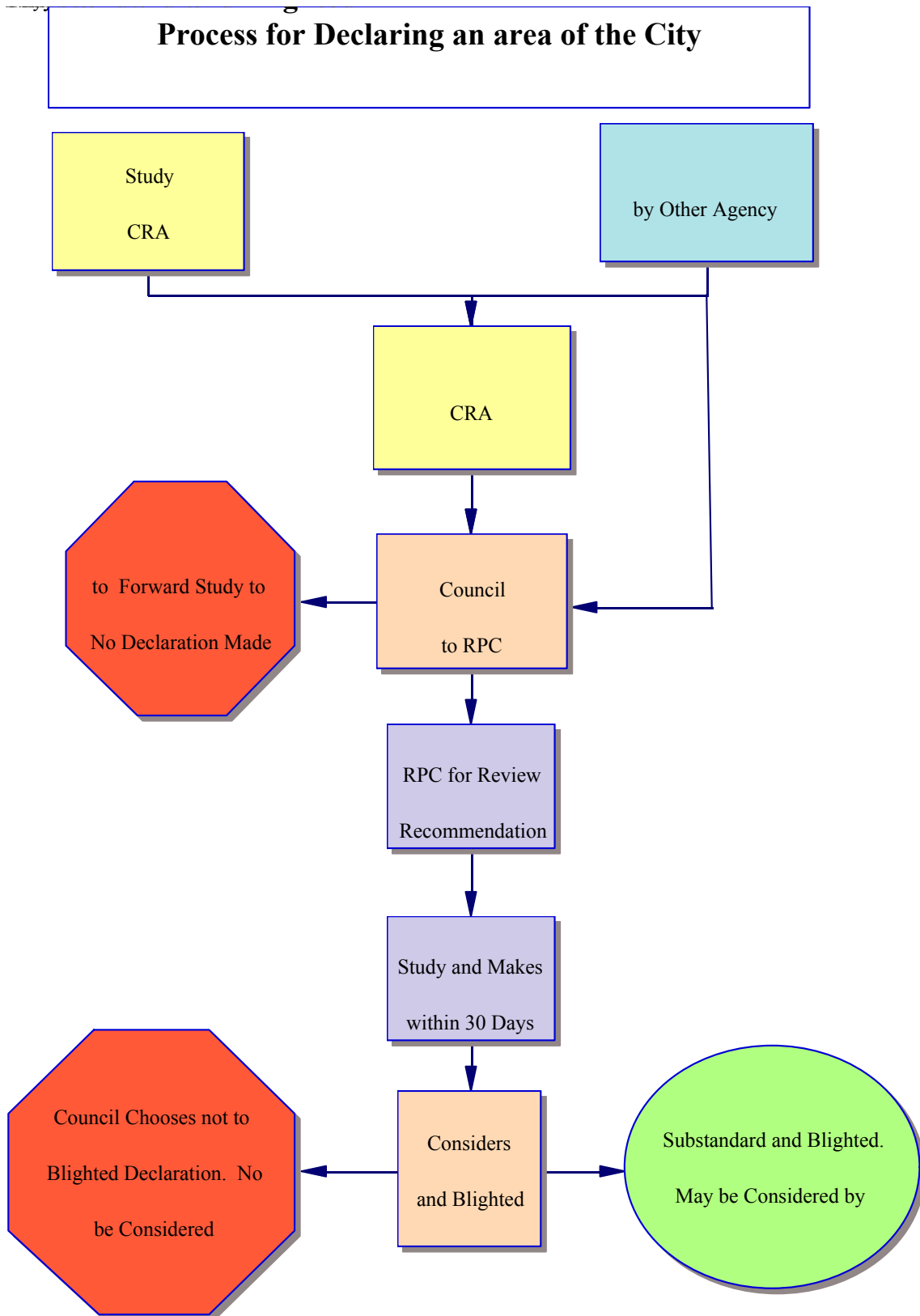


Figure 2 Blight Declaration Process (Planning Commission Recommendation is the second purple box).

Substandard and Blighted Declaration vs. Redevelopment Plan



- **Substandard and Blighted Declaration**
 - A Study of the Existing Conditions of the Property in Question
 - Does the property meet one or more Statutory Conditions of Blight?
 - Does the Property meet one or more Statutory Conditions of Substandard Property?
 - Is the declaration in the best interest of the City?
- **Redevelopment Plan**
 - What kinds of activities and improvements are necessary to alleviate the conditions that make the property blighted and substandard?
 - How should those activities and improvements be paid for?
 - Will those activities and improvements further the implementation of the general plan for the City?

Figure 3 Blight and Substandard Declaration compared to a Redevelopment Plan

It is appropriate for the Council in conducting its review and considering its decision regarding the substandard and blighted designation to:

1. review the study,
2. take testimony from interested parties,
3. review the recommendation and findings of fact identified by the Planning Commission (Planning Commission did not identify any findings with their motion so none are available.)
4. make findings of fact, and
5. include those findings of fact as part of its motion to approve or deny the request to declare this area blighted and substandard. Council can make any findings they choose regarding the study and the information presented during the public hearing to support the decision of the Council members regarding this matter.

Blighted and Substandard Defined

The terms blighted and substandard have very specific meanings within the context of the Community Redevelopment Statutes. Those terms as defined by Statute are included below:

Section 18-2103

Terms, defined.

For purposes of the Community Development Law, unless the context otherwise requires:

(10) ***Substandard areas*** shall mean an area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, (which cannot be remedied through construction of prisons), and is detrimental to the public health, safety, morals, or welfare;

(11) ***Blighted area*** shall mean an area, which (a) by reason of the presence of a substantial number of deteriorated or deteriorating structures, existence of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility, or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially

impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use and (b) in which there is at least one of the following conditions: (i) Unemployment in the designated area is at least one hundred twenty percent of the state or national average; (ii) the average age of the residential or commercial units in the area is at least forty years; (iii) more than half of the plotted and subdivided property in an area is unimproved land that has been within the city for forty years and has remained unimproved during that time; (iv) the per capita income of the area is lower than the average per capita income of the city or village in which the area is designated; or (v) the area has had either stable or decreasing population based on the last two decennial censuses. In no event shall a city of the metropolitan, primary, or first class designate more than thirty-five percent of the city as blighted, a city of the second class shall not designate an area larger than fifty percent of the city as blighted, and a village shall not designate an area larger than one hundred percent of the village as blighted;

~Reissue Revised Statutes of Nebraska

ANALYSIS-Blight and Substandard Study

The following findings are copied directly from the Study. The analysis of the substandard and blighted factors is conducted on pages 5 to 16 of the study.

FINDINGS FOR GRAND ISLAND

Study Area 18 has several items contributing to the Blight and Substandard Conditions. These conditions include:

Blighting Summary

These conditions are contributing to the blighted conditions of the study area.

- **Average age of structures is over 40 years of age**
 - Within the Study Area 54.9% of the structures meet the criteria of 40 years of age or older.
- **Substantial number of deteriorating structures**
 - Within the study area 68.75% of the structures were deemed to be in a deteriorated state or worse.
- **Deterioration of site or other improvements**
 - There are no sidewalks located along the public streets in the area.
 - The area is considerably flat and standing water is a concern.
 - Within the study area, curb and gutter existing on 100% of the right-of-way and it has been determined to be in a deteriorating state.
 - In addition to a small percentage of curb and gutter, the remaining 58% has no curb and gutter to control stormwater runoff or to define the driving surface from other portions of the right-of-way.
 - Several properties within the study area have deteriorated or substandard site improvements including parking lots, fencing, etc.
- **Faulty Lot Layout**
 - Size of certain lots is an issue
 - Adequacy of some lots is a concern

- Accessibility to some lots could be a problem since these lots could become land locked in the future
- **Insanitary or Unsafe Conditions**
 - Lack of sidewalk in the Study Area
 - Stormwater catchment west of study area is a contributing factor
 - Unsecured materials storage
 - Standing water
 - Vacant property
- **Improper Subdivision or obsolete platting**
 - The layouts of lots in the study area are not conducive to directing quality development layouts as can be seen throughout the study area.
- **Diversity of Ownership**
 - Within the Study Area, 44 properties lots are owned by 26 different property owners.
- **Dangerous conditions to life or property due to fire or other causes**
 - The proximity of the stormwater catchment
 - Unsecured materials
 - Lack of sidewalk within the Study Area
 - Existence of two grain facilities
- **Combination of factors which are impairing and/or arresting sound growth**
 - US Highway 30
 - Old US Highway 30 and Webb Road
 - Union Pacific Railroad
- **Stable or decreasing population based on the last two decennial censuses**
 - The population of the Study Area has remained stable over the past 22 years.

The other criteria for Blight were not present in the area, these included:

- Defective/Inadequate street layouts,
- Tax or special assessment delinquency exceeding fair value of the land.
- Defective or unusual condition of title,
- Unemployment in the designated area is at least 120% of the state or national average.
- One-half of unimproved property is over 40 years old.
- The per capita income of the area is lower than the average per capita income of the city or village in which the area is designated.

These issues were either not present or were limited enough as to have little impact on the overall condition of the study area.

Substandard Summary

Nebraska State Statute requires that *“...an area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which, by reason of dilapidation, deterioration, **age** or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or **the existence of conditions which endanger life or property by fire and other causes**, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, (which cannot be remedied through construction of prisons), and is detrimental to the public health, safety, morals, or welfare;”*

This Study Area in Grand Island meets the definition of Substandard as defined in the Revised Nebraska State Statutes.

FINDINGS FOR GRAND ISLAND BLIGHT STUDY AREA #18

Blight Study Area #18 has several items contributing to the Blight and Substandard Conditions. These conditions include:

Blighted Conditions

- Average age of structures is over 40 years of age
- Substantial number of deteriorated or deteriorating structures
- Deterioration of site or other improvements
- Faulty Lot Layout
- Insanitary and Unsafe Conditions
- Improper Subdivision or Obsolete Platting
- Diversity of Ownership
- Combination of factors which are impairing and/or arresting sound growth
- Stable or decreasing population based on the last two decennial censuses

Substandard Conditions

- Average age of the structures in the area is at least forty years
- Dangerous conditions to life or property due to fire or other causes

Based on the study these areas meet the thresholds to qualify as blighted and substandard.

Tax increment financing would potentially be available for redevelopment projects on any of the property included in the study.

Recommendation

Staff recommends considering the following questions as a starting point in the analysis of this Study and in making a determination. The City Council is ultimately responsible for answering the question of whether the property included in the study is blighted and substandard **and** whether making such a designation is in the **best interest** of the City.

Recommend Questions for City Council

- Does this property meet the statutory requirements to be considered blighted and substandard? (See the prior statutory references.)
- Are the blighted and substandard factors distributed throughout the Redevelopment Area, so basically good areas are not arbitrarily found to be substandard and blighted simply because of proximity to areas which are substandard and blighted? Is development of adjacent property necessary to eliminate blighted and substandard conditions in the area?
- Is public intervention appropriate and/or necessary for the redevelopment of the area?
- Will a blight declaration increase the likelihood of development/redevelopment in the near future and is that in the best interest of the City?

- What is the policy of the City toward increasing development and redevelopment in this area of the City?

Findings of fact must be based on the study and testimony presented including all written material and staff reports. The recommendation must be based on the declaration, not based on any proposed uses of the site. All of the testimony, a copy of the study and this memo along with any other information presented at the hearing should be entered into the record of the hearing.

Planning Commission Recommendation

The Planning Commission held a Public Hearing on this proposal at their meeting on August 12, 2015. O'Neill opened the Public Hearing.

Nabity reviewed the Blight Study.

The blighted and substandard criteria included more than half of the buildings in the area being more than 40 years old and in deteriorating condition, a lack of sidewalks, challenging lot sizes brought out primarily because of the Union Pacific Railroad line that bisects the study area, a stagnant population, and lots of standing water and drainage problems.

It was the drainage problems and shallow utilities that the commission really focused on because they create challenges for any type of redevelopment or new development. The land is very flat with little to no outlet for storm water.

“There are some complications here that ... if there's any redevelopment done, it may take some additional engineering to do, which is another potential reason why this area could be looked at as being blighted and substandard,” said Keith Marvin of Marvin Planning Consultants.

Depue said his client has a redevelopment intent, but it can't be fully determined until a blighted and substandard designation is made.

Grand Island developer Ray O'Connor, a member of the Grow Grand Island strategic planning committee, spoke in favor of the blighted and substandard designation. “My concern is the entrance to the community,” O'Connor told the commission. “I don't think we've given much consideration to this area.”

While the city has developed the South Locust Street entrance and made improvements from the airport and along east Highway 30, little has been done along the west Highway 30 corridor, he said. “I want our community to look good and this would be another avenue ... to put together a real plan to enhance the appearance of Highway 30, old Highway 30, as we come in,” O'Connor said.

Ruge said he believed some type of public intervention was needed to help the beautification of the Highway 30 area. His motion to support the blighted and substandard designation passed, but generated a bigger discussion about the impact that improper drainage has on an area.

Commission Chairman Pat O'Neill has raised questions about a water retention cell near Nelson Furniture that has no outlet for storm water. Planning Director Chad Nabity said the furniture store currently owns that water retention cell, but the city will be taking it over in attempts to resolve more drainage issues in that area.

O'Neill closed the Public Hearing.

A motion was made by Ruge and seconded by Bredthauer to approve the proposed Blight Study Area 18. The motion carried with 7 members voting in favor (Bredthauer, Connick, O'Neill, Ruge, Maurer, Robb and Sears) and no member abstaining.

Alternatives

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

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

Sample Motion

If Council wishes to approve the designation of this property as blighted and substandard, an action required if Tax Increment Financing is to be used for the redevelopment of properties in this area, a motion should be made to approve the Substandard and Blight Designation for Redevelopment Area No. 18 in Grand Island, Hall County, Nebraska finding the information in the study to be factual and supporting such designation. A resolution authorizing the approval of this study has been prepared for Council consideration.



Grand Island, Nebraska
Blight and Substandard Study - Area 18
Completed on behalf of: Middleton Electric



PURPOSE OF THE BLIGHT AND SUBSTANDARD STUDY

The purpose of completing this Blight and Substandard study is to examine existing conditions within a specific part of Grand Island. This study has been commissioned by the Middleton Electric in order to analyze the possibility of declaring the area as blighted and substandard.

The City of Grand Island, when considering conditions of Blight and Substandard, will be looking at those issues and definitions provided for in the Nebraska Community Redevelopment Law as found in Chapter 18, Section 2104 of the Revised Nebraska State Statutes, as follows:

"The governing body of a city, to the greatest extent it deems to be feasible in carrying out the provisions of Sections 18-2101 to 18-2144, shall afford maximum opportunity, consistent with sound needs of the city as a whole, to the rehabilitation or redevelopment of the community redevelopment area by private enterprises. The governing body of a city shall give consideration to this objective in exercising its powers under sections 18-2101 to 18-2144, including the formulation of a workable program, the approval of community redevelopment plans consistent with the general plan for the development of the city, the exercise of its zoning powers, the enforcement of other laws, codes, and regulations relating to the use and occupancy of buildings and improvements, the disposition of any property acquired, and providing of necessary public improvements".

The Nebraska Revised Statutes §18-2105 continues by granting authority to the governing body for formulation of a workable program. The statute reads,

"The governing body of a city or an authority at its direction for the purposes of the Community Development Law may formulate for the entire municipality a workable program for utilizing appropriate private and public resources to eliminate or prevent the development or spread of urban blight, to encourage needed urban rehabilitation, to provide for the redevelopment of substandard and blighted areas, or to undertake such of the aforesaid activities or other feasible municipal activities as may be suitably employed to achieve the objectives of such workable program. Such workable program may include, without limitation, provision for the prevention of the spread of blight into areas of the municipality which are free from blight through diligent enforcement of housing, zoning, and occupancy controls and standards; the rehabilitation or conservation of substandard and blighted areas or portions thereof by replanning, removing congestion, providing parks, playgrounds, and other public improvements by encouraging voluntary rehabilitation and by compelling the repair and rehabilitation of deteriorated or deteriorating structures; and the clearance and redevelopment of substandard and blighted areas or portions thereof."

Blight and Substandard are defined as the following:

"Substandard areas means an area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, (which cannot be remedied through construction of prisons), and is detrimental to the public health, safety, morals, or welfare;"

"Blighted area means an area, which (a) by reason of the presence of a substantial number of deteriorated or deteriorating structures, existence of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility, or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or obsolete platting, or the existence of conditions which

endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use and (b) in which there is at least one of the following conditions: (i) Unemployment in the designated area is at least one hundred twenty percent of the state or national average; (ii) the average age of the residential or commercial units in the area is at least forty years; (iii) more than half of the platted and subdivided property in an area is unimproved land that has been within the city for forty years and has remained unimproved during that time; (iv) the per capita income of the area is lower than the average per capita income of the city or village in which the area is designated; or (v) the area has had either stable or decreasing population based on the last two decennial censuses. In no event shall a city of the metropolitan, primary, or first class designate more than thirty-five percent of the city as blighted, a city of the second class shall not designate an area larger than fifty percent of the city as blighted, and a shall not designate an area larger than one hundred percent of the as blighted;"

This Blight and Substandard Study is intended to give the Grand Island Community Redevelopment Authority, Hall County Regional Planning Commission and Grand Island City Council the basis for identifying and declaring Blighted and Substandard conditions existing within the City's jurisdiction. Through this process, the City and property owners will be attempting to address economic and/or social liabilities which are harmful to the well-being of the entire community.

The study area can be seen in Figure 1 of this report. The Redevelopment Plan portion of this report will contain, in accordance with the law, definite local objectives regarding appropriate land uses, improved traffic, public transportation, public utilities and other public improvements, and the proposed land uses and building requirements in the redevelopment area and shall include:

- The boundaries defining the blighted and substandard areas in question (including existing uses and conditions of the property within the area), and
- A list of the conditions present which qualify the area as blighted and substandard.

BLIGHT AND SUBSTANDARD ELIGIBILITY STUDY

This study targets a specific area within an established part of the community for evaluation. The area is indicated in Figure 1 of this report. The existing uses in this area include industrial, commercial, and public uses. The portion of the study containing the public uses contains the Hall County Highway Department Shop. This area represents an older industrial area within Grand Island.

Through the redevelopment process the City of Grand Island can guide future development and redevelopment throughout the area. The use of the Community Redevelopment Act by the City of Grand Island is intended to redevelop and improve the area. Using the Community Redevelopment Act, the City of Grand Island can assist in the elimination of negative conditions and implement different programs/projects identified for the City.

The following is the description of the designated area within Grand Island.

Study Area

POINT OF BEGINNING IS THE INTERSECTION OF THE CENTERLINES OF US HIGHWAY 30 AND S WEBB ROAD; THENCE EASTERLY ALONG SAID CENTERLINE OF US HIGHWAY 30 TO THE INTERSECTION WITH THE CENTERLINE OF N BLAINE STREET AND BEING THE COMMON POINT OF THE ELEVATED POINT ON US HIGHWAY 30; THENCE SOUTHERLY ALONG SAID CENTERLINE OF BLAINE STREET TO THE INTERESECTION WITH THE CENTERLINE OF W 2ND STREET; THENCE WESTERLY ALONG SAID CENTERLINE OF W 2ND STREET TO THE INTERSECTION WITH THE CENTERLINE OF S WEBB ROAD; THENCE NORTHERLY TO THE POINT OF BEGINNING.

Figure 1

City of Grand Island, Nebraska • June 2015

Page 2

Study Area Map



Source: Marvin Planning Consultants 2015

EXISTING LAND USES

The term “Land Use” refers to the developed uses in place within a building or on a specific parcel of land. The number and type of uses are constantly changing within a community, and produce a number of impacts either benefitting or detracting from the community. Because of this, the short and long-term success and sustainability of the community is directly contingent upon available resources utilized in the best manner given the constraints the City faces during the course of the planning period. Existing patterns of land use are often fixed in older communities and neighborhoods, while development in newer areas is often reflective of current development practices.

Existing Land Use Analysis within Study Area

As part of the planning process, a survey was conducted through both in-field observations, as well as data collection online using the Hall County Assessors website. This survey noted the use of each parcel of land within the study area. These data from the survey are analyzed in the following paragraphs.

Table 1 includes the existing land uses for the entire study area. The table contains the total acres determined per land use from the survey; next is the percentage of those areas compared to the total developed land; and finally, the third set of data compare the all land uses to the total area within the Study Area.

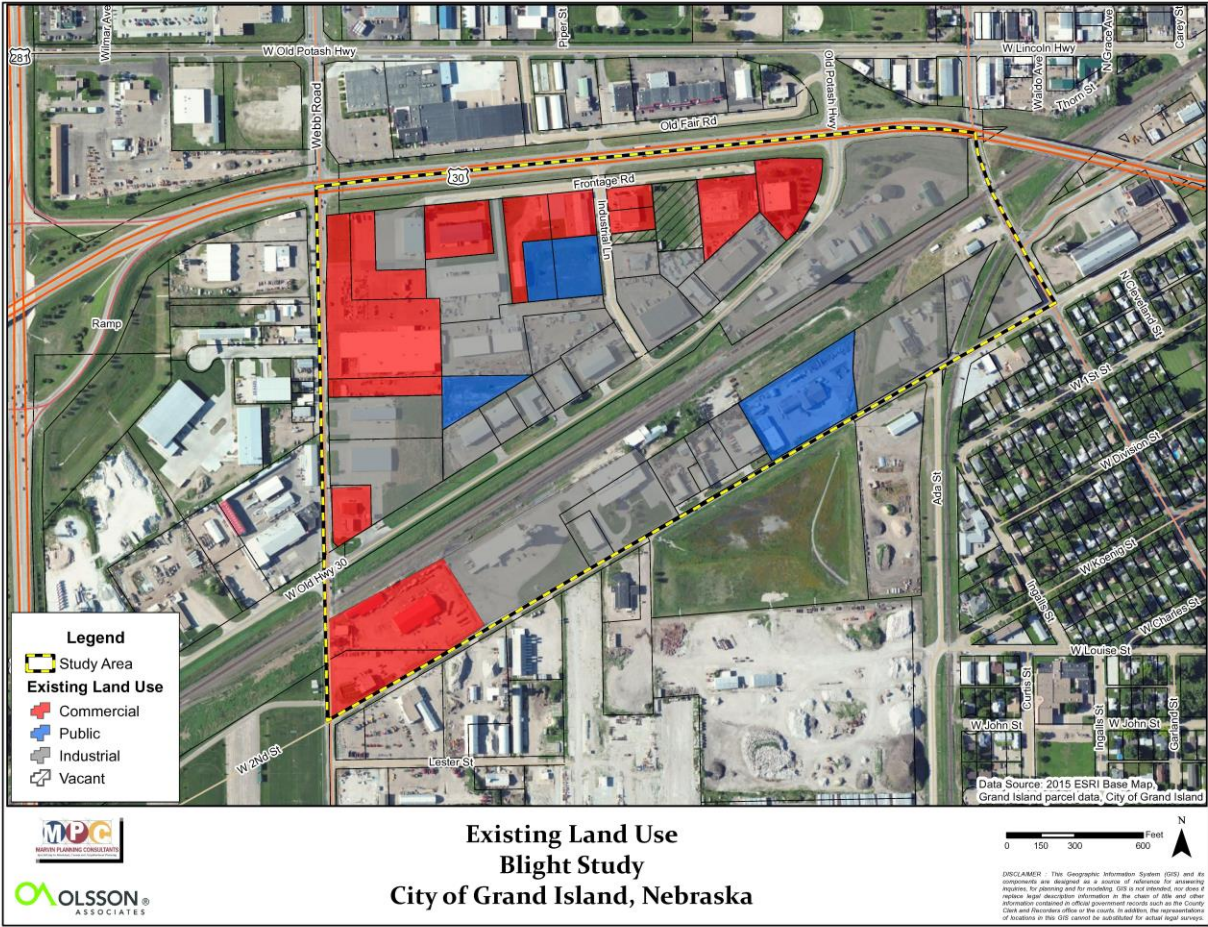
The Study Area is predominately industrial and commercial. Industrial ground makes up 41.3% of the developed area and 40.7% of the total study area. Commercial land made up 19.6% of the total study area. Transportation related uses are 33.0% of the developed area and 32.5% of the total study area; a large portion of the transportation land use is the Union Pacific Main Line.

TABLE 1: EXISTING LAND USE, GRAND ISLAND - 2015

Type of Use	Acres	Percent of Developed land within the Study Area	Percent of Study Area
Residential	0	0.0%	0.0%
Single-family	0	0.0%	0.0%
Multi-family	0	0.0%	0.0%
Manufactured Housing	0	0.0%	0.0%
Commercial	22.46	19.9%	19.6%
Industrial	46.64	41.3%	40.7%
Quasi-Public/Public	6.69	5.9%	5.8%
Parks/Recreation	0	0.0%	0.0%
Transportation	37.25	33.0%	32.5%
Total Developed Land	113.04	100.0%	
Vacant/Agriculture	1.61		1.4%
Total Area	114.65		100.0%

Source: 2015 Grand Island Blight Study Area 18, Marvin Planning Consultants

Figure 2
Existing Land Use Map



Source: Marvin Planning Consultants, 2015

FINDINGS OF BLIGHT AND SUBSTANDARD CONDITIONS ELIGIBILITY STUDY

This section of the study examines the conditions found in the study area. The Findings Section will review the conditions based upon the statutory definitions.

CONTRIBUTING FACTORS

There were a number of conditions examined and evaluated in the field and online. There are a number of conditions that will be reviewed in detail, on the following pages, while some of the statutory conditions are not present.

Age of Structure

Age of structures can be a contributing factor to the blighted and substandard conditions in an area. Statutes allow for a predominance of structures 40 years of age or older to be a contributing factor regardless of their condition. The following paragraphs document the structural age of the structures within the Study Area. Note the age of structure was determined from the Appraisal data within the Hall County Assessor's website data.

Within the study area there is a total of 51 primary structures. After researching the structural age on the Hall County Assessor's and Treasurer's websites, the following breakdown was determined:

- 28 (54.9%) units were determined to be 40 years of age or older
- 23 (45.1%) units were determined to be less than 40 years in age

The age of the structures would be a direct contributing factor.

Figure 3
Unit Age Map



Source: Marvin Planning Consultants, 2015

Structural Conditions

Structural conditions were evaluated, structures were either rated as: Very Good, Good, Average, or badly worn. The data and rating system comes from the Hall County Assessor's database and is the same database used to value properties in the area. The buildings located on railroad right-of-way and the Hall County Yard were evaluated by the planning team.

Based upon the data provided to the planning team, the following is the breakdown for structures in the study area:

- 5 (7.8%) structures rated as very good
- 15 (23.4%) structures rated as good
- 32 (50.0%) structures rated as average
- 12 (18.75%) structure rated as badly worn

Based upon these data, an assumption has been made that average condition and less would constitute less than desirable conditions due to age and conditions. It is common that the older a structure gets the more maintenance and upkeep are required in order to maintain a good or higher condition. Even an average structure will show some signs of deteriorating which in turn can become a dilapidated structure in the future if it is not addressed over time.

Due to the stated conditions found in the Hall County Assessor's data, the condition of the structure is a contributing factor.

Figure 4
Structural Conditions



Source: Marvin Planning Consultants, 2015

Deterioration of Site or Other Improvements

Sidewalk Conditions

Sidewalks, regardless of the area and uses within a community, should provide a safe means of movement for pedestrians. Sidewalks become increasingly more important along transportation routes considered to be arterials and highways. A sidewalk allows for pedestrian movement while keeping people off of heavily traveled streets.

The sidewalk conditions were analyzed in the Study Area. The sidewalks were rated on four categories; adequate, deteriorating, dilapidated, and missing completely.

Within the study area there is approximately 19,950 lineal feet of area where sidewalk could or should be located. After reviewing the conditions in the field, the following is how the sidewalk conditions breakdown within the study area:

- 180 (0.9%) lineal feet of adequate sidewalk
- 0 (0.0%) lineal feet of deteriorating sidewalk
- 19,750 (99.1%) lineal feet of no sidewalk.

There are almost no sidewalks present within the study area accessible to pedestrian traffic. Considering the uses along Webb Road, Old Highway 30, Blaine Street and 2nd Street there should be sidewalk in place. The only place sidewalk exists is in front of the car wash along the service road along US Highway 30.

In addition to the missing sidewalk indicated in Figure 5, there are other locations where sidewalk is missing, specifically along US Highways 30. These areas are included in the totals, but city and state policies are not to encourage walking and biking along major highways.

Curb and Gutter

Curb and Gutters have a number of direct and indirect roles in neighborhoods. Their primary functions is to be a barrier to collect and direct water to be drained away. On a secondary level, they can help define where the streets start and stop, and they act as a physical barrier between pedestrian and vehicular traffic.

Curb and gutter for the Study Area were examined similarly to sidewalks. The curb and gutter were graded as either adequate, deteriorating, dilapidated, or missing.

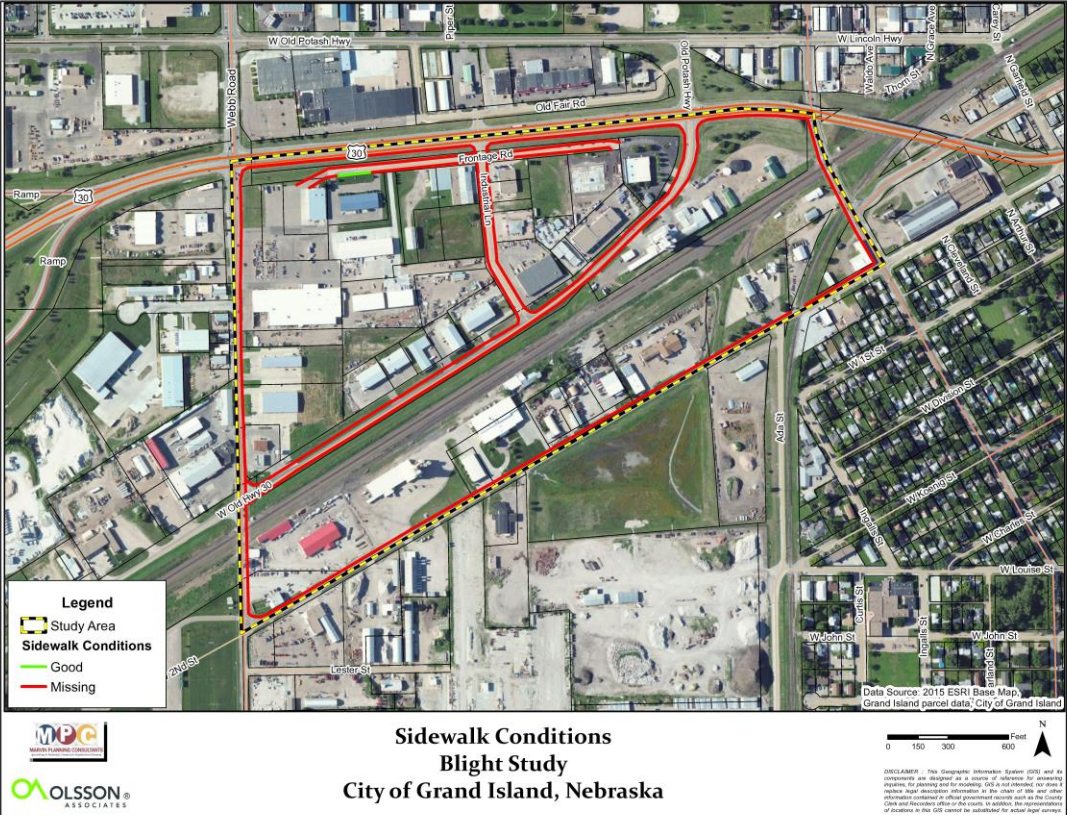
Within the study area there is approximately 19,950 lineal feet of curb and gutter possible. After reviewing the conditions in the field, the following is how the curb and gutter conditions breakdown within the corporate limits:

- 0 (0.0%) lineal feet of adequate curb and gutter
- 8,375 (42.0%) lineal feet of deteriorating curb and gutter
- 11,575 (58.0%) lineal feet of no curb and gutter or rural section.
- There was no curb and gutter deemed to be dilapidated.

In total, 100% of the curb and gutters are in either a deteriorating state or are missing. See Figure 6 for the locations of these curb and gutter. The area is designed for surface drainage as opposed to underground stormwater piping.

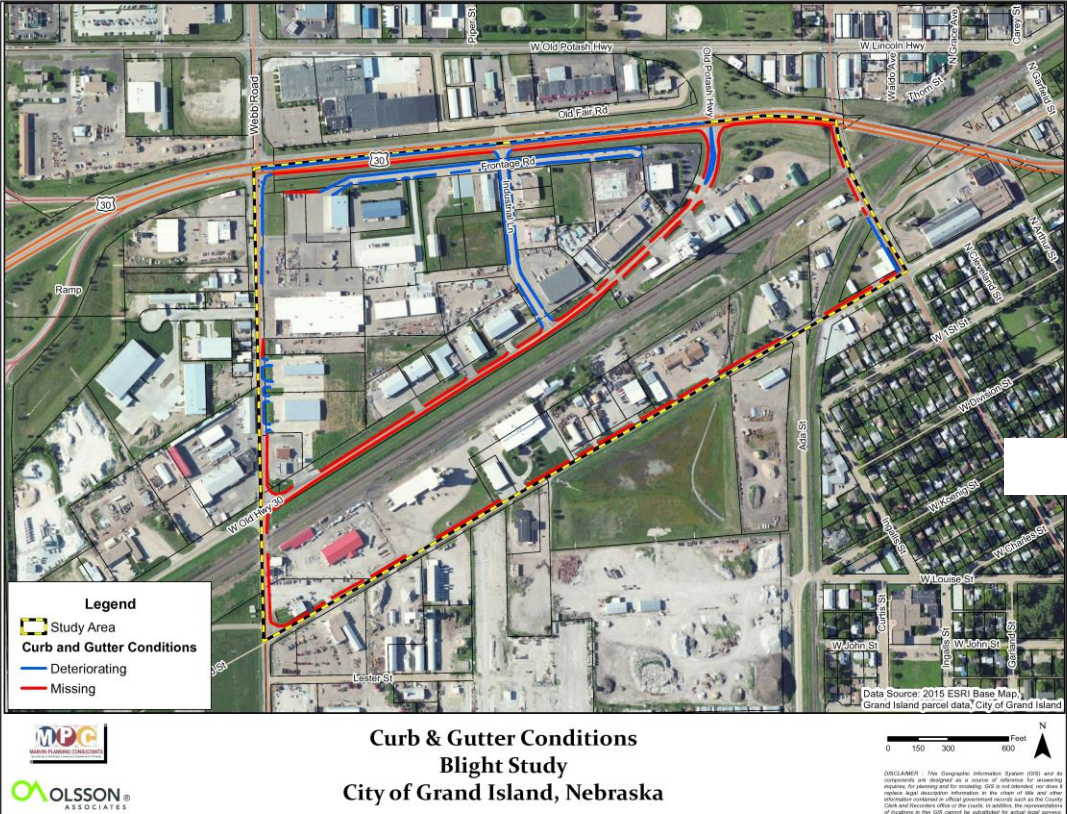
Due to the large amount of deteriorating and missing curb and gutter, the curb and gutter conditions would be a direct contributing factor.

Figure 5
Sidewalk Conditions



Source: Marvin Planning Consultants, 2014

Figure 6
Curb and Gutter Conditions



Drainage Conditions

Grand Island has a long history of drainage issues due to the extreme flatness of the area, as well as the high water table. Topography and soils can have a major impact on how a given portion of the city drains. The area designated in this Study Area is nearly flat or has an extremely small slope.

The field survey examined the entire area for potential drainage problems. One field survey was completed during and a day after a rain event. During both field visits there was standing water throughout the entire area. Water was standing in large potholes, in drainage ditches, along key drainage ways.

Another item of note deals with the actual number of stormwater inlets in the study area. There are a minimal number of stormwater inlets within the entire study area. All of the water, south of US Highway 30 has to surface drain or be absorbed into the soils. Within the study area there is a small stormwater catchment. In addition, along the southern edge of the study area there is a larger stormwater catchment. However, runoff in the study area must find a path along very flat topography to get to the catchments.

The primary way for stormwater runoff to reach the catchment is through a series of ditches along S. Webb Road, US Highway 30, 2nd Street and Old US Highway 30. This type of stormwater infrastructure typically works only when there is some topographic drop-off and the ditches remained mowed. In case of the ditches in the study area, the grass appeared to be longer than it should be to allow for water movement.

Figure 7 is an existing topographic map from the City of Grand Island's website. The map confirms the flatness of the area between US Highway 30 on the north and 2nd Street on the south. The most common contour identified on the map is the 1875 contour. There are actually only two other contours in this study area, one is 1880 along the centerline of S. Webb Road and the 1870 contour at the bottom of the small stormwater catchment.

Standing water from poor drainage can be a catalyst for health issues like West Nile due to the potential mosquito breeding during the summer months.

Drainage also can be tied directly to the, curb and gutter conditions.



Standing water during a recent rain event



Standing water during a recent rain event



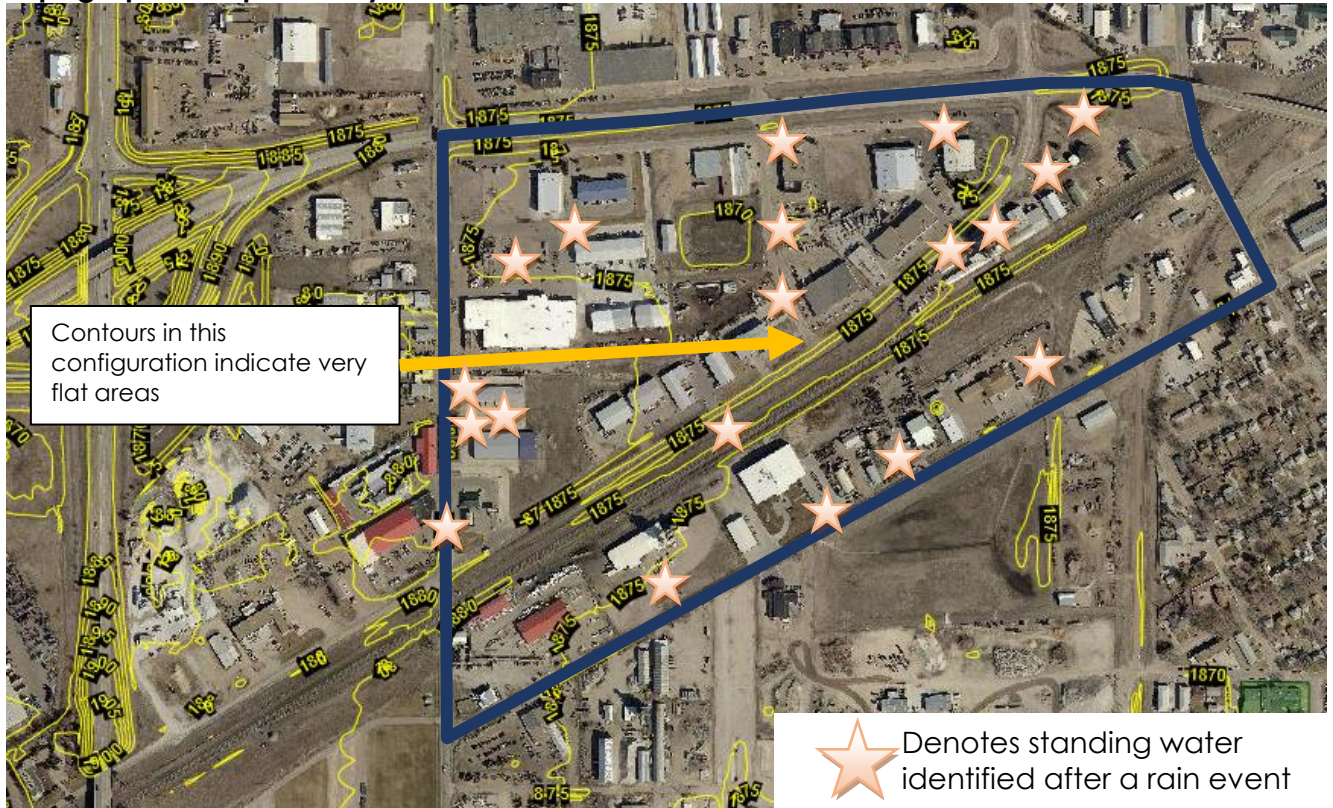
Standing water within one of the primary drainage routes



Standing water at property entrance along S. Webb Road

Figure 7

Topographic Map of Study Area



Source: City of Grand Island (topographic map) and Marvin Planning Consultants

Site Improvements Conditions

The different properties throughout the study area have less than average site improvements. A large portion of the properties have gravel/dirt drives and parking lots and in some cases they may have been concreted or asphalted in the past but it is difficult to determine due to the level of deterioration. Some properties have paved/improved parking areas and drives were found to be in a state of deterioration.

Figure 8 identifies the different properties in the study area that have deteriorating parking areas and drives, as well as those properties that have been hard surfaced and are showing signs of deteriorating and in need of repair/rehabilitation. Even though most of the land uses in this area are heavier commercial to industrial uses, the lack of hard surfacing or the deterioration of the existing hard surfacing has a major impact on the perception of the area as well as the value of the area.

Based upon the field analysis, there are sufficient elements present to meet the definition of deterioration of site and other improvements in the Study Area.

Figure 8

Site Improvement Conditions



Source: Marvin Planning Consultants 2015

Faulty Lot Layout

Faulty lot layout can lead to a number of issues including size of a lot, adequacy of the lot for the use, accessibility to the lot and/or the usefulness of the lot. There are a number of factors to examine within this particular study area.

Size of Lot

Throughout the study area there are lots that are too small for the use and buildings located on the site. These sites are spread around the Union Pacific Railroad corridor.

Figure 9 to the right identifies the lots in the study area deemed to be either too narrow, too shallow, or both (resulting in an overall small lot). Considering the current land use plan and zoning for this area, these lots have the potential to be undesirable or overcrowded with building in the future; in some cases these lots are already overcrowded.



Figure 9: Small Lot Sizes
Source: Marvin Planning Consultants

Adequacy of the Lots

Based upon the discussion regarding lot size and shape above, the lots in Figure 9 are not adequate for the type of land use and zoning designated for this area. Parking and deliveries opportunities are somewhat limited on these lots.

Some of the other lots appear to have fit their different structures onto the site with a shoe horn; movement on these sites are very tight considering larger pick-ups and semi-trailers are arriving and departing from the site.

Accessibility of the Lots

Accessibility of some lots in the study area currently does not appear to be an issue. However, there could be two very different issues arise in the future.

Several of the lots are currently tied to a business with direct access to major thoroughfares. However, if these lots were ever sold off, it would create a condition of land locked lots. Figure 10 above indicates those landlocked lots.



Figure 10: Accessibility
Source: Marvin Planning Consultants

Improper Subdivision or obsolete platting

Improper subdivision or obsolete platting is another blighting condition found in the study area. Figure 11 identifies a number of irregularly shaped lots throughout the area. If this area were to be platted under the current process, it is likely these lot configurations would not occur or be approved.



Figure 11: Improper Subdivision
Source: Marvin Planning Consultants

In addition, Figure 11 indicates an area along the south side of the Union Pacific Railroad corridor. This area is one large lot with multiple uses leasing ground from the railroad. Each of these uses should be contained on their own individual lots. Finally, this same condition occurs along the northside of the corridor where the Aurora COOP facility is located.

Insanitary or Unsafe Conditions

There are a number of factors tending to fall under this category. The study area was found to have several factors falling into insanitary and unsafe. The following will outline the conditions found.

Stormwater Catchment

The topography found in Grand Island creates the need for unique engineering solutions to catch, store, and release stormwater. Within the center of the study there is a stormwater catchment facility. This catchment could be considered an unsafe condition contributing to the potential blighted and substandard conditions of the area. This catchment is deep and is designed to handle a massive amount of water; however, the security measures have been compromised due to a damaged fence along Industrial Lane.



Damaged fence at stormwater catchment
Source: Marvin Planning Consultants

In addition, there is one additional stormwater catchment on the south side of W. 2nd Street. This catchment area is not in the study area but is adjacent to the area and is considered a contributing factor. The catchment along W. 2nd Street is much larger in size than the one within the study area.

Unsecured Areas

The field investigation of this study area identified two major areas where materials are stored and are not secure. One is the area to the west and north of Love Signs. Love Signs has several older signs and parts stored in an open area without any security fencing. Considering the sheet metal and other materials used for their product, these materials can be dangerous if someone were to wander into this area unauthorized.

The second area is north and east of the Love Signs location, an area according to the Hall County Assessors

site, operated as the Storage Warehouse. The facility has a considerable amount of materials stored outside. Portions of this area are protected by fencing materials but the entry to the site along Industrial Lane is open to the public through an uncontrolled access point. This provides access to the area and could create a dangerous condition.

Standing Water

As discussed in detail in the drainage section of this report, standing water can be an insanitary and unsafe condition due to the potential for this to be a breeding ground for mosquitoes and their ability to spread the West Nile virus.

Vacant Property

During the field analysis, an interesting observation was made. Along S. Webb Road, there are two newer strip style buildings, both of which appear to be predominately vacant. In addition the property (parking) around the facilities is in a stated of considerable disrepair. This is an interesting situation which is having an overall negative impact on the west edge of the study area.

Diversity of Ownership

After reviewing the information on the Hall County Assessor's website, the study area was found to have 18 different property owners. In order for future redevelopment to occur it may require some of these tracts to get into common ownership.

Based upon the fact that 26 different individuals, corporations, etc. own property in this area, it is determined that the high diversity of property ownership could easily be a barrier to redevelopment.

Existence of Conditions endangering life or property due to fire or other causes

Located within the study area there are factors present that are a danger to life or property due to fire or other causes. A number of these factors have been previously discussed in this report. These factors include:

- Unsecured materials
- The proximity of the unsecured stormwater catchment
- The Union Pacific Railroad corridor is unsecured and enables someone to walk along the tracks of one of busiest railroad corridors in the Unites States
- Standing water
- The existence of two grain facilities located in the heart of Grand Island's industrial corridor and in close proximity to the busiest commercial area in the community.



Unsecured materials
Source: Google Earth August 2013 aerial



Photograph from Old US Highway 30
Source: Marvin Planning Consultants



Second unsecured property
Source: Google Earth August 2013 aerial

Based upon the field analysis, there are sufficient elements present to meet the definition of dangerous conditions within the Study Area.

Combination of factors which are impairing and/or arresting sound growth

Within this small study area there are a number of factors that are impairing or arresting sound growth. A couple of these include:

- Even though the existence of US Highway 30 as well as Webb Road and Old US Highway 30 are traffic generators in what is considered a commercial and industrial corridor, these thoroughfares have a tendency to impair and arrest sound growth practices.
- The Union Pacific Railroad mainline lies directly in the middle of the study area and also impairs sound growth practices.

Based upon the review of the area, there are sufficient elements present to meet the definition of combination of factors which are impairing and/or arresting sound growth within the Study Area.

Stable or decreasing population based on the last two decennial censuses

Over the past 20 years the population within the study area has been stable. The population within the Study Area has been 0 residents for the past two decennial censuses. Therefore, it meets the criteria for a stable or decreasing population.

Blighting Summary

These conditions are contributing to the blighted conditions of the study area.

- **Average age of structures is over 40 years of age**
 - Within the Study Area 54.9% of the structures meet the criteria of 40 years of age or older.
- **Substantial number of deteriorating structures**
 - Within the study area 68.75% of the structures were deemed to be in a deteriorated state or worse.
- **Deterioration of site or other improvements**
 - There are no sidewalks located along the public streets in the area.
 - The area is considerably flat and standing water is a concern.
 - Within the study area, curb and gutter existing on 100% of the right-of-way and it has been determined to be in a deteriorating state.
 - In addition to a small percentage of curb and gutter, the remaining 58% has no curb and gutter to control stormwater runoff or to define the driving surface from other portions of the right-of-way.
 - Several properties within the study area have deteriorated or substandard site improvements including parking lots, fencing, etc.
- **Faulty Lot Layout**
 - Size of certain lots is an issue
 - Adequacy of some lots is a concern
 - Accessibility to some lots could be a problem since these lots could become land locked in the future
- **Insanitary or Unsafe Conditions**
 - Lack of sidewalk in the Study Area
 - Stormwater catchment west of study area is a contributing factor
 - Unsecured materials storage
 - Standing water
 - Vacant property
- **Improper Subdivision or obsolete platting**
 - The layout of lots in the study area are not conducive to directing quality development layouts as can be seen throughout the study area.
- **Diversity of Ownership**
 - Within the Study Area, 44 properties lots are owned by 26 different property owners.

- **Dangerous conditions to life or property due to fire or other causes**
 - The proximity of the stormwater catchment
 - Unsecured materials
 - Lack of sidewalk within the Study Area
 - Existence of two grain facilities

- **Combination of factors which are impairing and/or arresting sound growth**
 - US Highway 30
 - Old US Highway 30 and Webb Road
 - Union Pacific Railroad

- **Stable or decreasing population based on the last two decennial censuses**
 - The population of the Study Area has remained stable over the past 22 years.

The other criteria for Blight were not present in the area, these included:

- Defective/Inadequate street layouts,
- Tax or special assessment delinquency exceeding fair value of the land.
- Defective or unusual condition of title,
- Unemployment in the designated area is at least 120% of the state or national average.
- One-half of unimproved property is over 40 years old.
- The per capita income of the area is lower than the average per capita income of the city or village in which the area is designated.

These issues were either not present or were limited enough as to have little impact on the overall condition of the study area.

Substandard Conditions

Average age of the residential or commercial units in the area is at least 40 years

Age of structures can be a contributing factor to the blighted and substandard conditions in an area. Statutes allow for a predominance of units that are 40 years of age or older to be a contributing factor regardless of their condition. Note the age of structure was determined from the Appraisal data within the Hall County Assessor's website data.

Within the study area there is a total of 51 structures. After researching the structural age on the Hall County Assessor's and Treasurer's websites, the following breakdown was determined:

- 28 (54.9%) units were determined to be more than 40 years of age
- 23 (45.1%) units were determined to be less than 40 years of age

There is a predominance of units 40 years of age or older.

Existence of Conditions endangering life or property due to fire or other causes

Located within the study area there are factors present that are a danger to life or property due to fire or other causes. A number of these factors have been previously discussed in this report. These factors include:

- The proximity of the stormwater catchment
- Unsecured materials
- Lack of sidewalk within the Study Area
- Existence of two grain facilities

Based upon the field analysis, there are sufficient elements present to meet the definition of dangerous conditions within the Study Area.

Substandard Summary

Nebraska State Statute requires that "...an area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which, by reason of dilapidation, deterioration, **age** or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or **the existence of conditions which endanger life or property by fire and other causes**, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, (which cannot be remedied through construction of prisons), and is detrimental to the public health, safety, morals, or welfare;"

This Study Area in Grand Island meets the definition of Substandard as defined in the Revised Nebraska State Statutes.

FINDINGS FOR GRAND ISLAND BLIGHT STUDY AREA #18

Blight Study Area #18 has several items contributing to the Blight and Substandard Conditions. These conditions include:

Blighted Conditions

- **Average age of structures is over 40 years of age**
- **Substantial number of deteriorated or deteriorating structures**
- **Deterioration of site or other improvements**
- **Faulty Lot Layout**
- **Insanitary and Unsafe Conditions**
- **Improper Subdivision or Obsolete Platting**
- **Diversity of Ownership**
- **Combination of factors which are impairing and/or arresting sound growth**
- **Stable or decreasing population based on the last two decennial censuses**

Substandard Conditions

- Average age of the structures in the area is at least forty years
- Dangerous conditions to life or property due to fire or other causes



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item F-1

9552 - Consideration of Assessments for Westgate Drainage Improvements; District No. 2013-D-4

This item relates to the aforementioned Board of Equalization item D-1.

Staff Contact: John Collins, P.E. - Public Works Director

ORDINANCE NO. 9552

An ordinance assessing and levying a special tax to pay the cost of Westgate Drainage Improvements; District No. 2013-D-4 of the City of Grand Island, Nebraska; providing for the collection of such special tax; repealing any provisions of the Grand Island City Code, ordinances, and parts of ordinances in conflict herewith; and to provide 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. There is hereby assessed upon the following described lots, tracts and parcels of land specially benefited, for the purpose of paying the cost of Westgate Drainage Improvements; District No. 2013-D-4, as adjudged by the Mayor and Council of the City, to the extent of benefits thereto by reason of such improvement, after due notice having been given thereof as provided by law; and a special tax for such cost of construction is hereby levied at one time upon such lots, tracts and land as follows:

Parcel No.	Owner	Legal Description	Assessment by Frontage
400367823	Samuel H & Gaila J Prill	Lot 6, Westgate Fifth Subdivision	\$9,104.92
400367815	Bradley W Barrow Trustee MHEC Land Trust VI	Lot 1, Westgate Seventh Subdivision	\$21,091.14
400367807	GStar Investments, LLC	Lot 4, Westgate Fifth Subdivision	\$9,104.92
400367793	GStar Investments, LLC	Lot 3, Westgate Fifth Subdivision	\$9,104.92
400367785	John P & Lisa L Webb	Lot 2, Westgate Fifth Subdivision	\$11,870.97
400375354	Harry L Lilienthal	Lot 2, Westgate Sixth Subdivision	\$11,870.97
400367777	Quad Endeavors, LLC	Lot 1, Westgate Fifth Subdivision	\$11,870.97
400375362 & 400375370	Husker Storage, LLC	Lot 3 & 4, Westgate Sixth Subdivision	\$23,741.94
400166887	Highland Park Lawn Company	Lot 2, Westgate Third Subdivision	\$11,870.97

Approved as to Form August 21, 2015	by _____ City Attorney
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ORDINANCE NO. 9552 (Cont.)

400166852	Twin Valley Investments, LTD	Lot 26, Westgate Subdivision & Lot 1 Westgate Third Subdivision	\$23,857.16
400166755	Harry L & Wanda R Lilienthal	Lot 18, Westgate Subdivision	\$11,870.97
400166763	Husker Storage, LLC	Lot 1, Westgate Tenth Subdivision	\$13,484.50
400166844	Robert D & Patricia J Hancock	Lot 25, Westgate Subdivision	\$11,870.97

Assessment Total = \$180,715.32

SECTION 2. The special tax shall become delinquent as follows: One-tenth of the total amount shall become delinquent in ten days; one-tenth in one year; one-tenth in two years; one-tenth in three years; one-tenth in four years; one-tenth in five years; one-tenth in six years; one-tenth in seven years; one-tenth in eight years; one-tenth in nine years respectively, after the date of such levy; provided, however, the entire amount so assessed and levied against any lot, tract or parcel of land may be paid within ten days from the date of this levy without interest, and the lien of special tax thereby satisfied and released. Each of said installments, except the first, shall draw interest at the rate of not exceeding seven percent (7.0%) per annum from the time of such levy until they shall become delinquent. After the same become delinquent, interest at the rate of three-fourths of one percent per month shall be paid thereon as in the case of other special taxes, until the same is collected and paid.

SECTION 3. The treasurer of the City of Grand Island, Nebraska is hereby directed to collect the amount of said taxes herein set forth as provided by law.

SECTION 5. Any provision of the Grand Island City Code and any provision of any ordinance, or part of ordinance, in conflict herewith is hereby repealed.

SECTION 6. 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: August 25, 2015

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item G-1

Approving Minutes of August 11, 2015 City Council Regular Meeting

Staff Contact: RaNae Edwards

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL REGULAR MEETING
August 11, 2015

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 August 11, 2015. Notice of the meeting was given in *The Grand Island Independent* on August 6, 2015.

Mayor Jeremy L. Jensen called the meeting to order at 7:00 p.m. The following City Council members were present: Mitch Nickerson, Mark Stelk, Jeremy Jones, Chuck Haase, Julie Hehnke, Linna Dee Donaldson, Michelle Fitzke, Vaughn Minton, Roger Steele, and Mike Paulick. The following City Officials were present: City Administrator Marlan Ferguson, City Clerk RaNae Edwards, Interim Finance Director William Clingman, City Attorney Robert Sivick, and Public Works Director John Collins.

Mayor Jensen introduced Community Youth Council member Carolyn Thayer.

INVOCATION was given by Pastor Carl Eliason, Peace Lutheran Church, 1710 N. North Road followed by the PLEDGE OF ALLEGIANCE.

BOARD OF EQUALIZATION: Motion by Donaldson, second by Hehnke to adjourn to the Board of Equalization. Motion adopted.

#2015-BE-3 - Consideration of Determining Benefits and Levy Special Assessments for Westgate Road Paving District No. 1261; North Road to Copper Road. Public Works Director John Collins reported that all work had been completed and special assessments had been calculated for the improvements. The total assessable amount was \$628,454.25. Staff recommended approval.

Motion by Nickerson, second by Stelk to approve Resolution #2015-BE-3. Upon roll call vote, all voted aye. Motion adopted.

RETURN TO REGULAR SESSION: Motion by Donaldson, second by Hehnke to return to Regular Session. Motion adopted.

PUBLIC HEARINGS:

Public Hearing on Request from Bosselman Pump & Pantry, Inc. dba, Pump & Pantry #8, 2028 No. Broadwell Avenue for a Class "D" Liquor License. City Clerk RaNae Edwards reported that an application for a Class "D" Liquor License had been received from Bosselman Pump & Pantry, Inc. dba Pump & Pantry #8, 2028 No. Broadwell Avenue. Ms. Edwards presented the following exhibits for the record: application submitted to the Liquor Control Commission and received by the City on July 23, 2015; notice to the general public of date, time, and place of hearing published on August 1, 2015; notice to the applicant of date, time, and place of hearing

mailed on July 23, 2015; along with Chapter 4 of the City Code. Staff recommended approval contingent upon final inspections. Brandi Bosselman, 963 Schimmer Drive spoke in support. No further public testimony was heard.

Public Hearing on Proposed Fiscal Year 2015-2016 City of Grand Island and Community Redevelopment Authority (CRA) Budgets. City Administrator Marlan Ferguson stated it was an honor to present the 2015-2016 Fiscal budget. Interim Finance Director William Clingman gave an overview of the 2015-2016 Budget. This public hearing would stay open until the September 8, 2015 City Council meeting at which time the Council will take action. Rob Czaplewski, 3004 West 10th Street; Alan Lepler, 604 So. Madison; and Ed Meedel, 4258 Augusta Parkway spoke in support of the Library FTE. No further public testimony was heard.

Public Hearing on Acquisition of Utility Easements Located at 602 West Stolley Park Road (Grand Island Public Schools). Public Works Director John Collins reported that acquisition of a utility easement located at 602 West Stolley Park Road was needed in order to allow for the construction, operation, maintenance, extension, repair, replacement, and removal of public utilities within the easement for the addition at Barr Junior High School. Staff recommended approval. No public testimony was heard.

RESOLUTION:

#2015-217 - Consideration of Approving Proposed FTEs for the 2015-2016 Budget. Interim Finance Director William Clingman reported that on July 21, 2015 the proposed full time equivalent (FTE) position changes for the 2015-2016 Budget were presented to Council. The requested FTEs create a net increase of 11.8944 in allocated FTEs and an estimated total cost increase of \$650,687 for the 2015-2016 proposed budget.

Motion by Nickerson, second by Paulick to postpone Resolution #2015-217 to the August 18, 2015 Special Budget Meeting. Upon roll call vote, all voted aye. Motion adopted.

ORDINANCES:

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

- #9548 - Consideration of Vacation of Utility Easements Located at 602 West Stolley Park Road (Grand Island Public Schools)
- #9549 - Consideration of Salary Ordinance
- #9550 - Consideration of Assessments for Westgate Road Paving District No. 1261; North Road to Copper Road
- #9551 - Consideration of Vacation of Utility Easement Located at 620 West State Street (Super Market Developers, Inc.)

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 this ordinance on second reading and then upon final passage and call for a roll call vote on each reading and then upon final passage.”

Councilmember Nickerson seconded the motion. Upon roll call vote, all voted aye. Motion adopted.

#9548 - Consideration of Vacation of Utility Easements Located at 602 West Stolley Park Road (Grand Island Public Schools)

Public Works Director John Collins reported that the developer/property owner, Grand Island Public Schools was requesting to vacate such dedicated utility easements within Grand Island School Addition Subdivision. There were no utilities currently within these easements that would be affected by the vacation.

Motion by Paulick, second by Stelk to approve Ordinance #9548.

City Clerk: Ordinance #9548 on first reading. All those in favor of the passage of this ordinance on first reading, answer roll call vote. Upon roll call vote, all voted aye. Motion adopted.

City Clerk: Ordinance #9548 on second and final reading. All those in favor of the passage of this ordinance on second and final reading, answer roll call vote. Upon roll call vote, all voted aye. Motion adopted.

Mayor Jensen: By reason of the roll call votes on first reading and then upon second and final readings, Ordinance #9548 is declared to be lawfully adopted upon publication as required by law.

#9549 - Consideration of Salary Ordinance

Human Resources Director Aaron Schmidt reported that a Salary Ordinance was presented each year as a part of the budget process. The following information showed the average increases for each respective group:

- AFSCME Labor Agreement will increase on average by 8.47%
- FOP Labor Agreement will increase on an average by 2.5%
- IAFF Labor Agreement will increase on an average by 3.4%
- IBEW Finance Labor Agreement will increase on an average by 3.92%
- IBEW Service/Clerical Labor Agreement will increase on an average by 3.84%
- IBEW Utilities Labor Agreement will increase on an average by 3.26%
- IBEW WWT Labor Agreement will increase on an average by 3.53%
- Non-Union will increase on an average by 5.03%

City Attorney Robert Sivick answered questions concerning the FTE positions in the salary ordinance that had not been approved by Council. He stated this was not a problem and would be in place if the positions were filled.

Motion by Paulick, second by Minton to approve Ordinance #9549.

City Clerk: Ordinance #9549 on first reading. All those in favor of the passage of this ordinance on first reading, answer roll call vote. Upon roll call vote, all voted aye. Motion adopted.

City Clerk: Ordinance #9549 on second and final reading. All those in favor of the passage of this ordinance on second and final reading, answer roll call vote. Upon roll call vote, all voted aye. Motion adopted.

Mayor Jensen: By reason of the roll call votes on first reading and then upon second and final readings, Ordinance #9549 is declared to be lawfully adopted upon publication as required by law.

#9550 - Consideration of Assessments for Westgate Road Paving District No. 1261; North Road to Copper Road

This item related to the aforementioned Board of Equalization.

Motion by Haase, second by Minton to approve Ordinance #9550.

City Clerk: Ordinance #9550 on first reading. All those in favor of the passage of this ordinance on first reading, answer roll call vote. Upon roll call vote, all voted aye. Motion adopted.

City Clerk: Ordinance #9550 on second and final reading. All those in favor of the passage of this ordinance on second and final reading, answer roll call vote. Upon roll call vote, all voted aye. Motion adopted.

Mayor Jensen: By reason of the roll call votes on first reading and then upon second and final readings, Ordinance #9550 is declared to be lawfully adopted upon publication as required by law.

#9551 - Consideration of Vacation of Utility Easement Located at 620 West State Street (Super Market Developers, Inc.)

Public Works Director John Collins reported that the developer/property owner, Super Market Developers, Inc., was requesting to vacate a utility easement located at 620 West State Street within Home Subdivision. There were no utilities currently within this easement that would be affected by the vacation.

Motion by Hehnke, second by Donaldson to approve Ordinance #9551.

City Clerk: Ordinance #9551 on first reading. All those in favor of the passage of this ordinance on first reading, answer roll call vote. Upon roll call vote, all voted aye. Motion adopted.

City Clerk: Ordinance #9551 on second and final reading. All those in favor of the passage of this ordinance on second and final reading, answer roll call vote. Upon roll call vote, all voted aye. Motion adopted.

Mayor Jensen: By reason of the roll call votes on first reading and then upon second and final readings, Ordinance #9551 is declared to be lawfully adopted upon publication as required by law.

CONSENT AGENDA: Motion by Stelk, second by Paulick to approve the Consent Agenda. Upon roll call vote, all voted aye. Motion adopted.

Approving Minutes of July 28, 2015 City Council Regular Meeting.

Approving Appointment of Bruce Swihart to the Fonner Park Business Improvement District 2013 Board.

Approving Re-Appointment of Doug Jensen to the Animal Advisory Board.

Approving Request of Fonner Park Exposition and Events Center, Inc. (Heartland Events Center) for Ratification of Nomination and Election of Board of Directors.

Approving Liquor Manager Designation for Samantha Minne, 109 East 9th Street for Fiesta Latina/Klub Lavish, 2815 South Locust Street.

#2015-205 - Approving Keno Satellite Location and Agreement for Whitey's, Inc. dba Whitey's Bar and Grill, 2118 North Webb Road.

#2015-206 - Approving Annual Agreement for Financial Software Licensing and Support with Tyler Technologies, Inc. in an Amount of \$152,137.65.

#2015-207 - Approving Annual Payment for Utility Billing Software Support with N. Harris Computer Corporation dba Advanced Utility Systems in an Amount of \$66,241.88.

#2015-208 - Approving Bid Award for Liquid Ortho-Polyphosphate for Corrosion Control - Utilities Department with Carus Phosphates, Inc., of Peru, Illinois, for a not to exceed price of \$18.320 per million gallons of water treated, in an Annual Amount Estimated at \$82,440.00.

#2015-209 - Approving Continuation of Water Main District 468 - Stauss Road.

#2015-210 - Approving Mutual Access (Easement) Agreement for Parkview I Well Area.

#2015-211 - Approving Declaration of Emergency Repair for Water Main at S. Eddy Street & Fonner Park Road.

#2015-212 - Approving Acquisition of Utility Easement Located at 602 West Stolley Park Road (Grand Island Public Schools).

#2015-213 - Approving Change Order No. 1 for South Blaine Street Bridge Replacements; Project No. 2014-B-1 with The Diamond Engineering Co. of Grand Island, NE for an Increase of \$40,994.72 and a Revised Contract Amount of \$425,978.67.

#2015-214 - Approving Change Order No. 4 for North Interceptor Phase II; Project No. 2013-S-4 with S.J. Louis Construction, Inc. of Rockville, MN for a Decrease of \$40,651.39 and a Revised Contract Amount of \$21,285,423.51.

#2015-215 - Approving Bid Award for Community Development Block Grant Handicap Ramps 4th to 5th Streets; Sycamore Street to Eddy Street; Project No. 2014-2G with Prairie Land Construction, Inc. of Loomis, NE in an Amount of \$447,335.60.

RESOLUTIONS:

#2015-216 - Consideration of Request from Bosselman Pump & Pantry, Inc. dba, Pump & Pantry #8, 2028 No. Broadwell Avenue for a Class "D" Liquor License and Liquor Manager Designation for Brian Fausch, 2009 West Highway 34. This item relates to the aforementioned Public Hearing.

Motion by Paulick, second by Hehnke to approve Resolution #2015-216. Upon roll call vote, all voted aye. Motion adopted.

#2015-218 - Consideration of Approving Health and Dental Benefits. Human Resources Director Aaron Schmid reported that the new fiscal and plan years were set to begin on October 1, 2015 and it was customary to bring the health insurance renewal forward as well as funding requirements. The City budgeted \$8.817 million for fiscal year 2015/2016 for health and dental insurance expenses. The budgeted amount covered items such as payment of claims, administrative fees, and HSA contributions.

The contract with Blue Cross and Blue Shield of Nebraska (BCBSNE) specified administrative fees of \$30.00 per employee per month. Individual stop loss coverage would cost \$114.98 per employee per month and the aggregate stop loss coverage would cost \$5.64 per employee per month. The contract with Strong Financial would cost \$1,654 per month. COBRA administration would be handled by Discovery Benefits, Inc. (DBI). The cost for COBRA administration would be \$0.70 per employee per month for the term of the contract. The fees associated with the wellness screenings would be \$67.45 per participant for the duration of the contract. Staff recommended approval.

Cal Strong representing Strong Financial Resources commented on the CHI St. Francis contract which was a 2 year contract. Discussion was held regarding the increase of 14% in the budget. Mr. Schmid stated it was a precaution. Explained was the high deductible benefit.

Motion by Haase, second by Jones to approve Resolution #2015-218. Upon roll call vote, all voted aye. Motion adopted.

PAYMENT OF CLAIMS:

Motion by Donaldson, second by Fitzke to approve the Claims for the period of July 29, 2015 through August 11, 2015, for a total amount of \$6,640,169.18. Unanimously approved.

SPECIAL ITEMS:

Discussion Concerning the Proposed Fiscal Year 2015-2016 City of Grand Island and Community Redevelopment Authority (CRA) Budgets. Regional Planning Director Chad Nabity presented the 2015-2016 CRA budget. Requested was property tax asking of \$732,050 with a proposed levy of \$0.026. Reviewed were the CRA budget highlights. Carry over projects were: Super 8 Façade; Life Safety Grant for Tower 217; and downtown residential grants for Labor Temple building.

Discussion was held regarding the façade projects. Mr. Nabity stated there was a 70% match from the business. Fire safety was limited to \$20,000 for a 2 bedroom apartment and \$15,000 for a 1 bedroom apartment. The owners had to complete the project before the funds were released. Discussion was held regarding the ending cash balance³. Comments were made about the good things going on in CRA.

ADJOURN TO EXECUTIVE SESSION: Motion by Donaldson, second by Nickerson to adjourn to Executive Session at 8:12 p.m. for the purpose of a strategy session with respect to Litigation which is Imminent as Evidenced by Communication or a Claim or Threat of Litigation to or by the Public Body. Unanimously approved.

RETURN TO REGULAR SESSION: Motion by Paulick, second by Hehnke to return to Regular Session at 8:30 p.m. Unanimously approved.

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

RaNae Edwards
City Clerk



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item G-2

Approving Minutes of August 17, 2015 City Council Budget Session

Staff Contact: RaNae Edwards

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL SPECIAL BUDGET MEETING

August 17, 2015

Pursuant to due call and notice thereof, a Special Budget 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 August 17, 2015. Notice of the meeting was given in the *Grand Island Independent* on August 12, 2015.

Mayor Jeremy L. Jensen called the meeting to order at 7:00 p.m. The following Councilmembers were present: Mitch Nickerson, Mark Stelk, Jeremy Jones, Chuck Haase, Julie Hehnke, Linna Dee Donaldson, Michelle Fitzke, Vaughn Minton, Roger Steele, and Mike Paulick. The following City Officials were present: City Administrator Marlan Ferguson, City Clerk RaNae Edwards, Interim Finance Director William Clingman, City Attorney Robert Sivick, and Public Works Director John Collins.

INVOCATION was given by Community Youth Council member Adan Redwine followed by the PLEDGE OF ALLEGIANCE.

Mayor Jensen commented on this being his first budget for the City of Grand Island. He stated when he ran for office he vowed transparency and what was best for the City of Grand Island. He wanted us to look long-term towards 2020 with regards to the finances of the City. By 2018 the expenses would exceed the revenue and by 2020 the City would have no cash.

SPECIAL ITEMS:

Discussion of 2016 CIP (400) Fund Budget and Beyond. Interim Finance Director William Clingman reviewed the 2016 Capital Improvement (400) Fund Budget. The forecasted ending cash balances would dwindle by 2017.

Jason Probasco, 3120 West 17th Street representing the Northwest Little League Baseball and Softball Association thanked the City for the sidewalk/trail installed at the George Park ballfield. The following future projects plans for George Park were mentioned: agrilime for the ball fields, bathroom renovation, parking lot stripping, playground equipment, and splash pad.

Discussion was held regarding projects that could be moved to a later date. Public Works Director John Collins presented several scenarios and projects that were committed. These projects were those that had already been contracted and those with the NE Department of Roads (NDOR) funding which were matched by the City. Level of service that was desired would indicate what could be saved in this budget. Mentioned was setting aside money for projects in the future. Reviewed were the projects and funding sources for those.

Comments were made regarding what the gas tax and keno funds could be used for. Councilmember Paulick recommended Administration look into increasing the sales tax by 1/2 cent. City Administrator Marlan Ferguson stated they were looking at this and that there were restrictions which were defined for infrastructure. Mayor Jensen commented that a property tax increase should be the last resort.

Discussion of General Fund 5 Year Projection, 2016-2020. Mr. Clingman gave a presentation of what the budget would look like with and without the additional 1/2 cent sales tax, keno, and food and beverage tax. The continuation of the food and beverage tax was critical to the City for short term to pay the State Fair local match in the amount of \$400,000. For the long term we would need to look for new revenue or decreased spending.

Mr. Clingman stated there was money in the General Fund that didn't get moved in 2014 to the Capital Fund which made a difference in the cash balance. Also money budgeted from the NDOR that was not received. It was recommended that a small group of Councilmembers meet with Administration to look at each fund.

Councilmember Haase stated we needed to look at the revenue that was consistent (which would go towards salaries) and then at what we could afford.

Discussion was held on the growth of the sales tax per year (at around 3%) but the expenses increased by more than 5 1/2% due to personnel costs. Comments were made that in order to cut expenses there would need to be a cut in services and where those cuts should be made.

2016 Budget - General Fund Department Review and Discussion. Mr. Clingman stated the General Fund discussion tonight would cover Public Safety which included Building Inspection, Fire, EMS, Police and Emergency Management.

Fire Chief Cory Schmidt answered questions concerning the need for a new Quint ladder truck in the amount of \$750,000. Explained was the need for new equipment due to the Yancy, three story apartment buildings, additional nursing/skilled care homes, etc. Comments were made regarding an equipment replacement plan.

Mr. Collins stated he would answer questions regarding a 24% increase in streets & transportation line item at tomorrow night's meeting.

Councilmember Haase complimented the Police Department on keeping their budget down and their vehicle rotation plan.

Emergency Management Director Jon Rosenlund commented on personnel needs with regards to the number of calls received. One additional employee was requested for the swing shift. Capital request was down from last year due to the replacement of outdoor warning sirens being lower than last year. Mr. Rosenlund stated the wireless and land line revenue was coming in flat. Mentioned was the backup 911 location at Broadwell Avenue in case of a disaster. Discussion was held regarding Federal Grants. He stated he was budgeting about \$583,000 from the County and the same amount from the City.

Mayor Jensen thanked Mr. Clingman for the job he has done on this budget.

ADJOURNMENT: The meeting was adjourned at 8:43 p.m.

RaNae Edwards
City Clerk



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item G-3

Approving Minutes of August 18, 2015 City Council Budget Session

Staff Contact: RaNae Edwards

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL SPECIAL BUDGET MEETING

August 18, 2015

Pursuant to due call and notice thereof, a Special Budget 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 August 18, 2015. Notice of the meeting was given in the *Grand Island Independent* on August 12, 2015.

Mayor Jeremy L. Jensen called the meeting to order at 7:00 p.m. The following Councilmembers were present: Mitch Nickerson, Mark Stelk, Chuck Haase, Julie Hehnke, Linna Dee Donaldson, Michelle Fitzke, Vaughn Minton, Roger Steele, and Mike Paulick. Councilmember Jeremy Jones was absent. The following City Officials were present: City Administrator Marlan Ferguson, City Clerk RaNae Edwards, Interim Finance Director William Clingman, City Attorney Robert Sivick, and Public Works Director John Collins.

INVOCATION was given by Community Youth Council member Sarah Salman followed by the PLEDGE OF ALLEGIANCE.

SPECIAL ITEMS:

2016 Budget - General Fund Department Review and Discussion, continued. City Administrator Marlan Ferguson stated we would start off with the Planning Department followed by Library, Public Works – Engineering, Street and Transportation, and General Government: Administration, Clerk, Public Information, HR, and Legal. That would be followed by the FTE discussion and decision.

Regional Planning Director Chad Naby stated the Planning Department budget was similar to last year except for the increase in personnel costs. An additional item budgeted was for a printer plotter. Mr. Naby answered questions regarding the large printer plotter. This had been budgeted last year but was not needed so they did not buy it. He recommended that this be bought by the City and not split with the County. This printer would be on the network and would make the second printer of its size in the building. Reviewed was the Community Development budget which was the same as last year. They would maintain two positions of which only one was filled at this time.

Library Director Steve Fosselman commented on the Library budget. Work had been done on the 2020 plan for the Library to be opened more hours per week. Additional cost in the budget was for staffing 9 more hours a week. Requested was to restore the position of an Assistant Director. Discussion was held regarding the request for additional FTEs and expanded hours at the Library. Duties of the Assistant Director were discussed. Mr. Fosselman commented on the county funding for the Bookmobile and the loss of employees when that program was eliminated. Explained were the Pioneer Consortium Fund, in which the Grand Island Library was the fiscal agent of several other libraries within the state, and the Library Trust Fund.

Interim Finance Director William Clingman explained the request of FTEs. Two current part-time positions would be moved to full-time. A net gain of FTEs would be 2.4444. Mr. Fosselman commented on the different programs offered at the library and compared our library to other libraries similar in size. He explained the planned programs for the next five years. Mentioned were the 275 volunteers which amounted to about 1.75 FTE.

Public Works Director John Collins gave highlights of the Engineering budget. Streets and Transportation budget was reviewed with additional monies to be added for traffic signals and personnel costs. Discussion was held regarding the two additional positions requested in the Street Department. Public Works Street Superintendent Shannon Callahan stated the current maintenance workers would probably be the most qualified to fill the FTE positions requested. Capital funds were discussed regarding lease purchase agreements.

Human Resources Director Aaron Schmid answered questions concerning insurance costs and if they could be reduced. He stated it could be trimmed a bit, but it was a guessing game not knowing how claims would come in. Comments were made regarding consolidating funds into the General Fund.

#2015-217 - Consideration of Approving Proposed FTEs for the 2015-2016 Budget. Comments were made by Council in favor and in opposition of making a decision at this time in the budget process of \$650,687.00 for the requested FTEs. Mentioned was sustainability of these costs in the future.

Motion by Paulick, second by Hehnke to approve Resolution #2015-217.

Discussion was held regarding postponing this item until further in the budget process.

Motion by Nickerson, second by Haase to postpone this item until August 24, 2015. Upon roll call vote, Councilmembers Paulick, Steele, Fitzke, Hahnke, Haase, Stelk, and Nickerson voted aye. Councilmember Minton voted no. Motion adopted.

ADJOURNMENT: The meeting was adjourned at 8:46 p.m.

RaNae Edwards
City Clerk



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item G-4

Approving Appointment of Tammy Slater to the Fonner Park Business Improvement District 2013 Board

Mayor Jensen has submitted the appointment of Tammy Slater to the Fonner Park Business Improvement District 2013 Board to replace Kris Nolan Brown. The appointment would become effective October 3, 2015 upon approval by the City Council and would expire on September 30, 2016.

Staff Contact: Mayor Jeremy Jensen



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item G-5

#2015-219 - Approving Preliminary and Final Plat and Subdivision Agreement for Wildwood Business Park Subdivision

Staff Contact: Chad Nabity

Council Agenda Memo

From: Regional Planning Commission
Meeting: August 25, 2015
Subject: Wildwood Business Park Subdivision – Preliminary Plat
Presenter(s): Chad Nability, Regional Planning Director

Background

This property located north of Wildwood Drive and west of Blaine Street, in the 2 mile jurisdiction of the City of Grand Island, in Hall County, Nebraska, consisting of 276.02 acres and (39 Lots).

Discussion

The preliminary plat for Wildwood Business Park Subdivision was considered by the Regional Planning Commission at the August 12, 2015 meeting.

A motion was made by Bredthauer and seconded by Ruge to approve the plat as presented.

A roll call vote was taken and the motion passed with 7 members present and voting in favor (O'Neill, Ruge, Robb, Sears, Maurer, Bredthauer and Connick) and no members abstaining.

Alternatives

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

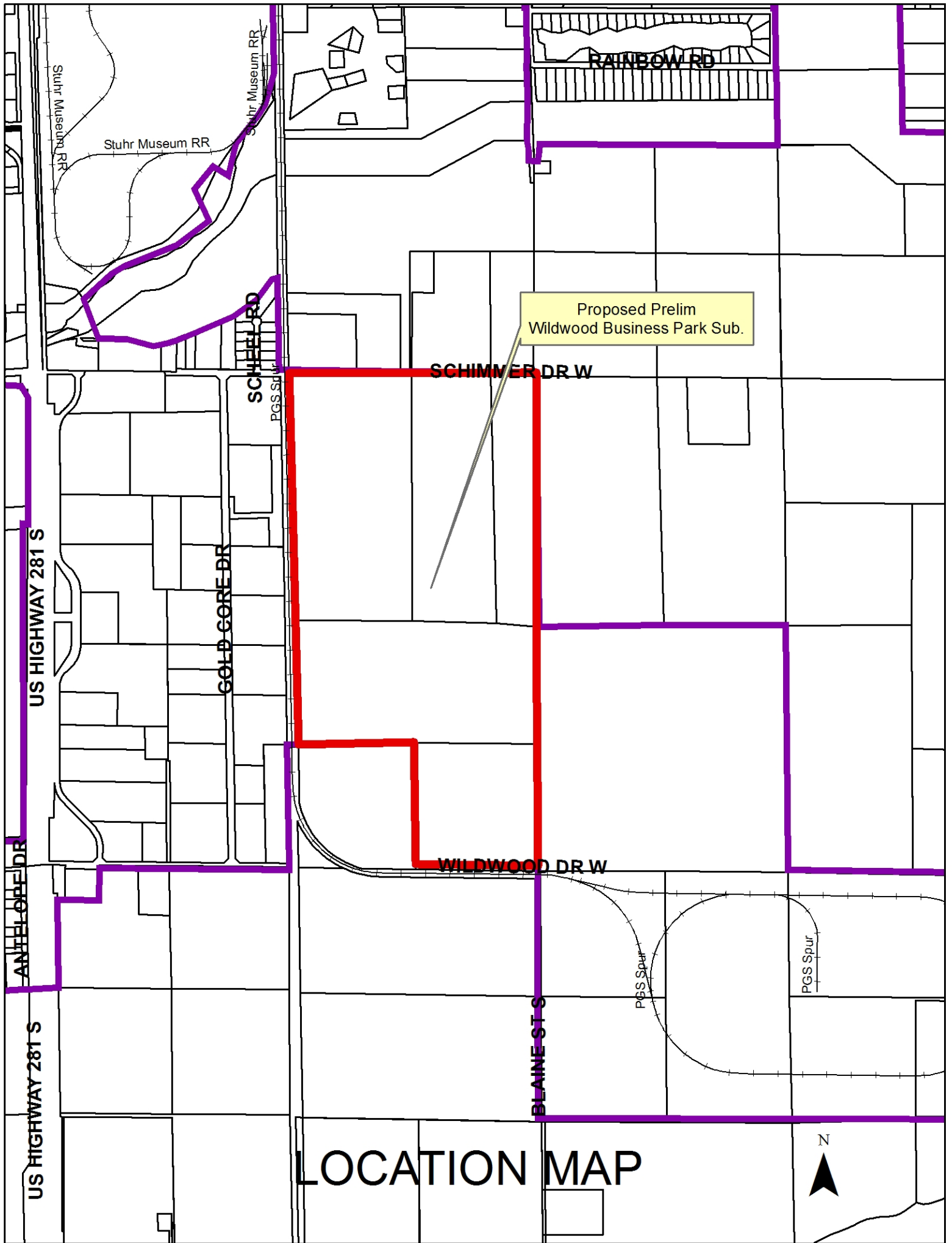
1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the final plat as presented.

Sample Motion

Move to approve as recommended.



**Grand Island Area Economic Development Corporation
Developers/Owners**

Grand Island Area Economic Development Corporation
123 N Locust St Suite 201
Grand Island NE 68801

To create 39 lots on a tract of land north of Wildwood Drive and west of Blaine Street, in the 2 mile jurisdiction of the City of Grand Island, in Hall County, Nebraska.

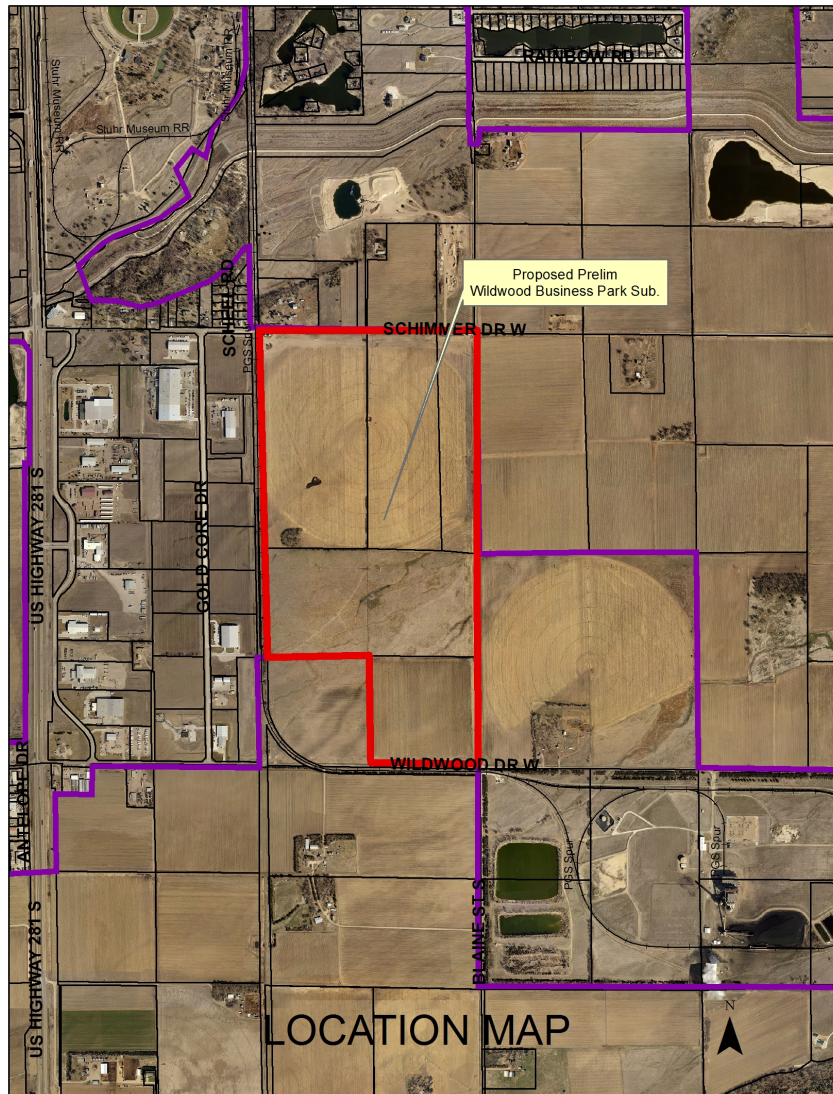
Size: 276.02 acres.

Zoning: M2 – Heavy Manufacturing Zone & AG2 – Secondary Agricultural Zone.

Road Access:

Water Public:

Sewer Public:



Council Agenda Memo

From: Regional Planning Commission
Meeting: August 25, 2015
Subject: Wildwood Business Park Subdivision – Final Plat
Presenter(s): Chad Naby, Regional Planning Director

Background

This property located north of Wildwood Drive and west of Blaine Street, in the 2 mile jurisdiction of the City of Grand Island, in Hall County, Nebraska, consisting of 30.796 acres and (10 Lots).

Discussion

The plat for Wildwood Business Park Subdivision was considered by the Regional Planning Commission at the August 12, 2015 meeting.

A motion was made by Bredthauer and seconded by Ruge to approve the plat as presented.

A roll call vote was taken and the motion passed with 7 members present and voting in favor (O'Neill, Ruge, Robb, Sears, Maurer, Bredthauer and Connick) and no members abstaining.

Alternatives

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

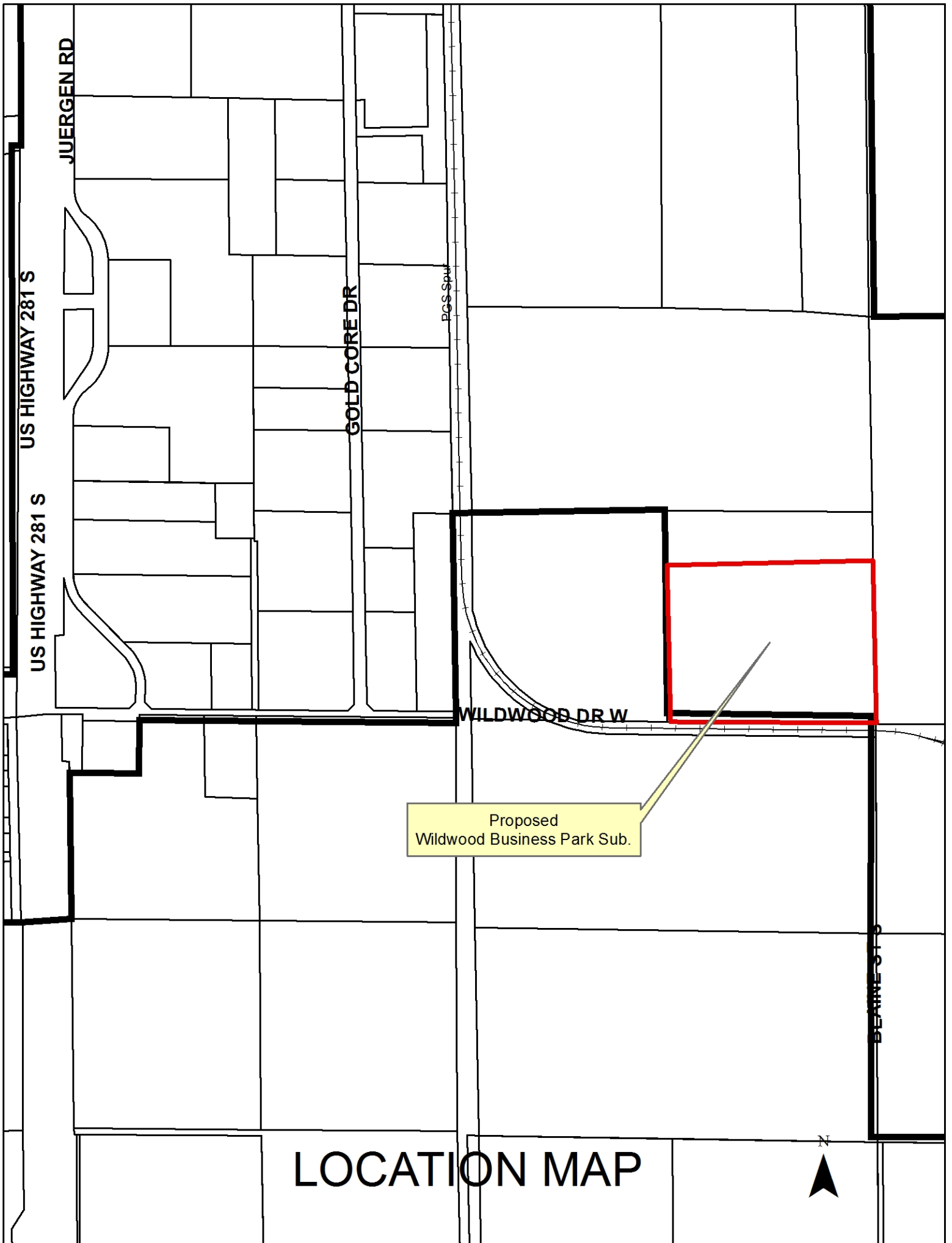
1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the final plat as presented.

Sample Motion

Move to approve as recommended.



**Grand Island Area Economic Development Corporation
Developers/Owners**

Grand Island Area Economic Development Corporation
123 N Locust St Suite 201
Grand Island NE 68801

To create 10 lots on a tract of land north of Wildwood Drive and west of Blaine Street, in the 2 mile jurisdiction of the City of Grand Island, in Hall County, Nebraska.

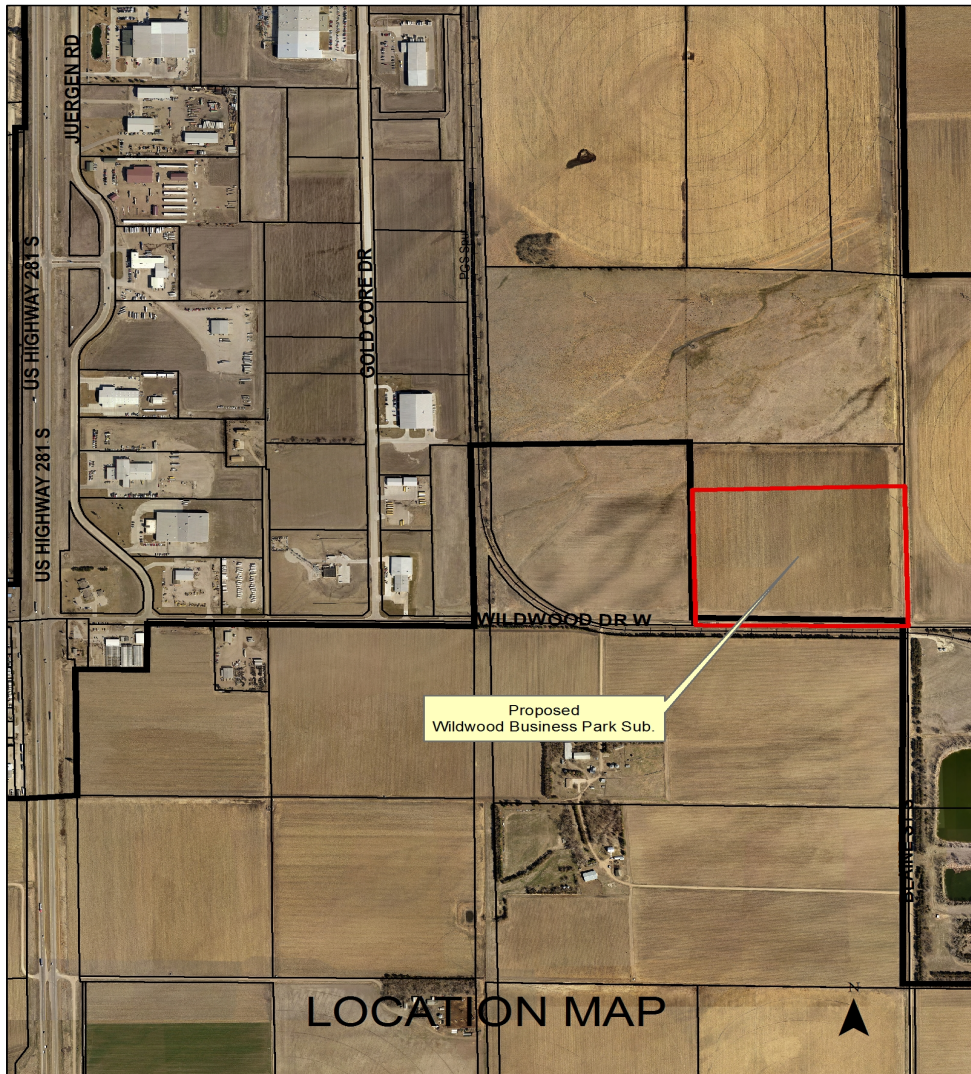
Size: 30.76 acres.

Zoning: M2 – Heavy Manufacturing Zone & AG2 – Secondary Agricultural Zone.

Road Access:

Water Public:

Sewer Public:



WILDWOOD BUSINESS PARK SUBDIVISION

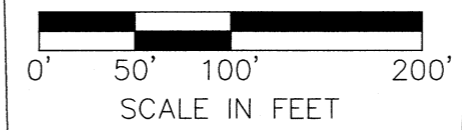
CITY OF GRAND ISLAND, HALL COUNTY, NEBRASKA

FINAL PLAT

LEGEND

- PROPERTY LINE
- - - SECTION LINE
- PROPERTY LINE
- - - EASEMENT LINE
- SECTION CORNER
- SET CORNER (5/8"x24" REBAR W/LS630 CAP)
- M MEASURED DISTANCE
- R RECORDED DISTANCE (D. SORGENFREI 8/2009)

EAST 1/4 CORNER
SEC. 5-T10N-R9W



LEGAL DESCRIPTION

A TRACT OF LAND LOCATED IN PART OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER (SE1/4, SE1/4) OF SECTION FIVE (5), TOWNSHIP TEN (10) NORTH, RANGE NINE (9) WEST OF THE 6TH P.M., CITY OF GRAND ISLAND, HALL COUNTY, NEBRASKA AND MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 5-T10N-R9W, SAID POINT BEING THE POINT OF BEGINNING; THENCE ON AN ASSUMED BEARING OF N89°58'00"W, ALONG THE SOUTH LINE OF SAID SE1/4, SE1/4, A DISTANCE OF 1316.46 FEET TO A POINT BEING THE SOUTHWEST CORNER OF SAID SE1/4, SE1/4; THENCE N01°34'13"W, ALONG THE WEST LINE OF SAID SE1/4, SE1/4, A DISTANCE OF 1001.02 FEET; THENCE N88°25'47"E A DISTANCE OF 1311.46 FEET TO A POINT ON THE EAST LINE OF THE SOUTHEAST QUARTER (SE1/4) OF SAID SECTION 5; THENCE S01°49'04"E, ALONG SAID EAST LINE, A DISTANCE OF 1037.87 FEET TO THE POINT OF BEGINNING. SAID TRACT CONTAINS A CALCULATED AREA OF 1,339,206.88 SQUARE FEET OR 30.744 ACRES MORE OR LESS OF WHICH 8.136 ACRES ARE NEW DEDICATED ROAD ROW.

SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT ON _____, 2015, I COMPLETED AN ACCURATE SURVEY, UNDER MY PERSONAL SUPERVISION, OF A TRACT OF LAND LOCATED IN PART OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER (SE1/4, SE1/4) OF SECTION FIVE (5), TOWNSHIP TEN (10) NORTH, RANGE NINE (9) WEST OF THE 6TH P.M., CITY OF GRAND ISLAND, HALL COUNTY, NEBRASKA, AS SHOWN ON THE ACCOMPANYING PLAT THEREOF; THAT IRON MARKERS, EXCEPT WHERE INDICATED, WERE FOUND AT ALL CORNERS; THAT THE DIMENSIONS ARE AS SHOWN ON THE PLAT; AND THAT SAID SURVEY WAS MADE WITH REFERENCE TO KNOWN AND RECORDED MONUMENTS.

JAI JASON ANDRIST, REGISTERED LAND SURVEYOR NUMBER, LS-630

DEDICATION OF PLAT

KNOW ALL MEN BY THESE PRESENTS, THAT GRAND ISLAND AREA ECONOMIC DEVELOPMENT CORPORATION, BEING THE OWNERS OF THE LAND DESCRIBED HEREON, HAVE CAUSED SAME TO BE SURVEYED, SUBDIVIDED, PLATTED AND DESIGNATED AS "WILDWOOD BUSINESS PARK SUBDIVISION" IN PART OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER (SE1/4, SE1/4) OF SECTION FIVE (5), TOWNSHIP TEN (10) NORTH, RANGE NINE (9) WEST OF THE 6TH P.M., CITY OF GRAND ISLAND, HALL COUNTY, NEBRASKA, AS SHOWN ON THE ACCOMPANYING PLAT THEREOF AND DO HEREBY DEDICATE THE EASEMENTS, AS SHOWN THEREON TO THE PUBLIC FOR THEIR USE FOREVER FOR THE LOCATION, CONSTRUCTION AND MAINTENANCE FOR PUBLIC SERVICE UTILITIES, TOGETHER WITH THE RIGHTS OF INGRESS AND EGRESS THERETO, AND HEREBY PROHIBITING THE PLANTING OF TREES, BUSHES AND SHRUBS, OR PLACING OTHER OBSTRUCTIONS UPON, OVER, ALONG OR UNDERNEATH THE SURFACE OF SUCH EASEMENTS; AND THAT THE FOREGOING SUBDIVISION IS MORE PARTICULARLY DESCRIBED IN THE DESCRIPTION HEREON AS APPEARS ON THIS PLAT IS MADE WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRES OF THE UNDERSIGNED OWNERS AND PROPRIETORS.

IN WITNESS WHEREOF, I HAVE AFFIXED MY SIGNATURE HERETO, AT _____, NEBRASKA, THIS ____ DAY OF _____, 2015.

DAVE TAYLOR, PRESIDENT, GRAND ISLAND AREA ECONOMIC DEVELOPMENT CORPORATION

ACKNOWLEDGMENT

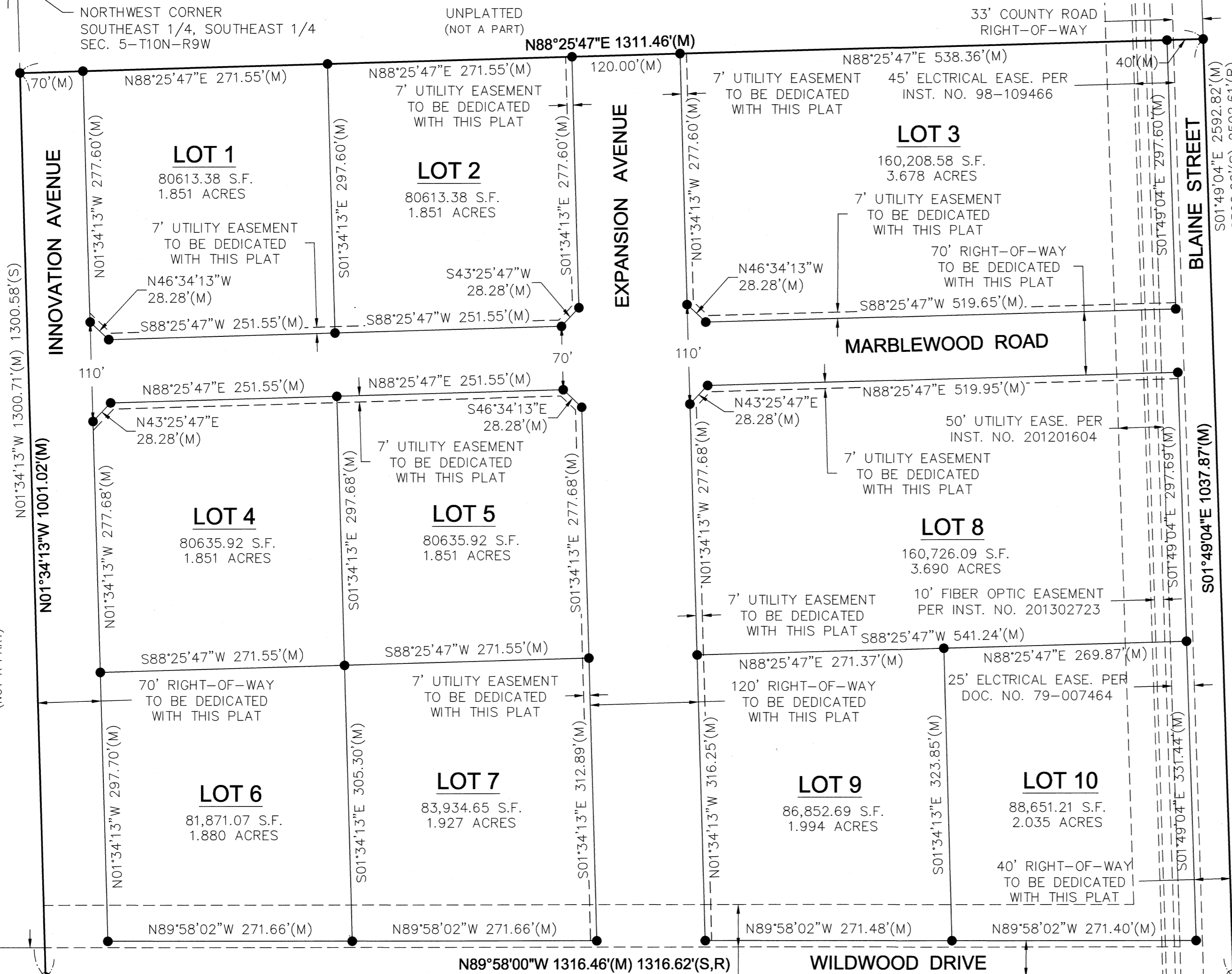
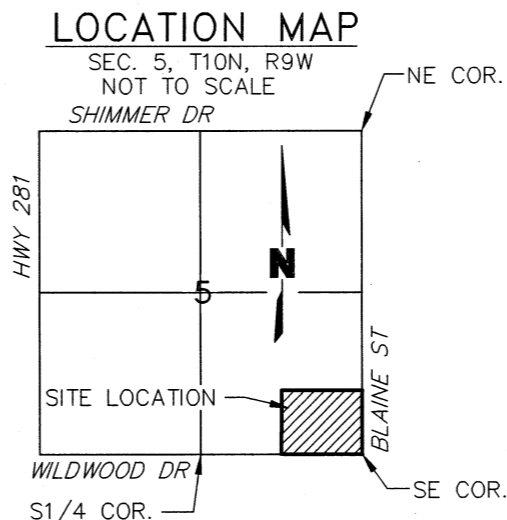
STATE OF NEBRASKA
COUNTY OF HALL
ON THIS ____ DAY OF _____, 2015, BEFORE ME _____, A NOTARY PUBLIC WITHIN AND FOR SAID COUNTY, PERSONALLY APPEARED DAVE TAYLOR, PRESIDENT, GRAND ISLAND AREA ECONOMIC DEVELOPMENT CORPORATION, TO ME PERSONALLY KNOWN TO BE THE IDENTICAL PERSON WHOSE SIGNATURE IS AFFIXED HERETO AND ACKNOWLEDGED THE EXECUTION THEREOF TO BE HIS VOLUNTARY ACT AND DEED. IN WITNESS WHEREOF, I HAVE HEREUNTO SUBSCRIBED MY NAME AND AFFIXED MY OFFICIAL SEAL AT _____, NEBRASKA, ON THE DATE LAST ABOVE WRITTEN.
MY COMMISSION EXPIRES _____

NOTARY PUBLIC

APPROVAL

SUBMITTED TO AND APPROVED BY THE REGIONAL PLANNING COMMISSION OF HALL COUNTY, CITIES OF GRAND ISLAND, WOOD RIVER, AND THE VILLAGES OF ALDA, CAIRO, AND DONIPHAN, NEBRASKA.

CHAIRMAN _____ DATE _____
APPROVED AND ACCEPTED BY THE CITY OF GRAND ISLAND, NEBRASKA
THIS ____ DAY OF _____, 2015.
MAYOR _____
CITY CLERK _____



SECTION TIES

EAST 1/4 CORNER, SEC. 5-T10N-R9W
FOUND SURVEY SPIKE w/WASHER AT CENTERLINE OF BLAINE STREET IN CONCRETE
NE 58.01' TO RED HEAD NAIL IN POWER POLE
SSE 104.09' TO RED HEAD NAIL IN POWER POLE
SSW 93.23' TO TOP CENTER OF FIRE HYDRANT
NW 54.70' TO SURVEY SPIKE IN POWER POLE
IN LINE w/RANGE OF E-W FENCE TO THE WEST

SOUTHEAST CORNER, SEC. 5-T10N-R9W
FOUND ALUMINUM CAP, ±0.4' NORTH TO CENTERLINE OF WILDWOOD DRIVE ON LINE WITH CENTERLINE OF BLAINE STREET
NE 46.45' TO MAG NAIL IN SE FACE OF CORNER POST
SE 45.82' TO REDHEAD IN NE FACE OF POWER POLE
SW 73.95' TO MAG NAIL IN SE FACE OF POWER POLE

SOUTH 1/4 CORNER, SEC. 5-T10N-R9W
FOUND ALUMINUM CAP AT CENTERLINE OF WILDWOOD DRIVE
SSE 34.80' TO REDHEAD IN NE FACE OF WOOD FENCE POST
SW 63.26' TO REDHEAD IN NW FACE OF GATE POST
NE 59.0' TO MAG NAIL IN NW FACE OF POWER POLE

DWG: F:\projects\015-0697\40-Design\Survey\SRVY_FP_015-0697.dwg
 DATE: Jul 24, 2015 2:44pm
 USER: jramirez
 P_BASE_PRELIMPLAT_150697
 015-0697_XT0PO MASTER

OWNERS: GRAND ISLAND AREA ECONOMIC DEVELOPMENT CORPORATION
 SUBDIVIDER: GRAND ISLAND AREA ECONOMIC DEVELOPMENT CORPORATION
 SURVEYOR: OLSSON ASSOCIATES
 ENGINEER: OLSSON ASSOCIATES
 NUMBER OF LOTS: 10

OLSSON ASSOCIATES
 201 East 2nd Street
 P.O. Box 1072
 Grand Island, NE 68802-1072
 TEL 308.384.8750
 FAX 308.384.8752

PROJECT NO. 2015-0697
 PRATARIA VENTURES
 PLATTE VALLEY
 INDUSTRIAL SURVEY
 FB

RESOLUTION 2015-219

WHEREAS, Grand Island Area Economic Development Corporation, being the owners of the land described hereon, has caused same to be surveyed, subdivided, platted and designated as "WILDWOOD BUSINESS PARK SUBDIVISION", a tract of land located in part of the Southeast Quarter of the Southeast Quarter (SE1/4, SE1/4) of Section Five (5), Township Ten (10) North, Range Nine (9) West of the 6th P.M. in the City of Grand Island, Hall County, Nebraska, and has caused a plat thereof to be acknowledged by it; and

WHEREAS, a copy of the plat of such subdivision has been presented to the Boards of Education of the various school districts in Grand Island, Hall County, Nebraska, as required by Section 19-923, R.R.S. 1943; and

WHEREAS, a form of subdivision agreement has been agreed to between the owner of the property and the City of Grand Island.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the form of subdivision agreement hereinbefore described is hereby approved, and the Mayor is hereby authorized to execute such agreement on behalf of the City of Grand Island.

BE IT FURTHER RESOLVED that the final plat of WILDWOOD BUSINESS PARK SUBDIVISION, as made out, acknowledged, and certified, is hereby approved by the City Council of the City of Grand Island, Nebraska, and the Mayor is hereby authorized to execute the approval and acceptance of such plat by the City of Grand Island, Nebraska.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, August 25, 2015.

Jeremy Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
August 21, 2015	☐ City Attorney



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item G-6

#2015-220 - Approving Final Plat and Subdivision Agreement for Bolanos Subdivision

Staff Contact: Chad Nabity

Council Agenda Memo

From: Regional Planning Commission
Meeting: August 25, 2015
Subject: Bolanos Subdivision – Final Plat
Presenter(s): Chad Nabity, Regional Planning Director

Background

This property located south of 4th Street and east of Plum Street, in the City of Grand Island, in Hall County, Nebraska, consisting of 2.831 acres and (2 Lots).

Discussion

The plat for Bolanos Subdivision was considered by the Regional Planning Commission at the August 12, 2015 meeting.

A motion was made by Bredthauer and seconded by Ruge to approve the plat as presented.

A roll call vote was taken and the motion passed with 7 members present and voting in favor (O’Neill, Ruge, Robb, Sears, Maurer, Bredthauer and Connick) and no members abstaining.

Alternatives

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

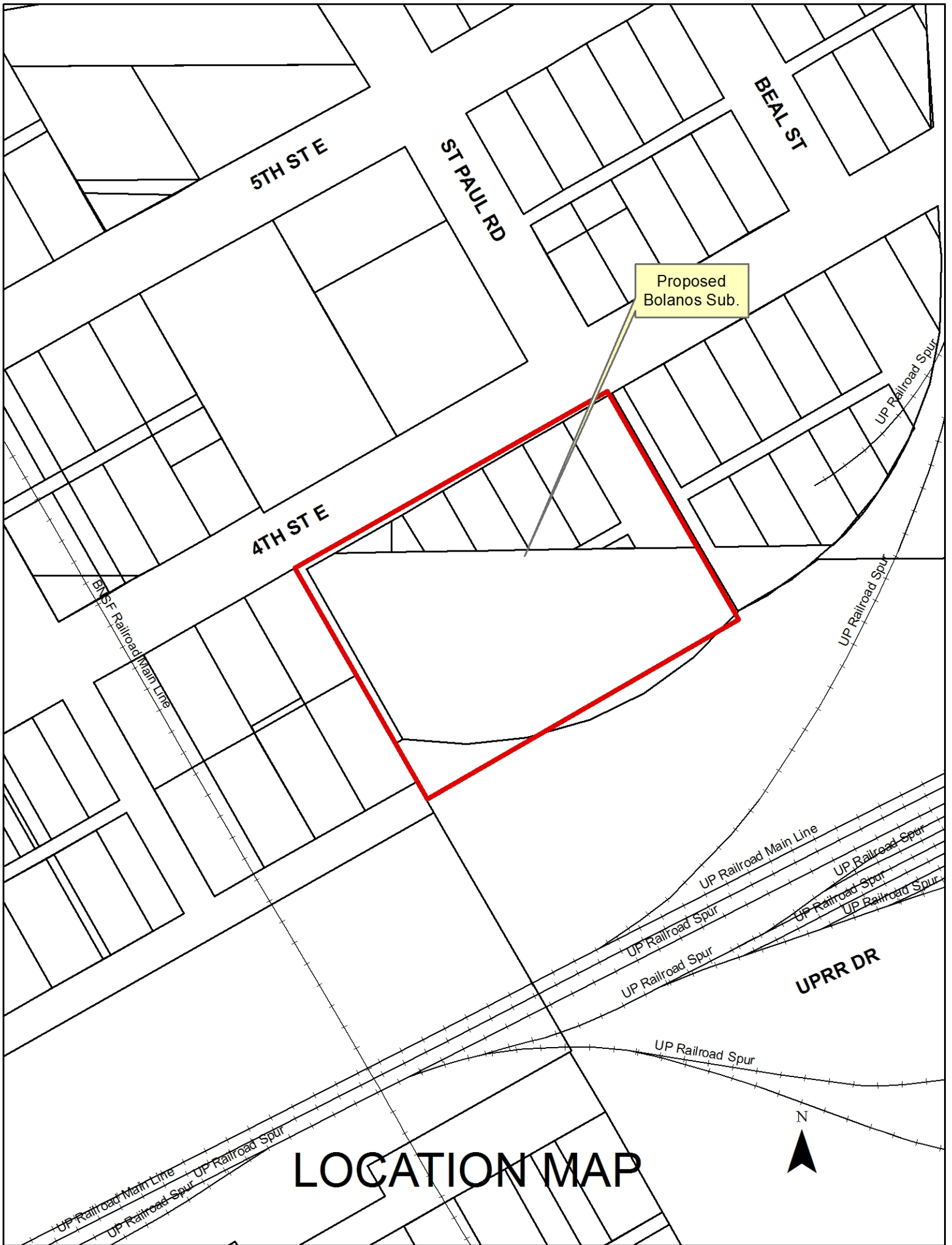
1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the final plat as presented.

Sample Motion

Move to approve as recommended.



Edwin Bolanos
Developers/Owners

Edwin Bolanos
613 E 4th St
Grand Island NE 68801

To create 2 lots on a tract of land south of 4th Street and east of Plum Street in the City of Grand Island, in Hall County, Nebraska.

Size: 2.831.

Zoning: M2 – Heavy Manufacturing Zone

Road Access: City roads are available.

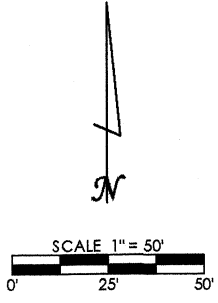
Water Public: City water is available.

Sewer Public: City sewer is available.



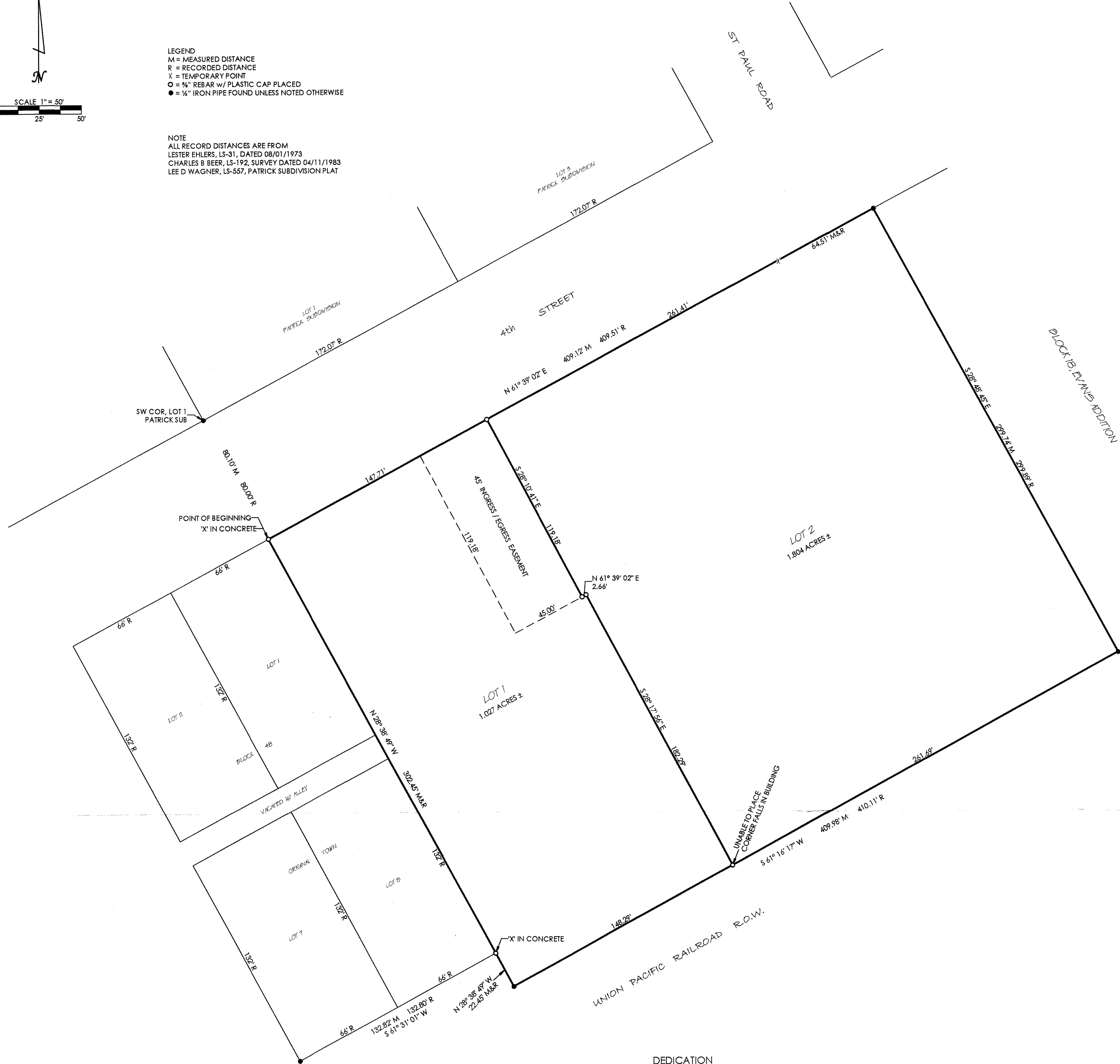
BOLANOS SUBDIVISION

CITY OF GRAND ISLAND, HALL COUNTY, NEBRASKA



LEGEND
 M = MEASURED DISTANCE
 R = RECORDED DISTANCE
 X = TEMPORARY POINT
 O = 1/2" REBAR W/ PLASTIC CAP PLACED
 ● = 1/2" IRON PIPE FOUND UNLESS NOTED OTHERWISE

NOTE
 ALL RECORD DISTANCES ARE FROM
 LESTER EHLERS, LS-51, DATED 08/01/1973
 CHARLES B. BEER, LS-192, SURVEY DATED 04/11/1983
 LEE D. WAGNER, LS-557, PATRICK SUBDIVISION PLAT



DEDICATION

KNOW ALL MEN BY THESE PRESENTS, that Edwin Bolanos, owner of the land described hereon, has caused same to be surveyed, subdivided, platted and designated as "Bolanos Subdivision", in the City of Grand Island, Nebraska, as shown on the accompanying plat thereof, and do hereby dedicate the right-of-way as shown thereon to the public for their use forever, and the easements, as shown thereon for the location, construction and maintenance of public service utilities, together with the right of ingress and egress thereto, and hereby prohibiting the planting of trees, bushes and shrubs, or placing other obstruction upon, over, along or underneath the surface of such easements; and that foregoing subdivision as more particularly described in the description as appears on this plat is made with the free consent and in accordance with the desires of the undersigned owner and proprietors.

IN WITNESS WHEREOF, we have affixed our signatures hereto at _____, Nebraska, this ____ day of _____, 2015.

 Edwin Bolanos

ACKNOWLEDGEMENT

State of Nebraska
 County of Hall
 On the ____ day of _____, 2015, before me _____, a Notary Public within and for said County, personally appeared that Edwin Bolanos, to me personally known to be the identical persons whose signatures are affixed hereto, and that they did acknowledge the execution thereof to be their voluntary act and deed, and that they are empowered to make the above dedication for and in behalf of said "Bolanos Subdivision".

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed by official seal at _____, Nebraska, on the date last above written.

My commission expires _____.

 Notary Public

APPROVALS

Submitted to and approved by the Regional Planning Commission of Hall County, Cities of Grand Island, Wood River and the Villages of Alda, Cairo and Doniphan, Nebraska.

 Commission Chairman

 Date

Approved and accepted by the City of Grand Island this ____ day of _____, 2015.

 Mayor

 City Clerk

LEGAL DESCRIPTION

A tract of land comprising a part of Lot Twelve (12) in the County Subdivision of the West Half of the Southwest Quarter (W 1/2, SW 1/4) of Section Ten (10), Township Eleven (11) North, Range Nine (9) West; all of Block Seventeen (17) of Evans Addition, together with the vacated alley and the westerly Sixty Four and Fifty One Hundredths (64.51) feet of vacated Popular Street adjacent thereto; and a part of the North Half of the Northwest Quarter (N 1/2, NW 1/4) of Section Fifteen (15), Township Eleven (11) North, Range Nine (9) West of the 6th P.M., all in the City of Grand Island, Hall County, Nebraska. More particularly described as follows:

Beginning at the northeast corner of Lot 1, Block 48, Original Town; thence N 61° 39' 02" E on and upon the southerly right-of-way line of 4th Street a distance of 409.12 feet to a point 64.51 feet east of the northeast corner of said Block 17; thence S 28° 48' 45" E parallel to the easterly line of said Block 17 a distance of 299.74 feet to a point on the northerly right-of-way line of the Union Pacific Railroad; thence S 61° 16' 17" W on and upon said northerly right-of-way line a distance of 409.98 feet to a point on the easterly line of Block 48 extended; thence N 28° 38' 49" W on and upon the easterly line of said Block 48 extended a distance of 22.45 feet to the southeast corner of Lot 8, Block 48, Original Town; thence continuing N 28° 38' 49" W on and upon the easterly line of said Block 48 a distance of 302.45 feet to the Point of Beginning. Said tract contains 2.831 acres more or less and shall know be known as "BOLANOS SUBDIVISION".

SURVEYORS CERTIFICATE

I hereby certify that on July 09, 2015, I completed an accurate survey of "BOLANOS SUBDIVISION" an addition to the City of Grand Island, Nebraska, as shown on the accompanying plat; that iron markers were placed at all lot corners; that all dimensions of the lots are shown on the plat; and that said survey was made with reference to known and recorded monuments.

Scott A. Peters
 Scott A. Peters R.L.S. #754



SURVEY REQUESTED BY EDWIN BOLANOS

KATT SURVEYING - 2008 SOUTH F ROAD, AURORA, NE 68812 - PHONE 402-886-2223 - EMAIL kattsurveying@gmail.com
 PROJECT NUMBER: 15-LS-754 - DATE 07/09/2015 - DRAWN BY: S.A.P. - CHECKED BY: D.A.K.

RESOLUTION 2015-220

WHEREAS, Edwin D. Bolanos being the owner of the land described hereon, has caused same to be surveyed, subdivided, platted and designated as "BOLANOS SUBDIVISION", to be laid out into 2 lots, on a tract of land comprising a part of Lot Twelve (12) in the County Subdivision of the West Half of the Southwest Quarter (W1/2 SW1/4) of Section Ten (10), Township Eleven (11) North, Range Nine (9) West; all of Block Seventeen (17) of Evans Addition, together with the vacated alley and the westerly Sixty Four and Fifty One Hundredths (64.51) feet of vacated Poplar Street adjacent thereto; and a part of the North Half of the Northwest Quarter (N1/2 NW1/4) of Section Fifteen (15), Township Eleven (11) North, Range Nine (9) West of the 6th P.M. in the City of Grand Island, Hall County, Nebraska, and has caused a plat thereof to be acknowledged by it; and

WHEREAS, a copy of the plat of such subdivision has been presented to the Boards of Education of the various school districts in Grand Island, Hall County, Nebraska, as required by Section 19-923, R.R.S. 1943; and

WHEREAS, a form of subdivision agreement has been agreed to between the owner of the property and the City of Grand Island.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the form of subdivision agreement hereinbefore described is hereby approved, and the Mayor is hereby authorized to execute such agreement on behalf of the City of Grand Island.

BE IT FURTHER RESOLVED that the final plat of BOLANOS SUBDIVISION, as made out, acknowledged, and certified, is hereby approved by the City Council of the City of Grand Island, Nebraska, and the Mayor is hereby authorized to execute the approval and acceptance of such plat by the City of Grand Island, Nebraska.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, August 25, 2015.

Jeremy Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
August 21, 2015	☐ City Attorney



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item G-7

#2015-221 - Approving Contract for Delivery of Infield Soil Conditioner for George Park

Staff Contact: Todd McCoy

Council Agenda Memo

From: Todd McCoy, Parks and Recreation Director
Meeting: August 25, 2015
Subject: Delivery of Infield Soil Conditioner for George Park
Presenter(s): Todd McCoy, Parks and Recreation Director

Background

George Park is one of Grand Island's largest city parks which feature four ball fields, picnic areas, playgrounds, and more. The ball fields are highly used by recreational and competitive teams for softball and baseball games, practices, and tournaments.

Out of all the City fields, the George Park fields have the highest rate of rain-outs because the fields do not handle moisture well.

Discussion

The Parks and Recreation Department recommends purchasing infield conditioner for the two small east fields at George Park. Infield conditioner will dramatically reduce the number of rain-outs and improve safety. Adding infield conditioner will not only help the leagues and coaches with fewer makeup games; but, it will save staff time when preparing fields.

One bid was received to provide the infield conditioner. Staff recommends accepting the bid from Dakota Transport of Hampton, Minnesota to deliver 500 tons of Red Ball Diamond Aggregate to George Park in the amount of \$42,000. The project will be funded by the Parks Misc. Capital Account 40044450-90027.

Alternatives

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

The Council may:

1. Move 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 City Council award the bid to deliver infield soil conditioner (500 tons of Red Ball Diamond Aggregate) to George Park to Dakota Transport of Hampton, Minnesota.

Sample Motion

Move to approve bid from Dakota Transport to deliver infield soil conditioner (500 tons of Red Ball Diamond Aggregate) to George Park for a total of \$42,000.00.



Stacy Nonhof, Purchasing Agent

*Working Together for a
Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: August 12, 2015 at 2:00 p.m.
FOR: Delivery of Infield Soil Conditioner for George Park
DEPARTMENT: Parks & Recreation
ESTIMATE: \$40,000.00
FUND/ACCOUNT: 40044450-90027
PUBLICATION DATE: August 2, 2015
NO. POTENTIAL BIDDERS: 4

SUMMARY

Bidder: Dakota Transport, Inc.
Hampton, MN
Exceptions: None
Bid Price: \$42,000.00

cc: Todd McCoy, Park & Recreation Director
Marlan Ferguson, City Administrator
Stacy Nonhof, Purchasing Agent

Patti Buettner, Parks Admin. Assist.
William Clingman, Interim Finance Director

P1830

RESOLUTION 2015-221

WHEREAS, the City of Grand Island invited sealed bids for Infield Soil Conditioner for the George Park ball fields, according to plans and specifications on file with the Parks and Recreation Department; and

and WHEREAS, on August 12, 2015, one (1) bid was received, opened and reviewed;

WHEREAS, Dakota Transport from Hampton, Minnesota submitted a bid in accordance with the terms of the advertisement of bids, plans and specifications and all other statutory requirements contained therein, such bid being in the amount of \$42,000.00.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Dakota Transport from Hampton, Minnesota in the amount of \$42,000.00 for Infield Soil Conditioner for the George Park ball fields is hereby approved as the lowest responsible bid.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, August 25, 2015.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☒ _____
August 21, 2015	☒ City Attorney



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item G-8

**#2015-222 - Approving Terrorism Insurance Renewal with FM
Global for 2015 - 2016 for the Utilities Department**

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

From: Tim Luchsinger, Utilities Director
Stacy Nonhof, Assistant City Attorney

Meeting: August 25, 2015

Subject: Terrorism Insurance Renewal with FM Global for 2015 - 2016

Presenter(s): Tim Luchsinger, Utilities Director

Background

The Utilities Department Boiler and Machinery Property Peril and Fire insurance is specifically designed for Electric Utility and is readily adaptable to the Water Utility, which is also included in the coverage. Approval of the insurance policy by Council on September 9, 2014 provided for a two year term, effective October 1, 2014, with a premium adjustment for the second year based on any changes in the insured valuation at the same rates for the first year. The standard policy excludes losses due to acts of terrorism unless the optional Terrorism Insurance is accepted. The Utilities Department's insurance provider, FM Global, provided the attached proposal for renewal of the present coverage.

The complete policy is available in the Utilities office for review, along with a Policy Holder Disclosure form for execution by the City, either accepting or rejecting terrorism coverage. The renewal proposal and proposed policy have been reviewed by the Legal Department.

Discussion

Key provisions included in the proposed renewal are an increase in the insured valuation from \$586,640,412.00, to \$609,200,000.00, a premium increase of \$14,673.00, which results in an annual premium change from \$463,123.00 for the current year to \$477,796.00, for the 2015-2016 year, and a premium increase of \$687.00 for Terrorism Insurance, which results in an annual premium change from \$25,172.00 for the current year to \$25,859.00 for the 2015-2016 year.

The increase in insured valuation of assets was reviewed by Department staff and is in line with replacement costs seen in the utility industry, as well as the resulting policy premium increase.

The annual premium to add terrorism coverage is \$25,859.00. The probability that a relatively remote location in the central part of the nation would be targeted for a terrorist attack may be very unlikely, but the determination of a terrorist attack is not clearly defined, such as an attack similar to the Oklahoma City Federal Building. Regardless of the cause, the loss of a high valued asset as the Platte Generating Station must be protected from risk, and the acceptance of Terrorism Insurance is recommended.

Execution of the Notice of Terrorism Insurance Coverage form is required annually, and is recommended by the Utilities Department for approval.

Alternatives

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

1. Move 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 renewal of the Utilities Department's Terrorism Insurance with FM Global with execution of the Notice of Terrorism Insurance Coverage form to accept that coverage.

Sample Motion

Move to approve acceptance of the FM Global Terrorism Insurance for the Utilities Department.

Proposal

City of Grand Island
Anniversary
October 1, 2015



Overview

FM Global and the City of Grand Island have been partners for over 30 years and FM Global wants to continue this relationship for many more years. Part of this commitment to this partnership is to continue our strong engineering support a stable insurance program and another membership credit for the 2015 -16 policy period.

Client Service Plan

Continue to collaborate with the client to help reduce the potential for loss. As of this date there are no open recommendations. As you know FM Global is ready to assist with any changes in operation or property.

Insurance

FM Global continually looks for opportunities to improve our policy form, either by enhancing coverage or by making modifications that result in greater clarity or better continuity. We strive to be a leader in contract certainty and are proud to offer the 2011 version of the FM Global **PowerGen** Advantage form tailored to specifically address exposures and meet the unique needs of the Power Generation industry.

Contract Certainty – FM Global strives to continue to be a leader in contract certainty. Another new resource available is the FM Global Advantage Policy Commentary, available on MyRisk to help you better understand the full scope of the FM Global Advantage policy. The commentary takes language directly from the policy and offers simple explanations of the clauses and definitions, plus realistic loss examples. It is structured to make it quick and easy to find a specific term, clause or definition. This is unique in the marketplace, and demonstrates our commitment to policy transparency.

Additional changes from the current Policy include:

- Provide prior to binding the latest Employers Mutual Companies Policy number – Policy for exclusion
- Final year of a 2 year Multi-Year Agreement
- Increasing the policy Limit to \$610,000,000

Financial Strength and Business Model

Financial Strength and Stability

FM Global maintains a solid balance sheet with ample liquidity to meet policyholder obligations. As of 31 December 2014, Policyholders' Surplus was US \$10.6 billion and Gross Premium in force was US \$5.3 billion. Our financial strength and stability have been affirmed by major industry rating agencies, principally:

A.M. Best – A+ (Superior) Rating | Stable Outlook

“Excellent risk-adjusted capitalization and historically solid operating performance”
“Innovative loss prevention process and approach to property conservation”
“Market leadership position in the commercial property market”

Fitch – AA (Very Strong) Rating | Stable Outlook

“Engineering capabilities and property loss prevention services [are] key advantages that are difficult for competitors to replicate”
“Expertise will result in future underwriting results that are consistently better than peers”

Standard & Poor's (S&P) – A+ Rating | Stable Outlook

“Very strong business risk profile and strong financial risk profile”
“Highly regarded reputation for using its engineering expertise to assess client risks to help prevent and mitigate loss give it a significant competitive advantage”
“Best-in-class products and services that keep pace with policyholder/owner needs”

Mutual Ownership

As a mutual company, our clients are our owners. Our difference is the ability to absorb and tolerate volatility. The value to our clients is large, stable capacity and the ability to focus on understanding the risk.

Our philosophy as a mutual company is that to meet our customers' needs we must maintain open lines of communication. Through our Board of Directors, Regional Advisory Boards and Risk Management Executive Councils, FM Global senior management receives input from a representation of policyholders. Many positive changes in our operations including the development of new products have been made as a result of these interactions.

As a mutual company, FM Global is able to share our positive results with clients instead of returning money to shareholders. Deliverable benefits for our clients include:

Membership Credits – Following our seventh membership credit in 2014/2015, we will have applied more than US \$2.5 billion in total membership credit to our mutual owners

For 2013 -2014 a Membership Credit was paid for the 2013 renewal. This amount was \$58,411.

The 2014 – 2015 estimated amount was: \$60,782

The 2015 – 2016 estimated amount is: \$66,720

Schedule of Locations and Values

100% Values

Building	91,477,531
Machinery & Equipment	514,539,769
Stock & Supplies	<u>3,182,700</u>
Total Property	609,200,000

Total Insurable Value:

2014	2015
USD 586,640,412	USD 609,200,000

Premium

2014	2015
USD 463,123 All Risk	USD 477,796 All Risk
<u>USD 25,172 Terrorism</u>	<u>USD 25,859 Terrorism</u>
USD 488,295 Total	USD 503,655 Total

- Actual premium paid in 2014 was only \$479,240 as the \$40,000,000 equipment at Platte Generating station was added mid term and was pro-rated.

Payment is due upon receipt of invoice or on the date coverage begins, whichever is later. Policies will be subject to cancellation for non-payment of premium bills.

Premium does not include various fees, taxes, or surcharges.

Premium does include the quote for Certified Terrorism. See the optional Terrorism quote detailed elsewhere.

United States Terrorism Quote

The Terrorism Risk Insurance Act of 2002 as amended and extended in 2005, 2007 and again in 2015, requires that insurers advise clients of their option to elect or reject terrorism coverage under the act as part of their property policy. It also requires insurers to disclose the cost of such coverage for the policy term. As a brief reminder, the act provides licensed, admitted carriers with a substantial federal reinsurance backstop for terrorism acts that are certified by the Secretary of the Treasury of the United States as covered events (known as certified losses). Generally speaking, the act responds strictly to events that take place within the United States, its protectorates, territories, and possessions. The Act has been extended to expire on 31 December 2020.

Pursuant to the act, we are offering certified terrorism cover in the United States with no specific terrorism limit of liability meaning your certified terrorism limit would be equal to the policy limit of liability or any location or coverage sublimits being proposed. In addition, in the United States, we are offering no terrorism sublimit for Flood, Miscellaneous Unnamed Locations, Miscellaneous Personal Property and Off Premise Storage For Property Under Construction, and Temporary Removal of Property and no terrorism exclusion for Service Interruption, Contingent Time Element Extended, Protection And Preservation of Property, Ingress/Egress, Logistics Extra Cost, Extended Period of Liability, Crisis Management and Attraction Property coverages.

The premium for certified coverage is USD 25,859 for the term of October 1, 2015 to October 1, 2016 and does not include applicable taxes or surcharges.

The Policyholder Disclosure Notice of Terrorism Coverage document and the applicable certified terrorism endorsement are attached for your review. Please note the Disclosure form must be completed, signed and returned to Patrick Belding prior to October 1, 2015 indicating your choice to accept or reject the certified terrorism coverage offered.

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE**

Date: August 11, 2015

**Insured Name: City of Grand Island
Account No: 05249**

Insurer Name: Factory Mutual Insurance Company

The Terrorism Risk Insurance Act of 2002, as amended and extended in 2005, 2007 and again in 2015, gives you the right as part of your property renewal policy to elect or reject insurance coverage for locations within the United States or any territory or possession of the United States for losses arising out of acts of terrorism, as defined and certified in accordance with the provisions of the act.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. UNDER THIS FORMULA, THE UNITED STATES GOVERNMENT GENERALLY PAYS 85% (AND BEGINNING ON JANUARY 1, 2016, SHALL THEN DECREASE BY 1 PERCENTAGE POINT PER CALENDAR YEAR UNTIL EQUAL TO 80 PERCENT) OF COVERED TERRORISM LOSSES EXCEEDING A STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER REFERENCED ABOVE. **ALSO, THERE IS A \$100,000,000,000 CAP ON THE FEDERAL AND INSURER SHARE OF LIABILITY STATING THAT IF THE AGGREGATE INSURED LOSSES EXCEED \$100,000,000,000 DURING ANY CALENDAR YEAR, NEITHER THE UNITED STATES GOVERNMENT NOR ANY INSURER THAT HAS MET ITS INSURER DEDUCTIBLE SHALL MAKE PAYMENT OR BE LIABLE FOR ANY PORTION OF THE AMOUNT OF SUCH LOSSES THAT EXCEED \$100,000,000,000.** THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

ACCEPTANCE OR REJECTION OF TERRORISM INSURANCE COVERAGE: UNDER FEDERAL LAW, YOU HAVE THE RIGHT TO ACCEPT OR REJECT THIS OFFER OF COVERAGE FOR TERRORIST ACTS COVERED BY THE ACT AS PART OF YOUR RENEWAL POLICY. IF WE DO NOT RECEIVE THIS SIGNED DISCLOSURE FORM PRIOR TO THE RENEWAL POLICY EFFECTIVE DATE OF October 1, 2015, THEN YOUR RENEWAL POLICY WILL REFLECT YOUR DECISION NOT TO PURCHASE THE TERRORISM COVERAGE PROVIDED BY THE ACT FOR THE TERM OF October 1, 2015 TO October 1, 2016.

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE
(Page 2 of 2)**

Date: August 11, 2015

**Insured Name: City of Grand Island
Account No: 05249**

_____ I hereby elect to purchase coverage for terrorist acts covered by the act for an annual premium of USD 25,859. This premium does not include applicable taxes or surcharges.

_____ I hereby decline this offer of coverage for terrorist acts covered by the act.

Policyholder/Applicant Signature

Print Name

Date

RESOLUTION 2015-222

WHEREAS, the City's Utility Department subscribes to insurance for boiler and machinery, property, peril and fire coverage and coverage against terrorism; and

WHEREAS, the coverage against terrorism expires October 1, 2015; and

WHEREAS, a proposal to renew the terrorism insurance for the 2015 – 2016 fiscal year was received from the current provider, Factory Mutual Insurance Company of St. Louis, Missouri, for a renewal premium of \$28,859.00; and

WHEREAS, the insurance provider requires that the City either except or reject Terrorism Insurance Coverage by executing the form provided, and the City has opted to accept the optional Terrorism Insurance Coverage for the upcoming fiscal year, 2015 – 2016.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the proposal of Factory Mutual Insurance Company of St. Louis, Missouri, with premium for terrorism insurance in the amount of \$25,859.00, is hereby approved, and the Mayor is hereby authorized to execute the Acceptance of Terrorism Insurance on behalf of the City.

Adopted by the City Council of the City of Grand Island, Nebraska, August 25, 2015.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
August 21, 2015	☐ City Attorney



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item G-9

#2015-223 - Approving Certificate of Final Completion for Water Main District 466T - Airport Road - and Setting the Board of Equalization Hearing Date for October 13, 2015

Staff Contact: Tim Luchsinger, Utilities Director

Council Agenda Memo

From: Timothy Luchsinger, Utilities Director

Meeting: August 25, 2015

Subject: Water Main District 466T – Airport Road – Certificate of Final Completion & Setting of Board of Equalization Hearing for October 13, 2015

Presenter(s): Timothy Luchsinger, Utilities Director

Background

Water Main District 466T installed a 16” diameter main along Airport Road from ¼ mile east of Highway 281 to Sky Park Road. The district was a part of the Utilities Department’s Master Plan and completes the backbone loop in the northeast part of the water system.

Construction has been completed and complies with all aspects of the plans and specifications.

Discussion

The total cost of installing the water main within the boundaries of District 466T was \$1,045,868.05. When customers desire to tap into the referenced water main, they are required to pay a connection fee. The connection (tap) fee for properties within the district is based on a value of \$59.7679869 per front foot. However, the fees are not collected until the user connects to (taps) the main within the district’s boundary and receives municipal service.

Attached for reference are copies of:

- Engineer’s Certificate of Final Completion for Water Main District 466T
- Tabulation of connection fees for the properties within the district
- The district’s boundary plat

Alternatives

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

1. Move 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 Certificate of Final Completion for Water Main District 466T and sit as a Board of Equalization on October 13, 2015, to establish the connection fees for the properties within the district.

Sample Motion

Move to accept the Certificate of Final Completion for Water Main District 466T – Airport Road, and sit as a Board of Equalization on October 13, 2015 to establish the connection fees for the properties within the district.

ENGINEER'S CERTIFICATE OF FINAL COMPLETION

WATER MAIN DISTRICT 466T

The above referenced Water Main District was installed under a contract issued to Van Kirk Brothers Contracting of Sutton, Nebraska. The work generally being located along Airport Road from ¼ mile east of Highway 281 to approximately 500 feet west of Academy Road, in Hall County, Nebraska. The work on this project has been fully completed in accordance with the terms and conditions of the contract and complies with the plans and specifications.

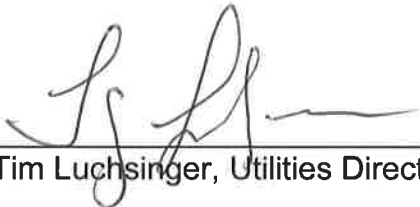


Lynn M. Mayhew, P.E. #E-10661

8/13/15

Date

I hereby authorize Water Main District 466T to be incorporated into the City of Grand Island Water System.



Tim Luchsinger, Utilities Director

8-14-15

Date

ENGINEER'S CERTIFICATE OF FINAL COMPLETION

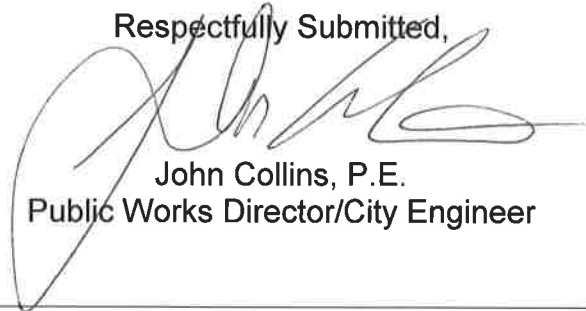
WATER MAIN DISTRICT NO. 466T

August 25, 2015

Water Main District No. 466T is located along Airport Road from ¼ mile east of Highway 281 to Sky Park Road, and along Academy Road from Airport Road to Twin Star Lane at the Central Nebraska Regional Airport. The work on this main, as certified to be fully completed by Timothy Luchsinger, Utilities Director, is hereby accepted for the City of Grand Island, Nebraska, by me as Public Works Director in accordance with the provision in Section 16-650, R.R.S., 1943.

It is recommended that the City Council sit as Board of Equalization on October 13, 2015 to determine benefits and levy special assessments.

Respectfully Submitted,



John Collins, P.E.
Public Works Director/City Engineer

WATERMAIN DISTRICT NO. 466T

August 25, 2015

TO THE MEMBERS OF COUNCIL
CITY OF GRAND ISLAND
GRAND ISLAND, NEBRASKA

I hereby recommend that the Engineer's Certificate of Final Completion for Water Main District 466T be approved.

I further recommend that the City Council sit as Board of Equalization on October 13, 2015 to determine benefits and levy special assessments.

Respectfully Submitted,

Jeremy L. Jensen,
Mayor

INTEROFFICE MEMORANDUM



*Working Together for a
Better Tomorrow. Today.*

DATE: August 25, 2015
TO: Mayor Jensen and City Council Members
FROM: Tim Luchsinger, Utilities Director
SUBJECT: Water Main District 466T

This memo is to certify that Water Main District 466T located along Airport Road from ¼ mile east of Highway 281 to approximately 500 feet west of Academy Road, in Hall County, Nebraska, has been fully completed.

All work was done in accordance with the terms and conditions of the contract, and complies with the plans and specifications. The water main district has been placed in service.

It is recommended that a Board of Equalization be set for October 13, 2015 to determine the benefits and connection fees for the properties within the boundaries of Water Main District 466T.

A handwritten signature in black ink, appearing to read "T. Luchsinger", is written over a horizontal line.

Timothy Luchsinger, Utilities Director

ec: William Clingman, Interim Finance Director
John Collins, Public Works Director
Tom Barnes, Civil Engineering Manager, Utilities
Ruben Sanchez, Water Superintendent
Yolanda Rayburn, Sr. Accounting Clerk

Water Main District 466T Addresses- 8/11/2015

<u>Map ID</u>	<u>Connection Fee</u>	<u>Front Ft.</u>	<u>Parcel</u>	<u>Property Address</u>	<u>Description</u>	<u>Owner Name</u>	<u>Owner Address</u>	<u>Owner City</u>	<u>State</u>	<u>Zip</u>
A	\$78,828.00	1,318.9	400187310	304 E Airport Road	Part of the E1/2, SW1/4, Section 33-12-9	Bradley R. Petersen	1134 E. Capital Ave.	Grand Island	NE	68801
B.1	\$155,133.79	2,595.6	400187388	3230 N St Paul Road	Part of the S1/2, SE1/4, Section 33-12-9	Oscar Jr. & Rose Ann Bredthauer (North side of Airport Rd.)	3230 N. St. Paul Road	Grand Island	NE	68801
B.2	\$76,467.16	1,279.4	400205394	3170 N St Paul Road	Part of the N 11AC of E1/2, NE1/4, Section 4-11-9	Oscar Jr. & Rose Ann Bredthauer (South side of Airport Rd.)	3230 N. St. Paul Road	Grand Island	NE	68801
B.3	\$39,446.87	660.0	400356031	527 E Airport Road	Part W1/2 of the NE1/4, Section 4-11-9	Oscar Jr. & Rose Ann Bredthauer (South side of Airport Rd.)	3230 N. St. Paul Road	Grand Island	NE	68801
C	\$76,921.40	1,287.0	400187450	1201 E Airport Road	Part of the W1/2, SE1/4, Section 34-11-9	Arthur E. & Dixie L. Ostermeier- Trustees	3600 W. Whitecloud Road	Grand Island	NE	68803
D	\$75,905.34	1,270.0	400187442	1308 E Airport Road	Part of the E1/2, SW1/4, Section 34-12-9	Alice R. Erion	1807 W. 1st Street	Grand Island	NE	68803
E	\$19,490.34	326.1	400215810	1325 E. Airport Road	Part of Lot 1, Wilson's Subdivision	Darling National, LLC, an Iowa Limited Liability Company <i>f/k/a</i> National By-Products, Inc.	251 O'Connor Ridge Blvd. STE 300	Irving	TX	75038
F	\$89,143.95	1,491.5	400475278	1203 E. Airport Road	Lot 1, Garden Place	Copart of Connecticut, Inc., a Connecticut corporation	14185 Dallas Parkway, STE 300	Dallas	TX	75254
G.1	\$39,446.87	660.0	400205432	611 E Airport Road	Part of the NW1/4, NW1/4, NE1/4, Section 4-11-9	Douglas R. & Tamara K. Petersen	1414 E. Capital Ave.	Grand Island	NE	68801
G.2	\$60,915.53	1,019.2	400205564	379 E Airport Road	Part E1/2, NW1/4 Section 4-11-9	Douglas R. & Tamara K. Petersen	1414 E. Capital Ave.	Grand Island	NE	68801
H.1	\$190,863.09	3,193.4	400215799	1743 E Airport Road	Part of Lot 1, Wilson's Sub.,	Petersen Farms, Inc. (South side of Airport Road- Lot 1, Wilson Sub.)	1420 E. Capital Ave.	Grand Island	NE	68801
H.2	\$9,849.76	164.8	400187493	1622 E Airport Road	Part of W1/2,W1/2, SE1/4, Section 34-12-9	Petersen Farms, Inc. (North side of Airport Road)	1420 E. Capital Ave.	Grand Island	NE	68801
H.3	\$21,779.45	364.4	400187922	1648 E Airport Road	Lot 2, Wichern Sub.	Petersen Farms, Inc. (Lot 2 Wichern Sub.)	1420 E. Capital Ave.	Grand Island	NE	68801
I	\$7,889.37	132.0	400187469	1510-1512 E. Airport Rd.	Part of W1/2, W1/2, SE1/4, Section 34-11-9	Alice L. Bartlett, Trustee	4125 Hartford Dr.	Grand Island	NE	68803
J	\$13,806.40	231.0	400295024	1546 E. Airport Road	Lot 1, Mader Subdivision	Melvin Brahatcek	4056 David Ave.	Grand Island	NE	68803
K.1	\$7,172.16	120.0	400187485	1640 E. Airport Road	Part of E1/2, SW1/4, SE1/4 Sec. 34-12-9	Enos C. & Sandra F. Peterson	1640 E. Airport Road	Grand Island	NE	68803
K.2	\$6,694.01	112.0	400187477	1610 E Airport Road	Lot 1, Peterson Sub.	Enos C. & Sandra F. Peterson	1640 E. Airport Road	Grand Island	NE	68803
K.3	\$1,195.36	20.0	400475049	1610 E Airport Road	Lot 2, Peterson Sub.	Enos C. & Sandra F. Peterson	1640 E. Airport Road	Grand Island	NE	68803
L	\$10,423.54	174.4	400187914	1740 E Airport Road	Lot 1, Wichern Sub.	Bethine Bonczynski	1740 E. Airport Road	Grand Island	NE	68801
M	\$64,495.66	1,079.1	400187523	--	Part SE1/4, Section 34-12-9	Central Nebraska Regional Airport	3743 Sky Park Road	Grand Island	NE	68802
	\$1,045,868.05	17,498.8								

Total Project Cost = \$ 1,045,868.05

Cost per FF = \$ 59.7679869

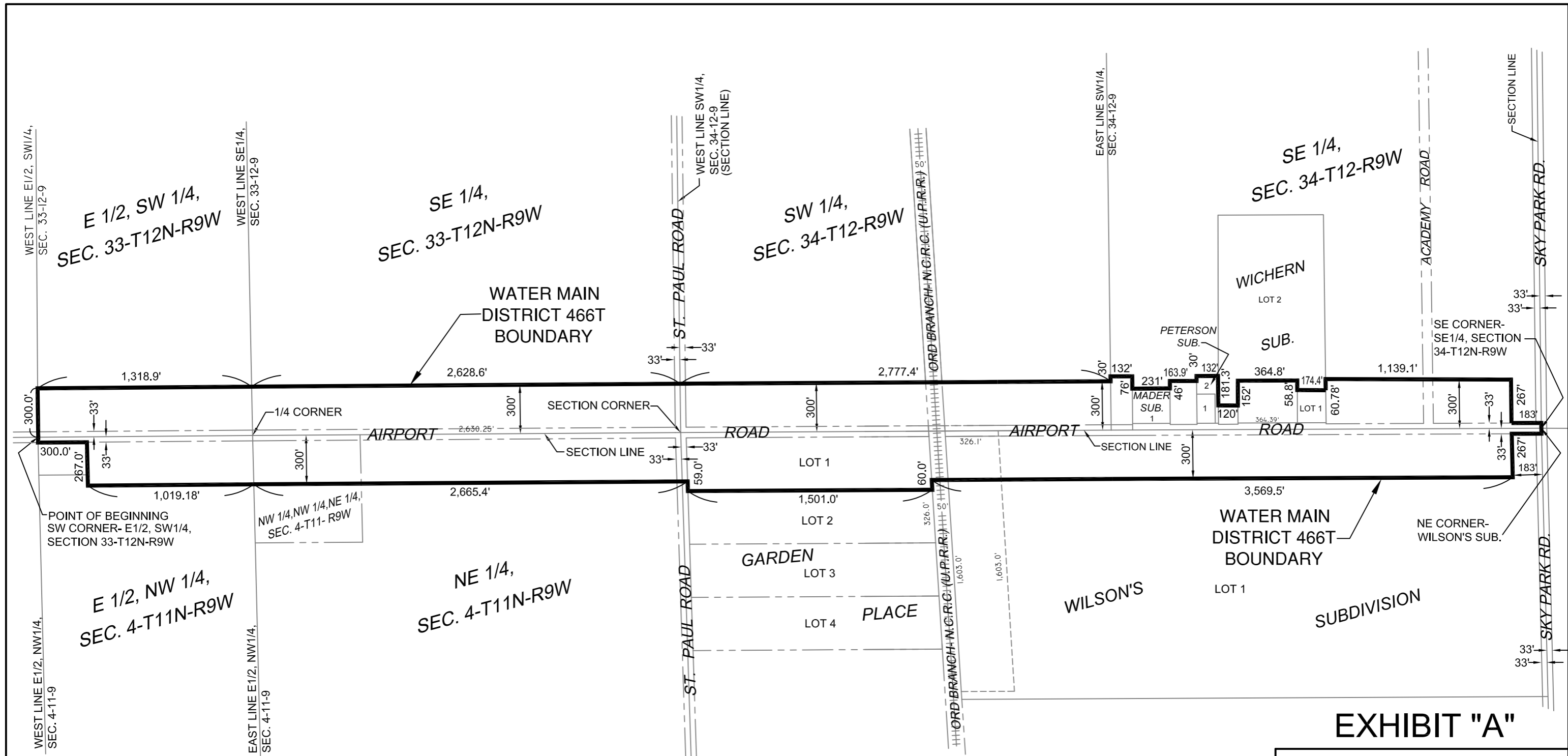


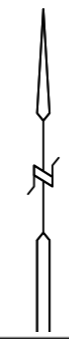
EXHIBIT "A"



**PLAT TO ACCOMPANY
ORDINANCE NO. 9428**

SH. 1 OF 1
SCALE : 1"= 600'
WMD 466T

REVISIONS		DRN. BY : K.J.M.
		DATE : 4/24/2013
		CHK. BY : T.W.B.
		DATE : 4/24/2013
		APP. BY : R.H.S.
		DATE : 4/24/2013



RESOLUTION 2015-223

WHEREAS, the City Engineer/Public Works Director and the Utilities Director for the City of Grand Island have issued a Certificate of Final Completion for Water Main District 466T certifying that Van Kirk Brothers Contracting of Sutton, Nebraska, under contract has completed the water main project according to the terms, conditions, and stipulations for such improvements; and

WHEREAS, the City Engineer/Public Works Director recommends the acceptance of the project; and

WHEREAS, the Mayor concurs with the recommendations of the City Engineer/Public Works Director and the Utilities Director.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that:

- The City Engineer/Public Works Director's Certificate of Final Completion for Water Main District 466T is hereby confirmed.
- That the City Council will sit as a Board of Equalization on October 13, 2015, to determine benefits and set assessments for Water Main District 466T.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, August 25, 2015.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form ✕ _____
August 21, 2015 ✕ City Attorney



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item G-10

**#2015-224 - Approving Continuation of Street Improvement
District No. 1262; Sterling Estates Fourth Subdivision – Ebony
Lane**

Staff Contact: John Collins, P.E. - Public Works Director

Council Agenda Memo

From: Terry Brown, P.E. – Manager of Engineering Services

Meeting: August 25, 2015

Subject: Approving Continuation of Street Improvement District No. 1262; Sterling Estates Fourth Subdivision – Ebony Lane

Presenter(s): John Collins PE, Public Works Director

Background

Street Improvement District No. 1262 was created by the City Council on July 14, 2015. Legal notice of the creation of the District was published in the Grand Island Independent on July 20, 2015. A notification letter of the district creation was also mailed to all affected property owners.

The City and Developer have been in contact regarding this street improvement district since last year, therefore expenses were planned in the 2014/2015 Capital Improvement Program budget. Several adjustments have been made to this subdivision plat, which has delayed this paving district; therefore staff is planning to move the budgeted funds to FY 2015/2016.

This public/private partnership will allow for development of the area, which consists of a City park with parking, as well as meeting the developer needs.

This project is currently estimated at \$250,000.00 and would be assessed to the subdivision developer, whom has signed the district creation petition form.

Discussion

The district completed the 20-day protest period at 5:00 p.m., Wednesday, August 12, 2015. No protests were filed against this district, excluding City owned property.

Types of funding/bonding options discussed by staff and administration:

- 1) Preliminary estimates or actual costs (bids in hand) may be used to issue Bond Anticipation Notes (BANs), typically for a two year maturity with a call option any time after 12 months. After construction, the assessment process and 50 day pay-in period is complete, 10 year General Obligation Bonds will be issued to redeem the BANs and be repaid by the assessment payments collected. The 10 year bonds would be callable after 5 years.

- 2) Fund construction with 2015-2016 Capital Improvement Projects 400 Fund budget dollars, which would cause delay of another project. After construction, the assessment process and 50 day pay-in period is complete, 10 year General Obligation Bonds will be issued to be repaid by the assessments collected over the 10 year period. The 10 year bonds would be callable after 5 years.
- 3) Fund construction costs with cash reserves from the State Gas Tax Fund or General Fund. After construction, the assessment process and 50 day pay-in period is complete, 10 year General Obligation Bonds will be issued to be repaid by the assessments collected over the 10 year period. The 10 year bonds would be callable after 5 years.

Alternatives

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

1. Move 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 continuation of Street Improvement District No. 1262 with the intent of bonding the total project.

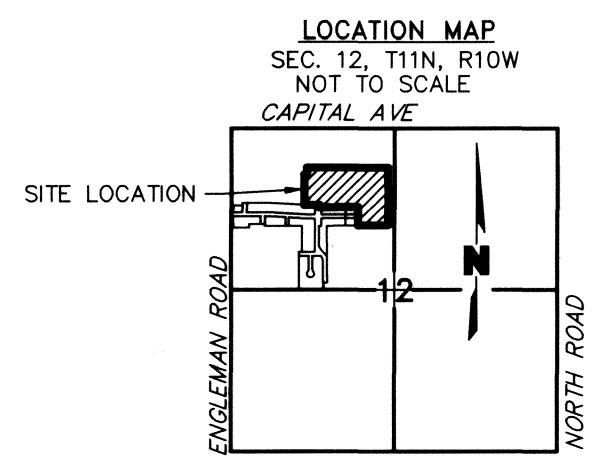
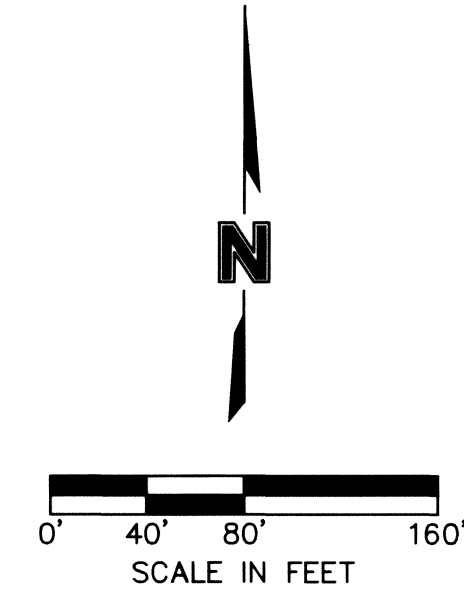
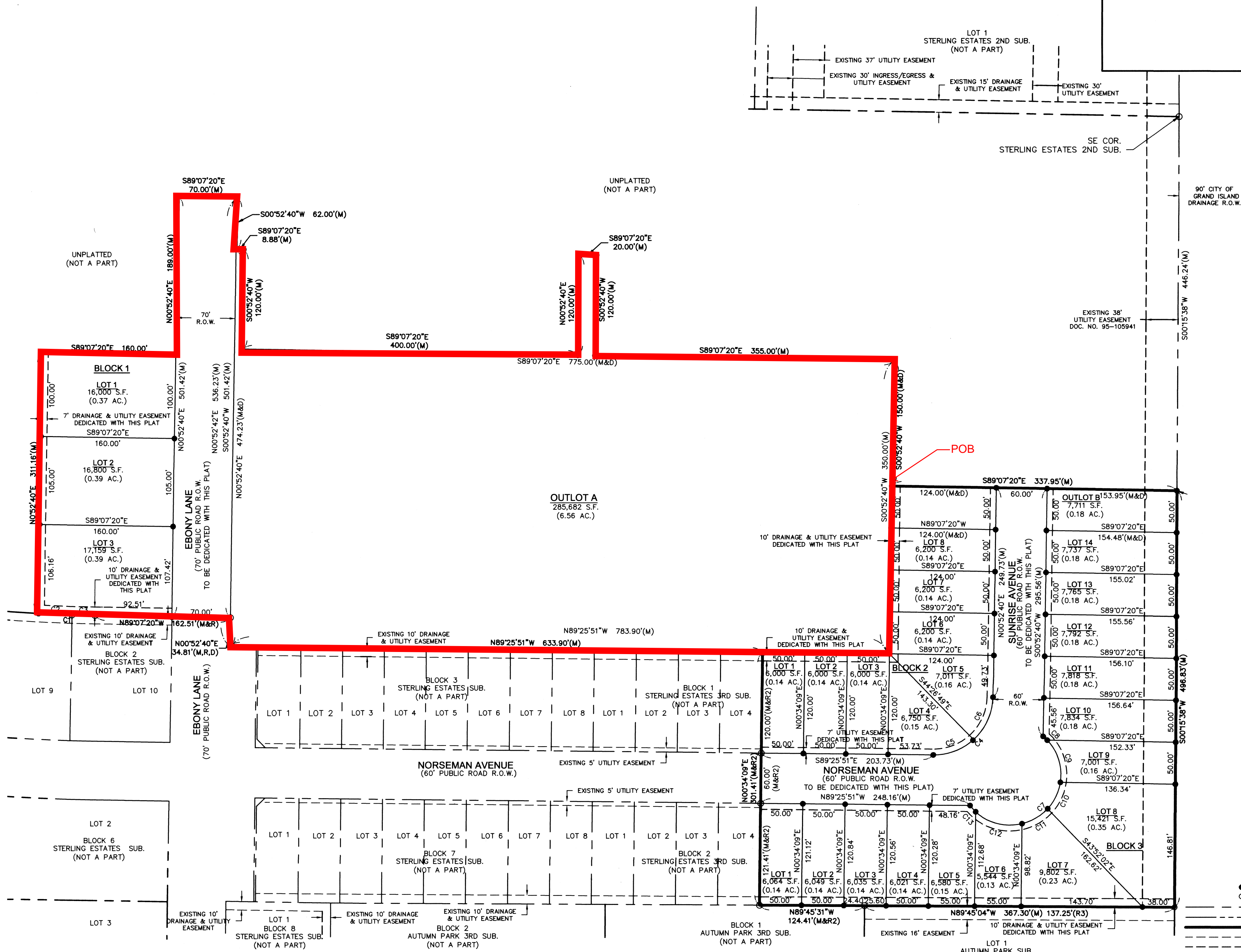
Sample Motion

Move to approve the continuation of Street Improvement District No. 1262.

STERLING ESTATES FOURTH SUBDIVISION

IN THE CITY OF GRAND ISLAND, HALL COUNTY, NEBRASKA

FINAL PLAT



- LEGEND**
- SET CORNER (5/8"x24" REBAR W/CAP)
 - FOUND CORNER (5/8" REBAR W/CAP)
 - SECTION LINE
 - - - EXISTING PROPERTY LINE
 - - - PROPOSED PROPERTY LINE
 - - - EXISTING EASEMENT LINE
 - - - EASEMENT LINE TO BE DEDICATED WITH THIS PLAT
 - M MEASURED DISTANCE
 - R RECORDED DISTANCE STERLING ESTATES SUB.
 - R2 RECORDED DISTANCE STERLING ESTATES THIRD SUB.
 - R3 RECORDED DISTANCE AUTUMN PARK SUB.
 - D RECORDED DISTANCE DOC. NO. 020905078

DWG: F:\projects\014-1966\SRVY\Final_Plat\Sterling Estates 4th Sub_rev4.dwg
 DATE: Apr 20, 2015 3:07pm
 USER: Wheeler
 XREFS: 014-1966_ROW

OLSSON ASSOCIATES
 201 East 2nd Street
 P.O. Box 1072
 Grand Island, NE 68802-1072
 TEL 308.384.8750
 FAX 308.384.8752

PROJECT NO. 2014-1966
NIEDFELT SURVEY
FB

OWNERS: NIEDFELT PROPERTY MANAGEMENT PREFERRED LLC./ CITY OF GRAND ISLAND
 SUBDIVIDER: NIEDFELT PROPERTY MANAGEMENT PREFERRED LLC./ CITY OF GRAND ISLAND
 SURVEYOR: OLSSON ASSOCIATES
 ENGINEER: OLSSON ASSOCIATES
 NUMBER OF LOTS: 27

SHEET 1 OF 2

RESOLUTION 2015-224

WHEREAS, Street Improvement District No. 1262; Sterling Estates 4th Subdivision – Ebony Lane, was created by Ordinance No. 9546 on July 14, 2015; and

WHEREAS, notice of the creation of such street improvement district was published in the Grand Island Independent, in accordance with the provisions of Section 16-667.01, R.R.S. 1943; and

WHEREAS, Section 16-667.01 R.R.S. 1943, provides that if the owners of record title representing more than 50% of the front footage of the property abutting upon the streets, avenues, or alleys, or parts thereof which are within such proposed district shall file with the City Clerk within twenty days from the first publication of said notice written objections to such district, said work shall not be done and the ordinance shall be repealed, and

WHEREAS, the protest period ended on August 12, 2015, and protests more than 50% of the total District frontage were not received.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that insufficient protests have been filed with the City Clerk against the creation of Street Improvement District No. 1262, therefore such district shall be continued and constructed according to law.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, August 25, 2015.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☒ _____
August 21, 2015	☒ City Attorney



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item G-11

#2015-225 - Approving Temporary Construction Easement for the North Interceptor Phase II, Part A; Sanitary Sewer Project No. 2013-S-4 (Ummel)

Staff Contact: John Collins, P.E. - Public Works Director

Council Agenda Memo

From: Terry Brown PE, Manager of Engineering Services

Meeting: August 25, 2015

Subject: Approving Temporary Construction Easement for the North Interceptor Phase II, Part A; Sanitary Sewer Project No. 2013-S-4 (Ummel)

Presenter(s): John Collins PE, Public Works Director

Background

Public Works Staff in conjunction with the design engineer, Black & Veatch of Kansas City, Missouri have jointly developed multi-year replacement planning stages for the City of Grand Island's large diameter gravity sanitary sewer interceptor network. The current planned interceptor, entitled the "North Interceptor" will replace aged gravity sanitary sewer, reduce or eliminate current sewer pumping station(s), and provide additional capacity for existing and new growth areas of Grand Island.

The new North Interceptor route was developed to incorporate, and partner with other utilities for the Capital Avenue Widening Project, and the new Headworks Pumping Station Project at the Wastewater Treatment Plant.

A phased approach of constructing the North Interceptor was developed as follows:

- Phase I - Wastewater Treatment Plant (WWTP) to 7th Street / Skypark Road
- Phase II (Part A) - 7th Street / Skypark Road to Broadwell Avenue
- Phase II (Part B) - Broadwell Avenue to Webb Road
- Phase II (Part C) - Webb Road to Diers Avenue (Lift Station No. 19)

A Temporary Construction easement from Gary and Estel Ummel is necessary for Phase II, Part A of this project to be completed, which must be approved by City Council. A sketch is attached to show the temporary construction easement area.

Discussion

A temporary construction easement is needed from one property owner for Phase II, Part A to be constructed.

A one-time payment of \$1,500 has been negotiated with the property owner.

All documents have been signed and returned by the property owner. Authorization of the document and payment to the property owner of \$1,500.00 is contingent upon City Council approval.

Alternatives

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

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

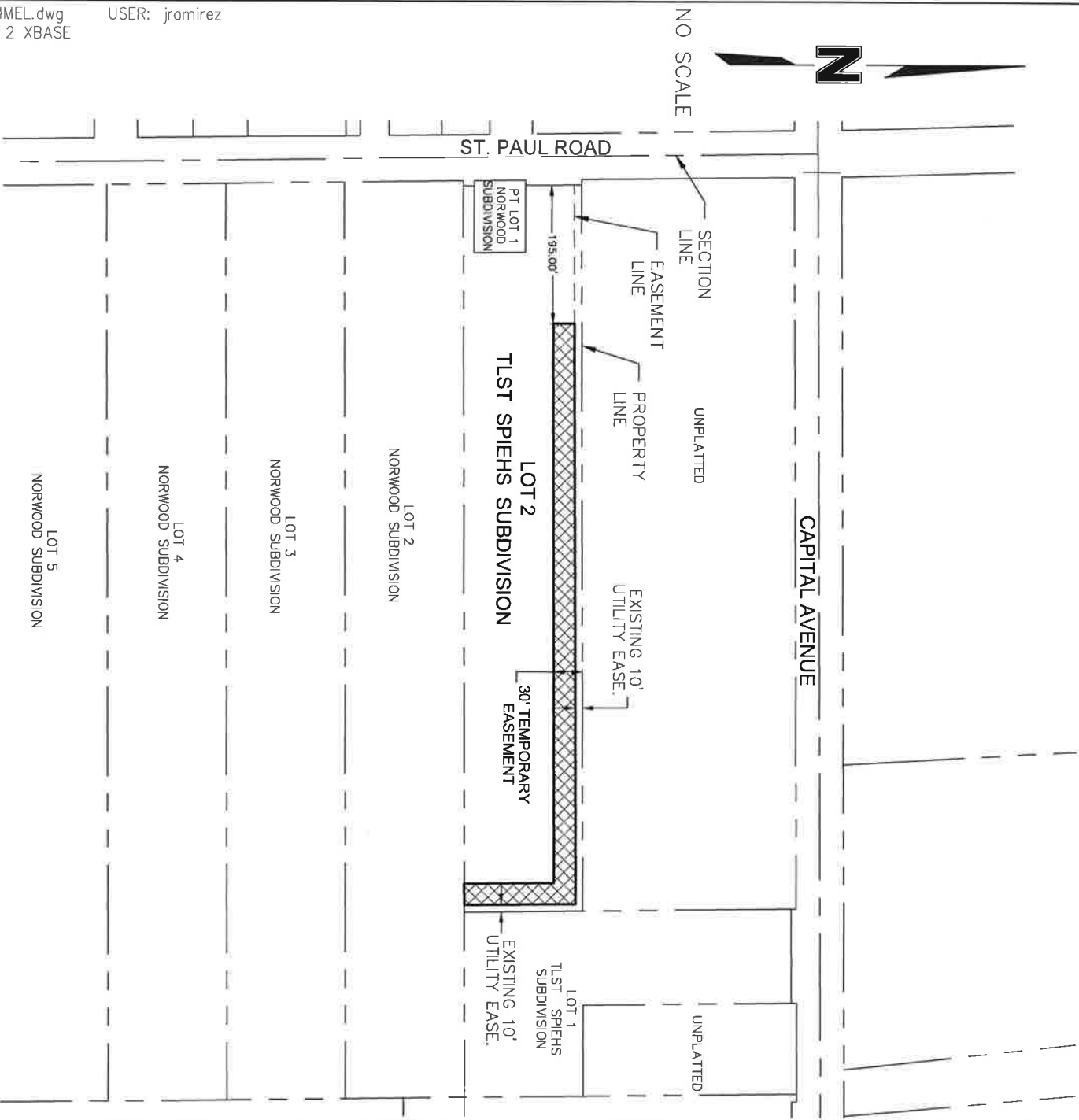
Recommendation

City Administration recommends that the Council approve the Temporary Construction Easement Agreement between the City of Grand Island, Public Works Department and the affected property owner for North Interceptor Phase II, Part A; Sanitary Sewer Project No. 2013-S-4, in the amount of \$1,500.00.

Sample Motion

Move to approve the temporary construction easement.

GARY & ESTEL UMMEL



DESCRIPTION OF TEMPORARY EASEMENT
 THE SOUTH 30.00 FEET OF NORTH 40.00 FEET, EXCEPT THE WEST 195.00 FEET AND EXCEPT THE EAST 10.00 FEET THEREOF, AND THE WEST 30.00 FEET OF THE EAST 40.00 FEET, EXCEPT THE NORTH 10.00 FEET THEREOF, OF LOT TWO (2), TLST SPEIHS SUBDIVISION, IN THE CITY OF GRAND ISLAND, HALL COUNTY, NEBRASKA.
 SAID TRACT CONTAINS A CALCULATED AREA OF 28,170 SQUARE FEET OR 0.647 ACRES MORE OR LESS.

 TEMPORARY EASEMENT

PROJECT NO: 011-2347
 DRAWN BY: JMR
 DATE: 08.10.2015

CITY OF GRAND ISLAND
 TEMPORARY EASEMENT

WOLSSON
 ASSOCIATES
 201 E. 2ND STREET
 PO BOX 1072
 GRAND ISLAND, NE 68901
 TEL 308.394.8750
 FAX 308.394.8752

EXHIBIT
A

DWG: F:\projects\011-2347\MUNI Phase 2\Easement Exhibits\112347_TEMP ESMT-UMMEL.dwg USER: jromirez
 DATE: Aug 10, 2015 11:49am XREFS: 112347_Phase 2 PBASE 112347_Phase 2 XBASE

RESOLUTION 2015-225

WHEREAS, a temporary construction easement is required by the City of Grand Island, from Hall County, in the North Interceptor Phase II, Part A; Sanitary Sewer Project No. 2013-S-4 project area:

THE SOUTH 30.00 FEET OF NORTH 40.00 FEET, EXCEPT THE WEST 195.00 FEET AND EXCEPT THE EAST 10.00 FEET THEREOF, AND THE WEST 30.00 FEET OF THE EAST 40.00 FEET, EXCEPT THE NORTH 10.00 FEET THEREOF, OF LOT TWO (2), TLST SPIEHS SUBDIVISION, IN THE CITY OF GRAND ISLAND, HALL COUNTY, NEBRASKA. SAID TRACT CONTAINS A CALCULATED AREA OF 28,170 SQUARE FEET OR 0.647 ACRES MORE OR LESS.

WHEREAS, an Agreement for the Temporary Construction easement has been reviewed and approved by the City Legal Department.

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 enter into the Agreement for the Temporary Construction easement on the above described tract of land, in the amount of \$1,500.00.

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

Adopted by the City Council of the City of Grand Island, Nebraska, August 25, 2015.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☒ _____
August 21, 2015	☒ City Attorney



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item G-12

#2015-226 - Approving Authorizing Clean Water State Revolving Fund (CWSRF) Loans

Staff Contact: John Collins, P.E. - Public Works Director

Council Agenda Memo

From: Marvin Strong PE, Wastewater Plant Engineer

Meeting: August 25, 2015

Subject: Consideration of Authorizing Clean Water State Revolving Fund (CWSRF) Loans

Presenter(s): John Collins PE, Public Works Director

Background

On June 10, 2014, a public hearing was held and resolution 2014-162 was approved by Council in support of receiving up to \$40,000,000 in Clean Water State Revolving Fund (CWSRF) loans administered by the Nebraska Department of Environmental Quality (NDEQ) to continue Sanitary Sewer Collection System and Wastewater Treatment Plant Improvement.

As presented at the public hearing, CWSRF loan terms will provide repayment of principal and interest beginning 3 years following the award of each loan or at initiation of each project, whichever is sooner. The first interest payment was due June 15, 2015, with principal payments not being required for 3 years. Interest rates will range from 2 ¼% for green projects - 2 1/2% for non-green projects. These rates include a 1% administration fee.

The two (2) CWSRF loans with NDEQ will be a parity obligation with the City's outstanding 2013 Sewer Revenue Bonds issued on September 17, 2013 with current principal amount of \$34,030,000, which is currently the only outstanding debt payable from revenues of the City's wastewater system.

This additional financing will be within the constraints of the rate study provided by Black and Veatch in September of 2013 approved by Council.

On June 10, 2014 City Council approved Resolution No. 2014-162, which authorized a maximum principal amount of debt expected to be issued for Sanitary Sewer Collection System and Wastewater Treatment Plant Improvements at \$74,275,000, with debt expected to include up to \$40,000,000 in principal amount of loan funds from the Clean Water State Revolving Loan Fund program.

Ordinance No. 9493 was approved by City Council on July 29, 2014 giving formal approval to the NDEQ borrowing in a principal amount of up to \$40,000,000. Subsequently, each loan document with NDEQ will be presented for approval by Council resolution.

On September 9, 2014 City Council approved Resolution No. 2014-273 which gave approval for the City to enter into loan contracts in the total amount of \$7,000,000 between the Nebraska Department of Environmental Quality and the City of Grand Island, Nebraska; designated as Project No. C317867 (non-green), in the amount of \$6,000,000 and Project No. C317981 (green), in the amount of \$1,000,000.

On March 10, 2015 City Council approved Resolution No. 2015-68 which gave approval for the City to amend the Green Contract and increase the borrowing amount from \$1,000,000 to \$29,000,000, thereby bringing the total amount of the loans under the contracts to a drawable amount of \$35,000,000 pursuant to Ordinance No. 9493.

Discussion

The request at this time is to amend the “Non-Green” loan contract known as Project No. C317867 from \$6,000,000 to \$6,200,000 with the Nebraska Department of Environmental Quality (NDEQ). The interest rate on such loan is 1.50%, plus a 1% administration fee for a total of 2.5%, with a term of 20 years.

Approval is also being requested to obtain a new loan, in the amount of \$4,800,000 known as Project No. C317984, which involves the construction of the sanitary sewer collection system improvement project associated with Westwood Park Subdivision and rehabilitation of Lift Station #20 force main. The interest rate on such loan is 1.5%, plus a 1% administration fee for a total of 2.5%, with a term of 20 years.

This will bring the total loan amount to the approved borrowing amount of \$40,000,000.

Alternatives

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

1. Move 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 a resolution authorizing execution of the amended “Non-Green” loan contract (Project No. C317867) for a total amount of \$6,200,000, as well as execution of the new loan (Project No. C317984) in the amount of \$4,800,000 with Nebraska Department of Environmental Quality (NDEQ) for Sanitary Sewer Collection System and Wastewater Treatment Plant Improvements.

Sample Motion

Move to approve the resolution.

AMENDMENT No. 1

To

**LOAN CONTRACT
(Governmental Borrower)**

Between

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY

and

CITY OF GRAND ISLAND, NEBRASKA

NDEQ Project No. C317867

DATED AS OF _____, 2015

**AMENDMENT NO. 1
LOAN CONTRACT BETWEEN
NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
AND
THE CITY OF GRAND ISLAND, NEBRASKA
PROJECT NO. C317867**

This Amendment No. 1 to the Loan Contract, is entered into by and between the State of Nebraska, acting by and through the Nebraska Department of Environmental Quality (hereinafter "NDEQ") and the City of Grand Island, Nebraska, (hereinafter "Municipality").

1. The Contract for Loan (Project No. C317867) (hereinafter "Loan Contract") between NDEQ and the Municipality dated September 12, 2014, and signed by Patrick W. Rice, Acting Director of NDEQ, and Jay Vavricek, Mayor of the City of Grand Island, is hereby acknowledged and incorporated by this reference as if fully set out herein.

2. Pursuant to Section 6.03 of the Loan Contract, the parties hereby amend the Loan Contract by modifying Section 2.01 Amount of the Loan, Section 2.02 Term of the Loan, Section 2.07 Schedule of Compliance as follows:

Section 2.01 of the original Loan Contract dated September 12, 2014, reads as follows:

Section 2.01. Amount of the Loan. Subject to all of the terms, provisions and conditions of this Loan Contract, and subject to the availability of State and Federal funds, NDEQ will loan six million dollars (\$6,000,000) to the Municipality to pay a portion of the Project Costs described in Attachment B hereto. The final actual amount of the Loan may be reduced without revision of any other terms, provisions or conditions of this Loan Contract, other than adjustment by NDEQ to the Repayment Schedule in Attachment A hereto, to reflect reductions in the estimated or actual total Project Costs as impacted by opening of bids for construction, change orders, final actual costs, and prepayments. The Municipality must make provision for the payment of all eligible costs exceeding the Loan Amount. The NDEQ may provide supplemental loan funds through a separate loan contract amendment. Receipt of any supplemental loan funds is dependent on availability of unobligated funds in the Fund and any obligation of additional funds to this Project is at the sole discretion of NDEQ with such revised or additional terms, conditions, and covenants as NDEQ may require.

Shall be replaced as follows:

Section 2.01. Amount of the Loan. Subject to all of the terms, provisions and conditions of this Loan Contract, and subject to the availability of State and Federal funds, NDEQ will loan **six million two hundred thousand dollars (\$6,200,000)** to the Municipality to pay a portion of the Project Costs described in Attachment B hereto. The final actual amount of the Loan may be reduced without revision of any other terms, provisions or conditions of this Loan Contract, other than adjustment by NDEQ to the Repayment Schedule in Attachment A hereto, to reflect reductions in the estimated or actual total Project Costs as impacted by opening of bids for construction, change orders, final actual costs, and prepayments. The Municipality must make provision for the payment of all eligible costs exceeding the Loan Amount. The NDEQ may provide supplemental loan funds through a separate loan contract amendment. Receipt of any supplemental loan funds is dependent on availability of unobligated funds in the Fund and any obligation of additional funds to this Project is at the sole discretion of NDEQ with such revised or additional terms, conditions, and covenants as NDEQ may require.

Section 2.02 of the original Loan Contract dated September 12, 2014, reads as follows:

Section 2.02. Term of the Loan. The Municipality agrees to fully repay the Loan with interest on the date of Initiation of Operation or to begin repayment of principal and interest on the Loan within one (1) year from the date of Initiation of Operation but no later than three (3) years from the date of the Loan, and to repay such Loan in full no later than twenty (20) years from Initiation of Operation and to pay all principal, interest, administrative fees and penalty fees when due. The municipality shall provide NDEQ 60 days written notice of its intent to repay the Loan all or in part on the date of the Initiation of Operation.

Shall be replaced by Amendment No. 1 as follows:

Section 2.02. Term of the Loan. The Municipality agrees to fully repay the Loan with interest on the date of Initiation of Operation or to begin repayment of principal and interest on the Loan within one (1) year from the date of Initiation of Operation but no later than three (3) years from the date of **Amendment No. 1** to the Loan, and to repay such Loan in full no later than twenty (20) years from Initiation of Operation and to pay all principal, interest, administrative fees and penalty fees when due. The municipality shall provide NDEQ 60 days written notice of its intent to repay the Loan all or in part on the date of the Initiation of Operation.

Section 2.07 of the original Loan Contract dated September 12, 2014, reads as follows:

Section 2.07. Schedule Of Compliance. The Municipality agrees to perform steps of the Project in accordance with the following schedule of milestone dates.

- (a). September 2014, Loan date
- (b). July 2014, Construction start
- (c). August 2015, Initiation of Operation
- (d). August 2015, Substantial completion of construction

Shall be replaced by Amendment No. 1 as follows:

Section 2.07. Schedule Of Compliance. The Municipality agrees to perform steps of the Project in accordance with the following schedule of milestone dates.

- (a). September 2014, **Original** Loan date
- (b). July 2014, Construction start
- (c). **September 2015, Loan Amendment No. 1 date**
- (d). **April 2016**, Initiation of Operation
- (e). **April 2016**, Substantial completion of construction

3. In addition, Attachment A to the Loan Contract between NDEQ and the COMMUNITY of GRAND ISLAND PROJECT NO. C317867 LOAN AMORTIZATION SCHEDULE (PROJECTED), shall be modified as follows and an Amendment No. 1 (projected) schedule is attached:

Attachment A to the original Loan Contract, reads as follows

"PRINCIPAL = 6,000,000.00"

"INTEREST RATE = 1.50"

TERM YEARS = 20

FEE RATE = 1.00

Shall be replaced by Amendment No. 1 as follows:

"PRINCIPAL = 6,200,000.00"
"INTEREST RATE = 1.50"

TERM = 20
FEE RATE = 1.00

4. In addition, Attachment B, Project Costs and Projected Outlay Schedule, page 20 shall be modified as follows:

Attachment B to the Original Loan Contract reads as follows:

ATTACHMENT B

Project Costs

Construction Cost	\$4,962,050
A/E Design fees	457,830
Contingencies	<u>580,120</u>
Total estimated project cost	\$6,000,000

SOURCE OF FUNDS

NDEQ CWSRF Loan	<u>\$6,000,000</u>
TOTAL NDEQ FINANCING	\$6,000,000

Projected Outlay Schedule

September 2014	\$1,000,000
October	629,000
November	629,000
December	629,000
January 2015	677,000
February	677,000
March	677,000
April	500,000
May	250,000
June	250,000
July	<u>82,000</u>
TOTAL	\$6,000,000

Shall be replaced by Amendment No. 1 as follows:

ATTACHMENT B

Project Costs

Construction Cost	\$5,647,909
A/E Costs	552,091
TOTAL ESTIMATED PROJECT COST	\$6,200,000
 <u>SOURCE OF FUNDS</u>	
Original CWSRF Loan	\$6,000,000
Loan Amendment No. 1	200,000
TOTAL NDEQ FINANCING	\$6,200,000

Projected Outlay Schedule

December 2014 thru June 2015	\$3,225,545
July 2015	265,109
August 2015	265,109
September 2015	241,642
October 2015	241,642
November 2015	298,259
December 2015	112,842
January 2016	291,642
February 2016	291,642
March 2016	241,642
April 2016	241,642
May 2016	241,642
June 2016	241,642
TOTAL	\$6,200,000

5. Pursuant to Section 6.03 of the Loan Contract, the parties hereby amend the following attachments attached hereto: Attachment A, Loan Repayment Schedule (Projected); Attachment B, Project Costs and Projected Outlay Schedule; Attachment C, Financial Capabilities Analysis; Attachment E, Municipality's Counsel's Opinion; Attachment F, Promissory Note, and Attachment G, in accordance with the terms and conditions set forth in Amendment No. 1 to the Loan Contract.

6. Except as specifically modified herein, all terms and conditions of the original Loan Contract remain in full force and effect.

7. The amendment or modification made herein shall become effective on the latter of the two dates signed.

CITY OF GRAND ISLAND, NEBRASKA

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY

By _____

By _____

Title Mayor

Title Director

Date _____

Date _____

DRAFT

ATTACHMENT A

PROJECTED LOAN REPAYMENT SCHEDULE

Interest accruing before June 15, 2016, which is not reflected on the following amortization schedule shall be billed and paid in accordance with NDEQ's procedures as in effect from time to time. Interest shall accrue at the applicable rate (set forth in Section 2.03 of the Contract for Loan) as to the amount drawn and outstanding from time to time during the payment period, with payments due on June 15 and December 15 of each year, commencing **December 15, 2015**. Amounts due will be billed on or about May 15 and November 15 of each year for each six-month payment period ending on the set interest payment date. Interests accruing on any principal amounts drawn after the billing date are to be paid as an addition to the billing for the next interest payment period.

ATTACHMENT B

Project Costs

Construction Cost	\$5,647,909
A/E Costs	552,091
TOTAL ESTIMATED PROJECT COST	\$6,200,000

SOURCE OF FUNDS

Original CWSRF Loan	\$6,000,000
Loan Amendment No. 1	200,000
TOTAL NDEQ FINANCING	\$6,200,000

Projected Outlay Schedule

December 2014 thru June 2015	\$3,225,545
July 2015	265,109
August 2015	265,109
September 2015	241,642
October 2015	241,642
November 2015	298,259
December 2015	112,842
January 2016	291,642
February 2016	291,642
March 2016	241,642
April 2016	241,642
May 2016	241,642
June 2016	241,642
TOTAL	\$6,200,000

ATTACHMENT C
FINANCIAL CAPABILITY
GRAND ISLAND, NEBRASKA
CWSRF Project No. C317867

Grand Island has requested CWSRF loan assistance of \$40,000,000 in Fiscal Years 2014 – 2017 to finance sanitary sewer improvement projects. This Financial Capability Analysis is prepared to assess the City's ability to repay existing sewer revenue bond debt as well as the estimated CWSRF debt thru fiscal year 2038.

The documents reviewed and used to complete this analysis are:

1. Audit reports for the City of Grand Island, for the years ending September 30, 2010, 2011, 2012, 2013, and 2014.
2. Application for State and/or Federal Assistance, January 23, 2014
3. Sewer Revenue Bonds, 9/17/2013.
4. Report on Revenue Requirements, Cost of Service and Rates for Wastewater Service, dated October 1, 2013 prepared by Black & Veatch.

Table 1

Grand Island Sewer Fund Financial Summary FY 2010 – FY 2014

Fiscal Year	Operating Income	Operating Expense (1)	Net Revenue	Debt Service	Debt Coverage Ratio
2010	\$9,338,088	\$5,908,172	\$3,429,916	\$1,759,323	1.95
2011	\$8,725,053	\$5,376,869	\$3,348,184	\$1,758,191	1.90
2012	\$8,374,864	\$4,787,445	\$3,587,419	\$1,718,220	2.09
2013	\$8,713,747	\$5,339,743	\$3,374,004	\$3,125,069	1.08
2014	\$13,064,576	\$5,264,808	\$7,799,768	\$4,448,061	1.75

(1) Depreciation & Interest Expense is not included.

In FY 2013 Grand Island paid off Sewer System Revenue and Refunding Bonds dated June 25, 2003. The pay off included a principal balance of \$3,050,000 plus accrued interest of \$75,069. The City of Grand Island issued Sewer System Revenue Bonds dated September 17, 2013, with original issue amount of \$35,430,000. Interest ranges from 0.50 to 5.375% with final maturity on September 15, 2038. The City funded the headworks project and North Interceptor phase 1 with this revenue bond debt. Construction for the work funded by the September 17, 2013 revenue bond issue is expected to be complete in **September, 2015**.

User Fee Impacts

The City of Grand Island approved current sewer rates by passing Resolution 2013-331 effective October 1, 2013. A typical small residential customer who uses 500 cubic feet of water per month currently pays a sewer rate \$18.64/month. The City of Grand Island hired Black & Veatch to evaluate the finances of their sewer utility and to prepare a rate study. Black and Veatch prepared a report dated October 1, 2013 and titled "Revenue Requirements, Cost of Service and Rates for Wastewater Service." Table B presents estimated sewer rates that should get implemented effective October 1, 2014, 2015 & 2016. The revenues from the projected sewer rates are expected to support the operation and maintenance of the sewer utility, service the sewer revenue bond debt in the amount of \$35,430,000 and to service the debt due to the proposed CWSRF debt in the amount of \$40,000,000. The sewer rate for a typical customer who uses 500 cubic feet of water is estimated to be \$25.94/month in fiscal year 2017.

Table B

**City of Grand Island, NE
Wastewater Utility
Proposed Rates**

	Charges to be Effective October 1,			
	2013	2014	2015	2016
Sewer Service Charge - \$/month				
All Customers	8.24	8.24	8.24	8.24
Volume Charge - \$/Ccf				
Low Strength Industrial Dischargers	1.47	1.96	2.23	2.47
Non-Sanitary Sewer Flow (a)	1.18	1.18	1.18	1.18
Sanitary Sewer Flow	2.52	3.01	3.28	3.52
Excess Strength Surcharge - \$/lb				
BOD over 250 mg/l	0.3844	0.3844	0.3844	0.3844
Suspended Solids over 250 mg/l	0.2533	0.2533	0.2533	0.2533
Oil & Grease over 100 mg/l	0.0832	0.0845	0.0858	0.0872
Low Strength Industrial Dischargers				
BOD over 0 mg/l	0.3844	0.3844	0.3844	0.3844
Suspended Solids over 0 mg/l	0.2533	0.2533	0.2533	0.2533
Oil & Grease over 0 mg/l	0.0832	0.0845	0.0858	0.0872
TKN over 30 mg/l	0.5701	0.6314	0.6927	0.7539
Nitrates over 25 mg/l	1.8739	1.8810	1.8881	1.8953

(a) Applicable to flow discharged from JBS' pretreatment lagoons through their sewer main connecting directly to the City's wastewater treatment plant.

Ccf = Hundred Cubic Feet
 BOD = Biochemical Oxygen Demand
 TKN = Total Kjeldahl Nitrogen
 mg/l = milligram per liter

Table 2 represents the estimated revenue and expenses of the Grand Island Sewer Utility in FY 2015, 2016, 2017 & 2018. This information is obtained from the Black & Veatch study.

Table 2

Estimate of Revenue & Expenses FY 2015 - FY 2018

Fiscal Year Ending September 30	Estimated Revenue	Estimated Operating Expense	Estimated Net Revenue	Debt Service	Debt Coverage Ratio
2015	\$9,915,500	\$5,543,200	\$4,372,300	\$3,014,400	1.45
2016	\$11,060,800	\$5,859,700	\$5,201,100	\$2,361,300	2.2
2017	\$11,794,600	\$6,231,000	\$5,563,600	\$3,032,800	1.83
2018	\$12,650,900	\$6,632,400	\$6,018,500	\$3,870,500	1.56

Funds Available for State Intercept

State Aid to Cities	\$0
Highway Allocations, FY 2015	\$4,554,875
TOTAL	\$4,554,875
Proposed CWSRF Loan Amd. 1 #C317867 P&I	\$359,974
CWSRF Loan Amd. 1 For #C317981 P&I	\$1,643,297
Total CWSRF P&I	\$2,003,271

State intercept total is more than the combined annual CWSRF principal and interest loan payments.

Recommendation: **The City of Grand Island's typical household sewer rate of \$25.94 per month or \$311.28 annually is 0.7% of Grand Island's 2012 median household income of \$44,791.** Since the City of Grand Island's sewer rate is less than the 2% guideline from EPA, the City is eligible to receive the CWSRF loan. We recommend that the Department award a CWSRF Loan to the City of Grand Island.

ATTACHMENT E

Form of Opinion of Municipality's Counsel

[USE MUNICIPALITY'S OR COUNSEL'S LETTERHEAD]

[Date]

[NOTE: Any of the opinions given below may be given in reliance upon the opinion of another Bond Counsel, and one Bond Counsel may give some of the opinions and another Bond Counsel may give others.]

Nebraska Department of Environmental Quality
Suite 400
1200 N Street, The Atrium
Post Office Box 98922
Lincoln, NE 68509-8922
Attention: Wastewater Facilities Section
Water Quality Division

Ladies and Gentlemen:

[I/We] have acted as [Bond] Counsel in connection with the execution and delivery by [NAME OF MUNICIPALITY], a [TYPE OF ENTITY] (the "Municipality"), of a Contract for Loan No. C317867 dated as of September 12, 2014 as amended by Amendment No. 1 (collectively the "Loan Contract") each between the Municipality and the Nebraska Department of Environmental Quality ("NDEQ") and the issuance of an amended and restated promissory note dated the date hereof (the "Note") by the Municipality to NDEQ, which replaces the prior promissory note for Loan Contract C317981 previously executed and delivered by the Municipality to evidence its payment obligation under the Loan Contract. All terms used in this opinion letter and not defined shall have the meanings given to them in the Loan Contract.

In this connection, [I/we] have examined the following:

- (a) Certified copies of the [DESCRIBE RESOLUTION AND/OR ORDINANCE PURSUANT TO WHICH LOAN AGREEMENT AND NOTE ARE TO BE ENTERED INTO];
- (b) An executed counterpart of the Loan Contract (including as a part thereof said Amendment No. 1);
- (c) The executed Note; and
- (d) Such other documents as [I/we] deemed relevant and necessary in rendering this opinion.

As to questions of fact material to [my/our] opinion, [I/we] have relied upon the covenants and representations set forth in the Loan Contract, the certified proceedings and other certifications of public officials furnished to [me/us] without undertaking to verify the same by independent investigation.

Based upon the foregoing [I am/we are] of the opinion that:

1. The Municipality is a [CITY, VILLAGE, SID OR OTHER] duly organized and validly existing under the laws of the State of Nebraska.

2. The Municipality is a governmental unit, as such term is used in Section 141(b)(6) of the Internal Revenue Code of 1986, as amended.

3. The Municipality has the power and authority to enter into the Loan Contract, to issue the Note, to borrow the entire principal amount provided for in Section 2.01 of the Loan Contract (the "Principal Amount") and to perform its obligations under the Loan Contract and the Note.

4. The Loan Contract and the Note have been duly authorized, executed and delivered by the Municipality and are, and would be if the entire Principal Amount were advanced to the Municipality pursuant to the Loan Contract on the date of this opinion, and assuming all required consents (if any) thereto have been obtained by NDEQ, the valid and legally binding special obligations of the Municipality, payable solely from the sources provided therefor in the Loan Contract, enforceable in accordance with their respective terms, except to the extent that the enforceability thereof may be limited by laws relating to bankruptcy, insolvency or other similar laws affecting creditors' rights generally and general principles of equity.

5. Pursuant to §18-1803 through 18-1805, and §10-1101 et seq., R.R.S. Neb. 2012, the Ordinance of the Municipality and the Loan Contract which the Ordinance incorporates by reference create a valid lien on the funds pledged by the Municipality pursuant to Section 3.02 of the Loan Contract for the security of the Loan Contract and the Note and no other debt of the Municipality is secured by a superior lien on such funds, except as provided for under the terms of the Ordinance and the Loan Contract.

6. The Municipality has obtained or made all approvals, authorizations, consents or other actions of, and filings, registrations or qualifications with, the Municipality or any other government authority which are legally required, as of the date hereof, to allow the Municipality to enter into and perform its obligations under the Loan Contract and the Note and borrow the full Principal Amount pursuant to the Loan Contract and the Note.

This opinion is intended to supersede and replace in its entirety our prior opinion dated August 12, 2014. It is to be understood that the rights of the holder of the Note and the Loan Contract and the priorities and enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium, extension, compromise and other similar laws affecting creditors rights heretofore or hereafter enacted to the extent applicable and that their priorities and enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

This opinion letter, and the opinions expressed in it, are intended only for the benefit of the addressees identified on the first page hereof. No other person may rely on any opinion expressed without our prior written authorization.

Very truly yours,

ATTACHMENT F

AMENDED AND RESTATED PROMISSORY NOTE OF THE CITY OF GRAND ISLAND, NEBRASKA

FOR VALUE RECEIVED, the undersigned (the "Municipality") promises to pay, but solely from the sources described herein, to the order of the Nebraska Department of Environmental Quality ("NDEQ"), or its successors and assigns, the principal sum of not to exceed **\$6,200,000** to the extent disbursed pursuant to Section 2.01 and Section 2.04 of the Loan Contract No. C317867 dated as of September 12, 2014, **as amended by Amendment No. 1 (together, the Loan Contract)**, with interest on each such amount until paid, as provided in Section 2.01 and Section 2.03 of the Loan Contract between NDEQ and the Municipality. **\$6,000,000 of the principal sum was previously the subject of a prior related Note issued under Loan Contract C317867 dated September 12, 2014. The principal sum is changed to \$6,200,000 and such Note is hereby superseded and replaced in its entirety with this Amended and Restated Promissory Note.** In addition, the Municipality shall pay an Administrative Fee on the outstanding principal amount of this Note at the rate of 1.0 percent per annum as provided in the Loan Contract. The said principal and interest and Administrative Fee shall be payable in semiannual installments each payable on December 15 and June 15 of each year in accordance with Section 2.05 of the Loan Contract. Each installment shall be in the amount set forth opposite its due date in Attachment A to the Loan Contract.

All payments under this Note shall be payable at the offices of NDEQ in Lincoln, Nebraska, and upon the assignment of this Note to NIFA, at the principal corporate trust office of a Trustee designated by NIFA, or such other place as NDEQ may designate in writing.

This Note is issued pursuant to and is secured by the Loan Contract and Ordinance No. 9493 of the City of Grand Island, Nebraska, the terms and provisions of which are incorporated herein by reference.

All payments of principal of and interest on this Note and other payment obligations of the Municipality hereunder shall be limited obligations of the Municipality payable solely out of the Wastewater User Charge (as defined in the Loan Contract), on a parity with revenue bonds, presently outstanding or hereafter issued pursuant to Ordinances No. 9434 of the Municipality and pursuant to the Ordinance and shall not be payable out of any other revenues of the Municipality. The obligations of the Municipality under this Note shall never constitute or give rise to a charge against its general credit or taxing power. This note shall not be a debt of the municipality within the meaning of any constitutional statutory or charter limitation upon the creation of general obligation indebtedness of the Municipality.

If default be made in the payment of any installment due under this Note or by the occurrence of any one or more of the Events of Default specified in Article V of the Loan Contract and if such Event of Default is not remedied as therein provided, or by failure to comply with any provision of the Ordinance, NDEQ then, or at any time thereafter, may give notice to the Municipality that all unpaid amounts of this Note then outstanding, together with all other unpaid amounts outstanding under the Loan Contract, are due and payable immediately, and thereupon, without further notice or demand, all such amounts shall become and be immediately due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise the same at any time in the event of any continuing or subsequent default.

The Municipality hereby waives presentment for payment, demand, protest, notice of protest and notice of dishonor.

This Note and all instruments securing the same are to be construed according to the laws of the State of Nebraska. Signed and sealed this _____ day of _____, 2015

[SEAL]

CITY OF GRAND ISLAND, NEBRASKA

Attest:

Clerk

By _____

Title Mayor

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY

By _____

Title Director

Date _____

Complete this section upon assignment of this Note to NIFA.

Pursuant to the Pledge Agreement dated as of _____ as amended (the "Pledge Agreement"), by and between NDEQ and the Nebraska Investment Finance Authority ("NIFA"), and the _____ dated as of _____, as supplemented and amended, by and between NIFA _____, as trustee, NDEQ hereby assigns, grants and conveys any and all of NDEQ's rights, title and interest in this Note to NIFA, except as provided in the Pledge Agreement, and NIFA hereby assigns such rights, title and interest to the Trustee and any successor Trustee.

NEBRASKA INVESTMENT FINANCE AUTHORITY

Attest:

By _____

Title _____

Date _____

ATTACHMENT G
OTHER DOCUMENTS

DRAFT

ORDINANCE NO. 9493

AN ORDINANCE OF THE CITY OF GRAND ISLAND, NEBRASKA, AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$40,000,000 TOTAL PRINCIPAL AMOUNT SEWER SYSTEM REVENUE BONDS IN THE FORM OF ONE OR MORE PROMISSORY NOTES OF THE CITY, TO PAY THE COSTS OF ACQUIRING, CONSTRUCTING, IMPROVING, EXTENDING, EQUIPPING AND FURNISHING IMPROVEMENTS TO THE CITY'S SANITARY SEWER DISPOSAL PLANT AND SEWER SYSTEM; APPROVING THE EXECUTION AND DELIVERY OF ONE OR MORE LOAN CONTRACTS WITH THE NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY; PRESCRIBING THE FORM AND DETAILS OF THE BONDS AND THE COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; PROVIDING FOR THE PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM; AND AUTHORIZING CERTAIN ACTIONS AND DOCUMENTS AND PRESCRIBING OTHER MATTERS RELATING THERETO.

BE IT ORDAINED by the Mayor and Council of the City of Grand Island, Nebraska, as follows:

Section 1. The Mayor and City Council of the City of Grand Island, Nebraska (the "City") hereby find and determine:

(a) The City owns and operates a wastewater treatment plant and sanitary sewer system (such plant and system, together with all additions and improvements thereto hereafter acquired and constructed are herein referred to as the "Sewer System") which represents a revenue-producing undertaking of the City;

(b) the Nebraska Department of Environmental Quality ("NDEQ") has approved construction of additions and improvements to the City's Sewer System (collectively, the "Project") and has proposed to lend monies for the Project in one or more loans (each, an "NDEQ Loan"). Each NDEQ Loan shall be governed as to terms and conditions by a Loan Contract between the City and NDEQ, each of which shall be in substantially the form presented herewith (each, an "NDEQ Contract"). To evidence each NDEQ Loan and the debt obligation incurred by the City in connection with each NDEQ Contract, NDEQ has agreed to accept a bond payable from the revenues of the Sewer System to be evidenced by and in the form of a promissory note (each, an "NDEQ Note" and together the "NDEQ Notes"; sometimes all of the NDEQ Notes issued hereunder are collectively referred to herein as the "Bonds") in substantially the form attached to the NDEQ Contract.

(b) The City has issued and outstanding the following revenue bonds which are a lien upon and secured by a pledge of the Revenues of the Sewer System:

Sewer System Revenue and Refunding Bonds, Series 2013, Date of Original Issue – September 17, 2013, issued pursuant to Ordinance No. 9434 of the City, of which \$36,915,000 in principal amount are presently outstanding (the "Outstanding Parity Bonds");

(c) That it is necessary and advisable for the City to construct additions and improvements to the Sewer System for which the estimated total cost is not less than \$40,000,000.

Approved as to Form July 28, 2014  City Attorney

ORDINANCE NO. 9493 (Cont.)

(d) The Outstanding Parity Bonds represent the only indebtedness of the City for which the Revenues of the Sewer System have been pledged.

(e) Section 7 of the Ordinance authorizing the issuance of the Outstanding Parity Bonds (the "Outstanding Parity Bonds Ordinance") permits the issuance of Additional Bonds which are payable on a parity with the Outstanding Parity Bonds and equally and ratably secured therewith under the terms of the Outstanding Parity Bonds Ordinance; provided that the City shall have received a projection made by a consulting engineer or firm of consulting engineers, recognized as having experience and expertise in municipal utility systems, projecting that the "Net Revenues" of the Sewer System (as defined in the Outstanding Parity Bonds Ordinance) in each of the three full fiscal years after the issuance of such series of Additional Bonds will be at least equal to 1.25 times the Average Annual Debt Service Requirements of the Outstanding Parity Bonds, as then outstanding, and of each series of Additional Bonds as then proposed to be issued, which projections shall be made in such manner as more fully described in the Outstanding Parity Bonds Ordinance (the "Projections").

(f) To satisfy the funding requirements described in this Section 1, it is necessary for the City to issue its Sewer System Revenue Bonds, in one or more series and in the form of one or more NDEQ Note, in the aggregate total principal amount of not to exceed \$40,000,000 pursuant to Sections 18-1803 to 18-1805 R.R.S. Neb. 2012, each of which series shall be an NDEQ Loan. In connection with each NDEQ Loan, it is necessary and advisable for the City to approve the execution and delivery of the form of NDEQ Contract and NDEQ Note. Upon acceptance and approval of the Projections as provided herein for each series of bonds authorized herein, all conditions, acts and things required by law to exist or to be done precedent to the issuance of the City's Sewer System Revenue Bonds in the principal amount of not to exceed \$40,000,000 in one or more series, will exist and been done and performed in regular and due time and form as required by law. Said bonds will be payable from the Revenues of the Sewer System.

Section 2. In addition to the definitions provided in parentheses elsewhere in this Ordinance, the following definitions of terms shall apply, unless the context shall clearly indicate otherwise:

(a) the term "Revenues" shall mean all of the rates, rentals, fees and charges, earnings and other monies, including investment income, from any source derived by the City of Grand Island, Nebraska, through its ownership and operation of the Sewer System.

(b) the term "Additional Bonds" shall mean any and all bonds hereafter issued by the City pursuant to the terms of this Ordinance which are equal in lien to the Bonds and the Outstanding Parity Bonds, including all such bonds issued pursuant to Section 7 and refunding bonds issued pursuant to Section 8.

(c) the term "Average Annual Debt Service Requirements" shall mean that number computed by adding all of the principal and interest due when computed to the absolute maturity of the bonds for which such computation is required and dividing by the number of years remaining that the longest bond of any issue for which such computation is required has to run to maturity. In making such computation, the

ORDINANCE NO. 9493 (Cont.)

principal of any bonds for which mandatory redemptions are scheduled shall be treated as maturing in accordance with such schedule of mandatory redemptions.

(d) the term "Deposit Securities" shall mean obligations of the United States of America, direct or unconditionally guaranteed, including any such obligations issued in book entry form.

(e) the term "Net Revenues" shall mean the Revenues derived by the City from the ownership or operation of the Sewer System, including investment income, but not including any income from the sale or other disposition of any property belonging to or forming a part of the Sewer System, less the ordinary expenses for operating and maintaining the Sewer System payable from the Operation and Maintenance Account described in Section 5 of this Ordinance. Operation and Maintenance expenses for purposes of determining "Net Revenues" shall not include depreciation, amortization of financing expenses or interest on any bonds or other indebtedness. Net Revenues for all purposes of this Ordinance shall be shown by an audit for the fiscal year in question as conducted by an independent certified public accountant or firm of such accountants.

(f) the term "Outstanding Parity Bonds" shall have the meaning set forth in Section 1 hereof.

(g) the term "Paying Agent and Registrar" shall mean the Treasurer of the City, as appointed to act as paying agent and registrar for the Bonds pursuant to Section 4 hereof, or any successor thereto.

Section 3. To provide for the payment of the costs of the Project, there is hereby approved the issuance of the Bonds, in one or more series, each of which shall be in the form of and evidenced by a single NDEQ Note, and which Bonds in the aggregate may be issued in an amount not to exceed Forty Million Dollars (\$40,000,000). In connection with the issuance of each NDEQ Note, the City shall enter into an NDEQ Contract. The final terms of each NDEQ Note and NDEQ Contract shall be approved by resolution of the City Council prior to execution and delivery thereof, with such changes as shall be determined necessary and appropriate by the Mayor or the City Treasurer (each, an "Authorized Officer", and together, the "Authorized Officers") for and on behalf of the City. Prior to the issuance of each NDEQ Note and entering into each NDEQ Contract, the City shall have received and approved the Projections made in connection with the delivery of each NDEQ Note. The terms of each NDEQ Note and each NDEQ Loan Contract in substantially the form attached hereto, are hereby approved and the Authorized Officers are each hereby authorized to execute and deliver the NDEQ Note and the NDEQ Loan Contract with such changes from the forms presented and attached hereto as such officer shall deem appropriate for and on behalf of the City in connection with each NDEQ Loan, provided, however, each NDEQ Note shall provide for interest to be paid at an interest rate of not to exceed 2.50% per annum and with an administrative fee payable to NDEQ of not to exceed 1% per annum. The Mayor and City

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Treasurer and any other officer or officers of the City are hereby further authorized to take such further actions and to execute such certificates and other documents as shall be deemed necessary or appropriate by any of them in connection with the issuance and delivery of each NDEQ Note and the NDEQ Loan Contract.

Section 4. The City Treasurer shall maintain a record of information with respect to the Bonds in accordance with the requirements of Section 10-140, R.R.S. Neb. 2012, as amended, and shall cause the same to be filed in the Office of the Auditor of Public Accounts of the State of Nebraska. The City Treasurer is hereby appointed to serve as paying agent and registrar for the Bonds.

Section 5. The Revenues of the Sewer System are hereby pledged and hypothecated for the payment of the Outstanding Parity Bonds, the Bonds and any Additional Bonds as authorized by this Ordinance and interest on such Outstanding Parity Bonds, Bonds and Additional Bonds and the City does hereby agree with the holders of the Outstanding Parity Bonds, the Bonds and Additional Bonds as follows:

(a) **GRAND ISLAND SEWER SYSTEM FUND** - The entire gross Revenues derived from the operation of the Sewer System shall be set aside as collected and deposited in a separate fund which has been previously created and designated as the "Grand Island Sewer System Fund." For purposes of allocating the monies in the Grand Island Sewer System Fund, the City shall maintain the following accounts: (1) Operation and Maintenance Account; (2) Bond Payment Account; (3) Debt Service Reserve Account; and (4) Surplus Account.

(b) **OPERATION AND MAINTENANCE ACCOUNT** - Out of the Grand Island Sewer System Fund there shall be monthly credited into the Operation and Maintenance Account such amounts as the City shall from time to time determine to be necessary to pay the reasonable and necessary expenses of operating and maintaining the Sewer System, and the City may withdraw funds credited to the Operation and Maintenance Account as necessary from time to time to pay such expenses.

(c) **BOND PAYMENT ACCOUNT** - Out of the Grand Island Sewer System Fund there shall be credited monthly on or before the fifteenth day of each month to the Bond Payment Account the following amounts:

- (1) After taking into consideration any amount on deposit in the Bond Payment Account for payment of the next installment amount (principal and interest) on the Bonds, an amount equal to such next installment amount divided by the number of monthly periods which will elapse before such installment amount is due;

- (2) During such periods and in such amounts, all payments as are required under the terms of the Outstanding Parity Bonds Ordinance with respect to the principal and interest on the Outstanding Parity Bonds;

The City Treasurer is hereby authorized and directed, without further authorization, to withdraw monies credited to the Bond Payment Account, or if the monies in such Account are insufficient, then from the Debt Service Reserve Account for the Bonds and next from the Surplus Account, in an amount sufficient to pay, when due, the principal of and interest on the Bonds, the Outstanding Parity Bonds or any Additional Bonds and to transfer such amounts due to the Paying Agent and Registrar (or other paying agent for the Outstanding Parity Bonds or any Additional Bonds, as applicable) at least five (5) business days before each principal and interest payment date. Upon the issuance of any Additional Bonds pursuant to this Ordinance appropriate additional credits to the Bond Payment Account shall be provided for sufficient to pay principal and interest on said Additional Bonds.

(d) **DEBT SERVICE RESERVE ACCOUNT** - The City agrees that it shall deposit the amount of \$-0- as the amount required to be maintained attributable to the Bonds in a separate sub-account which is hereby established for the Bonds in the Debt Service Reserve Account. Monies credited to the Debt Service Reserve Account may be withdrawn, but only from the designated sub-account for a specific issue, as needed, to provide funds to pay, when due, the principal of and interest on the Bonds and any Additional Bonds issued pursuant to this Ordinance, as the case may be, if the Bond Payment Account contains insufficient funds for that purpose, and the City Treasurer is hereby authorized and directed to make such withdrawal if and when needed. In the event of a withdrawal from the Debt Service Reserve Account, there shall be credited to the Debt Service Reserve Account in the month following such withdrawal all monies in the Grand Island Sewer System Fund remaining after making the payments required to be made in such month to the Operation and Maintenance Account and Bond Payment Account and each month thereafter all such remaining monies shall be credited to the Debt Service Reserve Account until such account has been restored to the required balance. Upon the issuance of any Additional Bonds, the amount required to be accumulated and maintained in the Debt Service Reserve Account, in a separate sub-account for such Additional Bonds, shall be set at an amount determined appropriate by the Mayor and Council in connection with any such issue of Additional Bonds (which may be \$-0-). Any such required increase shall be provided for either by credit made from bond proceeds or current funds of the Sewer System then available or by equal monthly credits from the Grand Island Sewer System Fund made in such amounts so that the required amount shall be accumulated in a period of not more than five years. Each sub-account in the Debt Service Reserve Account shall be held solely for the specific issue for which it is established. In the event of withdrawal from any such sub-account which results in the amount in such sub-account being deficient to meet the required balance, available amounts for restoring sub-account balances shall be credited to each deficient sub-account on a pro rata basis in accordance with the respective outstanding principal amounts for those issues for which the respective sub-accounts are then deficient. When the Outstanding Parity Bonds, the Bonds or any issue of Additional Bonds for which a sub-account has been established is no longer outstanding, the particular sub-account for such issue shall no longer be required to be maintained. Anything in this subsection to the contrary notwithstanding, the amount required to be maintained in the Debt Service Reserve Account with respect to the Bonds or any issue of Additional Bonds shall not at any time exceed the maximum amount permitted to be invested without yield restriction under Sections 103(b) and 148 of the Internal Revenue Code of 1986, as amended, and applicable regulations of the United States Treasury Department.

(e) **SURPLUS ACCOUNT** - Monies from the Grand Island Sewer System Fund remaining after the credits required in the foregoing Subsections 5(b), 5(c) and 5(d) shall be credited to the Surplus Account. Monies in the Surplus Account may be used to make up any deficiencies in the preceding Accounts, to retire any of the Bonds, Outstanding Parity Bonds or any Additional Bonds prior to their maturity, to pay principal of and interest on any junior lien indebtedness incurred with respect to the Sewer System, to provide for replacements or improvements for the Sewer System, to provide for in lieu of tax payments in an amount not to exceed 1% of the gross revenues of the Sewer System in any fiscal year (as and to the extent permitted by law), or to provide for any other purpose related to the Sewer System.

The provisions of this Section shall require the City to maintain a set of books and records in accordance with such accounting methods and procedures as are generally applicable to a municipal utility enterprise, which books and records shall show credits to and expenditures from the several Accounts required by this Section. Monies credited to the Grand Island Sewer System Fund or any of the Accounts therein as established by this Ordinance shall be deposited or invested separate and apart from other City funds. Except as specified below for the Debt Service Reserve Account, the City shall not be required to establish separate bank or investment accounts for the Accounts described in Subsection 5(b), 5(c), 5(d) and 5(e). Monies credited to the Debt Service Reserve Account (or any sub-account therein) shall, if maintained in a demand or time deposit account, be kept in a separate account and not commingled with other Sewer System funds or accounts. If invested, monies credited to the Debt Service Reserve Account (or any sub-account therein) may be commingled with other Sewer System funds or accounts so long as the City maintains books and records clearly identifying the specific investments, or portions thereof, which belong to the Debt Service Reserve Account (or any sub-account therein).

Monies in any of said Accounts except the Debt Service Reserve Account may be invested in investments permissible for a city of the first class. Monies in the Debt Service Reserve Account (or any sub-account therein) may be invested in Deposit Securities or bank depository accounts or certificates of deposit which are either fully insured or fully collateralized as provided by law for investments of funds of Cities of the First Class. Monies invested from the Debt Service Reserve Account shall be invested to mature in not more than five years. Investments held for the Debt Service Reserve Account will be valued at cost for purposes of determining compliance with the requirements of this Ordinance as to the amount required to be maintained in the Debt Service Reserve Account or any sub-account therein.

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Income from or profit realized from investments for any Account or any sub-account shall be credited to such Account or sub-account until such Account or sub-account contains any amount then required to be therein, and thereafter such income or profit shall be transferred to the Grand Island Sewer System Fund and treated as other revenues from the operation of the Sewer System. The ordinance authorizing any series of Additional Bonds for which a debt service reserve sub-account is to be established may establish different terms for investment related to such sub-account.

The pledge of the Revenues of the Sewer System provided for in this Ordinance for the Bonds and the Outstanding Parity Bonds, subject to the right of the City to issue Additional Bonds as provided in this Ordinance, is intended as a first and prior pledge of, lien on and security interest in such Revenues for the payment of principal and interest of the Bonds and the Outstanding Parity Bonds, superior to any pledge or promise made with respect to any other indebtedness of the City as to its Sewer System, and is intended to be a full exercise of the powers of the City provided for in Sections 18-1803 to 18-1805 with respect to its Sewer System.

Section 6. So long as any of the Bonds, the Outstanding Parity Bonds and any Additional Bonds issued pursuant to this Ordinance shall remain outstanding and unpaid, the City covenants and agrees to establish, revise, from time to time as necessary, and collect such rates and charges for the service furnished from the Sewer System adequate to produce Revenues sufficient at all times:

(a) To provide funds to pay, when due, the principal of and interest on the Bonds, the Outstanding Parity Bonds and any Additional Bonds issued pursuant to this Ordinance.

(b) To pay all proper and necessary costs of operation and maintenance of the Sewer System and to pay for the necessary and proper repairs, replacements, enlargements, extensions and improvements to the Sewer System.

(c) To provide funds sufficient to make the credits into the Accounts and at the times and in the amounts required by Section 5 of this Ordinance.

(d) To maintain Net Revenues in each fiscal year adopted by the City for the Sewer System in an amount not less than 1.10 times the total amount of principal paid or payable (exclusive of any principal redeemed prior to maturity other than principal redeemed in accordance with any schedule of mandatory redemptions) and interest falling due during such fiscal year on the Bonds, the Outstanding Parity Bonds and any Additional Bonds.

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Section 7. To provide funds for any purpose related to the Sewer System, the City may issue Additional Bonds, except for Additional Bonds issued for refunding purposes which are governed by Section 8 of this Ordinance, payable from the Revenues having equal priority and on a parity with the Bonds, the Outstanding Parity Bonds and any Additional Bonds then outstanding, only upon compliance with the following conditions:

(a) Such Additional Bonds shall be issued only pursuant to an ordinance which shall provide for an increase in the monthly credits into the Bond Payment Account in amounts sufficient to pay, when due, the principal of and interest on the Bonds then outstanding, the Outstanding Parity Bonds, any Additional Bonds then outstanding and the proposed Additional Bonds and for any monthly credits to the Debt Service Reserve Account as are required under Subsection 11(d).

(b) The City shall have complied with one or the other of the two following requirements:

- (1) The Net Revenues derived by the City from its Sewer System for the fiscal year next preceding the issuance of the Additional Bonds shall have been at least equal to 1.25 times the Average Annual Debt Service Requirements of the Bonds, the Outstanding Parity Bonds and any Additional Bonds, all as then outstanding, and of the proposed Additional Bonds; or
- (2) The City shall have received a projection made by a consulting engineer or firm of consulting engineers, recognized as having experience and expertise in municipal utility systems, projecting that the Net Revenues of the Sewer System in each of the three full fiscal years after the issuance of such Additional Bonds will be at least equal to 1.25 times the Average Annual Debt Service Requirements of the Bonds, the Outstanding Parity Bonds and any Additional Bonds, all as then outstanding, and of the proposed Additional Bonds. In making such projection, the consulting engineer shall use as a basis the Net Revenues of the Sewer System during the last fiscal year for which an independent audit has been prepared and shall adjust such Net Revenues as follows: (A) to reflect changes in rates which have gone into effect since the beginning of the year for which the audit was made, (B) to reflect his estimate of the net increase over or net decrease under the Net Revenues of the Sewer System for the year which the audit was made by reason of: (i) changes of amounts payable under existing contracts for service; (ii) additional general income from sales to customers under existing rate schedules for various classes of customers or as such schedules may be revised under a program of changes which has been adopted by the Mayor and Council of the City; (iii) projected revisions in costs for labor, wages, salaries,

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machinery, equipment, supplies and other operational items; (iv) revisions in the amount of service to be supplied and any related administrative or other costs associated with such increases due to increased supply from the acquisition of any new facility; and (v) such other factors affecting the projections or revenues and expenses as the consulting engineer deems reasonable and proper. Annual debt service on any proposed Additional Bonds to be issued may be estimated by the consulting engineer in projecting Average Annual Debt Service Requirements, but no Additional Bonds shall be issued requiring any annual debt service payment in excess of the amount so estimated by the consulting engineer.

The City hereby covenants and agrees that so long as any of the Bonds, the Outstanding Parity Bonds and any Additional Bonds are outstanding, it will not issue any bonds or notes payable from the Revenues except in accordance with the provisions of this Ordinance, provided, however, the City reserves the right to issue bonds or notes which are junior in lien to the Bonds, the Outstanding Parity Bonds and any such Additional Bonds with the principal and interest on such bonds or notes to be payable from monies credited to the Surplus Account as provided in Subsection 11(e). In the event that Additional Bonds are proposed to be issued at a time when the audited financial statements of the City for its Sewer System for the most recently completed fiscal year are not yet available, compliance with the test based upon Net Revenues as set forth in Section 13(b)(1) may be determined with reference to the Net Revenues for the most recent fiscal year for which financial statements have been issued and unaudited financial statements for the most recently completed fiscal year as certified by the City Treasurer, provided that compliance shall be determined to be shown for each such fiscal year.

Section 8. The City may issue refunding bonds, which shall qualify as Additional Bonds of equal lien to refund any Bonds, Outstanding Parity Bonds or any Additional Bonds then outstanding, provided, that, if any such Bonds, Outstanding Parity Bonds or Additional Bonds are to remain outstanding after the issuance of such refunding bonds, the principal payments due in any calendar year in which those bonds which are to remain outstanding mature, or in any calendar year prior thereto, shall not be increased over the amount of such principal payments due in such calendar years immediately prior to such refunding.

Refunding bonds issued in accordance with this paragraph of this Section 8 may be issued as Additional Bonds of equal lien without compliance with the conditions set forth in Subsection 7(b) of this Ordinance.

The City may also issue refunding bonds which shall qualify as Additional Bonds of equal lien to refund any Bonds, Outstanding Parity Bonds or Additional Bonds then outstanding, provided, that, if any Bonds, Outstanding Parity Bonds or Additional Bonds then outstanding are to remain outstanding after the application of the proceeds of the refunding bonds to the payment of the bonds which are to be refunded, such issuance must comply with the Net Revenues test set forth in Subsection 7(b)(1) of this Ordinance and, if the proceeds of such refunding bonds are not to be applied immediately to the satisfaction of the bonds which are to be refunded, then such refunding bonds must provide by their terms that they shall be junior in lien to all Bonds, Outstanding Parity Bonds and any Additional Bonds outstanding at the time of issuance of such refunding bonds until the time of application of their proceeds to the satisfaction of the bonds which are to be refunded. In the event that refunding bonds are proposed to be issued at a time when the audited financial statements of the City for its Sewer System for the most recently completed fiscal year are not yet available, compliance with the test based upon Net Revenues as set forth in Section 7(b)(1) may be determined with reference to the Net Revenues for the most recent fiscal year for which financial statements have been issued and unaudited financial statements for the most recently completed fiscal year as certified by the City Treasurer, provided that compliance shall be determined to be shown for each such fiscal year. In computing Average Annual Debt Service Requirements to show compliance with said Net Revenues test for such refunding bonds, all payments of principal and interest due on such refunding bonds from time of their issuance to the time of application of the proceeds of such refunding bonds to the satisfaction of the bonds which are to be refunded shall be excluded from such computation to the extent that such principal and interest are payable from sources other than the Revenues (such as bond proceeds held in escrow or investment earnings thereon) or from monies in the Surplus Account and all payments of principal and interest due on the bonds which are to be refunded from and after the time of such application shall also be excluded. For purposes of this paragraph of this Section 8, the time of application of the proceeds of the refunding bonds to the

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satisfaction of the bonds which are to be refunded shall be the time of deposit with the paying agent for such bonds which are to be refunded pursuant to Section 10-126, R.R.S. Neb. 2012 (or any successor statutory provision thereto) or the time when such bonds which are to be refunded under the terms of their authorizing ordinance or ordinances are no longer deemed to be outstanding, whichever occurs sooner.

Section 9. So long as any Bonds, Outstanding Parity Bonds or Additional Bonds are outstanding, the City hereby covenants and agrees as follows:

(a) The City will maintain the Sewer System in good condition and will continuously operate the same in a reasonable and efficient manner, and the City will punctually perform all duties with reference to said system required by the Constitution and statutes of the State of Nebraska, but this covenant shall not prevent the City from discontinuing the use and operation of all or any portion of the Sewer System so long as the Revenues derived from the City's ownership of the properties constituting the Sewer System shall be sufficient to fulfill the City's obligations under Section 6 of this Ordinance.

(b) The City will not grant any franchise or right to any person, firm or corporation to own or operate a sewer system in competition with the Sewer System.

(c) The City will maintain insurance on the property constituting the Sewer System (other than such portions of the system as are not normally insured) against risks customarily carried by similar utilities, but including fire and extended coverage insurance in an amount which would enable the City to repair, restore or replace the property damaged to the extent necessary to make the Sewer System operable in an efficient and proper manner to carry out the City's obligations under this Ordinance. The Mayor and Council shall annually examine the amount of insurance carried with respect to the Sewer System and shall evidence approval of such insurance by resolution. The proceeds of any such insurance received by the City shall be used to repair, replace or restore the property damaged or destroyed to the extent necessary to make the Sewer System operable in an efficient and proper manner, and any amount of insurance proceeds not so used shall be credited to the Surplus Account. In the event of any such insured casualty loss, the City may advance funds to make temporary repairs or provide for an advance on costs of the permanent repair, restoration or replacement from the Operation and Maintenance Account and any such advances shall be repaid from insurance proceeds received.

(d) The City will keep proper books, records and accounts separate from all other records and accounts in which complete and correct entries will be made of all transactions relating to the Sewer System. The City will have its operating and financial statements related to the Sewer System audited annually by a certified public accountant or firm of certified public accounts. The City will furnish to the original purchaser of the Bonds and to the original purchaser or purchasers of each series of Additional Bonds issued hereunder, within four months after the end of each fiscal year of the Sewer System, a copy of the financial statements of the Sewer System and the report thereon of the certified public accountants.

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(e) The City shall cause each person handling any of the monies in the Grand Island Sewer System Fund to be bonded by an insurance company licensed to do business in Nebraska in an amount or amounts deemed sufficient by the Mayor and Council to cover the amount of money belonging to said system reasonably expected to be in the possession or control of any such person. The amount of such bond or bonds shall be fixed by the Mayor and Council and the costs thereof shall be paid as an operating and maintenance expense from the Operation and Maintenance Account.

Section 10. The City's obligations under this Ordinance and the liens, pledges, covenants and agreements of the City herein made or provided for, shall be fully discharged and satisfied as to the Bonds issued pursuant to this Ordinance and any such bonds shall no longer be deemed outstanding hereunder if such bonds shall have been purchased and cancelled by the City, or when payment of the principal of and interest thereon to the respective date of maturity or redemption (a) shall have been made or caused to be made in accordance with the terms thereof, or (b) shall have been provided for by depositing with the Paying Agent and Registrar, or with a national or state bank having trust powers or trust company, in trust solely for such payment, (i) sufficient money to make such payment and/or (ii) Deposit Securities in such amount and bearing interest payable and maturing or redeemable at stated fixed prices at the option of the holder as to principal, at such time or times, as will ensure the availability of sufficient money to make such payment; provided, however, that, with respect to any Bond to be paid prior to maturity, the City shall have duly given notice of redemption of such bond as provided by law or made irrevocable provisions for the giving of such notice. Any such money so deposited with a bank or trust company or the Paying Agent and Registrar may be invested and reinvested in Deposit Securities and all interest and income from such Deposit Securities in the hands of such bank or trust company or Paying Agent and Registrar, in excess of the amount required to pay principal of and interest on the bonds for which such monies were deposited, shall be paid over to the City as and when collected.

Section 11. The terms and provisions of this Ordinance do and shall constitute a contract between the City and the registered owner or owners of the Bonds and no changes, variations or alterations of any kind, except for changes necessary to cure any ambiguity, formal defect or omission, shall be made to this Ordinance without the written consent of the registered owners of two-thirds (2/3rds) in principal amount of the Bonds then outstanding, provided, however, that neither the principal and

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interest to be paid upon any Bond nor the maturity date of any Bond shall be changed without the written consent of the registered owners of all such bonds then outstanding. Any registered owner of a Bond may by mandamus or other appropriate action or proceedings at law or in equity in any court of competent jurisdiction enforce and compel performance of this Ordinance and every provision and covenant hereof, including without limiting the generality of the foregoing, the enforcement of the performance of all duties required of the City by this Ordinance and the applicable laws of the State of Nebraska, including in such duties the collecting of Revenues and the segregation and application of such Revenues as described in Section 5 of this Ordinance. After any default in payment or other default in performance, the registered owners of the Bonds, the Outstanding Parity Bonds or any Additional Bonds shall be entitled to the appointment of a receiver for the Sewer System. Any and all actions brought by any registered owner or owners of the Bonds, the Outstanding Parity Bonds or Additional Bonds shall be maintained for the equal and ratable benefit of all registered owners of the Bonds, the Outstanding Parity Bonds and Additional Bonds outstanding and no registered owners of any of the Bonds, the Outstanding Parity Bonds or Additional Bonds shall have any right in any manner whatsoever by any action or proceedings to affect, disturb or prejudice the pledge created by this Ordinance.

Section 12. The Mayor and City Clerk and City Treasurer of the City are hereby authorized to do all things and execute all documents as may by them be deemed necessary and proper to complete the issuance and sale of the Bonds contemplated by this Ordinance.

Section 13. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

Section 14. This Ordinance shall be in force and take effect from and after its passage and approval as provided by law and shall be published in pamphlet form.

PASSED AND APPROVED this 29th day of July, 2014.



Mayor

ATTEST:



Nicki Stoltenberg, Assistant to the City Administrator



ATTACHMENT A
 TO THE LOAN CONTRACT BETWEEN NDEQ AND
 THE COMMUNITY OF Grand Island
 PROJECT NUMBER 7867
 LOAN AMORTIZATION SCHEDULE (PROJECTED)

17-Aug-2015

PRINCIPAL = 6,200,000.00
 INTEREST RATE = 1.50

TERM YEARS = 20
 FEE RATE = 1.00

DUE DATE OF PAYMENT	TOTAL PAYMENT	= FEE PAYMENT	+	LOAN PAYMENT	LOAN PAYMENT	=	INTEREST PAYMENT	+	PRINCIPAL PAYMENT	BEGINNING BALANCE	-	PRINCIPAL PAYMENT	=	ENDING BALANCE			
15-Dec-2016	210,986.97	=	31,000.00	+	179,986.97	=	179,986.97	=	46,500.00	+	133,486.97	-	6,200,000.00	-	133,486.97	=	6,066,513.03
15-Jun-2017	210,319.54	=	30,332.57	+	179,986.97	=	179,986.97	=	45,498.85	+	134,488.12	-	6,066,513.03	-	134,488.12	=	5,932,024.91
15-Dec-2017	209,647.09	=	29,660.12	+	179,986.97	=	179,986.97	=	44,490.19	+	135,496.78	-	5,932,024.91	-	135,496.78	=	5,796,528.13
15-Jun-2018	208,969.61	=	28,982.64	+	179,986.97	=	179,986.97	=	43,473.96	+	136,513.01	-	5,796,528.13	-	136,513.01	=	5,660,015.12
15-Dec-2018	208,287.05	=	28,300.08	+	179,986.97	=	179,986.97	=	42,450.11	+	137,536.86	-	5,660,015.12	-	137,536.86	=	5,522,478.26
15-Jun-2019	207,599.36	=	27,612.39	+	179,986.97	=	179,986.97	=	41,418.59	+	138,568.38	-	5,522,478.26	-	138,568.38	=	5,383,909.88
15-Dec-2019	206,906.52	=	26,919.55	+	179,986.97	=	179,986.97	=	40,379.32	+	139,607.65	-	5,383,909.88	-	139,607.65	=	5,244,302.23
15-Jun-2020	206,208.48	=	26,221.51	+	179,986.97	=	179,986.97	=	39,332.27	+	140,654.70	-	5,244,302.23	-	140,654.70	=	5,103,647.53
15-Dec-2020	205,505.21	=	25,518.24	+	179,986.97	=	179,986.97	=	38,277.36	+	141,709.61	-	5,103,647.53	-	141,709.61	=	4,961,937.92
15-Jun-2021	204,796.66	=	24,809.69	+	179,986.97	=	179,986.97	=	37,214.53	+	142,772.44	-	4,961,937.92	-	142,772.44	=	4,819,165.48
15-Dec-2021	204,082.80	=	24,095.83	+	179,986.97	=	179,986.97	=	36,143.74	+	143,843.23	-	4,819,165.48	-	143,843.23	=	4,675,322.25
15-Jun-2022	203,363.58	=	23,376.61	+	179,986.97	=	179,986.97	=	35,064.92	+	144,922.05	-	4,675,322.25	-	144,922.05	=	4,530,400.20
15-Dec-2022	202,638.97	=	22,652.00	+	179,986.97	=	179,986.97	=	33,978.00	+	146,008.97	-	4,530,400.20	-	146,008.97	=	4,384,391.23
15-Jun-2023	201,908.93	=	21,921.96	+	179,986.97	=	179,986.97	=	32,882.93	+	147,104.04	-	4,384,391.23	-	147,104.04	=	4,237,287.19
15-Dec-2023	201,173.41	=	21,186.44	+	179,986.97	=	179,986.97	=	31,779.65	+	148,207.32	-	4,237,287.19	-	148,207.32	=	4,089,079.87
15-Jun-2024	200,432.37	=	20,445.40	+	179,986.97	=	179,986.97	=	30,668.10	+	149,318.87	-	4,089,079.87	-	149,318.87	=	3,939,761.00
15-Dec-2024	199,685.77	=	19,698.80	+	179,986.97	=	179,986.97	=	29,548.21	+	150,438.76	-	3,939,761.00	-	150,438.76	=	3,789,322.24
15-Jun-2025	198,933.58	=	18,946.61	+	179,986.97	=	179,986.97	=	28,419.92	+	151,567.05	-	3,789,322.24	-	151,567.05	=	3,637,755.19
15-Dec-2025	198,175.75	=	18,188.78	+	179,986.97	=	179,986.97	=	27,283.16	+	152,703.81	-	3,637,755.19	-	152,703.81	=	3,485,051.38
15-Jun-2026	197,412.23	=	17,425.26	+	179,986.97	=	179,986.97	=	26,137.89	+	153,849.08	-	3,485,051.38	-	153,849.08	=	3,331,202.30
15-Dec-2026	196,642.98	=	16,656.01	+	179,986.97	=	179,986.97	=	24,984.02	+	155,002.95	-	3,331,202.30	-	155,002.95	=	3,176,199.35
15-Jun-2027	195,867.97	=	15,881.00	+	179,986.97	=	179,986.97	=	23,821.50	+	156,165.47	-	3,176,199.35	-	156,165.47	=	3,020,033.88
15-Dec-2027	195,087.14	=	15,100.17	+	179,986.97	=	179,986.97	=	22,650.25	+	157,336.72	-	3,020,033.88	-	157,336.72	=	2,862,697.16
15-Jun-2028	194,300.46	=	14,313.49	+	179,986.97	=	179,986.97	=	21,470.23	+	158,516.74	-	2,862,697.16	-	158,516.74	=	2,704,180.42
15-Dec-2028	193,507.87	=	13,520.90	+	179,986.97	=	179,986.97	=	20,281.35	+	159,705.62	-	2,704,180.42	-	159,705.62	=	2,544,474.80
15-Jun-2029	192,709.34	=	12,722.37	+	179,986.97	=	179,986.97	=	19,083.56	+	160,903.41	-	2,544,474.80	-	160,903.41	=	2,383,571.39
15-Dec-2029	191,904.83	=	11,917.86	+	179,986.97	=	179,986.97	=	17,876.79	+	162,110.18	-	2,383,571.39	-	162,110.18	=	2,221,461.21
15-Jun-2030	191,094.28	=	11,107.31	+	179,986.97	=	179,986.97	=	16,660.96	+	163,326.01	-	2,221,461.21	-	163,326.01	=	2,058,135.20
15-Dec-2030	190,277.65	=	10,290.68	+	179,986.97	=	179,986.97	=	15,436.01	+	164,550.96	-	2,058,135.20	-	164,550.96	=	1,893,584.24
15-Jun-2031	189,454.89	=	9,467.92	+	179,986.97	=	179,986.97	=	14,201.88	+	165,785.09	-	1,893,584.24	-	165,785.09	=	1,727,799.15
15-Dec-2031	188,625.97	=	8,639.00	+	179,986.97	=	179,986.97	=	12,958.49	+	167,028.48	-	1,727,799.15	-	167,028.48	=	1,560,770.67
15-Jun-2032	187,790.82	=	7,803.85	+	179,986.97	=	179,986.97	=	11,705.78	+	168,281.19	-	1,560,770.67	-	168,281.19	=	1,392,489.48
15-Dec-2032	186,949.42	=	6,962.45	+	179,986.97	=	179,986.97	=	10,443.67	+	169,543.30	-	1,392,489.48	-	169,543.30	=	1,222,946.18
15-Jun-2033	186,101.70	=	6,114.73	+	179,986.97	=	179,986.97	=	9,172.10	+	170,814.87	-	1,222,946.18	-	170,814.87	=	1,052,131.31
15-Dec-2033	185,247.63	=	5,260.66	+	179,986.97	=	179,986.97	=	7,890.98	+	172,095.99	-	1,052,131.31	-	172,095.99	=	880,035.32
15-Jun-2034	184,387.15	=	4,400.18	+	179,986.97	=	179,986.97	=	6,600.26	+	173,386.71	-	880,035.32	-	173,386.71	=	706,648.61
15-Dec-2034	183,520.21	=	3,533.24	+	179,986.97	=	179,986.97	=	5,299.86	+	174,687.11	-	706,648.61	-	174,687.11	=	531,961.50
15-Jun-2035	182,646.78	=	2,659.81	+	179,986.97	=	179,986.97	=	3,989.71	+	175,997.26	-	531,961.50	-	175,997.26	=	355,964.24
15-Dec-2035	181,766.79	=	1,779.82	+	179,986.97	=	179,986.97	=	2,669.73	+	177,317.24	-	355,964.24	-	177,317.24	=	178,647.00
15-Jun-2036	180,880.08	=	893.23	+	179,986.85	=	179,986.85	=	1,339.85	+	178,647.00	-	178,647.00	-	178,647.00	=	0.00
TOTALS	7,865,797.84		666,319.16		7,199,478.68		7,199,478.68		999,478.68		6,200,000.00		6,200,000.00		6,200,000.00		

LOAN CONTRACT
(Governmental Borrower)

Between

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY

and

CITY OF GRAND ISLAND, NEBRASKA

NDEQ Project No. C317984

DATED AS OF September _____, 2015

LOAN CONTRACT
BETWEEN THE
NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
AND
THE CITY OF GRAND ISLAND, NEBRASKA
PROJECT NO. C317984

This Loan Contract (hereinafter "Loan Contract"), is entered into by and between the State of Nebraska, acting by and through the Nebraska Department of Environmental Quality (hereinafter "NDEQ") and the City of Grand Island, Nebraska, (hereinafter "Municipality").

WITNESSETH THAT

WHEREAS, the Federal Water Quality Act of 1987 (hereinafter "Federal Act") established a state revolving fund program; and

WHEREAS, to fund the state revolving fund program, the Environmental Protection Agency (hereinafter "EPA") will make annual capitalization grants to the states under CFDA #66.458 (Capitalization Grants for State Revolving Fund), on the condition that each state provide an appropriate match for such state's revolving fund; and

WHEREAS, Neb. Rev. Stat. §81-15,153 empowers the NDEQ to loan available funds in the Wastewater Treatment Facilities Construction Loan Fund (hereinafter "Fund") to municipalities pursuant to the Wastewater Treatment Facilities Construction Assistance Act (hereinafter "Act") and rules and regulations adopted under such Act; and

WHEREAS, under the Act, the Director of NDEQ is given the responsibility for administration and management of the Fund; and

WHEREAS, the NIFA is authorized under Neb. Rev. Stat. §58-201 et. seq. and the Act to issue revenue bonds for the purpose of financing wastewater treatment projects (as defined in the Act), including to provide funds for NDEQ to loan to Municipalities and to satisfy the state match requirements of the Federal Act; and

WHEREAS, pursuant to such authorization, NIFA may from time to time issue its Wastewater Treatment Facilities Construction Loan Fund revenue bonds for the purpose of financing wastewater treatment projects (as defined in the Act), including to provide funds for NDEQ to loan to Municipalities and to satisfy the state match requirements of the Federal Act; and

WHEREAS, NDEQ may from time to time enter into a pledge agreement with NIFA (the "Pledge Agreement"), pursuant to which NDEQ will pledge the interest portion of Loan Repayments (as defined herein) and certain other revenues to NIFA for the payment of the principal of, redemption premium, if any, and interest on Clean Water State Revolving Fund Revenue Bonds which may be issued by NIFA from time to time; and

WHEREAS, the City of Grand Island, Nebraska is a "Municipality" as defined in Neb. Rev. Stat. §81-15,149(7); and

WHEREAS, the project (hereinafter "Project") to be financed under this Loan Contract, includes the construction of sanitary sewer collection system improvement project associated with the Westwood Park Subdivision and the construction of the forcemain for lift station 20, and

WHEREAS, the Project Cost is based upon estimates of the Municipality and at times during or at completion of construction the loan amount may be adjusted by the NDEQ pursuant to Section 2.01; and

WHEREAS, the Project is included in the NDEQ Intended Use Plan; and

WHEREAS, the NDEQ has approved the Municipality's application for a Loan from federal funds and the state match requirement if and when received by and made available to NDEQ pursuant to the Federal Act and the Act to finance Project Costs;

NOW, THEREFORE, for and in consideration of the award of the Loan Contract by NDEQ, the Municipality agrees to complete its Project and to perform under this Loan Contract in accordance with the conditions, covenants and procedures set forth below:

ARTICLE I

DEFINITIONS

Definitions. The following terms as used in this Loan Contract shall, unless the context clearly requires otherwise, have the following meanings:

"Act" means the Wastewater Treatment Facilities Construction Assistance Act, Neb. Rev. Stat. §81-15,147 et seq., as amended.

"Authorized Representative" means the person or persons authorized pursuant to a resolution or ordinance of the governing body of the Municipality to perform any act or execute any document relating to this Loan Contract.

"Cut-off Date" means the date established by NDEQ at the Project's final inspection prior to which the Municipality will make the final disbursement request for eligible Project Costs.

"Due Date" means the dates specified for payment of principal and interest on the Loan as specified in Section 2.05.

"Event of Default" means any occurrence or event specified in Article V.

"Fund" means the Wastewater Treatment Facilities Construction Loan Fund.

"Initiation of Operation" means the date on which the Municipality places the Project in operation or the Project is capable of being placed in operation for the purposes for which it was planned, designed, and built.

"Late Payment" means any payment that is not received within fifteen days of the due date.

"Loan" means the loan made by NDEQ to the Municipality to finance or refinance a portion of the Costs of the Project pursuant to this Loan Contract.

"Loan Amount" means the amount specified in Section 2.01 hereof which NDEQ has agreed to disburse to the Municipality subject to the terms, provisions, and conditions of this Loan Contract and the availability of State and Federal Funds.

"Loan Contract" means this Loan Contract, including the Exhibits attached hereto, as it may be properly supplemented, modified or amended.

"Loan Repayments" means the payments payable by the Municipality pursuant to Section 2.05 of this Loan Contract.

"Loan Terms" means the terms of this Loan Contract provided in Article II of this Loan Contract.

"Municipality" means the City of Grand Island, Nebraska that is a party to and is described in the first paragraph of this Loan Contract, and its successors and assigns.

"Municipality Fiscal Year" means the twelve-month period ending on September 30 of each year.

"NDEQ" means the Nebraska Department of Environmental Quality established pursuant to Neb. Rev. Stat. §81-1501 et. seq, as amended.

"NIFA" means the Nebraska Investment Finance Authority, a public body politic and corporate and an instrumentality of the State, and its successors and assigns established pursuant to Neb. Rev. Stat. §58-201 et. seq., as amended.

"Note" means a promissory note of the Municipality with respect to the Loan in the form of Attachment F to this Loan Agreement.

"Parity Sewer Obligation" means any Sewer Revenue Obligation the liens of which on the Municipality's Sewer System Revenues stand on a parity basis with the lien of this Loan Contract pursuant to the Municipality Ordinance.

"Project" means the acquisition, construction, improvement, repair, rehabilitation of Grand Island's collection system and forcemain of the Municipality described herein, which constitutes a project for which NDEQ is making a Loan to the Municipality pursuant to this Loan Contract.

"Project Costs" means eligible costs associated with secondary or tertiary treatment and appurtenances; infiltration and inflow correction, major sewer system rehabilitation; new collector sewers and appurtenances; new interceptors and appurtenances; land integral to the treatment process; correction of combined sewer overflows; and other costs eligible under the Federal Act including capitalized interest. Project Costs do not include the costs of water rights and for land which is not integral to the treatment process, easements and rights-of-way, legal costs, fiscal agent's fees, operation and maintenance costs and municipal administrative costs. Project Costs are described in Attachment B.

"Regulations" means Title 131, Nebraska Department of Environmental Quality, and any amendments thereto promulgated by NDEQ pursuant to the Act.

"Retainage" means construction costs held back by the municipality from the payments due to the contractor to assure satisfactory completion of the construction contract.

"State" means the State of Nebraska acting, unless otherwise specifically indicated, by and through NDEQ and its successors and assigns.

"Trustee" means the trustee under any trust indenture with respect to the revenue bonds the proceeds of which are deposited in the Loan Fund.

"User Charge System" means the methodology used to assess user charge fee(s) for the users of the Wastewater Treatment Works within the Municipality's jurisdiction.

"Wastewater Treatment Works" means the structures, equipment and processes required to collect, transport and treat domestic or industrial wastes and to dispose of the effluent and sludges.

"Wastewater User Charge" means the revenues derived by the Municipality from the fees and charges for the use and services furnished by or through the Municipality's Wastewater Treatment Works.

ARTICLE II

LOAN CONDITIONS AND TERMS

Section 2.01. Amount of the Loan. Subject to all of the terms, provisions and conditions of this Loan Contract, and subject to the availability of State and Federal funds, NDEQ will loan four million eight hundred thousand dollars (\$4,800,000) to the Municipality to pay a portion of the Project Costs described in Attachment B hereto. The final actual amount of the Loan may be reduced without revision of any other terms, provisions or conditions of this Loan Contract, other than adjustment by NDEQ to the Repayment Schedule in Attachment A hereto, to reflect reductions in the estimated or actual total Project Costs as impacted by opening of bids for construction, change orders, final actual costs, and prepayments. The Municipality must make provision for the payment of all eligible costs exceeding the Loan Amount. The NDEQ may provide supplemental loan funds through a separate loan contract. Receipt of any supplemental loan funds is dependent on availability of unobligated funds in the Fund and any obligation of additional funds to this Project is at the sole discretion of NDEQ with such revised or additional terms, conditions, and covenants as NDEQ may require.

Section 2.02. Term of the Loan. The Municipality agrees to fully repay the Loan with interest on the date of Initiation of Operation or to begin repayment of principal and interest on the Loan within one (1) year from the date of Initiation of Operation, but no later than three (3) years from the date of the Loan, and to repay such Loan in full no later than twenty (20) years from Initiation of Operation and to pay all principal, interest, administrative fees and penalty fees when due. The municipality shall provide NDEQ 60 days written notice of its intent to repay the Loan all or in part on the date of the Initiation of Operation.

Section 2.03. Interest Rate. The interest rate on this loan is determined by the NDEQ pursuant to Regulations and the Intended Use Plan. The interest rate on this loan during construction is 0.5 percent and after the date of Initiation of Operation is 1.5 percent per annum (calculated on the basis of a year equaling 360 days made up of 12 months of 30 days each) to be paid as set out in Attachment A. For the purposes of this paragraph "construction" shall mean the period between the date of this Loan and the date of Initiation of Operation.

Section 2.04. Disbursement of Loan. Upon receipt of a disbursement request for work completed and certification by the Municipality, the NDEQ agrees to disburse the principal amount of the loan set out in Section 2.01 of this Article during the progress of the Project for Project Costs. The Municipality may obtain a copy of the disbursement record upon request to NDEQ. Each disbursement shall be upon Automated Clearing House (ACH) by the State of Nebraska and shall be equal to that portion of the unobligated principal amount incurred to the date of the request for disbursement from the Municipality. Submitted requests for disbursement must be supported by proper invoices for Project Costs, a certificate of the Authorized Representative to the effect that all representations made in this Loan remain true as of the date of the request and that no adverse developments affecting the financial condition of the Municipality or its ability to complete the Project or to repay the Loan have occurred since the date of this Loan, or of the previous disbursement, and other documentation acceptable to and approved by the NDEQ. All disbursement requests must be made prior to the Cut-off Date established at the Project's final inspection by NDEQ.

The Municipality may request disbursement for eligible Project Costs, when such Project Costs have been incurred and are due and payable to project contractors. Retainage withheld by the municipality on contracts will be withheld by the NDEQ until such Retainage is either reduced or released to the contractor by the Municipality. However, actual payment of such Project Costs by the Municipality is not required as a condition of a payment request.

(a) Operation and Maintenance Manual. The Municipality shall submit a draft of the operation and maintenance manual for the Project to the NDEQ before disbursements exceed 75% of the Project Costs. The Municipality shall submit a final operation and maintenance manual to the NDEQ and receive approval before disbursements exceed 95% of the Project Cost or final disbursement, whichever comes first.

(b) Fiscal Sustainability Plan. In accordance with the Federal Water Pollution Control Act amendments of June 2014, Section 603(d)(1)(E)(i), a recipient of a CWSRF loan for a project that involves the repair, replacement, or expansion of a treatment works must develop and implement a fiscal sustainability plan (FSP). This provision applies to all CWSRF loans with applications submitted on or after October 1, 2014. The statute requires that FSPs include, at a minimum:

- (1) An inventory of critical assets that are part of the treatment works;
- (2) An evaluation of the condition and performance of inventoried assets or asset groupings;
- (3) A certification that the assistance recipient has evaluated and will be implementing water and energy conservation efforts as part of the plan;
- (4) A plan for maintaining, repairing, and, as necessary, replacing the treatment works and a plan for funding such activities.

The Municipality may satisfy this requirement by including the FSP in the project's operation and maintenance manual or separate FSP document and consider taking a phased approach that the FSP would cover only the funded project and closely associated components. This approach should be applied in such a way that a comprehensive and cohesive plan that covers the entire treatment works eventually results as the Municipality continues to repair, replace, and expand the treatment works system.

The recipient must also certify they have developed and implemented the plan that meets the requirements. If a recipient already has a plan that meets the requirements they must certify at loan closing. If a recipient does not have a plan at loan closing they must certify they have one with all the requirements before disbursements exceed 95% of the Project Costs or before final disbursement, whichever comes first.

Section 2.05. Loan Payments.

(a) Principal and Interest Payments. The Municipality shall pay to the NDEQ, or at the direction of NDEQ, to NIFA or the Trustee on or before the due dates specified below, but only from the sources specified in Section 3.02 hereof, appropriate installments of principal and interest until all principal and interest due on the Loan to the NDEQ has been paid in full. Installments of principal and interest (total Loan service) shall be paid semiannually on December 15 and June 15 of each year in accordance with the Loan Repayment Schedule in Attachment A.

The NDEQ will send the Municipality an invoice 30 days prior to the due date. When a loan disbursement occurs after invoices are mailed, the NDEQ will include adjustments for interest and fee charges on the next semiannual invoice.

(b) Optional Prepayment of the Loan. The Borrower may **not** prepay the loan, together with any accrued interest in whole or in part within 5 years of the Loan Date if the Borrower has received Loan Forgiveness as part of this Loan Contract. After 5 years, the Borrower may make a partial prepayment of the Loan Amount only if the prepayment amount is greater than the lesser of 10% of the outstanding amount of the Loan or \$50,000. NDEQ shall prepare a new Loan Repayment Schedule to revise Attachment A following receipt of any partial prepayment of the Loan.

Section 2.06. Administrative Fee. The Municipality shall pay to the NDEQ, or at the direction of NDEQ, to NIFA or the Trustee, an annual administrative fee of 1% per annum of the Loan Amount to be paid in semiannual installments of 0.5% of the Loan Amount outstanding on the date invoices are mailed in accordance with the Loan Repayment Schedule in Attachment A. The fee is waived for the first year of the Loan.

Section 2.07. Schedule of Compliance. The Municipality agrees to perform steps of the Project in accordance with the following schedule of milestone dates.

- (a). September 2015, Loan date
- (b). April 2016, Construction start
- (c). September 2017, Initiation of Operation
- (d). September 2017, Substantial completion of construction

Section 2.08. Disadvantaged Business Enterprises (Small Business Enterprise/Minority Business Enterprise/Women's Business Enterprise/Small Business Rural Area), including Historically Black Colleges and Universities (hereinafter "DBE/HBCU"). The Municipality agrees that ten percent of the Loan Amount shall be the objective for proposed DBE, HBCU subagreement work under this Loan Contract. The Municipality shall take affirmative steps to assure that small, minority, and women's businesses pursuant to 40 CFR 31.36(e) and small businesses rural areas pursuant to 13 CFR 121.2 are used when possible as sources of supplies, construction and services. Affirmative steps shall include the following:

- (a) Placing disadvantaged business enterprises, including minority, women's, small businesses and small businesses in a rural area and historically black colleges and universities on solicitation lists;
- (b) Assuring that disadvantaged business enterprises, historically black colleges and universities are solicited whenever they are potential sources;
- (c) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by disadvantaged business enterprises;
- (d) Establishing delivery schedules, where the requirement permits, which encourages participation by disadvantaged business enterprises;
- (e) Using the services and assistance of the Small Business Administration and Minority Business Development Agency of the U. S. Department of Commerce; and
- (f) Requiring the prime contractor to take the affirmative steps listed above.

In addition, the Municipality agrees to submit to the NDEQ a completed SF 334 form within 15 days after the end of each federal fiscal quarter during which the Municipality or its contractors award any subagreements to a disadvantaged business enterprise for building and building-related services and supplies.

Section 2.09. Sewer Use Ordinances/User Charge Systems. The Municipality agrees to obtain approval from the NDEQ of its sewer use ordinance/User Charge System, and to adopt and implement any necessary changes before the Project is placed in operation. The Municipality agrees that it shall not modify or amend, or make additions to or deletions from its sewer use ordinance/User Charge System without the consent of NDEQ during the term of the Loan Contract.

Section 2.10. Other Conditions and Terms.

(a) Engineering Services. The Municipality shall provide and maintain competent and adequate engineering supervision and resident inspection during construction.

(b) Construction Contract Award. The Municipality shall obtain NDEQ concurrence and authorization prior to award of the construction contract.

(c) Initiation of Operation. The Municipality shall provide written notification to the NDEQ of the date of Initiation of Operation of the Project.

(d) Construction Completion. The Municipality shall provide written notification to the NDEQ of the construction completion date of the Project.

(e) Long Term Planning. The Municipality agrees to develop and implement a long-term wastewater treatment works management plan for the term of the loan, including yearly renewals. This plan shall recognize the cost relationship between the Project and future projects.

(f) Contractor's Security. The Municipality agrees to require any contractor of the Project to post separate performance and payment bonds or other security approved by NDEQ in the amount of the bid.

(g) Certified Operator. The Municipality agrees to provide a certified operator pursuant to Title 197 - Rules and Regulations for the Certification of Wastewater Treatment Facility Operators in Nebraska.

(h) Site Title and Easements. The Municipality must certify that site title for all easements and rights-of-way necessary to allow construction of the Project have been obtained prior to award of the construction contract (i.e., all real property has been acquired, bonafide options have been taken or formal condemnation proceedings have been initiated for necessary real property).

(i) Contractors Payments. The Municipality agrees to make prompt payment to its contractor(s) of sums due for construction and to retain only such amounts as may be justified by specific circumstances and provisions of the construction contract.

(j) Bid Solicitation. The Municipality agrees that all bid solicitations will include the following statement:

"The prospective participants must certify by submittal of EPA Form 5700-49 "Certification Regarding Debarment, Suspension and Other Responsibility Matters" that, to the best of its knowledge and belief, it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any federal department or agency."

(k) Debarment Suspension. The Municipality acknowledges that doing business with any party appearing in the "List of Parties Excluded from Federal Procurement or Non Procurement Programs" may result in disallowance of federal funds under this Loan Contract and may also result in suspension or debarment under 40 CFR Part 32.

(l) Other Federal Requirements. The Municipality agrees to comply with other applicable Federal Requirements in Attachment D hereto.

(m) Project Sign. The Municipality agrees to display the project sign provided by NDEQ. The sign will remain the property of NDEQ and will be retrieved about one year after project completion. The Municipality will remove the sign for NDEQ when requested.

(n) Employment under Public Contracts, LB 403. The Municipality agrees to comply with the provisions of LB403, approved by the Governor April 8, 2009. The following language is required and will be included in all contracts made with contractors and is a pass through requirement for his or her subcontractors.

"The Contractor is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee. If the Contractor is an individual or sole proprietorship, the following applies: 1. The Contractor must complete the United States Citizenship Attestation Form, available on the Department of Administrative Services website at www.das.state.ne.us; 2. If the Contractor indicates on such attestation form that he or she is a qualified alien, the Contractor agrees to provide the US Citizenship and Immigration Services documentation required to verify the Contractor's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program; and, 3. The Contractor understands and agrees that lawful presence in the United States is required and the Contractor may be disqualified or the contract terminated if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108"

(o) Prevailing Wage. All laborers and mechanics employed by contractors and sub contractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to the Public Law 111-88 shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code. With respect to the labor standards specified in this section, the Secretary of Labor shall have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (64 Stat. 1267; 5 U.S.C.App.) and section 3145 of title 40, United States Code.

The Municipality is responsible to insure compliance with the prevailing wage requirements and will include the following information in the contract documents:

Contractors and subcontractors on USEPA federally assisted construction projects are required to pay their laborers and mechanics not less than those established by the U.S. Department of Labor. A current wage decision containing the appropriate building and/or heavy type rates shall be included in the specifications. In addition, labor standard provisions, Davis Bacon and Related Acts, for federally assisted contracts shall be placed in the federal assurances of project specifications.

If an areawide decision or classification does not exist for the type of work to be performed, building or heavy, a decision or request for authorization of additional classification and rate must be requested from the Labor Department using the Standard Form 1444, Request for Authorization of Additional Classification and Rate available on the web and can be completed on line at: <http://www.wdol.gov/docs/sf1444.pdf>. These types of decisions or classifications are project specific, i.e. they are applicable only to the project for which they are requested and may not be used on any other project. Project decisions generally have an expiration date of 180 days after the date of issuance. Modifications or reissued decisions are applicable to a project if received by NDEQ not less than 10 days prior to bid opening. Modifications to classification and wage rates after bid opening shall be paid to all workers performing work in the new or modified classification from the first day on

which work is performed in the additional classification as approved by the Administrator of the Wage and Hour Division, Employment Standards Administration, US Department of Labor.

Weekly Payrolls shall be submitted by the contractor to the Municipality or the Municipality's representative utilizing the Department of Labor Form WH-347. A webform which can be completed on-line is found at www.dol.gov/whd/forms/wh347.pdf instructions are also found on-line. The Municipality may also be required to submit copies of the Weekly Payrolls to NDEQ. As to each payroll copy received, the Municipality shall provide written confirmation on a form supplied by NDEQ indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5(a)(1) based on the most recent payroll copies for the specified week. The Municipality or the Municipality's representative shall periodically interview a sufficient number of the contractor's or subcontractor's employees entitled to Davis Bacon prevailing wages to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 29 CFR 5.6(a)(6), all interviews must be conducted in confidence. The Municipality must use Standard Form 1445 or equivalent documentation to memorialize the interviews. Copies of the SF 1445 form are available at <http://www.gsa.gov>. At a minimum, the Municipality or the Municipality's representative should conduct interviews with a representative group of covered employees within two weeks of each contractor or subcontractor's submission of its initial weekly payroll data and two weeks prior to the estimated completion date for the contract or subcontract. EPA has issued a waiver from the two week interview interval requirements by a November 16, 2012, EPA Memorandum, Class Deviation – Prevailing Wage Interview Interval Requirement in Clean Water and Drinking Water State Revolving Funds (CWSRF and DWSRF) Capitalization Grants. The provision for two week interview intervals is not a regulatory or statutory requirement and has been superseded by the class deviation. The Borrower or Borrower's representative should conduct such interviews if and when the Borrower or Borrower's representative finds it necessary to ensure that contractors are complying with the prevailing wage requirements.

(p) Human Trafficking. Under the requirements of Section 106 of the Trafficking Victims Protection Act of 2000, as amended, the following provisions apply to this award:

"The Municipality, its employees, sub-recipients under this award, and sub-recipients' employees may not engage in severe forms of trafficking in persons during the period of time that the award is in effect; procure a commercial sex act during the period of time that the award is in effect; or use forced labor in the performance of the award or sub-awards under the award."

(q) Buy American Iron and Steel Products. The Federal Water Pollution Control Act (FWPCA) Section 608, as amended by the Water Resources Reform and Development Act (WRRDA), codifies a provision that had been included in EPA's CWSRF appropriations that requires assistance recipients, absent a waiver, to use iron and steel products that are produced in the United States for projects for the construction, alteration, maintenance, and repair of treatment works.

The effective date for the codified provision is the date of enactment of the WRRDA, or June 10, 2014. Section 608 does not apply with respect to a project if NDEQ approves the engineering plans and specifications for the project prior to a project requesting bids, prior to the date of enactment, June 10, 2014, of the WRRDA.

These Buy American requirements apply for the entirety of the construction activities financed by the Loan Contract unless (a) a waiver is provided to the Assistance Recipient by EPA or (b) compliance would be inconsistent with United States obligations under international agreements. In order to receive a waiver, the Assistance Recipient must send a written request to the EPA Administrator. A decision will be made based on the following criteria:

(1) The requirement is inconsistent with the public interest for purposes of the project for which a waiver has been requested,

- (2) Iron and steel products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality, or
- (3) Inclusion of iron and steel products produced in the United States will increase the overall cost of the project by more than 25 percent.

If the Administrator receives a request for a waiver, the Administrator shall make available to the public on an informal basis a copy of the request and information available to the Administrator concerning the request and shall allow for informal public input on the request for at least 15 days prior to making a finding based on the request. The Administrator shall make the request and accompanying information available by electronic means, including on the official public Internet Web site of the Environmental Protection Agency. EPA will provide additional guidance on this provision as it becomes available.

The term "iron and steel products" means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials."

Iron and steel products that are not 100% compliant with the above requirements should be identified early in the planning and design process and the appropriate justification prepared and waiver process followed to meet the requirement before the project goes to construction.

Buy American Iron and Steel (AIS) requirements are waived if a project has submitted plans and specifications for approval to a State agency, prior to enactment of the Appropriations Act or January 17, 2014 in accordance with the EPA nationwide plans and specifications waiver signed April 15, 2014.

In addition, EPA has granted a nationwide waiver for de minimis incidental components for eligible CWSRF projects, signed April 15, 2014. This action permits the use of products when they occur in de minimis incidental components for such projects funded by the Act that may otherwise be prohibited under section 436(a). Example of incidental components could include small washers, screws, fasteners, (i.e., nuts and bolts), miscellaneous wire, corner bead, ancillary tube, etc. Examples of items that are clearly not incidental include significant process fittings (i.e., tees, elbows, flanges, and brackets), distribution system fittings and valves, force main valves, pipes for sewer collection and/or water distribution, treatment and storage tanks, large structural support structures, etc. Funds used for such de minimis incidental non-AIS compliant components cumulatively may comprise no more than a total of 5 percent of the total cost of the materials used in and incorporated into a project. The cost of an individual non-AIS compliant item may not exceed 1 percent of the total cost of the materials used in and incorporated into a project.

EPA has provided additional guidance on these AIS provisions which can be found on EPA's website at http://water.epa.gov/grants_funding/aisrequirement.cfm

ARTICLE III

REPRESENTATIONS AND COVENANTS OF MUNICIPALITY

Section 3.01. Representations of the Municipality. The Municipality represents as follows:

(a) Organization and Authority.

(1) The Municipality is a city, town, village, district, association, or other public body created by or pursuant to the constitution and statutes of the State of Nebraska.

(2) The Municipality has full legal right and authority and all necessary licenses and permits required as of the date hereof to own, operate and maintain its Wastewater Treatment Works, to carry on its activities relating thereto, to execute and deliver this Loan Contract, to undertake and complete the Project, and to carry out and consummate all transactions contemplated by this Loan.

(3) The proceedings of the Municipality's governing body approving this Loan Contract and authorizing its execution, issuance and delivery on behalf of the Municipality, and authorizing the Municipality to undertake and complete the Project have been duly and lawfully adopted.

(4) This Loan Contract has been duly authorized, executed and delivered on behalf of the Municipality, and constitutes the legal, valid and binding obligation of the Municipality enforceable in accordance with its terms.

(b) Full Disclosure. To the best knowledge of the Municipality, after due investigation, there is no fact that the Municipality has not disclosed to NDEQ in writing on the Municipality's application for the Loan or otherwise anything that materially adversely affects or that will materially adversely affect the properties, activities of its Wastewater Treatment Works, or the ability of the Municipality to make all Loan Repayments and otherwise observe and perform its duties, covenants, obligations and agreement under this Loan Contract.

(c) Non-Litigation. There is no controversy, suit or other proceeding of any kind pending or threatened questioning, disputing or affecting in any way the legal organization of the Municipality or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act taken in connection with obtaining the Loan, or the constitutionality or validity of the indebtedness represented by the Loan Contract, or any of the proceedings had in relation to the authorization or execution or the pledging of the revenues of the Municipality's Wastewater Treatment Works, or the ability of the Municipality to make all Loan Repayments or otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Contract.

(d) Compliance with Existing Laws and Agreements. The authorization, execution and delivery of this Loan Contract by the Municipality, and the performance by the Municipality of its duties, covenants, obligations and agreements there under will not result in any breach of any existing law or agreement to which the Municipality is a party.

(e) No Defaults. No event has occurred and no condition exists that would constitute an Event of Default. The Municipality is not in violation of any agreement, which would materially adversely affect the ability of the Municipality to make all Loan Repayments or otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Contract.

(f) Governmental Consent. The Municipality has obtained all permits and approvals required to date under this Loan Contract or for the undertaking or completion of the Project and the financing or refinancing thereof. The Municipality has complied with all applicable provisions of law requiring any notification, with

any governmental body or officer in connection with this Loan Contract or with the undertaking or completion of the Project and the financing or refinancing thereof.

(g) Compliance with Law. The Municipality:

(1) is in compliance with all laws, ordinances, governmental rules and regulations to which it is subject, including, without limitation, any public hearing or public notice requirements or environmental review requirements contained in the Regulations, with which the failure to comply would materially adversely affect the ability of the Municipality to conduct its activities, enter into this Loan Contract or undertake or complete the Project; and

(2) has obtained all licenses, permits, franchises or other governmental authorizations presently necessary for the ownership of its property which, if not obtained, would materially adversely affect the ability of the Municipality to complete the Project.

(h) Use of Loan Proceeds. The Municipality will apply the proceeds of the Loan as described in Article II: (1) to finance or refinance a portion of the Project Costs; and (2) where applicable, to reimburse the Municipality for a portion of the Project Costs, which portion was paid or incurred in anticipation of reimbursement by NDEQ and is eligible for such reimbursement pursuant to the Regulations. All of such costs constitute Project Costs for which NDEQ is authorized to make Loans to the Municipality pursuant to the Act and the Regulations.

(i) Project Costs. The Municipality certifies that the Project Costs, as listed in Attachment B, are reasonable and accurate estimations and, upon direction of NDEQ, will supply the same with a certificate from its engineer stating that such costs are reasonable and accurate estimations, taking into account investment income, if any, to be realized during the course of construction of the Project and other money that would, absent the Loan, have been used to pay the Project Costs.

Section 3.02. Particular Covenants of the Municipality.

(a) Dedicated Source of Revenue for Repayment of the Loan. The Municipality hereby pledges the Wastewater User Charge as the dedicated source of revenue for the repayment of the Loan. The pledge herein provided for is made in accordance with and under the terms of Ordinance No. 9493 and is on an equal basis with the pledges made under the ordinances described below in this Subsection 3.02(a). The Municipality shall fix, establish, maintain and collect such rates, fees and charges for the use and services furnished by or through the Municipality's Wastewater Treatment Works and Sanitary Sewer Collection System, including all improvements and additions hereafter constructed or acquired by the Municipality, as will provide revenues sufficient to (i) pay the cost of the operation and maintenance, and replacement of the Wastewater Treatment Works and Sanitary Sewer Collection System, (ii) pay at least 110% of the principal of and interest on the Loan as and when the same become due, and (iii) pay all other amounts due at any time under this Loan Contract, provided, however, the lien of NDEQ on the revenues of the Municipality's Wastewater Treatment Works and Sanitary Sewer Collection System shall be on a parity with the lien on such revenues of the Municipality's outstanding Sewer System Revenue and Refunding Bonds issued pursuant to and referred to in Ordinance No. 9434 of the City of Grand Island, Nebraska, any Sewer System Revenue Bonds now outstanding and any additional Sewer System revenue bonds hereafter issued on parity with such outstanding revenue bonds. These revenues shall be set aside as collected and deposited in a separate fund with at least two separate accounts, one for the operation and maintenance costs and the other for principal and interest payments on the Loan. The Municipality shall deposit monthly, in the Loan payment account, an amount equal to at least one-sixth of the anticipated amount due on the next Loan payment date. The Municipality agrees to develop the User Charge System based on actual or estimated use of wastewater treatment services, providing that each user or user class pay its proportionate share of operation and maintenance (including replacement) costs within the Municipality's service area, based on the user's proportionate contribution to the total wastewater loading from all users or user classes and to conduct at least a biennial review of user charge rates to review the adequacy of the user charge rates. The

Municipality agrees the initial financial analysis performed by NDEQ in Attachment C is a reasonable estimate of the Project Costs, of the financial situation of the Municipality in relation to this Project, and of the user charges necessary at the time of initiation of operation of the Project. The NDEQ may review this information annually to insure the Municipality's compliance with the Loan conditions and update Attachment C to reflect any changes.

(b) Performance Under Loan Contract. The Municipality covenants and agrees:

(1) To comply with all applicable State and Federal laws, rules and regulations (including, but not limited to the Federal crosscutting issues listed in Appendix F of the EPA's Initial Guidance for State Revolving Funds and set forth on Attachment D hereto and NDEQ Regulations), in the performance of this Loan Contract; and

(2) To cooperate with NDEQ in the observance and performance of the respective duties, covenants, obligations and agreements of the Municipality and NDEQ under this Loan Contract.

(c) Completion of Project and Provision of Moneys Therefore. The Municipality covenants and agrees:

(1) To exercise its best efforts in accordance with prudent wastewater treatment utility practice to complete the Project and to so accomplish such completion on or before the estimated Project completion date set forth in Article II hereto; and

(2) To provide from its own financial resources all moneys, in excess of the total amount of proceeds it receives under the Loan, required to complete the Project.

(d) Delivery of Documents. Concurrently with the delivery of this Loan Contract (as previously authorized and executed) at the Loan Closing, the Municipality will cause to be delivered to NDEQ each of the following items:

(1) Counterparts of this Loan Contract (as previously executed by parties hereto);

(2) Copies of the ordinances and/or resolutions of the governing body of the Municipality authorizing the execution and delivery of this Loan Contract certified by an Authorized Representative;

(3) An Opinion of Municipality's Counsel substantially in the form of Attachment E hereto;

(4) An executed Note (or other evidence of indebtedness) evidencing the Municipality's obligations under this Loan Contract in the form of Attachment F; and

(5) Such other certificates, documents, opinions and information as NDEQ may require.

(e) Operation and Maintenance of Wastewater Treatment System. The Municipality covenants and agrees that it shall, in accordance with prudent wastewater treatment utility practice:

(1) At all times operate the properties of its Wastewater Treatment Works in an efficient manner; and

(2) Maintain its Wastewater Treatment Works, making all necessary and proper repairs, renewals, replacements, additions, betterments and improvements necessary to maintain its system in good repair, working order and operating condition.

(f) Disposition of Wastewater Treatment Works. The Municipality covenants that it intends to own and operate the Project at all times during the term of the Loan. The Municipality does not know of any reason

why the Project will not be so used in the absence of (i) supervening circumstances not anticipated by the Municipality at the time of the Loan, (ii) adverse circumstances beyond the control of the Municipality or (iii) obsolescence of such insubstantial parts or portions of the Project as may occur as a result of normal use thereof.

The Municipality shall not sell, lease, abandon or otherwise dispose of all or substantially all of its Wastewater Treatment Works except on ninety (90) days' prior written notice to NDEQ and, in any event, shall not so sell, lease, abandon or otherwise dispose of the same unless the Municipality shall in accordance with Section 4.02 hereof assign this Loan Contract and its rights and interests hereunder to the purchaser or lessee of the Wastewater Treatment Works and such purchaser or lessee shall assume all duties, covenants, obligations and agreements of the Municipality under this Loan Contract. In no event shall the Municipality sell, lease, abandon or otherwise dispose of the Wastewater Treatment Works to any person or entity other than a municipal corporation or other political subdivision of the State of Nebraska or any combination thereof, that has legal responsibility to treat wastewater.

Before any proposed disposition of the Wastewater Treatment Works can be made, the Municipality shall provide NDEQ with an opinion of a nationally recognized bond counsel that such proposed disposition is permitted by the provisions of this subparagraph, and further, that such disposition shall not endanger the exclusion from gross income for federal income tax purposes of the interest on any bonds issued to fund deposits into the Fund, nor shall it relieve the Municipality of its duties, covenants, obligations and agreements under this Loan Contract.

(g) Records and Accounts.

(1) The Municipality shall keep accurate records and accounts in accordance with generally accepted government accounting standards, including standards relating to the reporting of infrastructure assets for its Wastewater Treatment System (the "System Records"), which shall be separate and distinct from its other records and accounts (the "General Accounts"). The System Records and General Accounts shall be made available for inspection upon request by NDEQ at any reasonable time. The Municipality shall, upon written request by NDEQ during the term of the Loan, perform and provide NDEQ a written audit of its System Records and/or General Accounts, provided such audit shall not be due to NDEQ sooner than 210 days following the close of the fiscal year, or years, identified in the request for audit. In the event that during the period in which the Project financed by this agreement is under construction, and the Municipality expends, for any purpose, total federal funds in excess of \$750,000 during the Municipality's fiscal year, then the Municipality shall, irrespective of any request from NDEQ, provide NDEQ a copy of the single agency audit made on the Municipality's General Accounts performed by an independent registered municipal accountant required in such cases by 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. In the sole discretion of NDEQ, any requirement herein to perform and/or provide an audit at the request of NDEQ may be waived by NDEQ on the basis of the Municipality's receipt of an audit waiver received from some other government agency and accurately acknowledging the Municipality's obligation to NDEQ under this Loan or for any other reason acceptable to NDEQ.

(2) The Municipality shall maintain its accounts in accordance with generally accepted government accounting standards defined in the Government Accounting, Auditing, and Financial Reporting Manual (1994 Ed.), or any other more current edition thereafter, issued by the Government Finance Officers Association. The Municipality's Basic Financial Statements shall comply with the government-wide perspective model and, the Statement of Infrastructure Assets promulgated by Government Accounting Standards Board (GASB) Statement 34.

(h) Inspections; Information. The Municipality shall permit the EPA, NDEQ and any party designated by NDEQ to examine, visit and inspect, at any and all reasonable times, the property, if any, constituting the Project, and to inspect and make copies of any accounts, books and records, including (without limitation) its records regarding receipts, disbursements, contracts, investments and any other matters relating thereto and

to its financial standing, and shall supply such reports and information as the EPA and NDEQ may reasonably require in connection therewith.

(i) Insurance. The Municipality will carry and maintain such reasonable amount of all risk insurance on all properties and all operations of the Wastewater Treatment Works as would be carried by similar sized municipal operators of Wastewater Treatment Works, insofar as the properties are of an insurable nature. The Municipality also will carry general liability insurance in amounts not less than the maximum liability of a governmental entity for claims arising out of a single occurrence, as provided by the Nebraska Political Subdivisions Tort Claims Act, Neb.Rev.Stat. §§13-901 to 13-926, or other similar future law.

(j) Continuing Representations. The representations of the Municipality contained herein shall be true at the time of the execution of this Loan Contract and at all times during the term of this Loan Contract.

(k) Notice of Material Adverse Change. The Municipality shall promptly notify NDEQ of any material adverse change in the activities, prospects or condition (financial or otherwise) of the Municipality's Wastewater Treatment Works, or in the ability of the Municipality to make all Loan Repayments and otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Contract.

(l) Additional Covenants and Requirements. If necessary in connection with the making of the Loan, additional covenants and requirements have been included. The Municipality agrees to observe and comply with each such additional covenant and requirement, if any.

ARTICLE IV

ASSIGNMENT

Section 4.01. Assignment and Transfer by NDEQ. The Municipality hereby approves and consents to any assignment or transfer of this Loan Contract that NDEQ deems necessary in connection with the operation and administration of the Fund. The Municipality hereby specifically approves the assignment and pledging of the interest portion of the Loan Repayments to NIFA.

Section 4.02. Assignment by the Municipality. This Loan Contract may not be assigned by the Municipality for any reason, unless the following conditions shall be satisfied:

(a) NDEQ shall have approved said assignment in writing;

(b) The assignee is a village, town, city, district, association, county or other public body created by or pursuant to State law of the State of Nebraska or any combination thereof, that has legal responsibility to treat wastewater;

(c) The assignee shall have expressly assumed in writing the full and faithful observance and performance of the Municipality's duties, covenants, and obligations under this Loan Contract; provided, however, such assignment shall not relieve the Municipality of its duties, covenants, and obligations under this Loan Contract;

(d) The assignment will not adversely impact NDEQ's ability to meet its duties, covenants and obligations under the Pledge Agreement nor may the assignment endanger the exclusion from gross income for federal tax purposes of the interest on any bonds issued by NIFA to fund deposits into the Fund; and

(e) The Municipality shall provide NDEQ with an opinion of a nationally recognized bond counsel that each of the conditions set forth in subparagraphs (b), (c), and (d) hereof have been met.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES

Section 5.01. Events of Default and Remedies.

(a) Violation or noncompliance of any of the provisions of this Loan and Ordinance No. 9493 by the Municipality or failure of the Municipality to complete and maintain the Project in the manner proposed by the Municipality and approved by the NDEQ may result in a cancellation of this Loan and a demand that any outstanding balance of principal and interest be paid immediately.

(b) In the event that the Municipality makes a late payment pursuant to the Loan repayment schedule in Attachment A, the NDEQ may assess a penalty. Late payments will subject the Municipality to a 5 percent administrative penalty on the delinquent amount. Penalty interest shall accrue at the rate of 1 percent per month of the amount of the late payment from and after the due date until it is paid.

(c) If the Municipality fails to make any payment of principal and interest, late fee, and penalty interest imposed pursuant to this Loan within sixty days of the due dates specified in Section 2.05, the payment shall be deducted from the amount of aid to municipalities to which the Municipality is entitled under Neb. Rev. Stat. §72-1503. Such amount shall be paid directly to the Wastewater Treatment Facilities Construction Loan Fund.

Section 5.02. Notice of Default. Before any action is taken under this Article, the NDEQ shall give thirty days written notice of the NDEQ's intent to the Municipality. The Municipality shall have the thirty day time period to comply with the violated contractual term. If compliance is achieved the Loan shall revert to good standing.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Hold Harmless Agreement. The State of Nebraska and the NDEQ, and the officers, agents, and employees of each, shall have no responsibility or liability for the construction, operation and maintenance of the Project.

Section 6.02. Waivers. Any waiver at any time of rights or duties under this Loan Contract shall not be deemed to be a waiver of any subsequent right or duty under this Loan Contract.

Section 6.03. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, to the Municipality, NDEQ, at the following addresses:

(a) MUNICIPALITY

City of Grand Island
100 East First Street
PO Box 1968
Grand Island, NE 68802-1968

(b) NDEQ:

Department of Environmental Quality
Suite 400
1200 "N" Street, The Atrium
P.O. Box 98922
Lincoln, NE 68509-8922

All notices given by registered or certified mail as aforesaid shall be deemed duly given as of the date they are so mailed. Any of the foregoing parties may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent, by notice in writing given to the others.

Section 6.04. Amendments, Supplements and Modifications. This loan contract may not be amended, supplemented, or modified except in writing signed by NDEQ and the Municipality.

Section 6.05. Severability. In the event any provision of this Loan Contract shall be held illegal, invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

Section 6.06. Binding Effect. This Loan Contract shall inure to the benefit of and shall be binding upon NDEQ and the Municipality and their respective successors and assigns.

Section 6.07. Execution in Counterparts. This Loan Contract may be executed in several counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument.

Section 6.08. Governing Law and Regulations. This Loan Contract shall be governed by and construed in accordance with the laws of the State of Nebraska, including the Act and the Regulations which Regulations are, by this reference thereto, incorporated herein as a part of this Loan Contract.

Section 6.09. Consents and Approvals. Whenever the written consent or approval of the State shall be required under the provisions of this Loan Contract, such consent or approval may only be given by NDEQ.

Section 6.10. Further Assurances. The Municipality shall, at the request of NDEQ, authorize, execute, acknowledge and deliver such further resolutions, conveyances, transfers, assurances, financing statements and other instruments as may be necessary or desirable for better assuring, conveying, granting, assigning and confirming the rights, security interests and agreements granted or intended to be granted by this Loan Contract.

Section 6.11. Notice to Trustee. Upon assignment of the Note to NIFA which may occur from time to time and thereafter, NDEQ shall deliver a notice of this Loan in the form prescribed by NIFA, and other pertinent information relating thereto, to the Trustee for any bonds of NIFA issued to fund deposits into the Loan Fund.

IN WITNESS THEREOF, the parties hereto have caused this Loan Contract to be executed and delivered as of the date set forth below.

CITY OF GRAND ISLAND, NEBRASKA

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY

By _____

By _____

Title Mayor

Title Director

Date _____

Date _____

INDEX OF ATTACHMENTS

Attachment A - Projected Loan Repayment Schedule

Attachment B - Project Costs and Projected Outlay Schedule

Attachment C - Financial Analysis

Attachment D - List of Federal Laws and Authorities

Attachment E - Municipality's Counsel's Opinion

Attachment F - Promissory Note

Attachment G - Certificate

Attachment H - Other Documents

ATTACHMENT A

PROJECTED LOAN REPAYMENT SCHEDULE

Interest accruing before June 15, 2018, which is not reflected on the following amortization schedule shall be billed and paid in accordance with NDEQ's procedures as in effect from time to time. Interest shall accrue at the applicable rate (set forth in Section 2.03 of the Contract for Loan) as to the amount drawn and outstanding from time to time during the payment period, with payments due on June 15 and December 15 of each year, with an estimated commencement of December 15, 2015. Amounts due will be billed on or about May 15 and November 15 of each year for each six-month payment period ending on the set interest payment date. Interest accruing on any principal amounts drawn after the billing date are to be paid as an addition to the billing for the next interest payment period.

ATTACHMENT B

PROJECT COSTS

Construction Cost	\$4,344,218
A/E Design Fees	455,782
TOTAL ESTIMATED PROJECT COST	\$4,800,000

SOURCE OF FUNDS

NDEQ CWSRF Term Loan	\$4,800,000
TOTAL NDEQ FINANCING	\$4,800,000

OUTLAY SCHEDULE

April 2016	\$80,000
May 2016	\$100,000
June 2016	\$160,000
July 2016	\$150,000
August 2016	\$150,000
September 2016	\$250,000
October 2016	\$350,000
November 2016	\$500,000
December 2016	\$350,000
January 2017	\$350,000
February 2017	\$350,000
March 2017	\$350,000
April 2017	\$350,000
May 2017	\$350,000
June 2017	\$350,000
July 2017	\$210,000
August 2017	\$150,000
September 2017	\$150,000
October 2017	\$50,000
November 2017	\$50,000
TOTAL	\$4,800,000

**ATTACHMENT C
FINANCIAL ANALYSIS**

GRAND ISLAND, NEBRASKA

CWSRF PROJECT NO. C317984

Grand Island has requested CWSRF loan assistance of \$40,000,000 in Fiscal Years 2014 – 2017 to finance sanitary sewer improvement projects. This Financial Capability Analysis is prepared to assess the City's ability to repay existing sewer revenue bond debt as well as the estimated CWSRF debt thru fiscal year 2038.

The documents reviewed and used to complete this analysis are:

1. Audit reports for the City of Grand Island, for the years ending September 30, 2010, 2011, 2012 2013, and 2014.
2. Application for State and/or Federal Assistance, January 23, 2014
3. Sewer Revenue Bonds, September 17, 2013.
4. Report on Revenue Requirements, Cost of Service and Rates for Wastewater Service, dated October 1, 2013, prepared by Black & Veatch.

Table 1

Grand Island Sewer Fund Financial Summary FY 2010 – FY 2014

Fiscal Year	Operating Income	Operating Expense (1)	Net Revenue	Debt Service	Debt Coverage Ratio
2010	\$9,338,088	\$5,908,172	\$3,429,916	\$1,759,323	1.95
2011	\$8,725,053	\$5,376,869	\$3,348,184	\$1,758,191	1.90
2012	\$8,374,864	\$4,787,445	\$3,587,419	\$1,718,220	2.09
2013	\$8,713,747	\$5,339,743	\$3,374,004	\$3,125,069	1.08
2014	\$13,064,576	\$5,264,808	\$7,799,768	\$4,448,061	1.75

(1) Depreciation & Interest Expense is not included.

In FY 2013 Grand Island paid off Sewer System Revenue and Refunding Bonds dated June 25, 2003. The payoff included a principal balance of \$3,050,000 plus accrued interest of \$75,069. The City of Grand Island issued Sewer System Revenue Bonds dated September 17, 2013, with original issue amount of \$35,430,000. Interest ranges from 0.50 to 5.375% with final maturity on September 15, 2038. The City funded the headworks project and North Interceptor phase 1 with this revenue bond debt. Construction for the work funded by the September 17, 2013 revenue bond issue is expected to be complete in September, 2015.

User Fee Impacts

The City of Grand Island approved current sewer rates by passing Resolution 2013-331 effective October 1, 2013. A typical small residential customer who uses 5000 gallons of water per month currently pays a sewer rate \$28.36/month. The City of Grand Island hired Black & Veatch to evaluate the finances of their sewer utility and to prepare a rate study. Black and Veatch prepared a report dated October 1, 2013, and titled "Revenue Requirements, Cost of Service and Rates for Wastewater Service." Table B presents estimated sewer rates that should get implemented effective October 1, 2014, 2015, 2016 and 2017. The revenues from the projected sewer rates are expected to support the operation and maintenance of the sewer utility, service the sewer revenue bond debt in the amount of \$35,430,000 and to service the debt due to the proposed CWSRF debt in the amount of \$40,000,000. The sewer rate for a typical customer who uses 5000 gallons of water is estimated to be \$31.77/month in fiscal year 2017.

Table B

**City of Grand Island, NE
Wastewater Utility
Proposed Rates**

		Charges to be Effective October 1,			
		2013	2014	2015	2016
Sewer Service Charge - \$/month					
All Customers		8.24	8.24	8.24	8.24
Volume Charge - \$/Ccf					
Low Strength Industrial Dischargers		1.47	1.96	2.23	2.47
Non-Sanitary Sewer Flow (a)		1.18	1.18	1.18	1.18
Sanitary Sewer Flow		2.52	3.01	3.28	3.52
Excess Strength Surcharge - \$/lb					
BOD over 250 mg/l		0.3844	0.3844	0.3844	0.3844
Suspended Solids over 250 mg/l		0.2533	0.2533	0.2533	0.2533
Oil & Grease over 100 mg/l		0.0832	0.0845	0.0858	0.0872
Low Strength Industrial Dischargers					
BOD over 0 mg/l		0.3844	0.3844	0.3844	0.3844
Suspended Solids over 0 mg/l		0.2533	0.2533	0.2533	0.2533
Oil & Grease over 0 mg/l		0.0832	0.0845	0.0858	0.0872
TKN over 30 mg/l		0.5701	0.6314	0.6927	0.7539
Nitrates over 25 mg/l		1.8739	1.8810	1.8881	1.8953

(a) Applicable to flow discharged from JBS' pretreatment lagoons through their sewer main connecting directly to the City's wastewater treatment plant.

Ccf = Hundred Cubic Feet
 BOD = Biochemical Oxygen Demand
 TKN = Total Kjeldahl Nitrogen
 mg/l = milligram per liter

Table 2 represents the estimated revenue and expenses of the Grand Island Sewer Utility in FY 2015, 2016 and 2017. This information is obtained from the Black & Veatch study.

Table 2

Estimate of Revenue & Expenses FY 2015 - FY 2017

Fiscal Year Starting October 1	Estimated Revenue	Estimated Operating Expense	Estimated Net Revenue	Debt Service	Debt Coverage Ratio
2015	\$11,060,800	\$5,859,700	\$5,201,100	\$2,361,300	2.2
2016	\$11,794,600	\$6,231,000	\$5,563,600	\$3,032,800	1.83
2017	\$12,650,900	\$6,632,400	\$6,018,500	\$3,870,500	1.56

Table 3

Proposed CWSRF Loan No. C317984, Principal \$4,800,000

Loan Term (years)	Interest Rate	First Year Payment	First Year Payment + 10% Coverage
20	1.5% + 1.0% admin fee on outstanding principal balance	\$278,688	\$306,557

The current monthly sewer rate of \$28.36 or \$340 annually will fund this sewer improvement project is 0.76% of Grand Island's 2012 median household income of \$44,791 and is below EPA's 2.0% upper level of sewer rate affordability.

**ATTACHMENT D
LIST OF FEDERAL LAWS AND AUTHORITIES**

ENVIRONMENTAL:

- Archeological and Historic Preservation Act of 1974, Pub. L. 93-291
- Clean Air Act, 42 U.S.C. 7506(c)
- Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq.
- Coastal Zone Management Act of 1972, Pub. L. 92-583, as amended
- Endangered Species Act, 16 U.S.C. 1531 et seq.
- Executive Order 11593, Protection and Enhancement of Cultural Environment
- Executive Order 11988, Floodplain Management
- Executive Order 11990, Protection of Wetlands
- Farmland Protection Policy Act, 7 U.S.C. 4201 et seq
- Fish and Wildlife Coordination Act, Pub. L. 85-624, as amended
- National Historic Preservation Act of 1966, Pub. L. 89-665, as amended
- Safe Drinking Water Act, Pub. L. 92-523, as amended
- Wild and Scenic Rivers Act, Pub. L. 90-542, as amended

ECONOMIC :

- Demonstration Cities and Metropolitan Development Act of 1966, Pub. L. 89-754, as amended
- Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans

SOCIAL LEGISLATION:

- Age Discrimination Act of 1975, Pub. L. 94-135
- Title VI of the Civil Rights Act of 1964, Pub. L. 88-352
- Section 13 of Pub. L. 92-500, Prohibition against sex discrimination under the Federal Water Pollution Control Act
- Equal Employment Opportunity, Executive Order 11246
- Women's and Minority Business Enterprise, Executive Orders 11625 and 12138
- Section 504 of the Rehabilitation Act of 1973, Pub. L. 93-112, (including Executive Orders 11914 and 11250)

MISCELLANEOUS AUTHORITY

- Uniform Relocation and Real Property Acquisition Policies Act of 1970, Pub. L. 91-646
- Executive Order 12549 - Debarment and Suspension
- Nebraska Clean Water State Revolving Loan Fund #CS - 310001

ATTACHMENT E

Form of Opinion of Municipality's Counsel

[USE MUNICIPALITY'S OR COUNSEL'S LETTERHEAD]

[Date]

[NOTE: Any of the opinions given below may be given in reliance upon the opinion of another Bond Counsel, and one Bond Counsel may give some of the opinions and another Bond Counsel may give others.]

Nebraska Department of Environmental Quality
Suite 400
1200 N Street, The Atrium
Post Office Box 98922
Lincoln, NE 68509-8922
Attention: Water Quality Division

Ladies and Gentlemen:

[I/We] have acted as [Bond] Counsel in connection with the execution and delivery by [NAME OF MUNICIPALITY], a [TYPE OF ENTITY] (the "Municipality"), of a Contract for Loan No. C317984 (the "Loan Contract") between the Municipality and the Nebraska Department of Environmental Quality ("NDEQ") and the issuance of a promissory note (the "Note") by the Municipality to NDEQ. All terms used in this opinion letter and not defined shall have the meanings given to them in the Loan Contract.

In this connection, [I/we] have examined the following:

(a) Certified copies of the [DESCRIBE RESOLUTION AND/OR ORDINANCE PURSUANT TO WHICH LOAN AGREEMENT AND NOTE ARE TO BE ENTERED INTO];

(b) An executed counterpart of the Loan Contract;

(c) The executed Note; and

(d) Such other documents as [I/we] deemed relevant and necessary in rendering this opinion.

As to questions of fact material to [my/our] opinion, [I/we] have relied upon the certified proceedings and other certifications of public officials furnished to [me/us] without undertaking to verify the same by independent investigation.

Based upon the foregoing [I am/we are] of the opinion that:

1. The Municipality is a [CITY, VILLAGE, SID OR OTHER] duly organized and validly existing under the laws of the State of Nebraska.

2. The Municipality is a governmental unit, as such term is used in Section 141(b)(6) of the Internal Revenue Code of 1986, as amended.

3. The Municipality has the power and authority to enter into the Loan Contract, to issue the Note, to borrow the entire principal amount provided for in Section 2.01 of the Loan Contract (the "Principal Amount") and to perform its obligations under the Loan Contract and the Note.

4. The Loan Contract and the Note have been duly authorized, executed and delivered by the Municipality and are, and would be if the entire Principal Amount were advanced to the Municipality pursuant to the Loan Contract on the date of this opinion, valid and legally binding special obligations of the Municipality, payable solely from the sources provided therefor in the Loan Contract, enforceable in accordance with their respective terms, except to the extent that the enforceability thereof may be limited by laws relating to bankruptcy, insolvency or other similar laws affecting creditors' rights generally and general principles of equity.

5. Pursuant to §18-1803 through 18-1805 the Loan Contract creates a valid lien on the funds pledged by the Municipality pursuant to Section 3.02 of the Loan Contract for the security of the Loan Contract and the Note and no other debt of the Municipality is secured by a superior lien on such funds.

6. The Municipality has obtained or made all approvals, authorizations, consents or other actions of, and filings, registrations or qualifications with, the Municipality or any other government authority which are legally required to allow the Municipality to enter into and perform its obligations under the Loan Contract and the Note and borrow the full Principal Amount pursuant to the Loan Contract and the Note.

Very truly yours,

ATTACHMENT F

**PROMISSORY NOTE OF THE
CITY OF GRAND ISLAND, NEBRASKA**

FOR VALUE RECEIVED, the undersigned (the "Municipality") promises to pay, but solely from the sources described herein, to the order of the Nebraska Department of Environmental Quality ("NDEQ"), or its successors and assigns, the principal sum of not to exceed \$4,800,000 to the extent disbursed pursuant to Section 2.01 and Section 2.04 of the Loan Contract No. C317984 ("the Loan Contract"), with interest on each such amount until paid, as provided in Section 2.01 and 2.03 of the Loan Contract between NDEQ and the Municipality. In addition, the Municipality shall pay an Administrative Fee on the outstanding principal amount of this Note at the rate of 1.0 percent per annum as provided in the Loan Contract. The said principal and interest and Administrative Fee shall be payable in semiannual installments each payable on December 15 and June 15 of each year in accordance with Section 2.05 of the Loan Contract. Each installment shall be in the amount set forth opposite its due date in Attachment A to the Loan Contract.

All payments under this Note shall be payable at the offices of NDEQ in Lincoln, Nebraska, and upon the assignment of this Note to NIFA, at the principal corporate trust office of a Trustee designated by NIFA, or such other place as NDEQ may designate in writing.

This Note is issued pursuant to and is secured by the Loan Contract and Ordinance No. 9493 of the City of Grand Island, Nebraska, the terms and provisions of which are incorporated herein by reference.

All payments of principal of and interest on this Note and other payment obligations of the Municipality hereunder shall be limited obligations of the Municipality payable solely out of the Wastewater User Charge (as defined in the Loan Contract), on a parity with revenue bonds, presently outstanding or hereafter issued pursuant to Ordinances No. 9434 of the Municipality and pursuant to the Ordinance and shall not be payable out of any other revenues of the Municipality. The obligations of the Municipality under this Note shall never constitute or give rise to a charge against its general credit or taxing power. This note shall not be a debt of the municipality within the meaning of any constitutional statutory or charter limitation upon the creation of general obligation indebtedness of the Municipality.

If default be made in the payment of any installment due under this Note or by the occurrence of any one or more of the Events of Default specified in Article V of the Loan Contract and if such Event of Default is not remedied as therein provided, or by failure to comply with any provision of the Ordinance, NDEQ then, or at any time thereafter, may give notice to the Municipality that all unpaid amounts of this Note then outstanding, together with all other unpaid amounts outstanding under the Loan Contract, are due and payable immediately, and thereupon, without further notice or demand, all such amounts shall become and be immediately due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise the same at any time in the event of any continuing or subsequent default.

The Municipality hereby waives presentment for payment, demand, protest, notice of protest and notice of dishonor.

This Note and all instruments securing the same are to be construed according to the laws of the State of Nebraska. Signed and sealed this ____ day of _____, 2015.

[SEAL]

CITY OF GRAND ISLAND, NEBRASKA

Attest:

By _____

Title Clerk

Title Mayor

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY

By _____

Title Director

Date _____

Complete this section upon assignment of this Note to NIFA.

Pursuant to the Pledge Agreement dated as of _____ as amended (the "Pledge Agreement"), by and between NDEQ and the Nebraska Investment Finance Authority ("NIFA"), and the _____ dated as of _____, as supplemented and amended, by and between NIFA _____, as trustee, NDEQ hereby assigns, grants and conveys any and all of NDEQ's rights, title and interest in this Note to NIFA, except as provided in the Pledge Agreement, and NIFA hereby assigns such rights, title and interest to the Trustee and any successor Trustee.

NEBRASKA INVESTMENT FINANCE AUTHORITY

Attest:

By _____

Title _____

Date _____

ATTACHMENT G

**CERTIFICATE OF THE
CITY OF GRAND ISLAND, NEBRASKA**

The following certifications are made in connection with the Contract for Loan No. C317984 (the "Loan Contract") between the Nebraska Department of Environmental Quality ("NDEQ") and the Village of Grand Island, Nebraska (the "Municipality") for the purpose of establishing compliance by the Municipality with requirements for the maintenance of the tax exemption of interest on any bonds (the "Bonds") which may be from time to time issued by the Nebraska Investment Finance Authority ("NIFA") to provide funds for deposit in the Loan Fund (as defined in the Loan Contract).

WHEREFORE, the undersigned hereby certifies on behalf of the Municipality to NDEQ, NIFA and any trustee for the Bonds, as follows:

1. The undersigned is authorized to make the following certifications on behalf of the Municipality.
2. The Municipality represents that it reasonably expects that the design and construction of the Project, as defined in the Loan Contract, will commence within six months from the execution of the Loan Contract and that the design and construction of the Project will proceed with due diligence thereafter to completion.
3. The proceeds of the loan pursuant to the Loan Contract will be used to construct a facility that will be owned and operated by the Municipality. There will be no contracts for the use of the facility other than contracts on a rate scale basis. Specifically, the Municipality represents that there will be no contracts for use of the Project that will require a non-governmental unit to make payments to the Municipality without regard to actual use of the Project.

Dated this ____ day of September, 2015.

CITY OF GRAND ISLAND, NEBRASKA

Title: Mayor

±

**ATTACHMENT H
OTHER DOCUMENTS**

DRAFT

17-Aug-2015

ATTACHMENT A
TO THE LOAN CONTRACT BETWEEN NDEQ AND
THE COMMUNITY OF
Grand Island
PROJECT NUMBER 7984
LOAN AMORTIZATION SCHEDULE (PROJECTED)

PRINCIPAL = 4,800,000.00
INTEREST RATE = 1.50

TERM YEARS = 20
FEE RATE = 1.00

DUE DATE OF PAYMENT	TOTAL PAYMENT = FEE PAYMENT +		LOAN PAYMENT		INTEREST PAYMENT		PRINCIPAL PAYMENT		BEGINNING BALANCE		PRINCIPAL PAYMENT		ENDING BALANCE	
15-Jun-2018	163,344.75	=	24,000.00	+	139,344.75	=	36,000.00	+	103,344.75	4,800,000.00	-	103,344.75	=	4,696,655.25
15-Dec-2018	162,828.03	=	23,483.28	+	139,344.75	=	35,224.91	+	104,119.84	4,696,655.25	-	104,119.84	=	4,592,535.41
15-Jun-2019	162,307.43	=	22,962.68	+	139,344.75	=	34,444.02	+	104,900.73	4,592,535.41	-	104,900.73	=	4,487,634.68
15-Dec-2019	161,782.92	=	22,438.17	+	139,344.75	=	33,657.26	+	105,687.49	4,487,634.68	-	105,687.49	=	4,381,947.19
15-Jun-2020	161,254.49	=	21,909.74	+	139,344.75	=	32,864.60	+	106,480.15	4,381,947.19	-	106,480.15	=	4,275,467.04
15-Dec-2020	160,722.09	=	21,377.34	+	139,344.75	=	32,066.00	+	107,278.75	4,275,467.04	-	107,278.75	=	4,168,188.29
15-Jun-2021	160,185.69	=	20,840.94	+	139,344.75	=	31,261.41	+	108,083.34	4,168,188.29	-	108,083.34	=	4,060,104.95
15-Dec-2021	159,645.27	=	20,300.52	+	139,344.75	=	30,450.79	+	108,893.96	4,060,104.95	-	108,893.96	=	3,951,210.99
15-Jun-2022	159,100.80	=	19,756.05	+	139,344.75	=	29,634.08	+	109,710.67	3,951,210.99	-	109,710.67	=	3,841,500.32
15-Dec-2022	158,552.25	=	19,207.50	+	139,344.75	=	28,811.25	+	110,533.50	3,841,500.32	-	110,533.50	=	3,730,966.82
15-Jun-2023	157,999.58	=	18,654.83	+	139,344.75	=	27,982.25	+	111,362.50	3,730,966.82	-	111,362.50	=	3,619,604.32
15-Dec-2023	157,442.77	=	18,098.02	+	139,344.75	=	27,147.03	+	112,197.72	3,619,604.32	-	112,197.72	=	3,507,406.60
15-Jun-2024	156,881.78	=	17,537.03	+	139,344.75	=	26,305.55	+	113,039.20	3,507,406.60	-	113,039.20	=	3,394,367.40
15-Dec-2024	156,316.59	=	16,971.84	+	139,344.75	=	25,457.76	+	113,886.99	3,394,367.40	-	113,886.99	=	3,280,480.41
15-Jun-2025	155,747.15	=	16,402.40	+	139,344.75	=	24,603.60	+	114,741.15	3,280,480.41	-	114,741.15	=	3,165,739.26
15-Dec-2025	155,173.45	=	15,828.70	+	139,344.75	=	23,743.04	+	115,601.71	3,165,739.26	-	115,601.71	=	3,050,137.55
15-Jun-2026	154,595.44	=	15,250.69	+	139,344.75	=	22,876.03	+	116,468.72	3,050,137.55	-	116,468.72	=	2,933,668.83
15-Dec-2026	154,013.09	=	14,668.34	+	139,344.75	=	22,002.52	+	117,342.23	2,933,668.83	-	117,342.23	=	2,816,326.60
15-Jun-2027	153,426.38	=	14,081.63	+	139,344.75	=	21,122.45	+	118,222.30	2,816,326.60	-	118,222.30	=	2,698,104.30
15-Dec-2027	152,835.27	=	13,490.52	+	139,344.75	=	20,235.78	+	119,108.97	2,698,104.30	-	119,108.97	=	2,578,995.33
15-Jun-2028	152,239.73	=	12,894.98	+	139,344.75	=	19,342.46	+	120,002.29	2,578,995.33	-	120,002.29	=	2,458,993.04
15-Dec-2028	151,639.72	=	12,294.97	+	139,344.75	=	18,442.45	+	120,902.30	2,458,993.04	-	120,902.30	=	2,338,090.74
15-Jun-2029	151,035.20	=	11,690.45	+	139,344.75	=	17,535.68	+	121,809.07	2,338,090.74	-	121,809.07	=	2,216,281.67
15-Dec-2029	150,426.16	=	11,081.41	+	139,344.75	=	16,622.11	+	122,722.64	2,216,281.67	-	122,722.64	=	2,093,559.03
15-Jun-2030	149,812.55	=	10,467.80	+	139,344.75	=	15,701.69	+	123,643.06	2,093,559.03	-	123,643.06	=	1,969,915.97
15-Dec-2030	149,194.33	=	9,849.58	+	139,344.75	=	14,774.37	+	124,570.38	1,969,915.97	-	124,570.38	=	1,845,345.59
15-Jun-2031	148,571.48	=	9,226.73	+	139,344.75	=	13,840.09	+	125,504.66	1,845,345.59	-	125,504.66	=	1,719,840.93
15-Dec-2031	147,943.95	=	8,599.20	+	139,344.75	=	12,898.81	+	126,445.94	1,719,840.93	-	126,445.94	=	1,593,394.99
15-Jun-2032	147,311.72	=	7,966.97	+	139,344.75	=	11,950.46	+	127,394.29	1,593,394.99	-	127,394.29	=	1,466,000.70
15-Dec-2032	146,674.75	=	7,330.00	+	139,344.75	=	10,995.01	+	128,349.74	1,466,000.70	-	128,349.74	=	1,337,650.96
15-Jun-2033	146,033.00	=	6,682.25	+	139,344.75	=	10,032.38	+	129,312.37	1,337,650.96	-	129,312.37	=	1,208,338.59
15-Dec-2033	145,386.44	=	6,041.69	+	139,344.75	=	9,062.54	+	130,282.21	1,208,338.59	-	130,282.21	=	1,078,056.38
15-Jun-2034	144,735.03	=	5,390.28	+	139,344.75	=	8,085.42	+	131,259.33	1,078,056.38	-	131,259.33	=	946,797.05
15-Dec-2034	144,078.74	=	4,733.99	+	139,344.75	=	7,100.98	+	132,243.77	946,797.05	-	132,243.77	=	814,553.28
15-Jun-2035	143,417.52	=	4,072.77	+	139,344.75	=	6,109.15	+	133,235.60	814,553.28	-	133,235.60	=	681,317.68
15-Dec-2035	142,751.34	=	3,406.59	+	139,344.75	=	5,109.88	+	134,234.87	681,317.68	-	134,234.87	=	547,082.81
15-Jun-2036	142,080.16	=	2,735.41	+	139,344.75	=	4,103.12	+	135,241.63	547,082.81	-	135,241.63	=	411,841.18
15-Dec-2036	141,403.96	=	2,059.21	+	139,344.75	=	3,088.81	+	136,255.94	411,841.18	-	136,255.94	=	275,585.24
15-Jun-2037	140,722.68	=	1,377.93	+	139,344.75	=	2,066.89	+	137,277.86	275,585.24	-	137,277.86	=	138,307.38
15-Dec-2037	140,036.23	=	691.54	+	139,344.69	=	1,037.31	+	138,307.38	138,307.38	-	138,307.38	=	0.00
TOTALS	6,089,649.91	=	515,859.97	+	5,573,789.94	=	773,789.94	+	4,800,000.00	4,800,000.00	=	4,800,000.00	=	4,800,000.00

ORDINANCE NO. 9493

AN ORDINANCE OF THE CITY OF GRAND ISLAND, NEBRASKA, AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$40,000,000 TOTAL PRINCIPAL AMOUNT SEWER SYSTEM REVENUE BONDS IN THE FORM OF ONE OR MORE PROMISSORY NOTES OF THE CITY, TO PAY THE COSTS OF ACQUIRING, CONSTRUCTING, IMPROVING, EXTENDING, EQUIPPING AND FURNISHING IMPROVEMENTS TO THE CITY'S SANITARY SEWER DISPOSAL PLANT AND SEWER SYSTEM; APPROVING THE EXECUTION AND DELIVERY OF ONE OR MORE LOAN CONTRACTS WITH THE NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY; PRESCRIBING THE FORM AND DETAILS OF THE BONDS AND THE COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; PROVIDING FOR THE PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM; AND AUTHORIZING CERTAIN ACTIONS AND DOCUMENTS AND PRESCRIBING OTHER MATTERS RELATING THERETO.

BE IT ORDAINED by the Mayor and Council of the City of Grand Island, Nebraska, as follows:

Section 1. The Mayor and City Council of the City of Grand Island, Nebraska (the "City") hereby find and determine:

(a) The City owns and operates a wastewater treatment plant and sanitary sewer system (such plant and system, together with all additions and improvements thereto hereafter acquired and constructed are herein referred to as the "Sewer System") which represents a revenue-producing undertaking of the City;

(b) the Nebraska Department of Environmental Quality ("NDEQ") has approved construction of additions and improvements to the City's Sewer System (collectively, the "Project") and has proposed to lend monies for the Project in one or more loans (each, an "NDEQ Loan"). Each NDEQ Loan shall be governed as to terms and conditions by a Loan Contract between the City and NDEQ, each of which shall be in substantially the form presented herewith (each, an "NDEQ Contract"). To evidence each NDEQ Loan and the debt obligation incurred by the City in connection with each NDEQ Contract, NDEQ has agreed to accept a bond payable from the revenues of the Sewer System to be evidenced by and in the form of a promissory note (each, an "NDEQ Note" and together the "NDEQ Notes"; sometimes all of the NDEQ Notes issued hereunder are collectively referred to herein as the "Bonds") in substantially the form attached to the NDEQ Contract.

(b) The City has issued and outstanding the following revenue bonds which are a lien upon and secured by a pledge of the Revenues of the Sewer System:

Sewer System Revenue and Refunding Bonds, Series 2013, Date of Original Issue – September 17, 2013, issued pursuant to Ordinance No. 9434 of the City, of which \$36,915,000 in principal amount are presently outstanding (the "Outstanding Parity Bonds");

(c) That it is necessary and advisable for the City to construct additions and improvements to the Sewer System for which the estimated total cost is not less than \$40,000,000.

Approved as to Form
July 28, 2014


City Attorney

ORDINANCE NO. 9493 (Cont.)

(d) The Outstanding Parity Bonds represent the only indebtedness of the City for which the Revenues of the Sewer System have been pledged.

(e) Section 7 of the Ordinance authorizing the issuance of the Outstanding Parity Bonds (the "Outstanding Parity Bonds Ordinance") permits the issuance of Additional Bonds which are payable on a parity with the Outstanding Parity Bonds and equally and ratably secured therewith under the terms of the Outstanding Parity Bonds Ordinance; provided that the City shall have received a projection made by a consulting engineer or firm of consulting engineers, recognized as having experience and expertise in municipal utility systems, projecting that the "Net Revenues" of the Sewer System (as defined in the Outstanding Parity Bonds Ordinance) in each of the three full fiscal years after the issuance of such series of Additional Bonds will be at least equal to 1.25 times the Average Annual Debt Service Requirements of the Outstanding Parity Bonds, as then outstanding, and of each series of Additional Bonds as then proposed to be issued, which projections shall be made in such manner as more fully described in the Outstanding Parity Bonds Ordinance (the "Projections").

(f) To satisfy the funding requirements described in this Section 1, it is necessary for the City to issue its Sewer System Revenue Bonds, in one or more series and in the form of one or more NDEQ Note, in the aggregate total principal amount of not to exceed \$40,000,000 pursuant to Sections 18-1803 to 18-1805 R.R.S. Neb. 2012, each of which series shall be an NDEQ Loan. In connection with each NDEQ Loan, it is necessary and advisable for the City to approve the execution and delivery of the form of NDEQ Contract and NDEQ Note. Upon acceptance and approval of the Projections as provided herein for each series of bonds authorized herein, all conditions, acts and things required by law to exist or to be done precedent to the issuance of the City's Sewer System Revenue Bonds in the principal amount of not to exceed \$40,000,000 in one or more series, will exist and been done and performed in regular and due time and form as required by law. Said bonds will be payable from the Revenues of the Sewer System.

Section 2. In addition to the definitions provided in parentheses elsewhere in this Ordinance, the following definitions of terms shall apply, unless the context shall clearly indicate otherwise:

(a) the term "Revenues" shall mean all of the rates, rentals, fees and charges, earnings and other monies, including investment income, from any source derived by the City of Grand Island, Nebraska, through its ownership and operation of the Sewer System.

(b) the term "Additional Bonds" shall mean any and all bonds hereafter issued by the City pursuant to the terms of this Ordinance which are equal in lien to the Bonds and the Outstanding Parity Bonds, including all such bonds issued pursuant to Section 7 and refunding bonds issued pursuant to Section 8.

(c) the term "Average Annual Debt Service Requirements" shall mean that number computed by adding all of the principal and interest due when computed to the absolute maturity of the bonds for which such computation is required and dividing by the number of years remaining that the longest bond of any issue for which such computation is required has to run to maturity. In making such computation, the

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principal of any bonds for which mandatory redemptions are scheduled shall be treated as maturing in accordance with such schedule of mandatory redemptions.

(d) the term "Deposit Securities" shall mean obligations of the United States of America, direct or unconditionally guaranteed, including any such obligations issued in book entry form.

(e) the term "Net Revenues" shall mean the Revenues derived by the City from the ownership or operation of the Sewer System, including investment income, but not including any income from the sale or other disposition of any property belonging to or forming a part of the Sewer System, less the ordinary expenses for operating and maintaining the Sewer System payable from the Operation and Maintenance Account described in Section 5 of this Ordinance. Operation and Maintenance expenses for purposes of determining "Net Revenues" shall not include depreciation, amortization of financing expenses or interest on any bonds or other indebtedness. Net Revenues for all purposes of this Ordinance shall be shown by an audit for the fiscal year in question as conducted by an independent certified public accountant or firm of such accountants.

(f) the term "Outstanding Parity Bonds" shall have the meaning set forth in Section 1 hereof.

(g) the term "Paying Agent and Registrar" shall mean the Treasurer of the City, as appointed to act as paying agent and registrar for the Bonds pursuant to Section 4 hereof, or any successor thereto.

Section 3. To provide for the payment of the costs of the Project, there is hereby approved the issuance of the Bonds, in one or more series, each of which shall be in the form of and evidenced by a single NDEQ Note, and which Bonds in the aggregate may be issued in an amount not to exceed Forty Million Dollars (\$40,000,000). In connection with the issuance of each NDEQ Note, the City shall enter into an NDEQ Contract. The final terms of each NDEQ Note and NDEQ Contract shall be approved by resolution of the City Council prior to execution and delivery thereof, with such changes as shall be determined necessary and appropriate by the Mayor or the City Treasurer (each, an "Authorized Officer", and together, the "Authorized Officers") for and on behalf of the City. Prior to the issuance of each NDEQ Note and entering into each NDEQ Contract, the City shall have received and approved the Projections made in connection with the delivery of each NDEQ Note. The terms of each NDEQ Note and each NDEQ Loan Contract in substantially the form attached hereto, are hereby approved and the Authorized Officers are each hereby authorized to execute and deliver the NDEQ Note and the NDEQ Loan Contract with such changes from the forms presented and attached hereto as such officer shall deem appropriate for and on behalf of the City in connection with each NDEQ Loan, provided, however, each NDEQ Note shall provide for interest to be paid at an interest rate of not to exceed 2.50% per annum and with an administrative fee payable to NDEQ of not to exceed 1% per annum. The Mayor and City

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Treasurer and any other officer or officers of the City are hereby further authorized to take such further actions and to execute such certificates and other documents as shall be deemed necessary or appropriate by any of them in connection with the issuance and delivery of each NDEQ Note and the NDEQ Loan Contract.

Section 4. The City Treasurer shall maintain a record of information with respect to the Bonds in accordance with the requirements of Section 10-140, R.R.S. Neb. 2012, as amended, and shall cause the same to be filed in the Office of the Auditor of Public Accounts of the State of Nebraska. The City Treasurer is hereby appointed to serve as paying agent and registrar for the Bonds.

Section 5. The Revenues of the Sewer System are hereby pledged and hypothecated for the payment of the Outstanding Parity Bonds, the Bonds and any Additional Bonds as authorized by this Ordinance and interest on such Outstanding Parity Bonds, Bonds and Additional Bonds and the City does hereby agree with the holders of the Outstanding Parity Bonds, the Bonds and Additional Bonds as follows:

(a) **GRAND ISLAND SEWER SYSTEM FUND** - The entire gross Revenues derived from the operation of the Sewer System shall be set aside as collected and deposited in a separate fund which has been previously created and designated as the "Grand Island Sewer System Fund." For purposes of allocating the monies in the Grand Island Sewer System Fund, the City shall maintain the following accounts: (1) Operation and Maintenance Account; (2) Bond Payment Account; (3) Debt Service Reserve Account; and (4) Surplus Account.

(b) **OPERATION AND MAINTENANCE ACCOUNT** - Out of the Grand Island Sewer System Fund there shall be monthly credited into the Operation and Maintenance Account such amounts as the City shall from time to time determine to be necessary to pay the reasonable and necessary expenses of operating and maintaining the Sewer System, and the City may withdraw funds credited to the Operation and Maintenance Account as necessary from time to time to pay such expenses.

(c) **BOND PAYMENT ACCOUNT** - Out of the Grand Island Sewer System Fund there shall be credited monthly on or before the fifteenth day of each month to the Bond Payment Account the following amounts:

- (1) After taking into consideration any amount on deposit in the Bond Payment Account for payment of the next installment amount (principal and interest) on the Bonds, an amount equal to such next installment amount divided by the number of monthly periods which will elapse before such installment amount is due;

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- (2) During such periods and in such amounts, all payments as are required under the terms of the Outstanding Parity Bonds Ordinance with respect to the principal and interest on the Outstanding Parity Bonds;

The City Treasurer is hereby authorized and directed, without further authorization, to withdraw monies credited to the Bond Payment Account, or if the monies in such Account are insufficient, then from the Debt Service Reserve Account for the Bonds and next from the Surplus Account, in an amount sufficient to pay, when due, the principal of and interest on the Bonds, the Outstanding Parity Bonds or any Additional Bonds and to transfer such amounts due to the Paying Agent and Registrar (or other paying agent for the Outstanding Parity Bonds or any Additional Bonds, as applicable) at least five (5) business days before each principal and interest payment date. Upon the issuance of any Additional Bonds pursuant to this Ordinance appropriate additional credits to the Bond Payment Account shall be provided for sufficient to pay principal and interest on said Additional Bonds.

(d) **DEBT SERVICE RESERVE ACCOUNT** - The City agrees that it shall deposit the amount of \$-0- as the amount required to be maintained attributable to the Bonds in a separate sub-account which is hereby established for the Bonds in the Debt Service Reserve Account. Monies credited to the Debt Service Reserve Account may be withdrawn, but only from the designated sub-account for a specific issue, as needed, to provide funds to pay, when due, the principal of and interest on the Bonds and any Additional Bonds issued pursuant to this Ordinance, as the case may be, if the Bond Payment Account contains insufficient funds for that purpose, and the City Treasurer is hereby authorized and directed to make such withdrawal if and when needed. In the event of a withdrawal from the Debt Service Reserve Account, there shall be credited to the Debt Service Reserve Account in the month following such withdrawal all monies in the Grand Island Sewer System Fund remaining after making the payments required to be made in such month to the Operation and Maintenance Account and Bond Payment Account and each month thereafter all such remaining monies shall be credited to the Debt Service Reserve Account until such account has been restored to the required balance. Upon the issuance of any Additional Bonds, the amount required to be accumulated and maintained in the Debt Service Reserve Account, in a separate sub-account for such Additional Bonds, shall be set at an amount determined appropriate by the Mayor and Council in connection with any such issue of Additional Bonds (which may be \$-0-). Any such required increase shall be provided for either by credit made from bond proceeds or current funds of the Sewer System then available or by equal monthly credits from the Grand Island Sewer System Fund made in such amounts so that the required amount shall be accumulated in a period of not more than five years. Each sub-account in the Debt Service Reserve Account shall be held solely for the specific issue for which it is established. In the event of withdrawal from any such sub-account which results in the amount in such sub-account being deficient to meet the required balance, available amounts for restoring sub-account balances shall be credited to each deficient sub-account on a pro rata basis in accordance with the respective outstanding principal amounts for those issues for which the respective sub-accounts are then deficient. When the Outstanding Parity Bonds, the Bonds or any issue of Additional Bonds for which a sub-account has been established is no longer outstanding, the particular sub-account for such issue shall no longer be required to be maintained. Anything in this subsection to the contrary notwithstanding, the amount required to be maintained in the Debt Service Reserve Account with respect to the Bonds or any issue of Additional Bonds shall not at any time exceed the maximum amount permitted to be invested without yield restriction under Sections 103(b) and 148 of the Internal Revenue Code of 1986, as amended, and applicable regulations of the United States Treasury Department.

(e) **SURPLUS ACCOUNT** - Monies from the Grand Island Sewer System Fund remaining after the credits required in the foregoing Subsections 5(b), 5(c) and 5(d) shall be credited to the Surplus Account. Monies in the Surplus Account may be used to make up any deficiencies in the preceding Accounts, to retire any of the Bonds, Outstanding Parity Bonds or any Additional Bonds prior to their maturity, to pay principal of and interest on any junior lien indebtedness incurred with respect to the Sewer System, to provide for replacements or improvements for the Sewer System, to provide for in lieu of tax payments in an amount not to exceed 1% of the gross revenues of the Sewer System in any fiscal year (as and to the extent permitted by law), or to provide for any other purpose related to the Sewer System.

The provisions of this Section shall require the City to maintain a set of books and records in accordance with such accounting methods and procedures as are generally applicable to a municipal utility enterprise, which books and records shall show credits to and expenditures from the several Accounts required by this Section. Monies credited to the Grand Island Sewer System Fund or any of the Accounts therein as established by this Ordinance shall be deposited or invested separate and apart from other City funds. Except as specified below for the Debt Service Reserve Account, the City shall not be required to establish separate bank or investment accounts for the Accounts described in Subsection 5(b), 5(c), 5(d) and 5(e). Monies credited to the Debt Service Reserve Account (or any sub-account therein) shall, if maintained in a demand or time deposit account, be kept in a separate account and not commingled with other Sewer System funds or accounts. If invested, monies credited to the Debt Service Reserve Account (or any sub-account therein) may be commingled with other Sewer System funds or accounts so long as the City maintains books and records clearly identifying the specific investments, or portions thereof, which belong to the Debt Service Reserve Account (or any sub-account therein).

Monies in any of said Accounts except the Debt Service Reserve Account may be invested in investments permissible for a city of the first class. Monies in the Debt Service Reserve Account (or any sub-account therein) may be invested in Deposit Securities or bank depository accounts or certificates of deposit which are either fully insured or fully collateralized as provided by law for investments of funds of Cities of the First Class. Monies invested from the Debt Service Reserve Account shall be invested to mature in not more than five years. Investments held for the Debt Service Reserve Account will be valued at cost for purposes of determining compliance with the requirements of this Ordinance as to the amount required to be maintained in the Debt Service Reserve Account or any sub-account therein.

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Income from or profit realized from investments for any Account or any sub-account shall be credited to such Account or sub-account until such Account or sub-account contains any amount then required to be therein, and thereafter such income or profit shall be transferred to the Grand Island Sewer System Fund and treated as other revenues from the operation of the Sewer System. The ordinance authorizing any series of Additional Bonds for which a debt service reserve sub-account is to be established may establish different terms for investment related to such sub-account.

The pledge of the Revenues of the Sewer System provided for in this Ordinance for the Bonds and the Outstanding Parity Bonds, subject to the right of the City to issue Additional Bonds as provided in this Ordinance, is intended as a first and prior pledge of, lien on and security interest in such Revenues for the payment of principal and interest of the Bonds and the Outstanding Parity Bonds, superior to any pledge or promise made with respect to any other indebtedness of the City as to its Sewer System, and is intended to be a full exercise of the powers of the City provided for in Sections 18-1803 to 18-1805 with respect to its Sewer System.

Section 6. So long as any of the Bonds, the Outstanding Parity Bonds and any Additional Bonds issued pursuant to this Ordinance shall remain outstanding and unpaid, the City covenants and agrees to establish, revise, from time to time as necessary, and collect such rates and charges for the service furnished from the Sewer System adequate to produce Revenues sufficient at all times:

(a) To provide funds to pay, when due, the principal of and interest on the Bonds, the Outstanding Parity Bonds and any Additional Bonds issued pursuant to this Ordinance.

(b) To pay all proper and necessary costs of operation and maintenance of the Sewer System and to pay for the necessary and proper repairs, replacements, enlargements, extensions and improvements to the Sewer System.

(c) To provide funds sufficient to make the credits into the Accounts and at the times and in the amounts required by Section 5 of this Ordinance.

(d) To maintain Net Revenues in each fiscal year adopted by the City for the Sewer System in an amount not less than 1.10 times the total amount of principal paid or payable (exclusive of any principal redeemed prior to maturity other than principal redeemed in accordance with any schedule of mandatory redemptions) and interest falling due during such fiscal year on the Bonds, the Outstanding Parity Bonds and any Additional Bonds.

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Section 7. To provide funds for any purpose related to the Sewer System, the City may issue Additional Bonds, except for Additional Bonds issued for refunding purposes which are governed by Section 8 of this Ordinance, payable from the Revenues having equal priority and on a parity with the Bonds, the Outstanding Parity Bonds and any Additional Bonds then outstanding, only upon compliance with the following conditions:

(a) Such Additional Bonds shall be issued only pursuant to an ordinance which shall provide for an increase in the monthly credits into the Bond Payment Account in amounts sufficient to pay, when due, the principal of and interest on the Bonds then outstanding, the Outstanding Parity Bonds, any Additional Bonds then outstanding and the proposed Additional Bonds and for any monthly credits to the Debt Service Reserve Account as are required under Subsection 11(d).

(b) The City shall have complied with one or the other of the two following requirements:

(1) The Net Revenues derived by the City from its Sewer System for the fiscal year next preceding the issuance of the Additional Bonds shall have been at least equal to 1.25 times the Average Annual Debt Service Requirements of the Bonds, the Outstanding Parity Bonds and any Additional Bonds, all as then outstanding, and of the proposed Additional Bonds; or

(2) The City shall have received a projection made by a consulting engineer or firm of consulting engineers, recognized as having experience and expertise in municipal utility systems, projecting that the Net Revenues of the Sewer System in each of the three full fiscal years after the issuance of such Additional Bonds will be at least equal to 1.25 times the Average Annual Debt Service Requirements of the Bonds, the Outstanding Parity Bonds and any Additional Bonds, all as then outstanding, and of the proposed Additional Bonds. In making such projection, the consulting engineer shall use as a basis the Net Revenues of the Sewer System during the last fiscal year for which an independent audit has been prepared and shall adjust such Net Revenues as follows: (A) to reflect changes in rates which have gone into effect since the beginning of the year for which the audit was made, (B) to reflect his estimate of the net increase over or net decrease under the Net Revenues of the Sewer System for the year which the audit was made by reason of: (i) changes of amounts payable under existing contracts for service; (ii) additional general income from sales to customers under existing rate schedules for various classes of customers or as such schedules may be revised under a program of changes which has been adopted by the Mayor and Council of the City; (iii) projected revisions in costs for labor, wages, salaries,

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machinery, equipment, supplies and other operational items; (iv) revisions in the amount of service to be supplied and any related administrative or other costs associated with such increases due to increased supply from the acquisition of any new facility; and (v) such other factors affecting the projections or revenues and expenses as the consulting engineer deems reasonable and proper. Annual debt service on any proposed Additional Bonds to be issued may be estimated by the consulting engineer in projecting Average Annual Debt Service Requirements, but no Additional Bonds shall be issued requiring any annual debt service payment in excess of the amount so estimated by the consulting engineer.

The City hereby covenants and agrees that so long as any of the Bonds, the Outstanding Parity Bonds and any Additional Bonds are outstanding, it will not issue any bonds or notes payable from the Revenues except in accordance with the provisions of this Ordinance, provided, however, the City reserves the right to issue bonds or notes which are junior in lien to the Bonds, the Outstanding Parity Bonds and any such Additional Bonds with the principal and interest on such bonds or notes to be payable from monies credited to the Surplus Account as provided in Subsection 11(e). In the event that Additional Bonds are proposed to be issued at a time when the audited financial statements of the City for its Sewer System for the most recently completed fiscal year are not yet available, compliance with the test based upon Net Revenues as set forth in Section 13(b)(1) may be determined with reference to the Net Revenues for the most recent fiscal year for which financial statements have been issued and unaudited financial statements for the most recently completed fiscal year as certified by the City Treasurer, provided that compliance shall be determined to be shown for each such fiscal year.

Section 8. The City may issue refunding bonds, which shall qualify as Additional Bonds of equal lien to refund any Bonds, Outstanding Parity Bonds or any Additional Bonds then outstanding, provided, that, if any such Bonds, Outstanding Parity Bonds or Additional Bonds are to remain outstanding after the issuance of such refunding bonds, the principal payments due in any calendar year in which those bonds which are to remain outstanding mature, or in any calendar year prior thereto, shall not be increased over the amount of such principal payments due in such calendar years immediately prior to such refunding.

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Refunding bonds issued in accordance with this paragraph of this Section 8 may be issued as Additional Bonds of equal lien without compliance with the conditions set forth in Subsection 7(b) of this Ordinance.

The City may also issue refunding bonds which shall qualify as Additional Bonds of equal lien to refund any Bonds, Outstanding Parity Bonds or Additional Bonds then outstanding, provided, that, if any Bonds, Outstanding Parity Bonds or Additional Bonds then outstanding are to remain outstanding after the application of the proceeds of the refunding bonds to the payment of the bonds which are to be refunded, such issuance must comply with the Net Revenues test set forth in Subsection 7(b)(1) of this Ordinance and, if the proceeds of such refunding bonds are not to be applied immediately to the satisfaction of the bonds which are to be refunded, then such refunding bonds must provide by their terms that they shall be junior in lien to all Bonds, Outstanding Parity Bonds and any Additional Bonds outstanding at the time of issuance of such refunding bonds until the time of application of their proceeds to the satisfaction of the bonds which are to be refunded. In the event that refunding bonds are proposed to be issued at a time when the audited financial statements of the City for its Sewer System for the most recently completed fiscal year are not yet available, compliance with the test based upon Net Revenues as set forth in Section 7(b)(1) may be determined with reference to the Net Revenues for the most recent fiscal year for which financial statements have been issued and unaudited financial statements for the most recently completed fiscal year as certified by the City Treasurer, provided that compliance shall be determined to be shown for each such fiscal year. In computing Average Annual Debt Service Requirements to show compliance with said Net Revenues test for such refunding bonds, all payments of principal and interest due on such refunding bonds from time of their issuance to the time of application of the proceeds of such refunding bonds to the satisfaction of the bonds which are to be refunded shall be excluded from such computation to the extent that such principal and interest are payable from sources other than the Revenues (such as bond proceeds held in escrow or investment earnings thereon) or from monies in the Surplus Account and all payments of principal and interest due on the bonds which are to be refunded from and after the time of such application shall also be excluded. For purposes of this paragraph of this Section 8, the time of application of the proceeds of the refunding bonds to the

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satisfaction of the bonds which are to be refunded shall be the time of deposit with the paying agent for such bonds which are to be refunded pursuant to Section 10-126, R.R.S. Neb. 2012 (or any successor statutory provision thereto) or the time when such bonds which are to be refunded under the terms of their authorizing ordinance or ordinances are no longer deemed to be outstanding, whichever occurs sooner.

Section 9. So long as any Bonds, Outstanding Parity Bonds or Additional Bonds are outstanding, the City hereby covenants and agrees as follows:

(a) The City will maintain the Sewer System in good condition and will continuously operate the same in a reasonable and efficient manner, and the City will punctually perform all duties with reference to said system required by the Constitution and statutes of the State of Nebraska, but this covenant shall not prevent the City from discontinuing the use and operation of all or any portion of the Sewer System so long as the Revenues derived from the City's ownership of the properties constituting the Sewer System shall be sufficient to fulfill the City's obligations under Section 6 of this Ordinance.

(b) The City will not grant any franchise or right to any person, firm or corporation to own or operate a sewer system in competition with the Sewer System.

(c) The City will maintain insurance on the property constituting the Sewer System (other than such portions of the system as are not normally insured) against risks customarily carried by similar utilities, but including fire and extended coverage insurance in an amount which would enable the City to repair, restore or replace the property damaged to the extent necessary to make the Sewer System operable in an efficient and proper manner to carry out the City's obligations under this Ordinance. The Mayor and Council shall annually examine the amount of insurance carried with respect to the Sewer System and shall evidence approval of such insurance by resolution. The proceeds of any such insurance received by the City shall be used to repair, replace or restore the property damaged or destroyed to the extent necessary to make the Sewer System operable in an efficient and proper manner, and any amount of insurance proceeds not so used shall be credited to the Surplus Account. In the event of any such insured casualty loss, the City may advance funds to make temporary repairs or provide for an advance on costs of the permanent repair, restoration or replacement from the Operation and Maintenance Account and any such advances shall be repaid from insurance proceeds received.

(d) The City will keep proper books, records and accounts separate from all other records and accounts in which complete and correct entries will be made of all transactions relating to the Sewer System. The City will have its operating and financial statements related to the Sewer System audited annually by a certified public accountant or firm of certified public accounts. The City will furnish to the original purchaser of the Bonds and to the original purchaser or purchasers of each series of Additional Bonds issued hereunder, within four months after the end of each fiscal year of the Sewer System, a copy of the financial statements of the Sewer System and the report thereon of the certified public accountants.

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(e) The City shall cause each person handling any of the monies in the Grand Island Sewer System Fund to be bonded by an insurance company licensed to do business in Nebraska in an amount or amounts deemed sufficient by the Mayor and Council to cover the amount of money belonging to said system reasonably expected to be in the possession or control of any such person. The amount of such bond or bonds shall be fixed by the Mayor and Council and the costs thereof shall be paid as an operating and maintenance expense from the Operation and Maintenance Account.

Section 10. The City's obligations under this Ordinance and the liens, pledges, covenants and agreements of the City herein made or provided for, shall be fully discharged and satisfied as to the Bonds issued pursuant to this Ordinance and any such bonds shall no longer be deemed outstanding hereunder if such bonds shall have been purchased and cancelled by the City, or when payment of the principal of and interest thereon to the respective date of maturity or redemption (a) shall have been made or caused to be made in accordance with the terms thereof, or (b) shall have been provided for by depositing with the Paying Agent and Registrar, or with a national or state bank having trust powers or trust company, in trust solely for such payment, (i) sufficient money to make such payment and/or (ii) Deposit Securities in such amount and bearing interest payable and maturing or redeemable at stated fixed prices at the option of the holder as to principal, at such time or times, as will ensure the availability of sufficient money to make such payment; provided, however, that, with respect to any Bond to be paid prior to maturity, the City shall have duly given notice of redemption of such bond as provided by law or made irrevocable provisions for the giving of such notice. Any such money so deposited with a bank or trust company or the Paying Agent and Registrar may be invested and reinvested in Deposit Securities and all interest and income from such Deposit Securities in the hands of such bank or trust company or Paying Agent and Registrar, in excess of the amount required to pay principal of and interest on the bonds for which such monies were deposited, shall be paid over to the City as and when collected.

Section 11. The terms and provisions of this Ordinance do and shall constitute a contract between the City and the registered owner or owners of the Bonds and no changes, variations or alterations of any kind, except for changes necessary to cure any ambiguity, formal defect or omission, shall be made to this Ordinance without the written consent of the registered owners of two-thirds (2/3rds) in principal amount of the Bonds then outstanding, provided, however, that neither the principal and

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interest to be paid upon any Bond nor the maturity date of any Bond shall be changed without the written consent of the registered owners of all such bonds then outstanding. Any registered owner of a Bond may by mandamus or other appropriate action or proceedings at law or in equity in any court of competent jurisdiction enforce and compel performance of this Ordinance and every provision and covenant hereof, including without limiting the generality of the foregoing, the enforcement of the performance of all duties required of the City by this Ordinance and the applicable laws of the State of Nebraska, including in such duties the collecting of Revenues and the segregation and application of such Revenues as described in Section 5 of this Ordinance. After any default in payment or other default in performance, the registered owners of the Bonds, the Outstanding Parity Bonds or any Additional Bonds shall be entitled to the appointment of a receiver for the Sewer System. Any and all actions brought by any registered owner or owners of the Bonds, the Outstanding Parity Bonds or Additional Bonds shall be maintained for the equal and ratable benefit of all registered owners of the Bonds, the Outstanding Parity Bonds and Additional Bonds outstanding and no registered owners of any of the Bonds, the Outstanding Parity Bonds or Additional Bonds shall have any right in any manner whatsoever by any action or proceedings to affect, disturb or prejudice the pledge created by this Ordinance.

Section 12. The Mayor and City Clerk and City Treasurer of the City are hereby authorized to do all things and execute all documents as may by them be deemed necessary and proper to complete the issuance and sale of the Bonds contemplated by this Ordinance.

Section 13. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

Section 14. This Ordinance shall be in force and take effect from and after its passage and approval as provided by law and shall be published in pamphlet form.

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PASSED AND APPROVED this 29th day of July, 2014.



Mayor

ATTEST:



Nicki Stoltenberg, Assistant to the City Administrator



RESOLUTION 2015-226

WHEREAS, the City of Grand Island, Nebraska recognizes that a properly sized and functioning sewer system is necessary to the health and welfare of the citizens of the City of Grand Island; and

WHEREAS, the Mayor and City Council have determined that portions of the Grand Island sewer system are in need of significant repair and improvement, and that sewer service is needed in areas in and around Grand Island; and

WHEREAS, funding for the cost of the repair and improvement of portions of the Grand Island sewer system may be obtained by loans from Clean Water State Revolving Funds (“CWSRF”) from the Nebraska Department of Environmental Quality (“NDEQ”), subject to certain requirements and obligations; and

WHEREAS, City Council approved Resolution No. 2014-162 on June 10, 2014, which authorized a maximum principal amount of debt expected to be issued for Sanitary Sewer Collection System and Wastewater Treatment Plant Improvements at \$74,275,000, with debt expected to include up to \$40,000,000 in principal amount of loan funds from the Clean Water State Revolving Loan Fund program; and

WHEREAS, City Council approved Ordinance No. 9493 on July 29, 2014 (the “Ordinance”) giving formal approval to the NDEQ borrowing in a principal of not to exceed \$40,000,000, which Ordinance requires that each NDEQ Note and NDEQ Contract (as such terms are defined in the Ordinance) entered into with respect to such amount be approved by resolution of the City Council prior to execution and delivery thereof; and

WHEREAS, the execution of the contracts for loans, in the total amount of \$7,000,000.00, between the NDEQ and the City designated as Project No. C317867 (the “Non-Green Contract”), in the amount of \$6,000,000 and Project No. C317981 (the “Green Contract”; and together with the Non-Green Contract, the “NDEQ Contracts”), in the amount of \$1,000,000 were approved by Resolution 2014-273 adopted by the City Council on September 9, 2014, and the Contracts were executed and delivered to NDEQ on September 12, 2014; and

WHEREAS, On March 10, 2015 City Council approved Resolution No. 2015-68 which gave approval for the City to amend the Green Contract and increase the borrowing amount from \$1,000,000 to \$29,000,000, thereby bringing the total amount of the loans under the contracts to a drawable amount of \$35,000,000 pursuant to Ordinance No. 9493; and

WHEREAS, the City and NDEQ propose to amend the “Non-Green” loan contract known as Project No. C317867 from \$6,000,000 to \$6,200,000 with the Nebraska Department of Environmental Quality (NDEQ) with an interest rate on such loan of 1.50% with a term of 20 years; and

WHEREAS, the City and NDEQ also propose a new loan, in the amount of \$4,800,000 known as Project No. C317984, which involves the construction of the sanitary sewer collection system improvement project associated with Westwood Park Subdivision and rehabilitation of Lift Station #20 force main with an interest rate on such loan of 1.5% with a term of 20 years; and

WHEREAS, NDEQ has proposed a form of amendment to the “Non-Green” contract to

Approved as to Form	□	_____
August 21, 2015	□	City Attorney

increase the principal amount of the loan thereunder, which amendment is in the form of Amendment No. 1 to Loan Contract between NDEQ and the City for NDEQ Project No. C317867 (the "Amendment No. 1"), which is incorporated by reference into this Resolution as if fully set forth herein; and

WHEREAS, NDEQ has proposed a new loan contract in the principal amount of \$4,800,000 for NDEQ Project No. C317984, which is incorporated by reference into this Resolution as if fully set forth herein.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the form of Amendment No. 1 between the City and NDEQ is hereby approved; and

BE IT FURTHER RESOLVED that the loan contract in the principal amount of \$4,800,000 for NDEQ Project No. C317984 is hereby approved; and

BE IT FURTHER RESOLVED, the Mayor, City Clerk, and City Treasurer are hereby directed to execute and deliver Amendment No. 1, the loan contract for NDEQ Project No. C317984, and all other documents, certificates and instruments necessary to facilitate the loans evidenced by Amendment No. 1 and the Contracts between NDEQ and the City for the purpose of repairing and improving the City of Grand Island sewer system; and

BE IT FURTHER RESOLVED THAT the Mayor, City Clerk, and City Treasurer, be authorized and directed to sign all necessary documents, to furnish such assurances to the State of Nebraska as may be required by law or regulations, and to receive payment on behalf of the applicant.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, August 25, 2015.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item G-13

#2015-227 - Approving Certificate of Final Completion for Webb Road Street Improvement District No. 1260; South Webb Road Extending North from Stolley Park Road to Union Pacific Railroad Tracks

Staff Contact: John Collins, P.E. - Public Works Director

Council Agenda Memo

From: Terry Brown PE, Assistant Public Works Director

Meeting: August 25, 2015

Subject: Approving Certificate of Final Completion for Webb Road Street Improvement District No. 1260; South Webb Road Extending North from Stolley Park Road to Union Pacific Railroad Tracks

Presenter(s): John Collins PE, Public Works Director

Background

Street Improvement District No. 1260 was created by the City Council on February 12, 2013. Legal notice of the creation of the District was published in the Grand Island Independent on February 18, 2013. A notification letter of the district creation was also mailed to all affected property owners.

The District consists of South Webb Road extending north from Stolley Park Road to the Union Pacific Railroad tracks. The project consists of widening the roadway from 24' to 41' for a 3-lane section with improved drainage and elimination of the ditch section. This project was estimated at \$1.7 million total project costs (including engineering, construction, construction testing and services, etc.) and would be assessed to adjacent property owners.

On April 9, 2013, by Resolution No. 2013-107 City Council approved the continuation of such street improvement district.

The City Council awarded the bid for construction of the Webb Road Street Improvement District No. 1260; South Webb Road Extending North from Stolley Park Road to Union Pacific Railroad Tracks to The Diamond Engineering Company of Grand Island, Nebraska on March 11, 2014, in the amount of \$1,361,451.80.

On September 23, 2014, by Resolution No. 2014-301 City Council approved Change Order No. 1, which addressed additional work days and materials in the amount of \$13,057.00 for a revised contract amount of \$1,374,508.80.

Work on the project commenced May 2014, with substantial completion December 2014 and final completion July 2015.

Discussion

The project was completed in accordance with the terms, conditions and stipulations of the contract, plans and specifications. Construction work was completed at a total cost of \$1,326,048.24, which is an underrun of \$48,460.56. Additional project costs are shown below.

ADDITIONAL DISTRICT COSTS

Public Works Engineering	Design Engineering	\$	99,500.00
Olsson Associates	Construction Engineering	\$	123,942.03
The Grand Island Independent	Advertising	\$	124.34
Cornerstone Bank	Project Bond Interest	\$	7,146.77
Hall County Register of Deeds	Filing Fees	\$	56.00
City of Grand Island	Water Main Lowering	\$	2,922.47
Rinker Materials & Ronald J. Vlach	Easements	\$	11,838.00
Quality Signs	Detour Signs	\$	560.00
Rinker Materials	Storage Slab	\$	39,565.40

Total project costs equate to \$1,611,703.25, of which all or a portion of will be assessed to the affected property owners at the Board of Equalization on September 22, 2015.

Alternatives

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

1. Move 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 Certificate of Final Completion for Webb Road Street Improvement District No. 1260; South Webb Road Extending North from Stolley Park Road to Union Pacific Railroad Tracks and set the Board of Equalization date of September 22, 2015.

Sample Motion

Move to approve the Certificate of Final Completion for Webb Road Street Improvement District No. 1260; South Webb Road Extending North from Stolley Park Road to Union Pacific Railroad Tracks and set the Board of Equalization date of September 22, 2015.

ENGINEER'S CERTIFICATE OF FINAL COMPLETION

Webb Road Street Improvement District No. 1260;
 South Webb Road Extending North from Stolley Park Road to Union Pacific Railroad Tracks
 CITY OF GRAND ISLAND, NEBRASKA
 August 25, 2015

TO THE MEMBERS OF THE COUNCIL
 CITY OF GRAND ISLAND
 GRAND ISLAND, NEBRASKA

This is to certify that Webb Road Street Improvement District No. 1260; South Webb Road Extending North from Stolley Park Road to Union Pacific Railroad Tracks has been fully completed by The Diamond Engineering Company of Grand Island, Nebraska under the contract dated March 11, 2014. The work has been completed in accordance with the terms, conditions, and stipulations of said contract and complies with the contract, the plans and specifications. The work is hereby accepted for the City of Grand Island, Nebraska, by me as Public Works Director in accordance with the provisions of Section 16-650 R.R.S., 1943.

Webb Road Street Improvement District No. 1260

Item No.	Description	Quantities Placed	Unit	Price Bid	Total Amount Completed
	<u>BID SECTION A</u>				
1	BUILD 8" DOWLED P.C. CONCRETE	12040	S.Y.	\$43.20	\$520,128.00
2	BUILD 8" P.C. CONCRETE DRIVEWAYS	1278	S.Y.	\$41.00	\$52,398.00
3	BUILD 8" P.C. CONCRETE STORAGE SLAB	0	S.Y.	\$41.30	\$0.00
4	PLACE 3" GRAVEL SURFACING	441	S.Y.	\$2.50	\$1,102.50
5	ADJUST TELEPHONE MANHOLE TO GRADE	1	EA.	\$330.00	\$330.00
6	ADJUST WATER VALVE TO GRADE	13	EA.	\$189.00	\$2,457.00
7	ADJUST WATER VALVE MANHOLE TO GRADE	4	EA.	\$450.00	\$1,800.00
8	ADJUST SANITARY SEWER MANHOLE TO GRADE	5	EA.	\$558.00	\$2,790.00
9	REPAIR SPRINKLER SYSTEM	1	L.S.	\$6,560.00	\$6,560.00
10	TRAFFIC CONTROL	1	L.S.	\$8,610.00	\$8,610.00
11	TEMPORARY ACCESS TO PROPERTIES	1	L.S.	\$6,560.00	\$6,560.00
12	MOBILIZATION/DEMOBILIZATION	1	L.S.	\$21,925.00	\$21,925.00
13	EARTHWORK	1	L.S.	\$61,250.00	\$61,250.00
14	OVER EXCAVATION	83	C.Y.	\$22.70	\$1,884.10
15	SEDIMENT AND EROSION CONTROL	1	L.S.	\$3,400.00	\$3,400.00
16	CURB INLET PROTECTOR	240	L.F.	\$19.90	\$4,776.00
17	SILT FENCE – INLET PROTECTION	460	L.F.	\$8.40	\$3,864.00

18	SEEDING	6221.33	S.Y.	\$1.30	\$8,087.73
19	INSTALL UNDERCOVER DETECTOR LOOP	3	EA.	\$1,605.00	\$4,815.00
20	INSTALL STOP SIGN	0	EA.	\$185.00	\$0.00
21	BUILD TYPE "D" MODIFIED CURB INLET	12	EA.	\$2,070.00	\$24,840.00
22	BUILD STORM SEWER JUNCTION BOX	14	EA.	\$2,985.00	\$41,790.00
23	BUILD STORM SEWER AREA INLET	8	EA.	\$3,080.00	\$24,640.00
24	BUILD STORM SEWER FLARED END SECTION	1	EA.	\$1,291.53	\$1,291.53
25	15" REINFORCED CONCRETE STORM SEWER PIPE	414	L.F.	\$41.60	\$17,222.40
26	15" ROUND EQUIVALENT REINFORCED CONCRETE STORM SEWER PIPE	82.5	L.F.	\$57.73	\$4,762.73
27	18" REINFORCED CONCRETE STORM SEWER PIPE	774	L.F.	\$41.20	\$31,888.80
28	24" REINFORCED CONCRETE STORM SEWER PIPE	588.5	L.F.	\$53.53	\$31,502.41
29	36" REINFORCED CONCRETE STORM SEWER PIPE	2808.5	L.F.	\$85.80	\$240,969.30
30	BUILD 6" P.C. CONCRETE LOW FLOW LINER	17.8	S.Y.	\$42.80	\$761.84
31	4" YELLOW PREFORMED PLASTIC PAVEMENT MARKING TYPE 4, GROOVED	5916	L.F.	\$4.96	\$29,343.36
32	8" YELLOW PREFORMED PLASTIC PAVEMENT MARKING TYPE 4, GROOVED	46	L.F.	\$9.15	\$420.90
33	4" WHITE PREFORMED PLASTIC PAVMENT MARKING TYPE 4, GROOVED	130	L.F.	\$4.60	\$598.00
34	12" WHITE PREFORMED PLASTIC PAVEMENT MARKING TYPE 4, GROOVED	80	L.F.	\$13.66	\$1,092.80
35	ARROW, PREFORMED PLASTIC PAVEMENT MARKING TYPE 4	16	EA.	\$460.00	\$7,360.00
36	REMOVE ASPHALT PAVING	8997	S.Y.	\$2.75	\$24,741.75
37	REMOVE ASPHALT DRIVEWAY	1338	S.Y.	\$2.75	\$3,679.50
38	REMOVE CONCRETE DRIVEWAY	490	S.Y.	\$2.75	\$1,347.50
39	REMOVE GRAVEL DRIVEWAY	125	S.Y.	\$3.00	\$375.00
40	REMOVE AREA INLET	1	EA.	\$200.00	\$200.00
41	REMOVE 12" PLASTIC STORM SEWER PIPE	40	L.F.	\$7.10	\$284.00
42	REMOVE 12" REINFORCED CONCRETE STORM SEWER PIPE	274	L.F.	\$7.10	\$1,945.40
43	REMOVE 12" CORRUGATED METAL STORM SEWER PIPE	185	L.F.	\$7.10	\$1,313.50
44	REMOVE 12" PVC STORM SEWER PIPE	39	L.F.	\$7.10	\$276.90
45	REMOVE 15" REINFORCED CONCRETE STORM SEWER PIPE	87	L.F.	\$7.10	\$617.70
46	REMOVE 18" REINFORCED CONCRETE STORM SEWER PIPE	320	L.F.	\$7.35	\$2,352.00

47	REMOVE 30" REINFORCED CONCRETE PIPE	32	L.F.	\$11.40	\$364.80
48	REMOVE AND REPLACE CHAIN LINK FENCE	168	L.F.	\$26.75	\$4,494.00
49	REMOVE AND REPLACE CHAIN LINK FENCE GATE	1	EA.	\$325.00	\$325.00
50	REMOVE AND REPLACE FENCE	60	L.F.	\$3.80	\$228.00
51	REMOVE AND REPLACE FENCE GATE	1	EA.	\$345.00	\$345.00
52	REMOVE AND SALVAGE LANDSCAPE BRICKS TO OWNER	1	L.S.	\$642.00	\$642.00
53	REMOVE AND SALVAGE MAILBOXES TO OWNER	1	L.S.	\$860.00	\$860.00
54	REMOVE 8" P.C. CONCRETE STORAGE SLAB	958	S.Y.	\$2.90	\$2,778.20
55	REMOVE TREE	2	EA.	\$145.00	\$290.00
56	REMOVE AND REPLACE SIGN	9	EA.	\$77.85	\$700.65
57	REMOVE DETECTOR LOOP	2	EA.	\$35.00	\$70.00
					\$1,219,452.29
	<u>BID SECTION B</u>				
1	10" D.I. WATER MAIN	144	L.F.	\$111.30	\$16,027.20
2	10" LINE STOP	4	EA.	\$5,047.00	\$20,188.00
3	10" 45o M.J. BEND	16	EA.	\$1,442.00	\$23,072.00
4	10" RETAINER GLAND	34	EA.	\$131.00	\$4,454.00
5	10" GATE VALVE AND BOX	1	EA.	\$3,165.00	\$3,165.00
6	5/8" PLUG	1	EA.	\$47.00	\$47.00
7	3/4" PLUG	1	EA.	\$29.10	\$29.10
8	1" CORPORATION STOP	11	EA.	\$567.00	\$6,237.00
9	1" CURB STOP	4	EA.	\$389.10	\$1,556.40
10	1" PLUG	7	EA.	\$35.80	\$250.60
11	1" COPPER SERVICE	236.5	L.F.	\$43.10	\$10,193.15
12	1 1/2" CORPORATION STOP	0	EA.	\$821.10	\$0.00
13	1 1/2" CURB STOP	0	EA.	\$627.00	\$0.00
14	1 1/2" PLUG	0	EA.	\$89.00	\$0.00
15	1 1/2" COPPER SERVICE	0	L.F.	\$53.00	\$0.00
16	1 1/2" CLEARCORE P.E. PIPE (TEMP. SERVICE)	0	L.F.	\$12.00	\$0.00
17	REMOVE 1 1/2" COPPER SERVICE	0	L.F.	\$9.00	\$0.00
18	2" CORPORATION STOP	3	EA.	\$965.00	\$2,895.00
19	2" PLUG	2	EA.	123.00	\$246.00
20	1" CLEARCORE P.E. PIPE (TEMP. SERVICE)	70	L.F.	11.00	\$770.00

21	REMOVE 5/8" COPPER SERVICE	51.5	L.F.	9.00	\$463.50
22	REMOVE WATER VALVE MANHOLE	2	EA.	511.00	\$1,022.00
23	CURB STOP BOX	4	EA.	242.00	\$968.00
24	REMOVE AND SALVAGE EXISTING CURB STOP BOX	0	EA.	93.00	\$0.00
25	REMOVE AND SALVAGE 1 1/2" COPPER SERVICE	0	L.F.	11.00	\$0.00
26	INSTALL SALVAGED CURB STOP BOX	0	EA.	95.10	\$0.00
27	INSTALL SALVAGED 1 1/2" COPPER SERVICE	0	L.F.	42.40	\$0.00
					\$91,583.95
<u>CHANGE ORDERS</u>					
CO1-1	Epoxy Coat Inlets	3	EA.	\$1,000.00	\$3,000.00
CO1-2	Build Storm Sewer Junction Box	3	EA,	\$2,985.00	\$8,955.00
CO1-3	15" Reinforced Concrete Sorm Sewer Pipe	50	L.F.	\$41.60	\$2,080.00
CO1-4	Remove Water Valve Manhole	2	EA.	\$511.00	\$1,022.00
CO2-1	Dinsdale Property Drainage Structure	1	EA.	\$225.00	\$225.00
CO2-2	Signal Detection Loop at Stolley Park Road Intersection	1	LS	\$980.00	\$980.00
CO2-3	Ditch Grading @ 2nd Street and Webb Road	1	LS	\$4,000.00	\$4,000.00
CO2-4	21 Days of Liquidated Damages @ \$225 /Day	21	EA.	(\$250.00)	-\$5,250.00
					\$15,012.00

THE DIAMOND ENGINEERING COMPANY =

\$ 1,326,048.24

ADDITIONAL DISTRICT COSTS

Public Works Engineering	Design Engineering	\$	99,500.00
Olsson Associates	Construction Engineering	\$	123,942.03
The Grand Island Independent	Advertising	\$	124.34
Cornerstone Bank	Project Bond Interest	\$	7,146.77
Hall County Register of Deeds	Filing Fees	\$	56.00
City of Grand Island	Water Main Lowering	\$	2,922.47
Rinker Materials & Ronald J. Vlach	Easements	\$	11,838.00
Quality Signs	Detour Signs	\$	560.00
Rinker Materials	Storage Slab	\$	39,565.40

Subtotal Additional District Costs = \$ 285,655.01

Total Costs - \$1,611,703.25

I hereby recommend that the Engineer's Certificate of Final Completion for Webb Road Street Improvement District No. 1260; South Webb Road Extending North from Stolley Park Road to Union Pacific Railroad Tracks be approved.

John Collins, PE - City Engineer/Public Works Director

Jeremy L. Jensen – Mayor

RESOLUTION 2015-227

WHEREAS, the City Engineer/Public Works Director for the City Of Grand Island has issued a Certificate of Completion for Webb Road Street Improvement District No. 1260; South Webb Road Extending North from Stolley Park Road to Union Pacific Railroad Tracks, certifying that The Diamond Engineering Company of Grand Island, Nebraska, under contract, has completed the paving project; and

WHEREAS, the City Engineer/Public Works Director recommends the acceptance of the project; and

WHEREAS, the Mayor concurs with the recommendation of the City Engineer/Public Works Director.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that:

1. The Certificate of Final Completion for Webb Road Street Improvement District No. 1260; South Webb Road Extending North from Stolley Park Road to Union Pacific Railroad Tracks, in the amount of \$1,326,048.24 is hereby confirmed.
2. The City Council will sit as a Board of Equalization on September 22, 2015 to determine benefits and set assessments for Webb Road Street Improvement District No. 1260; South Webb Road Extending North from Stolley Park Road to Union Pacific Railroad Tracks.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, August 25, 2015.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
August 21, 2015	☐ City Attorney



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item G-14

#2015-228 - Approving Subordination Agreement for Shari Trompke, 254 S. Vine Street

Staff Contact: Charley Falmlen

Council Agenda Memo

From: Charley Falmlen, Community Development

Meeting: August 25, 2015

Subject: Approving Subordination Agreement for Shari Trompke, 254 S. Vine Street

Presenter(s): Charley Falmlen, Community Development

Background

The City Of Grand Island has two Deeds of Trust filed on property owned by Shari Trompke, a single person, located at 254 S. Vine Street, in the amount of \$33,152.06. In 2006 and 2008, two different sets of Community Development Block Grant funds totaling the amount of \$33,152.06 were loaned to Shari Trompke, to assist in the rehabilitation of a home in the Owner-occupied rehabilitation program as part of the Community Development Block Grant program. The legal description is:

Lot 6, Block 4, Koehler Place, City Of Grand Island, Hall County, Nebraska.

The owner is requesting permission from the City to subordinate to a new mortgage amount of \$58,000.00 and accept second position to the first mortgage. Shari Trompke, currently owns the property and is seeking a new mortgage with Cornerstone Bank of Marquette. The new lender is requesting first position on the Deed of Trust. The house will remain occupied and property taxes will continue to be paid. The equity in the property is in excess of the lien amounts held by both the City and the bank.

Discussion

The City's current lien is in the amount of \$33,152.06, which has a balance of \$10,428.94 due to 10% being forgiven annually. A new lien in the amount of \$58,000.00 with Cornerstone Bank of Marquette would replace the City of Grand Island's senior lien. By law, the new lien, with Cornerstone Bank, would be junior in priority to the City's lien; however, the Cornerstone, has asked the City to subordinate its lien to the new lien.

The appraised value of the property is \$86,000.00, as of June 22, 2015, and is sufficient to secure the first mortgage of \$58,000.00 and the City's remaining mortgage of \$10,428.94. The City's loan is a zero percent interest loan that is due only when the homeowner sells the house.

Alternatives

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

1. Move to approve the Subordination Agreement
2. Refer the issue to a Committee
3. Postpone the issue to a later date
4. Take no action on the issue

Recommendation

City Administration recommends that Council approve the Subordination Agreement with Cornerstone Bank, placing the City in the junior position to the new Deed of Trust.

Sample Motion

Move to approve the Subordination Agreement with Cornerstone Bank.

SUBORDINATION AGREEMENT

COMES NOW the City of Grand Island, Nebraska, secured party/beneficiary and hereby subordinates its trust deed/real estate lien recorded April 4, 2008 on the following described real estate:

Lot 6, Block 4, Koehler Place, City of Grand Island, Hall County, Nebraska

It is the intent of this Agreement that the trust deed for amounts loaned by Cornerstone Bank to Shari Trompke (Borrowers) that has been or is about to be filed, shall be superior to the trust deed/real estate lien of the City of Grand Island, its successors and assigns recorded April 4, 2008, up to the amount of \$8152.06 plus interest and amounts advanced to protect the collateral. Thereafter, the City of Grand Island's lien shall have priority. It is further understood that this subordination shall include all current obligations, extensions, renewals, advances or modifications made by the City of Grand Island, Nebraska to Borrowers which is secured by the trust deed/real estate lien recorded April 4, 2008 as Document Number 0200802843 in the records of the Register of Deeds of Hall County, Nebraska. Nothing in this Subordination Agreement is intended as a promise to provide financing or make advances to Borrowers by the City of Grand Island, Nebraska and it is not the intention of the City of Grand Island, Nebraska to warrant or guarantee the obligations of Borrowers but merely to subordinate its lien interests under the instrument recorded at Document Number 0200802843. It is understood that Cornerstone Bank intends to lend funds to Borrower/s but that the amount that will be superior to the City of Grand Island's lien is not to exceed \$58,000 plus interest and amounts advanced to protect the collateral.

Nothing in this instrument is intended to relieve Borrowers of their obligation to make payments to the City of Grand Island, Nebraska or to subordinate any other lien interests including, but not limited to, real estate taxes and special assessments.

Dated: _____ City of Grand Island, Nebraska

STATE OF NEBRASKA)
)ss.
COUNTY OF HALL)
By _____
 Jeremy L. Jensen, Mayor

The foregoing instrument was acknowledged before me on _____, 2015, by Jeremy L. Jensen, Mayor of the City of Grand Island, Nebraska.

Notary Public

SUBORDINATION AGREEMENT

COMES NOW the City of Grand Island, Nebraska, secured party/beneficiary and hereby subordinates its trust deed/real estate lien recorded December 21, 2006 on the following described real estate:

Lot 6, Block 4, Koehler Place, City of Grand Island, Hall County, Nebraska

It is the intent of this Agreement that the trust deed for amounts loaned by Cornerstone Bank to Shari Trompke (Borrower) that has been or is about to be filed, shall be superior to the trust deed/real estate lien of the City of Grand Island, its successors and assigns recorded December 21, 2006, up to the amount of \$25,000 plus interest and amounts advanced to protect the collateral. Thereafter, the City of Grand Island's lien shall have priority. It is further understood that this subordination shall include all current obligations, extensions, renewals, advances or modifications made by the City of Grand Island, Nebraska to Borrowers which is secured by the trust deed/real estate lien recorded December 21, 2006 as Document Number 0200611282 in the records of the Register of Deeds of Hall County, Nebraska. Nothing in this Subordination Agreement is intended as a promise to provide financing or make advances to Borrowers by the City of Grand Island, Nebraska and it is not the intention of the City of Grand Island, Nebraska to warrant or guarantee the obligations of Borrowers but merely to subordinate its lien interests under the instrument recorded at Document Number 0200611282. It is understood that Cornerstone Bank intends to lend funds to Borrower/s but that the amount that will be superior to the City of Grand Island's lien is not to exceed \$58,000 plus interest and amounts advanced to protect the collateral.

Nothing in this instrument is intended to relieve Borrowers of their obligation to make payments to the City of Grand Island, Nebraska or to subordinate any other lien interests including, but not limited to, real estate taxes and special assessments.

Dated: _____ City of Grand Island, Nebraska

By _____
Jeremy L. Jensen, Mayor

STATE OF NEBRASKA)
)ss.
COUNTY OF HALL)

The foregoing instrument was acknowledged before me on _____, 2015, by Jeremy L. Jensen, Mayor of the City of Grand Island, Nebraska.

Notary Public

RESOLUTION 2015-228

WHEREAS, the City of Grand Island, is the lender and secured party of two Deeds of Trust dated August 30, 2006 and February 26, 2008 and recorded on December 21, 2006 and April 4, 2008, as Instrument No.0200611282 and No. 0200802843 respectively, in the total amount of \$33,152.06 secured by property located at 254 S. Vine Street and owned by Shari Trompke, said property being described as follows:

Lot 6, Block 4, Koehler Place, City of Grand Island, Hall County, Nebraska

WHEREAS Shari Trompke wishes to execute a Deed of Trust in the amount of \$58,000 with Cornerstone Bank of Marquette, to be secured by the above-described real estate upon the subordination of the City's Deed of Trust to their lien priority; and

WHEREAS, the value of the above-described real estate is sufficient to adequately secure both loans; and

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

WHEREAS, the City Attorney's office has reviewed and approved the proposed agreement.

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 Deeds of Trust Shari Trompke, to the City of Grand Island, as beneficiary to that of the new loan and Deed of Trust of Cornerstone Bank of Marquette, Beneficiary, as more particularly set out in the subordination agreement.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, August 25, 2015

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☒ _____
August 21, 2015	☒ City Attorney



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item G-15

#2015-229 - Approving the Re-establishment of Connection Fees for Subdivided Lots in Starlite Subdivision - Water Main District 414T

Staff Contact: Tim Luchsinger, Utilities Director

Council Agenda Memo

From: Timothy Luchsinger, Utilities Director
Meeting: August 25, 2015
Subject: Water Main District 414T – State Street
Presenter(s): Timothy Luchsinger, Utilities Director

Background

Water Main District 414T was built in 1994 within State Street, between North Road and Diers Avenue. The work was done in order to provide municipal water service to the area as it began to be developed. The district was done as a connection fee (tap) district which is the City's standard method of installing mains in undeveloped areas. Customers are not charged for the cost of the main until they "tap" the main for service.

Upon completion of the construction work, the Council sits as a Board of Equalization to establish the fees for each property within the district's boundary. The BOE for Water Main District 414T was held on November 28, 1994. At that time, the majority of the properties in the district consisted of large tracts of land that were rural in nature. Subdivided developments were only in the planning stages.

One of those tracts of land has recently been subdivided and the individual lots need to have the appropriate connection fees re-established.

Discussion

At the time Water Main District 414T was completed, a tract of farm land within the district was owned by Susan D. Drummond, ETAL, being located adjacent to the south side of State Street in part of the SE ¼, SW ¼ Section 12-11-10. Refer to the highlighted area on the attached plat.

The original connection fee to the Drummond tract was \$34,534.78. This was based on 1,243.17 feet of front footage and connection fee of \$27.7796 per foot. That tract has recently been subdivided as Starlite Subdivision consisting of two lots and a new public street. It is recommended the connection fee be proportionally split between the current two lots with a new connection fee of \$29.29805 per front foot.

Description	Frontage	Fee
Lot 1, Starlight Subdivision	588.00 ft.	\$17,227.25
Lot 2, Starlite Subdivision	590.74 ft.	\$17,307.53
TOTAL		\$34,534.78

Attached for reference are:

- Water Main District 414T's boundary plat
- Resolution 94-BE-006 indicating the district original connection fees
- Starlight Subdivision plat

Alternatives

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

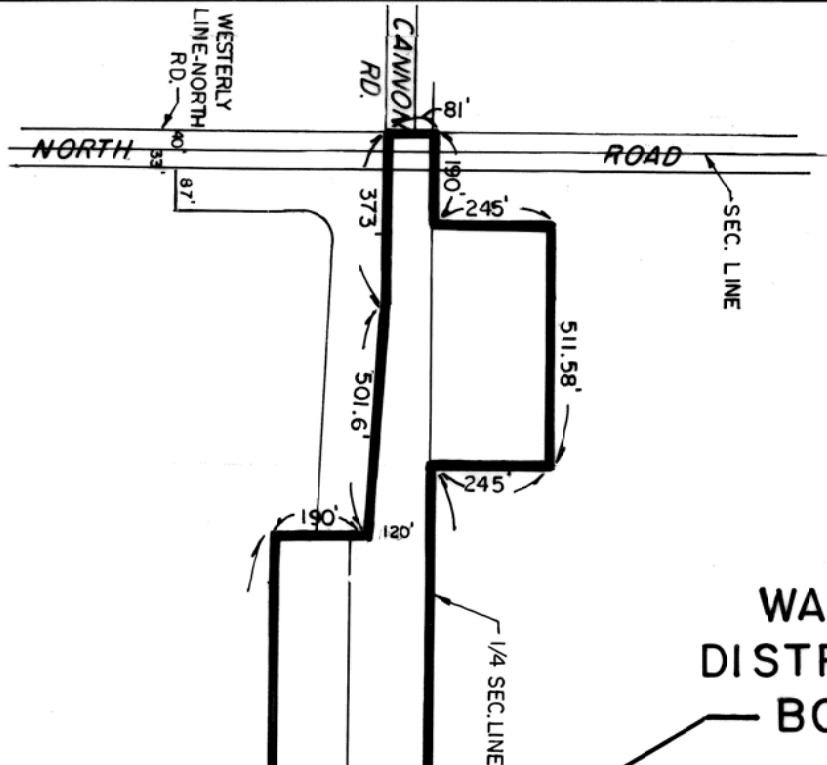
1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

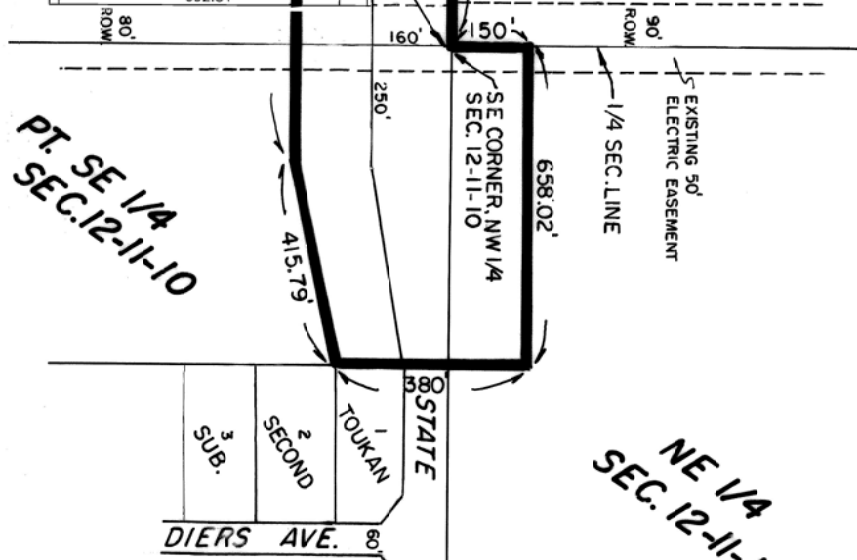
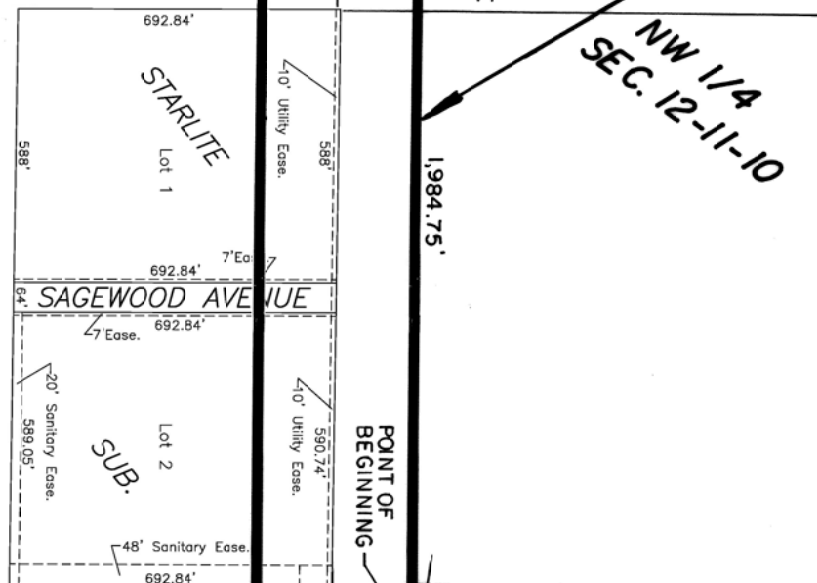
City Administration recommends that the Council sit as a Board of Equalization on September 22, 2015, to establish the connection fees for the properties within Starlite Subdivision in the City of Grand Island, Nebraska.

Sample Motion

Move to recommend that the Council sit as a Board of Equalization on September 22, 2015, to establish the connection fees for the properties within Starlite Subdivision in the City of Grand Island, Nebraska.



**WATERMAIN
DISTRICT NO. 414T
BOUNDARY**



CITY OF
Grand Island
UTILITIES DEPARTMENT

EXHIBIT "A"

R E S O L U T I O N 94-BE-006

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, sitting as a Board of Equalization for Water Main District No. 414T, after due notice having been given thereof, that we find and adjudge:

That the benefits accruing to the real estate in such district to be the total sum of \$99,120.17; and

Such benefits are equal and uniform; and

According to the front foot and area of the respective lots, tracts, and real estate within such Water Main District No. 414T, such benefits are the sums set opposite the several descriptions as follows:

NAME	LOT	ADDITION	AMOUNT
Bob R. & Karen L. Nagel	--	Pt. SW ¼, NW ¼ of 12-11-10	4,166.94
Jerome Niedfelt	--	Pt. NW ¼ NW ¼ of 12-11-10	10,044.55
Little B's Corp.	--	Pt. SW ¼ SW ¼ of 12-11-10	13,616.73
Susan K. Drummund, Anne L. Scheible, Mary L. Callahan, Julia J. Pierrottet, Elizabeth L. Geringer	--	Pt. SE ¼ SW ¼ of 12-11-10	34,534.78
Katherine Ann Maurer Hilker	--	Pt. SW ¼ NE ¼ of 12-11-10	1,388.98
Menard, Inc.	1	Menard Subdivision	12,723.63
Tree House Inc.	1	Cherry Tree Villa Sub.	2,788.52
Tree House, Inc.	2	Cherry Tree Villa Sub.	5,401.75
Tree House, Inc.	3	Cherry Tree Villa Sub.	694.49
Tree House, Inc.	4	Cherry Tree Villa Sub.	1,280.36
Tree House, Inc.	5	Cherry Tree Villa Sub.	5,745.66
Tree House, Inc.	6	Cherry Tree Villa Sub.	2,566.84
Total			\$99,120.17

DRUMMOND
SP

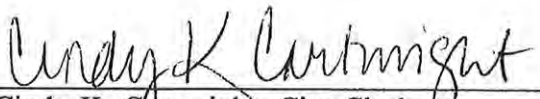
Approved as to Form November 22, 1994	v City Attorney
--	--------------------

D94\0008-012


BE IT FURTHER RESOLVED that the special benefits as determined by this resolution shall not be levied as special assessments but shall be certified by this resolution to the Register of Deeds, Hall County, Nebraska, pursuant to Section 16-6,103, R.R.S. 1943. A connection fee in the amount of the above benefit accruing to each property in the district shall be paid to the City of Grand Island at the time such property becomes connected to the water main. No property benefited as determined by this resolution shall be connected to the water main until the connection fee is paid. The connection fees collected shall be paid into the fund from which construction costs were made to replenish such fund for the construction costs.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, November 28, 1994.


Cindy K. Cartwright, City Clerk

- 2 -

Approved as to Form	
November 22, 1994	City Attorney

R E S O L U T I O N 2015-229

WHEREAS, the City Engineer/Public Works Director and the Utilities Director for the City of Grand Island issued a Certificate of Final Completion for Water Main District 414T on October 24, 1994 certifying that the Diamond Engineering Company, Inc., of Grand Island, Nebraska, under contract had completed the water main project according to the terms, conditions, and stipulations for such improvements; and

WHEREAS, the City Engineer/Public Works Director recommended the acceptance of the project; and

WHEREAS, the Mayor concurred with the recommendations of the City Engineer/Public Works Director and the Utilities Director.

WHEREAS, at the time Water Main District 414T was completed, a tract of farm land within the district was owned by Susan K. Drummond, ETAL, being located adjacent to the south side of State Street in part of the SE ¼, SW ¼ Section 12-11-10; and

WHEREAS, the original connection fee to the Drummond tract was \$34,534.78 based on 1,243.17' of front footage and connection fee of \$27.7796 per foot; and

WHEREAS, the tract has recently been subdivided as Starlite Subdivision consisting of two lots and a new public street; and

WHEREAS, it is recommended the connection fee be proportionally split between the current two lots with a new connection fee of \$29.29805 per front foot:

Description	Frontage	Fee
Lot 1, Starlite Subdivision	588.00 ft.	\$17,277.25
Lot 2, Starlite Subdivision	890.74 ft.	\$17,307.53
TOTAL		\$34,534.78

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that:

- That the City Council will sit as a Board of Equalization on September 22, 2015, to determine benefits and set assessments for the newly subdivided lots in Starlite Subdivision in Water Main District 414T.

- - -

Approved as to Form ✕ _____ August 21, 2015 ✕ City Attorney
--

Adopted by the City Council of the City of Grand Island, Nebraska, August 25, 2015.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item H-1

Consideration of Approving Request from Grand Island Associates, LLC for a Conditional Use Permit to Install and Operate a Remediation System to Address Petroleum Contamination located at 1607 South Locust Street

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

Staff Contact: Craig Lewis



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item I-1

#2015-230 - Consideration of Request from Bosselman Pump & Pantry, Inc. dba, Pump & Pantry #2, 821 South Webb Road for a Class “D” Liquor License and Liquor Manager Designation for Brian Fausch, 2009 West Highway 34

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

Staff Contact: RaNae Edwards

RESOLUTION 2015-230

WHEREAS, an application was filed by Bosselman Pump & Pantry, Inc. doing business as Pump & Pantry #2, 821 South Webb Road for a Class "D" Liquor License; and

WHEREAS, a public hearing notice was published in the *Grand Island Independent* as required by state law on August 15, 2015; such publication cost being \$16.77; and

WHEREAS, a public hearing was held on August 25, 2015 for the purpose of discussing such liquor license application.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that:

_____ The City of Grand Island hereby recommends approval of the above-identified liquor license application contingent upon final inspections.

_____ The City of Grand Island hereby makes no recommendation as to the above-identified liquor license application.

_____ The City of Grand Island hereby makes no recommendation as to the above-identified liquor license application with the following stipulations:

_____ The City of Grand Island hereby recommends denial of the above-identified liquor license application for the following reasons: _____

_____ The City of Grand Island hereby recommends approval of Brian Fausch, 2009 West Highway 34 as liquor manager of such business.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, August 25, 2015.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form ✕ _____
August 21, 2015 ✕ City Attorney



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item I-2

#2015-231 - Consideration of Request from Bosselman Pump & Pantry, Inc. dba, Pump & Pantry #11, 704 West 2nd Street for a Class “D” Liquor License and Liquor Manager Designation for Brian Fausch, 2009 West Highway 34

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

Staff Contact: RaNae Edwards

RESOLUTION 2015-231

WHEREAS, an application was filed by Bosselman Pump & Pantry, Inc. doing business as Pump & Pantry #11, 704 West 2nd Street for a Class "D" Liquor License; and

WHEREAS, a public hearing notice was published in the *Grand Island Independent* as required by state law on August 15, 2015; such publication cost being \$16.77; and

WHEREAS, a public hearing was held on August 25, 2015 for the purpose of discussing such liquor license application.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that:

_____ The City of Grand Island hereby recommends approval of the above-identified liquor license application contingent upon final inspections.

_____ The City of Grand Island hereby makes no recommendation as to the above-identified liquor license application.

_____ The City of Grand Island hereby makes no recommendation as to the above-identified liquor license application with the following stipulations:

_____ The City of Grand Island hereby recommends denial of the above-identified liquor license application for the following reasons: _____

_____ The City of Grand Island hereby recommends approval of Brian Fausch, 2009 West Highway 34 as liquor manager of such business.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, August 25, 2015.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form ✕ _____
August 21, 2015 ✕ City Attorney



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item I-3

#2015-232 - Consideration of Request to Declare Proposed Area 18 as Blighted and Substandard located between Webb Road on the West, Blaine Street and Custer Avenue on the East, U.S. Highway 30 on the North and 2nd Street on the South (Middleton Electric).

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

Staff Contact: Chad Nabity

RESOLUTION 2015-232

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

WHEREAS, Middleton Electric, has caused to be prepared a Blight and Substandard Study for an area of referred to as Area No. 18; and

WHEREAS, Marvin Planning Associates completed such Blight and Substandard Study and has determined that the area should be declared as substandard or blighted area in need of redevelopment; and

WHEREAS, Middleton Electric presented such study to the Grand Island City Council on June 23, 2015 and

WHEREAS, on June 23, 2015 the Grand Island City Council referred such study to the Hall County Regional Planning Commission for review and recommendation; and

WHEREAS, the Regional Planning Commission held a public hearing and made a recommendation regarding the study at its August 12, 2015 meeting; and

WHEREAS, a public hearing to consider approval of a Blighted and Substandard designation was held on August 25, 2015.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Blight and Substandard Study for Redevelopment Area No. 18 as identified above is hereby approved, and those areas identified in said study are declared to be blighted and substandard and in need of redevelopment as contemplated in the Community Development law.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, August 25, 2015.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☒ _____
August 21, 2015	☒ City Attorney



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item I-4

#2015-233 - Consideration of Approving Acceptance of United States Department of Housing and Urban Development (HUD) Entitlement Community Invitation

Staff Contact: Charley Falmlen

Council Agenda Memo

From: Charley Falmlen, Community Development

Meeting: August 25, 2015

Subject: Consideration of Approving Acceptance of United States Department of Housing and Urban Development (HUD) Entitlement Community Invitation

Presenter(s): Charley Falmlen, Community Development

Background

In a letter addressed to Mayor Jensen, dated August 4, 2015, the City of Grand Island was identified as a potential entitlement grantee for the United States Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) Program. As a Metropolitan Statistical Area (metropolitan cities with populations over 50,000), Grand Island has the annual opportunity to accept status as an entitlement grantee or defer status. The Community Development Division is proposing to accept the Entitlement Invitation.

This decision is a result of thorough consideration and research. In December 2014 Charley Falmlen conducted an extensive Feasibility Study to gain a better understanding of the impact that Entitlement would have on not only the Community Development's operations, but also the impact on various entities within the Grand Island. 100% of the parties interviewed were in support of accepting an Entitlement invitation, noting that it would greatly leverage the City's capacity for identifying projects for the Community Development Block Grant Program.

Discussion

As part of becoming an Entitlement Community, The Community Development Division will be required to create a 3-5 Year Consolidated Plan and an Annual Action Plan. The Consolidated Plan is to include:

- A housing assessment
- A homeless needs assessment
- A housing market analysis
- A strategic plan which addresses non-housing community development needs and barriers to affordable housing

- An anti-poverty strategy

The City of Grand Island's Administration and Community Development Division suggest moving forward with sending a letter to HUD accepting the Entitlement invitation with a start date of October 1, 2015 to allow sufficient time to create the required 3-5 Year Consolidated Plan and the Annual Action Plan. Staff is recommending the creation of a 3 Year Consolidated Plan as a Plan dated 2016-2019 would coincide with the 2014-2019 Housing Study conducted by the Grand Island Economic Development Corporation. For the next Consolidated Plan time frame to begin in 2020, a new Housing Study will need to take place.

Alternatives

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

1. Move to approve Acceptance of HUD Entitlement Community Invitation
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 grant Mayor permission to sign all documents related to accepting HUD Entitlement Status.

Sample Motion

Move to allow Mayor Jensen to sign HUD Entitlement Acceptance Letter and all other documents related to accepting Entitlement Status.



U.S. Department of Housing and Urban Development
Omaha Field Office
Edward Zorinsky Federal Building
1616 Capitol Avenue, Suite 329
Omaha, Nebraska 68102-4908

August 4, 2015

Honorable Mayor Jeremy Jensen
City of Grand Island
100 East First Street
Grand Island, NE 68801

Dear Mayor Jensen:

This letter is to notify you that Grand Island has been identified as a potential entitlement grantee for HUD's Community Development Block Grant Program (CDBG) in FY 2016. Under this program, eligible entities such as, Metropolitan Statistical Areas (MSAs), metropolitan cities with populations over 50,000, and urban counties with populations over 200,000, can receive annual grants for community development activities. Grand Island has qualified as a metropolitan city with a population over 50,000.

You have two options in regards to CDBG funding, accept status as an entitlement grantee or defer status as an entitlement grantee and participate through the State CDBG program. You must notify HUD, in writing, by **September 11, 2015** with your intent to accept or defer Grand Island's entitlement status. In this letter, if you accept entitlement status, provide a start date for the City's CDBG program. The program year for CDBG purposes must begin on the first day of any month from January through October. The program year will be used to set submission dates for the required planning and reporting documents and set timelines for the expenditure of CDBG funds. The funding which the City will receive will vary, depending on the federal budget approved by Congress. The estimate for Grand Island for FY 2016 is \$322,800.

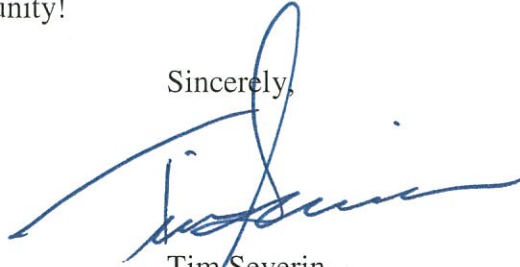
Grand Island may also elect to "permanently" defer its entitlement status, which means the City does not intend to accept its status in the foreseeable future. HUD will not send any further notifications to Grand Island regarding its potential entitlement status; however, the City may elect in the future to accept its entitlement status, as its decision to "permanently" defer its entitlement status is reversible. It will be the responsibility of the City to notify HUD if it changes its mind in the future.

After notifying HUD of the City's intention to participate, Grand Island must develop and submit a Consolidated Plan. This is the jurisdiction's comprehensive planning document under the CDBG program. The regulations outlining Consolidated Plan requirements can be found under Title 24 of the Code of Federal Regulations Part 91. The plan will be due 45 days before the beginning of your program year. As Grand Island begins to develop a Consolidated Plan, it must also develop and follow a detailed citizen participation plan. This plan should provide

opportunities for citizens to participate in the development of the Consolidated Plan and the way CDBG funds are used in the community.

Oversight of the CDBG program is the responsibility of the Community Planning and Development Division (CPD) of the Omaha Field Office. CPD staff will be available to assist you through the process. Further information is attached to this letter. If you have any questions, you may contact Mr. Charlie House, CPD Representative, at (402) 492-3173. We look forward to working with your community!

Sincerely,



Tim Severin
Director
Community Planning and
Development Division

Enclosure

cc: Chad Nabity, Regional Planning Director; Charley Falmlen, Community Development Specialist

ENTITLEMENT FEASIBILITY STUDY



2015

City of Grand Island

This document seeks to make a well-researched suggestion on whether or not the City of Grand Island should accept or reject an Entitlement Community invitation from the Department of Housing and Urban Development (HUD.)

Entitlement Feasibility Study

OBJECTIVE

The objective of this Feasibility Study was to gain insight into how becoming an Entitlement Community would affect the Community Development Department, City Government, and other entities in the community of Grand Island – specifically the entities that have a relationship with the Community Development Department and/or HUD.

BACKGROUND

TIMELINE

July 2013- The City of Grand Island received a letter from the United States Department of Housing and Urban Development (HUD) inviting the City to consider becoming an Entitlement Community

August 2013- Mayor Vavricek responded by letter to HUD accepting the entitlement application, with a fiscal year start date of October 1, 2014.

December 2013 – Mayor Vavricek sent a second letter to HUD, deferring the entitlement process due to staffing issues, as the Community Development Administrator, Marco Floreani had recently left City employment.

July 2014 – The City of Grand Island received a second invitation letter from HUD, inviting the City to consider becoming an Entitlement Community.

July 2014 – Mayor Vavricek sent a letter declining the Entitlement Invitation.

August 2015 – The City of Grand Island received the 2015 Entitlement Invitation.

CDBG INCOME

FISCAL YEAR	CDBG INCOME	SOURCE	CITY MATCH
2012	\$370,000	DOWNTOWN REVITALIZATION PLANNING & PHASE I	\$87,650
2013	\$530,000	COMPREHENSIVE REVITALIZATION PHASE I & SUPPLEMENTAL	\$530,000
2014	\$220,000	COMPREHENSIVE REVITALIZATION PHASE II	\$220,000
PROPOSED ENTITLEMENT	\$322,800	HUD - NATIONAL OBJECTIVES	\$0

SURVEY METHODS

Interview style surveys were conducted over 7 weeks with varying entities throughout the City of Grand Island. Organizations that have a relationship with the Community Development Department and/or HUD were selected to gain insight into how a change in funding would potentially affect others.

The interviewees were asked 12 questions regarding the Entitlement Process in hope of gaining information on the interviewee’s conceptual understanding of what it meant to be an Entitlement Community, their insight on the pros and cons of Entitlement, and how they thought it would affect their interaction with Community Development.

The following interviews were conducted:

ORGANIZATION VISITED	INTERVIEWED BY	DATE VISITED	NAME OF INTERVIEWEE
CITY OF BELLEVUE (NOT INCLUDED IN SURVEY RESULTS)	CHARLEY FALMLEN & TONJA CAREY	11/17/14	ABBY HIGHLAND
GRAND ISLAND AREA CHAMBER OF COMMERCE	CHARLEY FALMLEN	11/4/14	CINDY JOHNSON
HOUSING DEVELOPMENT CORPORATION	CHARLEY FALMLEN & TONJA CAREY	12/4/14	LINDA ADDISON & MICHELLE CALLAHAN
ECONOMIC DEVELOPMENT CORPORATION	CHARLEY FALMLEN	12/16/14	MARY BERLIE & RANDY GARD
CENTRAL NEBRASKA COMMUNITY SERVICES	CHARLEY FALMLEN	12/17/14	CHERYL HOLCOMB
HALL COUNTY HOUSING AUTHORITY	CHARLEY FALMLEN	12/17/14	RICK RUZICKA
CITY COUNCIL	CHARLEY FALMLEN & TONJA CAREY	1/8/14	LINNA DEE DONALDSON

SURVEY RESULTS

Upon being asked about potential **benefits** of becoming an Entitlement Community responses included:

- No matching funds required would be really helpful.
- Entitlement would allow for more focused planning
- Entitlement would allow the City to participate in more innovative projects
- A more reliable source of funding
- It would strengthen relationships with everyone outside City Hall
- Less competitive
- More flexible spending
- It would allow us to compete with larger communities such as Lincoln and Omaha for business and residents
- The City would have greater control over their direction

Upon being asked about the potential **downfalls** of becoming an Entitlement Community responses included:

- We currently have a great relationship with the State of Nebraska – it would take work to build new relationships within HUD
- Less money received initially
- Currently, the State of Nebraska's is directly responsible to HUD, not the City
- Entitlement would be more susceptible to "Agenda Politics" within the City
- The burden of learning something brand new
- Loss of State of Nebraska's CDBG Economic Development Dollars, such as those used with Case New Holland and Standard Iron
- Could create a department that becomes complacent because of a steady and predictable income

SURVEY RESULTS CONTINUED

84% of respondents thought becoming an Entitlement Community would **improve** the Community Development Department's **granting capacity**.

100% of respondents thought becoming an Entitlement Community would **improve** the Community Development Department's **organizational structure**.

84% of respondents thought their organization would become **more involved** with the Community Development Department if the City were an Entitlement Community

100% of respondents thought becoming an Entitlement Community was a **realistic goal**

67% of respondents thought becoming Entitlement should be a **high priority**

CONCLUSION

OUTSIDE ORGANIZATIONS – the results of the study have provided valuable insight on how Entitlement would affect local housing organizations, economic development organizations and non-profits. Overall, the impact of becoming Entitlement would most likely expand and cultivate relationships between the City and various other entities in the community.

COMMUNITY DEVELOPMENT DEPARTMENT - The Community Development Department is staffed with a state certified grant administrator. For this reason, it can be suggested that the Community Development Department is adequately staffed for an Entitlement transition. It is suggested that the City consider replacing a current vacancy in the Community Development Department with an additional Grant Administrator to address other areas with potential for growth such as various State funds the City is still eligible for, Parks and Recreation activities and Tourism activities. The Entitlement structure would potentially allow for additional and much needed growth in how the Community Development Department serves the community as a whole. The Entitlement Process would also streamline the Community Development Department's Organizational Structure greatly, which could lead to a reduction on staffing issues.

RECOMMENDATION - Based on the support of community organizations, a better understanding of the requirements of Community Development staff, potential for departmental growth, and absence of detrimental impact on entities that are also receiving HUD income, the Community Development Department at the City of Grand Island recommends accepting an invitation from HUD to become an Entitlement Community.

RESOLUTION 2015-233

WHEREAS, the City of Grand Island is a designated Metropolitan Statistical Area; and

WHEREAS, the United States Department of Housing and Urban Development invites qualifying Metropolitan Statistical Areas to participate in the Community Development Block Grant Entitlement Program; and

WHEREAS, the City of Grand Island wishes to accept the United States Department of Housing and Urban Development's Entitlement invitation; and

WHEREAS, a response is due to the Department of Housing and Urban Development on or before September 11, 2015.

NOW, THEREFORE BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the acceptance of The United States Department of Housing and Urban Development Entitlement Status is hereby approved.

The Mayor is hereby authorized and directed to execute documentation on behalf of the City of Grand Island for such acceptance process.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, August 25, 2015.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form ☐ _____
August 21, 2015 ☐ City Attorn



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item J-1

Approving Payment of Claims for the Period of August 12, 2015 through August 25, 2015

The Claims for the period of August 12, 2015 through August 25, 2015 for a total amount of \$4,581,223.49. A MOTION is in order.

Staff Contact: William Clingman



City of Grand Island

Tuesday, August 25, 2015

Council Session

Item S-1

Discussion Concerning the Proposed Fiscal Year 2015-2016 City of Grand Island and Community Redevelopment Authority (CRA) Budgets

Staff Contact: William Clingman