

A regular meeting of the Mayor and City Council of the City of Columbus, Nebraska was convened in open and public session on May 2, 2011 at 7:03 p.m. in the Council Chambers, 1369 25th Avenue, Columbus, Nebraska.

Notice of this meeting was given in advance thereof by publication in the Columbus Telegram on April 28, 2011, with a copy of the proof of publication being on file in the office of the City Clerk. Notice of this meeting was given simultaneously to the Mayor and members of the City Council, with a copy of the acknowledgement of receipt of notice being on file in the office of the City Clerk. Availability of the agenda was communicated in the advance notice and in the notice to the Mayor and City Council of this meeting. All proceedings hereafter shown were taken while the convened meeting was open to the public.

STATEMENT OF COMPLIANCE WITH OPEN MEETINGS ACT: Mayor Moser read the following statement: "In compliance with the Open Meetings Act, Legislative Bill 898, Second Session Ninety-Ninth Legislature of Nebraska, a current copy of the Act is posted in this meeting room".

ROLL CALL: Present were Mayor Michael Moser and Council Members Beth Augustine, Charlie Bahr, Ron Bogus, Jim Bulkley, Ron Schilling, Rich Jablonski, John Lohr and Terry Reardon.

City staff members present included City Administrator Joseph Mangiamelli, City Clerk Linda Walters, City Attorney Stephen Hansen, City Engineer David Goedeken, Police Chief William Gumm, Finance Director Anne Kinnison and Public Works/Environmental Services Director Chuck Thomerson.

PRAYER: Mayor Moser asked all to rise and Council President Bogus led in prayer.

NATIONAL ANTHEM AND PLEDGE OF ALLEGIANCE: Mayor Moser asked all to remain standing and join him in the National Anthem and Pledge of Allegiance.

CONSENT AGENDA: City Administrator Mangiamelli stated that the following items are considered routine by the City Council and will be enacted by one motion. He pointed out that there will be no separate discussion of these items unless a City Council Member or a citizen so requests, in which event the item will be removed from consent status and considered in its normal sequence on the agenda.

- A. Approval of minutes of the April 18, 2011, City Council meeting.
- B. Approval of reappointment of Peggy Engel to the Employee Pension Committee for a two-year term.
- C. Approval of reappointment of Renee Stamm and Ed Wagner to the Board of Adjustment for three-year terms.

- D. Approval of payroll and bills on file. 5/13/2011 Payroll \$436,651.74; Medicare Part B – Refund 330.63 TOTAL \$436,982.37.

Moved by Bogus, seconded by Augustine, the items on the consent agenda, being routine in nature, be approved as presented. Roll call and Council Members Augustine, Bahr, Bogus, Bulkley, Schilling, Jablonski, Lohr and Reardon voted “Aye” and none voted “Nay.” Motion carried.

COMMITTEE OF THE WHOLE REPORT – PROGRESS REPORT FROM JEO CONSULTING GROUP, INC. REGARDING LOUP RIVER LEVEE RECERTIFICATION PROJECT: City Administrator Mangiamelli reported that the Committee of the Whole met prior to the City Council meeting and received a progress report from JEO Consulting Group, Inc. regarding the Loup River Levee Recertification Project.

APPOINTMENT OF THOMAS A. “TOM” LOSEKE TO THE BOARD OF ADJUSTMENT FOR THREE-YEAR TERM: A memorandum was presented from Mayor Moser submitting the name of Thomas A. “Tom” Loseke for appointment to the Board of Adjustment for a three-year term. Council President Bogus read a brief resume and it was moved by Bogus, seconded by Reardon, to approve the Mayor's appointment. Roll call and Council Members Augustine, Bahr, Bogus, Bulkley, Schilling, Jablonski, Lohr and Reardon voted “Aye” and none voted “Nay.” Motion carried.

COMMENTS FROM MAYOR AND CITY COUNCIL MEMBERS: Mayor Moser presented a proclamation observing National Drinking Water Week May 1st through May 7th. Mayor Moser also announced that the National Day of Prayer will be observed on May 5, 2011 and an event will be held at 6:30 p.m. in Frankfort Square to commemorate this occasion.

RESOLUTION NO. R11-41 WAS INTRODUCED BY COUNCIL MEMBER BULKLEY.

RESOLUTION NO. R11-41
ADOPTED: MAY 2, 2011

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF COLUMBUS, NEBRASKA, TO AWARD A CONTRACT TO OBRIST & CO., COLUMBUS, NEBRASKA, (SOLE BIDDER) IN THE AMOUNT OF \$56,455, FOR SEWER EXTENSION DISTRICT NO. 43 (200 FEET EAST OF CENTERLINE OF DEER CREEK PLACE, EASTERLY 695 FEET ALONG SOUTH 5TH STREET).

Moved by Bulkley, seconded by Bahr, Resolution No. R11-41 be passed and adopted. Roll call and Council Members Augustine, Bahr, Bogus, Bulkley, Schilling, Jablonski, Lohr and Reardon voted “Aye” and none voted “Nay.” Motion carried.

RESOLUTION NO. R11-42 WAS INTRODUCED BY COUNCIL MEMBER REARDON.

RESOLUTION NO. R11-42
ADOPTED: MAY 2, 2011

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF COLUMBUS, NEBRASKA, TO AWARD A CONTRACT TO OBRIST & CO., COLUMBUS, NEBRASKA, (SOLE BIDDER) IN THE AMOUNT OF \$56,183 FOR WATER EXTENSION DISTRICT NO. 61 (200 FEET EAST OF CENTERLINE OF DEER CREEK PLACE, EASTERLY 695 FEET ALONG SOUTH 5TH STREET).

Moved by Reardon, seconded by Jablonski, Resolution No. R11-42 be passed and adopted. Roll call and Council Members Augustine, Bahr, Bogus, Bulkley, Schilling, Jablonski, Lohr and Reardon voted "Aye" and none voted "Nay." Motion carried.

RESOLUTION NO. R11-43 WAS INTRODUCED BY COUNCIL MEMBER JABLONSKI.

RESOLUTION NO. R11-43
ADOPTED: MAY 2, 2011

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF COLUMBUS, NEBRASKA, TO AWARD A CONTRACT TO GEHRING CONSTRUCTION & READY MIX CO., INC., COLUMBUS, NEBRASKA, (SOLE BIDDER) IN THE AMOUNT OF \$153,693 FOR STREET IMPROVEMENT DISTRICT NO. 179 (200 FEET EAST OF CENTERLINE OF DEER CREEK PLACE, EASTERLY 695 FEET ALONG SOUTH 5TH STREET).

Moved by Jablonski, seconded by Bogus, Resolution No. R11-43 be passed and adopted. Roll call and Council Members Augustine, Bahr, Bogus, Bulkley, Schilling, Jablonski, Lohr and Reardon voted "Aye" and none voted "Nay." Motion carried.

RESOLUTION NO. R11-44 WAS INTRODUCED BY COUNCIL MEMBER BOGUS.

RESOLUTION NO. R11-44
ADOPTED: MAY 2, 2011

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF COLUMBUS, NEBRASKA, AUTHORIZING AND DIRECTING THE APPLICATION OF FUNDS AS AN INTERFUND TRANSFER FROM THE CITY'S WATER FUND TO THE CITY'S SOLID WASTE SYSTEM IN THE AMOUNT OF \$120,000 TO PROVIDE INTERIM FUNDING FOR CERTAIN EQUIPMENT PURCHASE COSTS AND TO ESTABLISH A REPAYMENT SCHEDULE.

Moved by Bogus, seconded by Bahr, Resolution No. R11-44 be passed and adopted. In response to Council Member Lohr, Finance Director Kinnison explained that during preparation of the 2010-2011 Budget, the intent was to inter-fund loan money to finance the purchase of a semi-tractor and walking floor trailer for the Transfer Station. Kinnison pointed out that this was previously done in 2008 for the purchase of two walking floor trailers as the amount of money was not large enough to justify the expense of a formal borrowing in the bond market and there were sufficient funds

available. Kinnison clarified that the repayment schedule is for three years at no interest. Roll call and Council Members Augustine, Bahr, Bogus, Bulkley, Schilling, Jablonski, Lohr and Reardon voted "Aye" and none voted "Nay." Motion carried.

RESOLUTION NO. R11-45 WAS INTRODUCED BY COUNCIL MEMBER SCHILLING.

RESOLUTION NO. R11-45

ADOPTED: MAY 2, 2011

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF COLUMBUS, NEBRASKA, CALLING \$260,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2005, FOR REDEMPTION.

Moved by Schilling, seconded by Lohr, Resolution No. R11-45 be passed and adopted. Phil Lorenzen, D.A. Davidson & Co. and financial advisor for the City of Columbus, distributed a handout showing a summary of issuance of the \$840,000 Various Purpose Bonds, Series 2011, \$275,000 Bond Anticipation Notes, Series 2011 and the \$1,590,000 Combined Revenue Bonds, Series 2011. Lorenzen pointed out that the Public Finance Committee recommended approval of all documents being presented tonight in relation to bonds and bond anticipation notes. Lorenzen explained that Resolution No. R11-45 calling \$260,000 Bonds for redemption deals with refinancing \$195,000 of General Obligation Refunding Bonds, Series 2005, with \$65,000 to be paid from cash on hand. Lorenzen explained that these refunding bonds will have an average coupon rate of 1.36% and this transaction will result in a savings of \$9,957.28. Lorenzen pointed out that in conjunction with the call resolution, the City Council will also be considering the adoption of Ordinance No. 11-15 authorizing the issuance of \$840,000 of bonds which have an average coupon rate of 2.6%. Lorenzen referred to Ordinance No. 11-16 issuing \$275,000 of Bond Anticipation Notes, Series 2011 to fund the construction of paving, water and sewer districts on South 5th Street east of 3rd Avenue, explained the sources and uses of funds and pointed out that the average coupon rate is 1.3%. Lorenzen also referred to Ordinance No. 11-17 issuing \$1,590,000 in bonds, pointed out that the city previously used bond insurance on the \$8,235,000 bond issue that closed on December 3, 2010 so the city would not have to fund a cash debt service reserve fund and further pointed out that the city received an outstanding rate of AA- from Standard and Poor's. Lorenzen said a conference call is scheduled for May 6, 2011 to present this bond issue before Standard and Poor's to extend that rating and written confirmation of the rate is required before the bonds are marketed. Lorenzen explained the proposed structure of this bond issue and pointed out that the proposed average coupon rate is 3.53%. Lorenzen further explained that Ordinance No. 11-17 includes a parameters format on how the issue would be structured following receipt of a rating from Standard and Poor's and vests the final responsibility as well as authority with City Administrator Mangiamelli and Finance Director Kinnison to accept on behalf of the city. In response to Mayor Moser, Lorenzen explained their marketing policy. In response to Council Member Lohr, Lorenzen stated that the three year bond anticipation notes issue has a one year call provision. Roll call

and Council Members Augustine, Bahr, Bogus, Bulkley, Schilling, Jablonski, Lohr and Reardon voted "Aye" and none voted "Nay." Motion carried.

RESOLUTION NO. R11-46 WAS INTRODUCED BY COUNCIL MEMBER LOHR.

RESOLUTION NO. R11-46
ADOPTED: MAY 2, 2011

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF COLUMBUS, NEBRASKA, ACCEPTING THE WORK IN STREET IMPROVEMENT DISTRICT NO. 174 (26TH AVENUE RECONSTRUCTION PROJECT FROM 32ND TO 38TH STREETS) AS SUBSTANTIALLY COMPLETED.

Moved by Lohr, seconded by Bahr, Resolution No. R11-46 be passed and adopted. Lorenzen pointed out that bond financing relies on federal as well as state law and this project has not been finalized as the State of Nebraska still owes the city approximately \$33,000. Lorenzen explained that this resolution finds that the work is substantially completed under the tax code and is placed in service. Lorenzen further explained that once the project is placed in service it can be deemed completed which allows the city to enter into permanent financing. In response to Mayor Moser, City Engineer Goedeken explained that the state has not completed their audit and have not approved the payment of the retainage. Roll call and Council Members Augustine, Bahr, Bogus, Bulkley, Schilling, Jablonski, Lohr and Reardon voted "Aye" and none voted "Nay." Motion carried.

RESOLUTION NO. R11-47 WAS INTRODUCED BY COUNCIL MEMBER BAHR.

RESOLUTION NO. R11-47
ADOPTED: MAY 2, 2011

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF COLUMBUS, NEBRASKA TO APPROVE THE ATTACHED SUPPLEMENTAL AGREEMENT NO. 3 TO THE ORIGINAL AGREEMENT FOR ENGINEERING SERVICES ENTERED INTO ON JUNE 25, 2007, WITH HDR ENGINEERING, INC., FOR SERVICES NECESSARY FOR DESIGN OF THE COLUMBUS VIADUCTS PROJECT IN AN AMOUNT NOT TO EXCEED \$55,777.51. (CITY'S SHARE IS 100%)

Moved by Bahr, seconded by Bulkley, Resolution No. R11-47 be passed and adopted. In response to Council Member Reardon, City Engineer Goedeken explained that in 2009, there was a change in the process in which the Nebraska Department of Roads (NDOR) and the Federal Highway Administration (FHWA) administers projects involving federal aid dollars. Goedeken stated that the NDOR and FHWA does not allow the city to proceed with any design or construction work until signed authority is received from the two entities. Goedeken pointed out that some of the proposed changes submitted for the design contract had already been completed without signed authorization and the city is ultimately responsible for 100% of this cost. Mangiamelli clarified that

although this work was done prior to approval, it was required by the federal and state agencies in order to keep the project progressing. Roll call and Council Members Augustine, Bahr, Bogus, Bulkley, Schilling, Jablonski, Lohr and Reardon voted "Aye" and none voted "Nay." Motion carried.

RESOLUTION NO. R11-48 WAS INTRODUCED BY COUNCIL MEMBER BOGUS.

RESOLUTION NO. R11-48
ADOPTED: MAY 2, 2011

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF COLUMBUS, NEBRASKA TO APPROVE THE AMENDMENT TO THE CONTRACT WITH JEO CONSULTING GROUP, INC. IN THE AMOUNT OF \$113,468 FOR ADDITIONAL WORK NECESSITATED TO COMPLY WITH UNITED STATES ARMY CORPS OF ENGINEERS REVIEWS AS PART OF THE CITY'S EFFORT TO COMPLY WITH REQUIREMENTS FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY FOR LOUP RIVER LEVEE RECERTIFICATION.

Moved by Bogus, seconded by Lohr, Resolution No. R11-48 be passed and adopted. Roll call and Council Members Augustine, Bahr, Bogus, Bulkley, Schilling, Jablonski, Lohr and Reardon voted "Aye" and none voted "Nay." Motion carried.

ORDINANCE NO. 11-15 WAS INTRODUCED BY COUNCIL MEMBER BULKLEY.

ORDINANCE NO. 11-15
ADOPTED: MAY 2, 2011

AN ORDINANCE OF THE CITY OF COLUMBUS, NEBRASKA, AUTHORIZING THE ISSUANCE OF VARIOUS PURPOSE BONDS, SERIES 2011, OF THE CITY OF COLUMBUS, IN THE PRINCIPAL AMOUNT OF EIGHT HUNDRED FORTY THOUSAND DOLLARS (\$840,000) TO PAY A PORTION OF THE COST OF IMPROVEMENTS IN STREET IMPROVEMENT DISTRICT NOS. 174, 175, 176 AND 177 (INCLUDING INTERSECTIONS AND THE AREAS FORMED BY THE CROSSING OF STREETS, AVENUES AND ALLEYS), WATER EXTENSION DISTRICT NOS. 57, 58, AND 60, SEWER DISTRICT NO. 42 AND SIDEWALK IMPROVEMENT DISTRICT NO. 12; TO REFUND \$195,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2005, DATED AUGUST 1, 2005; PRESCRIBING THE FORM OF SAID BONDS; PROVIDING FOR THE LEVY OF TAXES TO PAY THE SAME; AND PROVIDING FOR PUBLICATION OF THE ORDINANCE IN PAMPHLET FORM.

Moved by Bulkley, seconded by Lohr, the rules be suspended and Ordinance No. 11-15 be read by number only at this meeting. Roll call and Council Members Augustine, Bahr, Bogus, Bulkley, Schilling, Jablonski, Lohr and Reardon voted "Aye" and none voted "Nay." Motion carried.

Moved by Bulkley, seconded by Bahr, Ordinance No. 11-15 be passed and adopted.

Mayor Moser put the question, "Shall Ordinance No. 11-15 be passed and adopted?" Roll call and Council Members Augustine, Bahr, Bogus, Bulkley, Schilling, Jablonski, Lohr and Reardon voted "Aye" and none voted "Nay." Motion carried.

Mayor Moser declared, "By your action, you have passed Ordinance No. 11-15," and it was duly signed.

ORDINANCE NO. 11-16 WAS INTRODUCED BY COUNCIL MEMBER AUGUSTINE.

ORDINANCE NO. 11-16
ADOPTED: MAY 2, 2011

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF BOND ANTICIPATION NOTES, SERIES 2011, OF THE CITY OF COLUMBUS, NEBRASKA, OF THE PRINCIPAL AMOUNT OF TWO HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$275,000) FOR THE PURPOSE OF PROVIDING INTERIM FINANCING FOR A PORTION OF THE COSTS OF CONSTRUCTING IMPROVEMENTS IN STREET IMPROVEMENT DISTRICT NO. 179, WATER EXTENSION DISTRICT NO. 61, AND SEWER EXTENSION DISTRICT NO. 43, PENDING THE ISSUANCE OF LONG-TERM GENERAL OBLIGATION BONDS; PRESCRIBING THE FORM OF SAID NOTES; AGREEING TO ISSUE GENERAL OBLIGATION BONDS TO PAY THE NOTES AT MATURITY OR TO PAY THE NOTES FROM OTHER AVAILABLE FUNDS; AND, ENTERING INTO A CONTRACT ON BEHALF OF THE CITY WITH THE HOLDERS OF SAID NOTES.

Moved by Augustine, seconded by Bogus, the rules be suspended and Ordinance No. 11-16 be read by number only at this meeting. Roll call and Council Members Augustine, Bahr, Bogus, Bulkley, Schilling, Jablonski, Lohr and Reardon voted "Aye" and none voted "Nay." Motion carried.

Moved by Augustine, seconded by Bogus, Ordinance No. 11-16 be passed and adopted.

Mayor Moser put the question, "Shall Ordinance No. 11-16 be passed and adopted?" Roll call and Council Members Augustine, Bahr, Bogus, Bulkley, Schilling, Jablonski, Lohr and Reardon voted "Aye" and none voted "Nay." Motion carried.

Mayor Moser declared, "By your action, you have passed Ordinance No. 11-16," and it was duly signed.

ORDINANCE NO. 11-17 WAS INTRODUCED BY COUNCIL MEMBER LOHR.

ORDINANCE NO. 11-17
ADOPTED: MAY 2, 2011

AN ORDINANCE OF THE CITY OF COLUMBUS, NEBRASKA AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$1,590,000 PRINCIPAL

AMOUNT OF COMBINED REVENUE BONDS, SERIES 2011, OF THE CITY FOR THE PURPOSE OF PROVIDING FUNDS FOR ACQUIRING, CONSTRUCTING, EQUIPPING AND FURNISHING WASTE WATER AND SANITARY SEWER IMPROVEMENTS AND WATER SYSTEM IMPROVEMENTS; 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.

Moved by Lohr, seconded by Schilling, the rules be suspended and Ordinance No. 11-17 be read by number only at this meeting. Roll call and Council Members Augustine, Bahr, Bogus, Bulkley, Schilling, Jablonski, Lohr and Reardon voted "Aye" and none voted "Nay." Motion carried.

Moved by Lohr, seconded by Schilling, Ordinance No. 11-17 be passed and adopted.

Lorenzen explained that the Public Finance Committee discussed the feasibility of short term financing but given the current interest rates, the committee recommended to issue permanent financing.

Mayor Moser put the question, "Shall Ordinance No. 11-17 be passed and adopted?" Roll call and Council Members Augustine, Bahr, Bogus, Bulkley, Schilling, Jablonski, Lohr and Reardon voted "Aye" and none voted "Nay." Motion carried.

Mayor Moser declared, "By your action, you have passed Ordinance No. 11-17," and it was duly signed.

Moved by Bulkley, seconded by Jablonski, the meeting be adjourned. Roll call and Council Members Augustine, Bahr, Bogus, Bulkley, Schilling, Jablonski, Lohr and Reardon voted "Aye" and none voted "Nay." Motion carried and the meeting was adjourned at 7:48 p.m.

Presented and approved this 16 day of May, 2011.

MAYOR

ATTEST:

CITY CLERK