

*Kearney, Nebraska  
September 28, 2010  
7:00 p.m.*

A meeting of the City Council of Kearney, Nebraska, was convened in open and public session at 7:00 p.m. on September 28, 2010, in the Council Chambers at City Hall. Present were: Stanley A. Clouse, President of the Council; Michaelle Trembly, City Clerk; Council Members Randy Buschkoetter, Don Kearney, and Bob Lammers. Absent: Bruce Lear. Michael Morgan, City Manager; Michael Tye, City Attorney; Suzanne Brodine, Assistant to the City Manager; Kirk Stocker, Director of Utilities; Rod Wiederspan, Director of Public Works; Dan Lynch, Chief of Police; and Jim Lynaugh, Airport Manager were also present. Some of the citizens present in the audience included: Kent Cordes, Elaine Wiseman, Steve Lewis, Jim Tacha, 5 UNK students, Steve Altmaer from KGFW Radio, Kevin Hervert from Kearney Hub.

Notice of the meeting was given in advance thereof by publication in the Kearney Hub, the designated method for giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to the City Council and a copy of their acknowledgment or receipt of such notice is attached to these minutes. Availability of the Agenda was communicated in the advance notice and in the notice to the Mayor and City Council. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

## **I. ROUTINE BUSINESS**

### **INVOCATION**

Pastor James DeLoach from Zion Lutheran Church provided the Invocation.

### **PLEDGE OF ALLEGIANCE**

Three Boy Scouts from Troop 158 led the Council members and audience in the Pledge of Allegiance.

### **ANNOUNCEMENT**

Mayor Clouse announced that in accordance with Section 84-1412 of the Nebraska Revised Statutes, a current copy of the Open Meetings Act is available for review and is posted towards the back of the Council Chambers.

### **RECOGNITION – ADVISORY BOARD OF CABLE COMMISSIONERS**

Mayor Clouse and Council Members recognized the members who served on the Advisory Board of Cable Commissioners. Those members were: Dennis Haller served 12 years, Kurt Schmidt served 7 years, John Elliott served 6 years, Michael Peck served 4 years, Steve Lewis served 4 years, and Jonathan Crouch served 4 years.

**ORAL COMMUNICATIONS**

There was no Oral Communications.

**II. UNFINISHED BUSINESS****OPEN ACCOUNT CLAIM: SCHOOL DISTRICT #7 - \$2,094.50**

Mayor Clouse stated with the absence of Council Member Lear and the abstention of Council Members Buschkoetter and Lammers, the Open Account Claim to School District #7 will be postponed. He also stated that both he and Council Member Lammers will be absent from the meeting on October 12, 2010; therefore, this claim will need to be postponed until October 26, 2010.

Moved by Clouse seconded by Kearney to postpone the Open Account Claim to School District #7. Roll call resulted as follows: Aye: Clouse, Lammers, Kearney, Buschkoetter. Nay: None. Lear absent. Motion carried.

**III. PUBLIC HEARINGS**

None.

**IV. CONSENT AGENDA**

Moved by Kearney seconded by Lammers that Subsections 1 through 19 of Consent Agenda Item IV be approved. Roll call resulted as follows: Aye: Clouse, Kearney, Buschkoetter, Lammers. Nay: None. Lear absent. Motion carried.

1. Approve Minutes of Regular Meeting held September 14, 2010.
2. Approve the following Claims:
 

PS	Personnel Services
SMCS	Supplies, Materials & Contractual Services
ER	Equipment Rental
CO	Capital Outlay
DS	Debt Service

AT&T \$171.81 smcs; Ace Hardware \$95.62 smcs; Aflac \$2,927.12 ps; Air Cleaning Technologies \$6,307.20 smcs; Al-Jon Mfg \$15.84 smcs; Almquist,R \$120.00 smcs; Amax Contracting \$32.64 smcs; Amazon \$615.60 smcs; Amer Electric \$1,085.43 smcs; Amer Fence \$12,235.00 smcs; Amer First Aid \$230.55 smcs; Amer Flags Express \$757.70 smcs; Amer Red Cross \$359.35 smcs; Amsan \$845.93 smcs; Anderson Wrecking \$35.00 smcs; Anderson,B \$140.00 smcs; Applemarket \$82.58 smcs; Arctic Refrigeration \$571.10 smcs; Ashbrook \$849.60 smcs; Ask Supply \$2,625.12 smcs; Aubuchon,A \$62.75 smcs; Auto Glass \$380.00 smcs; B&S Concrete \$2,477.00 co; B2B Computer Products \$300.00 smcs; Badura,T \$140.00 smcs; Baker & Taylor \$6,254.50 smcs; Bamford \$1,085.00 co; Barney Abstract \$600.00 smcs; Battery Mart \$43.92 smcs; Baye,S \$32.64 smcs; Bells Curb Grinding \$1,890.00 co; Blackburn Mfg \$297.46

smcs; Blessing \$333,745.68 co; Bluecross Blueshield \$181,852.23 smcs; BMI \$305.00 smcs; Bobs Super Store \$149.15 smcs; Bosselman \$20,307.19 smcs; Broadfoot's \$2,594.00 smcs; Buffalo Outdoor Power \$1,351.73 smcs; Builders Warehouse \$18,804.93 smcs,co; Cabela's \$258.06 smcs,co; Cable Organizer \$183.13 co; Camera Doctor \$23.00 smcs; Carpet Pros \$455.41 smcs; Carquest \$1,456.29 smcs; Casey's \$154.17 smcs,ps; Cash-Wa \$6,010.11 smcs; CED Enterprise \$700.07 smcs; Central Fire & Safety \$40.50 smcs; Central Health Center \$14.25 smcs; Central Hydraulic Systems \$875.26 smcs; Central NE Bobcat \$19,793.92 smcs,co; Central State Group \$1,314.97 smcs; Central States Wire Products \$4,298.61 smcs; Charter \$99.98 smcs; Chase,B \$140.00 smcs; Chesterman \$429.85 smcs; Chief Industries \$4,282.57 co; CHS Agri Service \$2,212.12 smcs; City of Ky \$226,342.00 co,ps,smcs; College Savings Plan of NE \$200.00 ps; Computer Warehouse #4 \$83.28 co; Construction Rental \$4,777.93 smcs,co; Control Masters \$3,070.00 smcs; Copycat Printing \$417.37 smcs; Core Products \$465.12 smcs; CPI \$548.60 smcs; CPS \$230.00 smcs; Credit Management Services \$603.20 ps; Crossroads Ford \$2,543.66 smcs,co; Culligan \$246.50 smcs; Cummins Central Power \$2,991.69 smcs; D&M Security \$124.50 smcs; D&S Lighting \$1,004.50 smcs; David Vine Associates \$90.00 smcs; Dawson Co PPD \$34,924.68 smcs; Delaet Electric \$28.50 smcs; Dell \$223.62 smcs; Design Craft of Omaha \$951.95 co; Deterdings \$1,254.49 smcs; Diamond Vogel \$281.50 smcs; Dirt Works \$4,100.00 smcs; Dish Network \$50.63 smcs; Dog Poop Bags \$43.12 smcs; Dur Red Products \$293.00 smcs; Dutton-Lainson \$35.60 smcs; Eakes \$9,122.51 smcs,co; Ecolab \$31.00 smcs; E-Filliate \$178.28 co; Eisinger-Smith \$805.02 smcs; EMC Ins \$19,742.39 smcs; Engineer Supply \$808.75 smcs; Environmental Direct \$8,200.00 smcs; Eventbrite \$400.00 smcs; Expression Wear \$264.00 smcs; Fairbanks \$1,546.69 smcs; Farm Plan \$2,722.93 smcs; Farmers Union Coop \$277.00 smcs; Fastenal \$721.83 smcs; Fedex \$97.02 smcs; Fiddelke Heating \$16,631.00 smcs,co; Follmer,D \$140.00 smcs; Footjoy \$199.63 smcs; Frank,M \$100.00 smcs; Frontier \$163.02 smcs; Fyr-Tek \$633.07 smcs; Garrett Tires \$3,514.08 smcs; GE Money Bank \$3,832.01 smcs; Gear Online \$35.41 smcs; Graham Tire \$4,700.27 smcs; Grainger \$1,078.20 smcs; H&H Distributing \$1,031.90 smcs; Hach \$1,067.02 smcs; Hamilton Caster \$844.02 smcs; Harley Davidson \$363.62 smcs; Harrison,R \$161.00 smcs; Hastings \$12.71 smcs; HD Supply \$1,561.15 smcs; Heartland Services \$301.77 co; Hernday,A \$60.00 smcs; Holmes Plumbing \$660.73 smcs,co; Honeywell First Responders \$2,887.20 smcs; HSBC Bank of Nevada \$318.25 ps; I-80 Eppley Express \$150.00 smcs; IA, NE, SD Prima Chapter \$40.00 smcs; ICMA RC \$4,401.23 ps; Instawares \$43.28 smcs; IRS \$114,430.32 ps; Investment Property \$1,250.00 smcs; Isaac,B \$69.99 smcs; J&A Specialties \$6,151.74 co; Jack Lederman \$945.95 smcs; Jamar Technologies \$99.78 smcs; JLC \$492,074.00 co; Johnsen Corrosion \$2,070.00 smcs; Johnstone Supply \$5.08 smcs; K&K Parts \$952.73 smcs; Ky Chamber Comm \$260.00 smcs; Ky Cinema 8 \$60.00 smcs; Ky Clinic \$1,639.00 smcs,ps; Ky Crete \$28.80 smcs; Ky Floral \$60.94 smcs; Ky Hub \$6,887.79 smcs; Ky Implement \$546.55 smcs; Ky Towing \$62.50 smcs; Ky United Way \$626.50 ps; Ky Warehouse \$3,334.57 smcs; Ky Winlectric \$55.55 smcs; Ky Yamaha \$900.35 smcs; Keeney,J \$140.00 smcs; Kelly Supply \$107.61 smcs; Killion Motors \$67.26 smcs; Kindle \$20.98 smcs; Kmart \$64.19 smcs; Konica Minolta \$1,769.05 smcs; Labsafe \$940.14 smcs; Lawson Products \$879.03 smcs; LCL Truck Equipment \$6,098.00 co; Lentz,J \$300.00 smcs; Lind Optical \$152.00 smcs; Lindner,S \$32.00 smcs; Linweld \$172.38 smcs; Little Caesars \$348.00 smcs; Lockmobile \$39.25 smcs; Logan Contractors \$4,930.00 co; Magic Cleaning \$6,460.00 smcs; Marlatt Machine Shop \$65.00 smcs; Masek Distributing \$275.00 smcs; Matthew Noffke

Photography \$262.47 smcs; MDI \$2,684.26 smcs; Menards \$3,835.28 smcs,co; Metlife \$6,462.16 ps; Microfilm Imaging Systems \$140.50 smcs; Mid Peterson Meal Program \$87.50 smcs; Mid-Iowa Solid Waste \$547.27 smcs; Mid-State Units \$120.00 smcs; Midwest Breathing Air \$554.06 smcs; Midwest Pump \$1,594.91 smcs; Midwest Striping \$13,240.00 smcs; Midwest Turf \$1,352.82 smcs; Miller & Associates \$36,470.58 smcs,co; Mine Safety Appliance \$3,390.30 co; Misko Sports \$51.00 smcs; Moonlight Embroidery \$4,870.75 smcs; Motion Picture License \$200.00 smcs; Municipal Emergency \$1,747.42 smcs; Municipal Supply \$331.92 smcs; Napa All Makes \$1,998.26 smcs; Natl Fire Protection \$68.80 smcs; NCL of Wisconsin \$394.04 smcs; NCOA \$145.00 smcs; NCS Equipment \$1,005.33 smcs,co; NE Chapter IAEI \$125.00 smcs; NE Child Support \$2,454.98 ps; NE Dept of Aeronautics \$370.00 ds; NE Dept of Roads \$33,505.74 ps; NE Dept of Economic Dev \$1,000.00 smcs; NE Dept of Revenue \$56,026.40 smcs; NE Furniture Mart \$153.66 co; NE Golf Assn \$648.00 smcs; NE Machinery \$22,217.44 smcs,co; NE Prairie Museum \$45.00 smcs; NE Truck & Equipment \$857.55 smcs; NE Truck Center \$96,529.44 smcs,co; NEland Distributors \$621.72 smcs; Netknacks Tennis Award \$489.50 smcs; Newegg \$571.98 co; Newman Signs \$999.60 smcs; NMC \$844.50 smcs; Norm's Plumbing \$2,086.37 smcs; North Gate Veterinary \$108.00 smcs; Northwest Electric \$296.25 smcs; Novus \$45.00 smcs; NSA/POAN Conference \$360.00 smcs; Natl Account System Lincoln \$375.29 ps; O'Connor,S \$140.00 smcs; Office Depot \$279.80 smcs; Office Max \$787.85 smcs; Officenet \$3,440.40 smcs,co; O'Reilly Auto \$525.68 smcs; Oriental Trading \$61.97 smcs; Orscheln \$1,488.58 smcs; Otis Air Service \$2,794.38 smcs; Otto Environmental \$17,139.50 smcs; Outdoor Recreation \$2,997.00 co; Panowicz,K \$111.00 ps; Paramount \$628.08 smcs; Party America \$13.85 smcs; Pat's Plumbing Service \$3,000.00 co; Payflex Systems \$535.50 smcs,ps; Paypal \$158.99 smcs,co; Pcbaycom \$148.50 co; Pep Co \$102.20 smcs; Phelps Co Senior Center \$21.00 smcs; PH-GI Locust \$16.18 smcs; Ping \$82.32 smcs; Pioneer Revere \$2,420.00 smcs; Platte Valley Comm \$3,431.05 smcs; Power & Telephone Supply \$865.48 smcs; Presto-X \$217.80 smcs; Productive Fitness Products \$22.05 smcs; Promotions Now \$907.83 smcs; Provantage \$279.92 smcs,co; Public Risk Mgmt Assn \$350.00 smcs; Pulliam,R \$40.00 smcs; Quill \$483.55 smcs; Ready Mixed Concrete \$12,868.50 smcs; Realtimesoftcom \$39.95 smcs; Reams \$1,455.46 smcs,co; Recognition Unltd \$226.20 smcs; Restaurant Source \$287.09 smcs; Ropers Radiator \$65.00 smcs; Rough Around the Edges \$300.00 smcs; Russell's Appliances \$179.00 smcs; Rutt's Heating \$15,885.00 co; Sahling Kenworth \$439.16 smcs; Sandhill Plastics \$14.19 smcs; Sanitation Products \$207.25 smcs; Sapp Brothers \$47,856.95 smcs; Sara Lee Bakery \$41.28 smcs; Sargent Drilling \$1,800.00 smcs; Schaeffer Mfg \$903.10 smcs; Schwan's \$2,248.46 smcs; Sears \$195.71 smcs; SF Analytical Labs \$714.50 smcs; Shea,S \$137.00 smcs; Shell Oil \$35.00 smcs; Sherwin Williams \$727.46 smcs,co; Shop EZ \$12.80 smcs; SHRM \$160.00 smcs; Smeal Fire Apparatus \$2,382.41 smcs; Smith Signs \$1,060.00 smcs; Snappy Popcorn \$53.00 smcs; Snow,T \$50.00 smcs; Solarwinds \$245.00 smcs; SOS Portable Toilets \$200.00 smcs; Stanley Security \$368.07 smcs; Steinbrink's Landscaping \$9,990.35 smcs,co; Suggitt,J \$140.00 smcs; Sukraw,D \$80.00 smcs; Sunmart \$109.58 smcs; Sutphen Corp \$40.00 smcs; Target \$357.31 smcs; Technical Maintenance \$135.00 smcs; Techniques Surfaces \$100,000.00 smcs; Thirsty's \$94.51 smcs; Tielke Enterprise \$367.13 smcs; Titan Machinery \$430.73 smcs; Titleist \$282.00 smcs; Tractor-Supply \$869.66 smcs,co; Travis Anderson Const \$11,934.00 co; Treadway,W \$120.23 smcs; Tri City Outdoor Power \$375.58 smcs; Tri-Cities Group \$1,455.00 smcs; Turfwerks \$1,844.60 smcs; Turner Body Shop \$70.00 smcs; Ultramax

\$4,378.00 smcs; United Seeds \$1,865.00 smcs; United State Tennis \$35.00 smcs; UPS Store \$30.24 smcs; USPS \$393.99 smcs; Van Diest Supply \$6,589.66 smcs; Van Wall Turf & Irrigation \$11,044.91 co; Vessco \$6,420.00 smcs; Walgreens \$4.35 smcs; Wal-Mart \$1,340.85 smcs,co; Warped Sportz \$68.00 smcs; West Payment Center \$1,558.43 smcs; Wiedel,G \$410.00 smcs; Wiederspan,R \$75.75 smcs; Wilke Donovans \$583.24 smcs; Willams,M \$60.21 smcs; Wittek Golf Supply \$745.49 smcs; WJS Janitorial Supply \$116.54 smcs; Wooden,T \$2,500.00 smcs; World Herald \$211.80 smcs; WPCI \$264.00 ps; Xavus Solutions \$1,500.00 co; Xpanxion \$37,984.80 smcs; Yanda's Music \$166.45 smcs; Young,M \$140.00 smcs; Z Wireless \$355.50 smcs; Payroll Ending 9-11-2010 -- \$344,097.57. The foregoing schedule of claims is published in accordance with Section 19-1102 of the Revised Statutes of Nebraska, and is published at an expense of \$\_\_\_\_\_ to the City of Kearney.

3. Approve the Use and Operations Agreement for Annex B in Hangar T-926 located at the Kearney Regional Airport between the City of Kearney and Li'l Red Aero, Inc. and adopt **Resolution No. 2010-179**.

#### **RESOLUTION NO. 2010-179**

BE IT RESOLVED by the President and Council of the City of Kearney, that the President be and is hereby authorized and directed to execute the Use and Operations Agreement on behalf of the City of Kearney, Nebraska, with Li'l Red Aero, Inc. for Annex B in Hangar T-926 located at the Kearney Regional Airport, a copy of the Agreement, marked Exhibit "1", is attached hereto and made a part hereof by reference.

PASSED AND APPROVED THIS 28TH DAY OF SEPTEMBER, 2010.

ATTEST:  
MICHAELLE E. TREMBLY  
CITY CLERK

STANLEY A. CLOUSE  
PRESIDENT OF THE COUNCIL  
AND EX-OFFICIO MAYOR

4. Approve the Use and Operations Agreement for Hangar T-385 between the City of Kearney and Otis Air Service for commercial storage of aircraft at the Kearney Regional Airport and adopt **Resolution No. 2010-180**.

#### **RESOLUTION NO. 2010-180**

BE IT RESOLVED by the President and Council of the City of Kearney, that the President be and is hereby authorized and directed to execute the Use and Operations Agreement on behalf of the City of Kearney, Nebraska, with Otis Air Service for Hangar T-385 at the Kearney Regional Airport, a copy of the Agreement, marked Exhibit "1", is attached hereto and made a part hereof by reference.

PASSED AND APPROVED THIS 28TH DAY OF SEPTEMBER, 2010.

ATTEST:  
MICHAELLE E. TREMBLY  
CITY CLERK

STANLEY A. CLOUSE  
PRESIDENT OF THE COUNCIL  
AND EX-OFFICIO MAYOR

5. Approve the Training Center Lease Agreement located at the Kearney Regional Airport between the City of Kearney and the Kearney Volunteer Fire Department and

adopt **Resolution No. 2010-181.**

**RESOLUTION NO. 2010-181**

BE IT RESOLVED by the President and Council of the City of Kearney, that the President be and is hereby authorized and directed to execute the Training Center Lease Agreement on behalf of the City of Kearney, Nebraska, with the Kearney Volunteer Fire Department, a copy of the Agreement, marked Exhibit "1", is attached hereto and made a part hereof by reference.

PASSED AND APPROVED THIS 28TH DAY OF SEPTEMBER, 2010.

ATTEST:  
MICHAELLE E. TREMBLY  
CITY CLERK

STANLEY A. CLOUSE  
PRESIDENT OF THE COUNCIL  
AND EX-OFFICIO MAYOR

6. Approve the Use and Operations Agreement for Annex A in Hangar T-926 located at the Kearney Regional Airport between the City of Kearney and Rodgers Helicopter Services and adopt **Resolution No. 2010-182.**

**RESOLUTION NO. 2010-182**

BE IT RESOLVED by the President and Council of the City of Kearney, that the President be and is hereby authorized and directed to execute the Use and Operations Agreement on behalf of the City of Kearney, Nebraska, with Rodgers Helicopter Services for Annex A in Hangar T-926 located at the Kearney Regional Airport, a copy of the Agreement, marked Exhibit "1", is attached hereto and made a part hereof by reference.

PASSED AND APPROVED THIS 28TH DAY OF SEPTEMBER, 2010.

ATTEST:  
MICHAELLE E. TREMBLY  
CITY CLERK

STANLEY A. CLOUSE  
PRESIDENT OF THE COUNCIL  
AND EX-OFFICIO MAYOR

7. Approve the Non-Owned Corporate Hangar Lease Agreement for Hangar T-926 between the City of Kearney and Triad Safety Systems, Inc. and adopt **Resolution No. 2010-183.**

**RESOLUTION NO. 2010-183**

BE IT RESOLVED by the President and Council of the City of Kearney, that the President be and is hereby authorized and directed to execute the Non-Owned Corporate Hangar Lease Agreement on behalf of the City of Kearney, Nebraska, with Triad Safety Systems, Inc. for Building T-926 located at the Kearney Regional Airport, a copy of the Agreement, marked Exhibit "1", is attached hereto and made a part hereof by reference.

PASSED AND APPROVED THIS 28TH DAY OF SEPTEMBER, 2010.

ATTEST:  
 MICHAELLE E. TREMBLY  
 CITY CLERK

STANLEY A. CLOUSE  
 PRESIDENT OF THE COUNCIL  
 AND EX-OFFICIO MAYOR

8. Approve the application for a Special Designated License submitted by Juan Lazo, dba El Tropic in connection with their IBK-37623 catering liquor license to dispense beer and distilled spirits in the Exhibit Building located at the Buffalo County Fairgrounds, 3807 Avenue N, on October 16, 2010 from 6:00 p.m. until 1:00 a.m. for a dance.

9. Approve Change Order No. 1 showing a deduct in the amount of \$27,929.75, Application and Certificate for Payment No. 2-Final in the amount of \$164,706.65 and accept the Certificate of Substantial Completion submitted by Dan Roeder Concrete and approved by Miller & Associates for the 2010 Part 3 Improvements – Bid B consisting of Paving Improvement District No. 2010-941 for Talmadge Street from the west lot line of Lot 1, Interstate Fifth Addition east to the east lot line of Lot B, Interstate Subdivision and adopt **Resolution No. 2010-184**.

**RESOLUTION NO. 2010-184**

WHEREAS, Dan Roeder Concrete, Inc. of Kearney, Nebraska has performed services in connection with the 2010 Part 3 Improvements – Bid B consisting of Paving Improvement District No. 2010-941 for Talmadge Street from the west lot line of Lot 1, Interstate Fifth Addition east to the east lot line of Lot B, Interstate Subdivision, and the City's engineer, Miller & Associates, have filed with the City Clerk Change Order No. 1 showing a deduct to the contract in the amount of \$27,929.75, as shown on Exhibit "A", attached hereto and made a part hereof by reference; and

WHEREAS, Dan Roeder Concrete, Inc. and the City's engineer, Miller & Associates, have filed with the City Clerk Application and Certificate for Payment No. 2-Final in the amount of \$164,706.65, as shown on Exhibit "B" attached hereto and made a part hereof by reference and as follows:

Original Contract Sum	\$233,059.00
Change Order No. 1 (9-28-2010)	- 27,929.75
Contract Sum To Date	205,129.25
Gross Amount Due	205,129.25
Retainage	.00
Amount Due to Date	205,129.25
Less Previous Certificates for Payment	<u>40,422.60</u>
Current Payment Due	\$164,706.65

WHEREAS, the Engineer and Contractor have now certified to the City Clerk that work is completed as of September 10, 2010, as shown by Exhibit "C" attached hereto and made a part hereof by reference.

NOW, THEREFORE, BE IT RESOLVED by the President and Council of the City of Kearney, Nebraska, and hereby find and determine that Change Order No. 1, as shown on Exhibit "A", Application and Certificate for Payment No. 2-Final, as shown on Exhibit "B", and the Certificate of Substantial Completion as shown on Exhibit "C" be and are hereby accepted and approved.

PASSED AND APPROVED THIS 28TH DAY OF SEPTEMBER, 2010.

ATTEST:  
 MICHAELLE E. TREMBLY  
 CITY CLERK

STANLEY A. CLOUSE  
 PRESIDENT OF THE COUNCIL  
 AND EX-OFFICIO MAYOR

**10.** Approve Application and Certificate for Payment No. 5 in the amount of \$478,491.92 submitted by Blessing, LLC and approved by Miller & Associates for the 2010 Part 1 Improvements consisting of Paving of 16th Street from 30th Avenue east to its terminus and the paving of 30th Avenue from North Railroad Street and 11th Street and adopt **Resolution No. 2010-185.**

**RESOLUTION NO. 2010-185**

WHEREAS, Blessing, LLC of Kearney, Nebraska has performed services in connection with the 2010 Part 1 Improvements consisting of paving 16th Street from 30th Avenue east to its terminus and the paving of 30th Avenue from North Railroad Street and 11th Street, and the City's engineer, Miller & Associates, have filed with the City Clerk Application and Certificate for Payment No. 5 in the amount of \$478,491.92, as shown on Exhibit "A" attached hereto and made a part hereof by reference and as follows:

Original Contract Sum	\$1,256,795.30
Change Order No. 1 (8-24-2010)	+ 5,812.40
Contract Sum To Date	1,262,607.70
Gross Amount Due	1,146,286.60
Retainage	57,314.33
Amount Due to Date	1,088,972.27
Less Previous Certificates for Payment	610,480.35
Current Payment Due	\$ 478,491.92

NOW, THEREFORE, BE IT RESOLVED by the President and Council of the City of Kearney, Nebraska, and hereby find and determine that Application and Certificate for Payment No. 5, as shown on Exhibit "A", be and is hereby accepted and approved.

PASSED AND APPROVED THIS 28TH DAY OF SEPTEMBER, 2010.

ATTEST:  
 MICHAELLE E. TREMBLY  
 CITY CLERK

STANLEY A. CLOUSE  
 PRESIDENT OF THE COUNCIL  
 ANE EX-OFFICIO MAYOR

**11.** Approve Change Order No. 2 showing a deduct in the amount of \$110,408.80, Application and Certificate for Payment No. 6-Final in the amount of \$119,309.90, and accept the Certificate of Substantial Completion submitted by Midlands Contracting and approved by Miller & Associates for the 2009 Part 12 Improvements consisting of Water Connection District No. 2009-4 and Sanitary Sewer Connection District No. 2009-2 in 11th Street from the existing main in 11th Street and Kea West Avenue to 30th Avenue, 30th Avenue between North Railroad Street and 11th Street, and 16th Street from 30th Avenue east to its terminus and adopt **Resolution No. 2010-186.**

**RESOLUTION NO. 2010-186**

WHEREAS, Blessing, LLC of Kearney, Nebraska has performed services in connection with the 2009 Part 12 Improvements consisting of Water Connection District No. 2009-4 and Sanitary Sewer Connection District No. 2009-2 in 11th Street from the existing main in 11th Street and Kea West Avenue to 30th Avenue, 30th Avenue between North Railroad Street and 11th Street, and 16th Street from 30th Avenue east to its terminus, and the City's engineer, Miller & Associates, have filed with the City Clerk Change Order No. 2 showing a deduct to the contract in the amount of \$110,408.80, as shown on Exhibit "A", attached hereto and made a part hereof by reference; and

WHEREAS, Blessing, LLC and the City's engineer, Miller & Associates, have filed with the City Clerk Application and Certificate for Payment No. 6-Final in the amount of \$119,309.90, as shown on Exhibit "B" attached hereto and made a part hereof by reference and as follows:

Original Contract Sum	\$2,269,439.00
Change Order No. 1 (9-28-2010)	<u>- 110,408.80</u>
Contract Sum To Date	2,159,030.20
Gross Amount Due	2,159,030.20
Retainage	.00
Amount Due to Date	2,159,030.20
Less Previous Certificates for Payment	<u>2,039,720.30</u>
Current Payment Due	\$ 119,309.90

WHEREAS, the Engineer and Contractor have now certified to the City Clerk that work is completed as of August 5, 2010, as shown by Exhibit "C" attached hereto and made a part hereof by reference.

NOW, THEREFORE, BE IT RESOLVED by the President and Council of the City of Kearney, Nebraska, and hereby find and determine that Change Order No. 2, as shown on Exhibit "A", Application and Certificate for Payment No. 6-Final, as shown on Exhibit "B", and the Certificate of Substantial Completion as shown on Exhibit "C" be and are hereby accepted and approved.

PASSED AND APPROVED THIS 28TH DAY OF SEPTEMBER, 2010.

ATTEST:  
MICHAELLE E. TREMBLY  
CITY CLERK

STANLEY A. CLOUSE  
PRESIDENT OF THE COUNCIL  
AND EX-OFFICIO MAYOR

**12.** Approve Change Order No. 1 showing an increase in the amount of \$8,284.00 and Application and Certificate for Payment No. 1 in the amount of \$73,363.50 submitted by Blessing, LLC and approved by Miller & Associates for the 2010 Part 2 Improvements – Bid B consisting of Paving Improvement District No. 2010-938 for 8th Street from 16th Avenue east to the east line of Block One of Park View Estates Fifth Addition; Paving Improvement District No. 2010-939 for 16th Avenue from 8th Street to 11th Street; Paving Improvement District No. 2010-940 for 15th Avenue from 8th Street to 11th Street and adopt **Resolution No. 2010-187.**

**RESOLUTION NO. 2010-187**

WHEREAS, Blessing, LLC of Kearney, Nebraska has performed services in connection with the 2010 Part 2 Improvements – Bid B consisting of Paving Improvement District No. 2010-938 for 8th Street from 16th Avenue east to the east line of Block One of Park View Estates Fifth Addition; Paving Improvement District No. 2010-939 for 16th Avenue from 8th Street to 11th Street; Paving Improvement District No. 2010-940 for 15th Avenue from 8th Street to 11th Street, and the City's engineer, Miller & Associates, have filed with the City Clerk Change Order No. 1 showing an increase to the contract in the amount of \$8,284.00, as shown on Exhibit "A", attached hereto and made a part hereof by reference; and

WHEREAS, Blessing, LLC and the City's engineer, Miller & Associates, have filed with the City Clerk Application and Certificate for Payment No. 1 in the amount of \$73,363.50, as shown on Exhibit "B" attached hereto and made a part hereof by reference and as follows:

Original Contract Sum	\$698,752.00
Change Order No. 1 (9-28-2010)	<u>+ 8,284.00</u>
Contract Sum To Date	707,036.00
Gross Amount Due	81,515.00
Retainage	8,151.50
Amount Due to Date	73,363.50
Less Previous Certificates for Payment	<u>.00</u>
Current Payment Due	\$ 73,363.50

NOW, THEREFORE, BE IT RESOLVED by the President and Council of the City of Kearney, Nebraska, and hereby find and determine that Change Order No. 1, as shown on Exhibit "A" and Application and Certificate for Payment No. 1, as shown on Exhibit "B" be and are hereby accepted and approved.

PASSED AND APPROVED THIS 28TH DAY OF SEPTEMBER, 2010.

ATTEST:  
 MICHAELLE E. TREMBLY  
 CITY CLERK

STANLEY A. CLOUSE  
 PRESIDENT OF THE COUNCIL  
 ANE EX-OFFICIO MAYOR

**13.** Approve Change Order No. 1 showing a deduct in the amount of \$7,972.59, Application and Certificate for Payment No. 3-Final in the amount of \$228,573.54 and accept the Certificate of Substantial Completion submitted by Midlands Contracting and approved by Miller & Associates for the 2010 Part 2 Improvements – Bid A consisting of Water District No. 2010-559 for 8th Street from 16th Avenue east to the east line of Block One of Park View Estates Fifth Addition; and for 15th Avenue from 8th Street to 11th Street; and for 16th Avenue from 8th Street to 11th Street; and Sanitary Sewer District No. 2010-499 for 8th Street from 16th Avenue east to the east line of Block One of Park View Estates Fifth Addition; and for 15th Avenue from 8th Street to 11th Street; and for 16th Avenue from 8th Street to 11th Street and adopt **Resolution No. 2010-188.**

**RESOLUTION NO. 2010-188**

WHEREAS, Midlands Contracting of Kearney, Nebraska has performed services in connection with the 2010 Part 2 Improvements – Bid A consisting of Water District No. 2010-559 for 8th Street from 16th Avenue east to the east line of Block One of Park View Estates Fifth Addition; and for 15th Avenue from 8th Street to 11th Street; and for 16th Avenue from 8th Street to 11th Street; and Sanitary Sewer District No. 2010-499 for 8th Street from 16th Avenue east to the east line of Block One of Park View Estates Fifth Addition; and for 15th Avenue from 8th Street to 11th Street; and for 16th Avenue from 8th Street to 11th Street, and the City's engineer, Miller & Associates, have filed with the City Clerk Change Order No. 1 showing a deduct to the contract in the amount of \$7,972.59, as shown on Exhibit "A", attached hereto and made a part hereof by reference; and

WHEREAS, Midlands Contracting and the City's engineer, Miller & Associates, have filed with the City Clerk Application and Certificate for Payment No. 3-Final in the amount of \$228,573.54, as shown on Exhibit "B" attached hereto and made a part hereof by reference and as follows:

Original Contract Sum	\$515,988.00
Change Order No. 1 (9-28-2010)	<u>- 7,972.59</u>
Contract Sum To Date	508,015.41
Gross Amount Due	508,015.41
Retainage	.00
Amount Due to Date	508,015.41
Less Previous Certificates for Payment	<u>279,441.87</u>
Current Payment Due	\$228,573.54

WHEREAS, the Engineer and Contractor have now certified to the City Clerk that work is completed as of August 31, 2010, as shown by Exhibit "C" attached hereto and made a part hereof by reference.

NOW, THEREFORE, BE IT RESOLVED by the President and Council of the City of Kearney, Nebraska, and hereby find and determine that Change Order No. 1, as shown on Exhibit "A", Application and Certificate for Payment No. 3-Final, as shown on Exhibit "B", and the Certificate of Substantial Completion as shown on Exhibit "C" be and are hereby accepted and approved.

ATTEST:  
 MICHAELLE E. TREMBLY  
 CITY CLERK

STANLEY A. CLOUSE  
 PRESIDENT OF THE COUNCIL  
 AND EX-OFFICIO MAYOR

**14.** Approve Change Order 1 showing an increase in the amount of \$2,945.97, Change Order No. 2 showing an increase in the amount of \$1,558.00, and Change Order No. 3 showing an increase in the amount of \$11,074.34 and accept the Certificate of Substantial Completion submitted by Blessing, LLC and approved by Miller & Associates for the paving of 56th Street and adopt **Resolution No. 2010-189.**

**RESOLUTION NO. 2010-189**

WHEREAS, Blessing, LLC of Kearney, Nebraska has performed services in connection with the paving of 56th Street, and the City's engineer, Miller & Associates, have filed with the City Clerk Change Order No. 1 showing an increase to the contract in the amount of \$2,945.97, as shown on Exhibit "A", Change Order No. 2 showing an increase to the contract in the amount of \$1,558.00, as shown on Exhibit "B", and Change Order No. 3 showing an increase to the contract in the amount of \$11,074.34, as shown on Exhibit "C" attached hereto and made a part hereof by reference; and

Original Contract Sum	\$1,229,950.50
Change Order No. 1 (9-28-2010)	+ 2,945.97
Change Order No. 2 (9-28-2010)	+ 1,558.00
Change Order No. 3 (9-28-2010)	+ <u>11,074.34</u>
Contract Sum To Date	\$1,232,896.47

WHEREAS, the Engineer and Contractor have now certified to the City Clerk that work is completed as of August 26, 2010, as shown by Exhibit "D" attached hereto and made a part hereof by reference.

NOW, THEREFORE, BE IT RESOLVED by the President and Council of the City of Kearney, Nebraska, and hereby find and determine that Change Order Nos. 1, 2 and 3, as shown on Exhibits "A", "B", and "C", and the Certificate of Substantial Completion as shown on Exhibit "D" be and are hereby accepted and approved.

ATTEST:  
MICHAELLE E. TREMBLY  
CITY CLERK

STANLEY A. CLOUSE  
PRESIDENT OF THE COUNCIL  
AND EX-OFFICIO MAYOR

**15.** Approve Change Order No. 1 showing an increase in the amount of \$13,102.00 submitted by Central Contracting and approved by Wilkins Hinrichs Stober Architects for the Kearney Regional Airport Terminal Addition and Renovation Project and adopt **Resolution No. 2010-190.**

**RESOLUTION NO. 2010-190**

WHEREAS, Central Contracting of Kearney, Nebraska has performed services in connection with the construction of the Kearney Regional Airport Terminal Addition and Renovation Project, and the City's engineer, Wilkins Hinrichs Stober Architects, have filed with the City Clerk Change Order No. 1 showing an increase to the contract sum in the amount of \$13,102.00, as shown on Exhibit "A", attached hereto and made a part hereof by reference as follows:

Original Contract Sum	\$694,450.00
Change Order No. 1 (9-28-2010)	+ <u>13,102.00</u>
Contract Sum to Date	\$707,552.00

NOW, THEREFORE, BE IT RESOLVED by the President and Council of the City of Kearney, Nebraska, and hereby find and determine that Change Order No. 1, as shown on Exhibit "A", be and is hereby accepted and approved.

PASSED AND APPROVED THIS 28TH DAY OF SEPTEMBER, 2010.

ATTEST:  
MICHAELLE E. TREMBLY  
CITY CLERK

STANLEY A. CLOUSE  
PRESIDENT OF THE COUNCIL  
AND EX-OFFICIO MAYOR

**16.** Approve the Development Agreement between the City of Kearney and Kent and Heidi Narber-Richter for the construction of a single family dwelling on a tract of land described as part of the East Half of the Southwest Quarter of Section 19, Township 9 North, Range 15 West of the 6th P.M., Buffalo County, Nebraska and allowing the City access to 62nd Street right-of-way for future use and adopt **Resolution No. 2010-191.**

**RESOLUTION NO. 2010-191**

BE IT RESOLVED BY THE PRESIDENT AND COUNCIL OF THE CITY OF KEARNEY, NEBRASKA that the agreement entitled "Development Agreement Between Kent and Heidi Narber-Richter and the City of Kearney, Buffalo County, Nebraska" allowing Kent and Heidi Narber-Richter to construct a single family dwelling and allowing the City access to 62nd Street right-of-way for future use when necessary be and is hereby accepted and approved. The Agreement, is marked as Exhibit 1 and is attached hereto and made a part hereof by reference.

BE IT FURTHER RESOLVED that the President of the Council be and is hereby authorized and directed to execute the same agreement on behalf of the City of Kearney.

PASSED AND APPROVED THIS 28TH DAY OF SEPTEMBER, 2010.

ATTEST:  
MICHAELLE E. TREMBLY  
CITY CLERK

STANLEY A. CLOUSE  
PRESIDENT OF THE COUNCIL  
AND EX-OFFICIO MAYOR

**17.** Accept the public improvements constructed under, and in accordance with, the terms of the Developer Constructed Infrastructure Agreements for Lot 1, Stoneridge Fourth Addition and for Stoneridge Eighth Addition to the City of Kearney, Buffalo County, Nebraska and adopt **Resolution No. 2010-192.**

**RESOLUTION NO. 2010-192**

WHEREAS, on the 22nd day of April, 2008 the President and Council of the City of Kearney, Nebraska passed and approved Resolution No. 2008-62 authorizing the President of the Council to execute the Developer Constructed Infrastructure Agreement between the City of Kearney and 56 Stoneridge LLC, by Wade Inc., a Managing Member, for the installation of paving, water and sewer improvements for Lot 1, Stoneridge Fourth Addition to the City of Kearney, Buffalo County, Nebraska (east of the Pedcor Apartments on 56th Street); and

WHEREAS, on the 22nd day of April, 2008 the President and Council of the City of Kearney, Nebraska passed and approved Resolution No. 2008-63 authorizing the President of the Council to execute the Developer Constructed Infrastructure Agreement between the City of Kearney and NP Land Development and Nebraska National Bank for the installation of paving, water and sewer improvements for

Stoneridge Eighth Addition to the City of Kearney, Buffalo County, Nebraska (west of Avenue K from 56th Street to 64th Street and north of 56th Street along Avenue K to 62nd Street); and

WHEREAS, the Developers have constructed the public improvements in accordance with the requirements and standards set forth in Article 13 "Developer Constructed Infrastructure" of Chapter 9 "Public Works" of the Code of the City of Kearney; and

WHEREAS, in accordance with Section 9-1318 "Acceptance of Article 13 "Developer Constructed Infrastructure" of Chapter 9 "Public Works" of the Code of the City of Kearney the Developer has, by and through its attorney, certified to the City that there are no liens or other encumbrances against the construction work; and

WHEREAS, the City's Engineers have determined that the work is in compliance with the design and is complete.

NOW THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND COUNCIL OF THE CITY OF KEARNEY, NEBRASKA, that the public improvements constructed under, and in accordance with, Article 13 "Developer Constructed Infrastructure" of Chapter 9 "Public Works" of the Code of the City of Kearney for Lot 1, Stoneridge Fourth Addition to the City of Kearney, Buffalo County, Nebraska and for Stoneridge Eighth Addition to the City of Kearney, Buffalo County, Nebraska and that the said public improvements be and are hereby accepted.

PASSED AND APPROVED THIS 28TH DAY OF SEPTEMBER, 2010.

ATTEST:  
MICHAELLE E. TREMBLY  
CITY CLERK

STANLEY A. CLOUSE  
PRESIDENT OF THE COUNCIL  
AND EX-OFFICIO MAYOR

**18.** Approve the Plans and Specifications for the 2010 Part 5 Improvements consisting of Paving Improvement District No. 2010-944 commencing at a point 250 feet east of 11th Avenue and from a point 250 feet west of 11th Avenue in and including all of 56th Street, and commencing at the south line of 56th Street thence northerly to the north line of Spruce Hollow Boulevard in and including all 11th Avenue, 57th Street Place, 59th Street, 61st Street, 61st Street Place, 62nd Street Place and Spruce Hollow Boulevard; Water District No. 2010-561 commencing at the south line of 56th Street thence northerly to the north line of Spruce Hollow Boulevard in and including all 11th Avenue, 57th Street Place, 59th Street, 61st Street, 61st Street Place, 62nd Street Place and Spruce Hollow Boulevard; and Sanitary Sewer District No. 2010-501 commencing at the south line of 56th Street thence northerly to the north line of Spruce Hollow Boulevard in and including all 11th Avenue, 57th Street Place, 59th Street, 61st Street, 61st Street Place, 62nd Street Place and Spruce Hollow Boulevard and set the bid opening date for October 20, 2010 at 2:00 p.m.

**19.** Approve the Request for Proposal submitted by Krull Agency, Inc. of Hastings, Nebraska and adopt **Resolution No. 2010-193** designating them as the City's Health Care Benefits Consultant.

**RESOLUTION NO. 2010-193**

WHEREAS, Requests for Proposals were received and opened on August 27, 2010 for healthcare benefits consultant services for the City of Kearney, Nebraska; and

WHEREAS, on September 8, 2010 the Healthcare Benefits Consultant Selection Committee, consisting of Shawna Erbsen and Wendell Wessels reviewed the proposals and have recommended the proposal offered by the Krull Agency, Inc. of Hastings, Nebraska, be accepted.

NOW, THEREFORE, BE IT RESOLVED by the President and City Council of the City of Kearney, Nebraska, that the Committee's recommendation is hereby accepted and approved, that the Krull Agency of Hastings, Nebraska, be accepted for healthcare benefits consultant services for three years beginning on October 1, 2010 to be performed in accordance with the "Healthcare Benefits Consultant Services Contract", a copy of which is marked as "Exhibit A" is attached hereto and made a part hereof by reference.

PASSED AND APPROVED THIS 28TH DAY OF SEPTEMBER, 2010.

ATTEST:  
MICHAELLE E. TREMBLY  
CITY CLERK

STANLEY A. CLOUSE  
PRESIDENT OF THE COUNCIL  
AND EX-OFFICIO MAYOR

## **V. CONSENT AGENDA ORDINANCES**

None.

## **VI. REGULAR AGENDA**

### **KEARNEY HOUSING AGENCY ANNUAL REPORT**

Mayor Clouse opened for discussion the Kearney Housing Agency Annual Report.

Executive Director Elaine Wiseman presented this matter to the Council. As required by law, she has submitted the Annual Report and the Energy Audit which is required by HUD to be done every five years. She believed their Energy Audit went well, and the four recommendations resulting from the audit will be able to be accomplished in the coming year. The highlight of this last fiscal year was the fact it was the 50th year of existence. They have served the Kearney community with housing for the past 50 years. They had an open house to celebrate and advertised throughout the year in the Kearney Hub. The City also did a proclamation for them. The other event this year commemorated serving 100,000 meals at the pavilion since it started.

Financially, they received almost \$287,000 in ARRA funds. They had until March of 2010 to obligate those funds and they had them obligated and expended prior to the deadline. In the month of April, they made their last payment. They used those funds to do some energy efficient projects at Kearney Manor by installing heat pumps and tankless hot water heaters.

The day of this Council meeting she received their FSS score (which is not included in the Annual Report) where they received 93 out 100 possible points on their report card for the year ending March 31, 2010. They are definitely a high performer and she is very happy with anything over 90 points. She commended the Kearney Housing Authority board, whose members are very diligent and conscience and interested in moving forward.

Council member Lammers asked if there are additional needs in the City of Kearney that are not being met for low income housing. Ms. Wiseman stated that is a difficult question to answer in a short amount of time. There are a lot of opportunities in Kearney for people who have difficulty in paying rent in the private market. They do have a waiting list, but many times a wait list is not an accurate picture because when they start going through the list, they find many people are no longer there. A housing study would be more accurate to get a feel for what is available and what is not. Affordable housing means different things to different people. The living wage is a big component of where affordable housing issues can be determined. The greater share of the wage is \$8-\$10 per hour which is not compatible with \$500, \$600, \$700 a month rent. She believed it would be worth taking a look to see what is needed for Kearney's growth. Buffalo County Partners periodically does a housing study.

Moved by Lammers seconded by Buschkoetter to accept the Kearney Housing Agency Annual Report submitted by Executive Director Elaine Wiseman. Roll call resulted as follows: Aye: Clouse, Lammers, Kearney, Buschkoetter. Nay: None. Lear absent. Motion carried.

### **CASEY'S GENERAL STORE #2884; ADDITION TO PREMISES**

Mayor Clouse opened for discussion the Application for Addition to Liquor License submitted by Casey's Retail Company, dba Casey's General Store #2884 located at 115 East 25th Street in connection with their Class B-86848 liquor license.

On September 10, 2010 the City received an Application for Addition to Liquor License submitted by Casey's General Store #2884 in connection with their Class B-86848 liquor license located at 115 East 25th Street. Casey's Retail Company purchased Holiday Station Store and was issued a license in August of 2010. When Casey's came before the City Council in April, they indicated that their employees receive comprehensive in-store training.

Casey's would like to expand the current facility by adding a one-story 50 foot by 68 foot to the west side of the building. According to Development Services, a permit was issued for the construction of the addition and they continue to work with them until completed. According to Fire Administrator Ken Tracy, they did not see any concerns with regard to the addition.

Jim Tacha, General Supervisor for Casey's General Stores, presented this matter to the Council. They are in the process of doing an addition to their store by gutting the entire store. They will be adding a kitchen and sub sandwiches and some other items. Because of the size of the addition, they were required to resubmit for the liquor license addition. They have not had any infractions on liquor for quite some time and they have just implemented quarterly training on alcohol sales. Their policy is an immediate dismissal policy because they now scan the ID with their registers which is almost fool proof.

Moved by Buschkoetter seconded by Clouse to approve the Application for Addition to Liquor License submitted by Casey's Retail Company, dba Casey's General Store

#2884 located at 115 East 25th Street in connection with their Class B-86848 liquor license. Roll call resulted as follows: Aye: Clouse, Lammers, Kearney, Buschkoetter, Lear. Nay: None. Motion carried.

**OPEN ACCOUNT CLAIMS: NPPD - \$522.37, PLATTE VALLEY STATE BANK - \$52,757.75**

Moved by Kearney seconded by Lammers that Open Account Claims in the amount of \$52,757.75 payable to Platte Valley State Bank, and in the amount of \$522.37 payable to Nebraska Public Power District be allowed. Roll call resulted as follows: Aye: Kearney, Buschkoetter, Lammers. Nay: None. Clouse abstained. Lear absent. Motion carried.

## **VII. REPORTS**

### **UPDATE ON AIRPORT STATUS**

City Manager Michael Morgan discussed the Airport status. He stated a few months ago they discussed with the Council, the Air Transportation Committee, the Chamber, the Development Council and others about some of the concerns City staff has with the Airport and meeting enplanement numbers. The 10,000 enplanements at the Airport dictates that Kearney receives \$1 million in federal funding which is how Kearney maintains its primary airport status. This is important from the standpoint of the federal government essential air service and the FAA. In 2007, 2008 and 2009, Kearney met the 10,000 criteria. Last year was difficult and the Airport had to become creative near the end of the year to achieve that goal. This year, the projected numbers are about 9,300 so it is uncertain Kearney is going to have enough creativity to get it to the 10,000 enplanements.

First, nationally the air travel has been impacted over the last 18 months. Secondly, Grand Island with its direct flight going west has impacted Kearney. Thirdly, as was discussed in the past, the Airport is a Class III status airport which means that it can only have passenger planes land that are 30 passengers or less. In the past, staff has presented comparisons of local airports, such as Grand Island is a Class I and North Platte is a Class II. North Platte does a lot of charter flights and has hit their enplanements in the past; however, their numbers are down as well.

Revenues from the Kearney Airport have increased over the past few years with revision of the airport leases. The Airport received about \$560,000 in operating revenue. In 2004-2005, they were running with a \$154,000 shortfall and with the changes over time it is getting fairly close to making that up.

As they begin this evaluation of the classes, it is the level of the service which the airport provides by its certification or class, minimum of services falling under one of three classes. Class I are the larger airports; Omaha, Lincoln, Grand Island serving all types of scheduled operations of aircraft designed for at least 31 passenger seats, large air carrier aircraft and any other type of air carrier operations. Class II airports are those airports that serve scheduled operations of small air carrier aircraft and unscheduled operations of large air carrier aircraft. Class II airports are not permitted to serve

scheduled large air carrier operations. Class III is how the Kearney airport operates; serving only scheduled operations of small air carrier aircraft, less than 31 seats.

In reviewing, there are 381 Class I, 53 Class II and 38 Class III airports in the United States that service air passenger traffic. The benefits of going from a Class III to a Class II are that it provides that designation as the primary status airport. Kearney would be eligible to access discretionary FAA funds over and above the \$1 million. Kearney would have the ability to compete for charter flights above 30 passengers. Kearney would have to improve its fire protection service which is the biggest requirement that the Kearney Airport would go to for a Class II status. This fire protection service would provide benefit to all passenger aircraft at the airport. The subsidy from the federal government that is provided to many airports, like Kearney, is to insure that it is able to provide passenger air traffic. There has been a lot of discussion about reducing the number of essential air service airports. If Kearney were a Class II airport, it most likely would be better protected from those cuts than a Class III airport. It would have more potential to meet the 10,000 enplanements which is critical to receiving the additional funding.

The most critical cost of going from a Class III to a Class II airport would be the addition of two firefighters. The requirement is Kearney must have firefighter access in the center of the runway within a 3-minute response time of an aircraft. Kearney currently does not have sufficient staff to provide that service. It has nine paid staff and with respect to that it could not schedule that service. With the addition of Fire Station 3 in 2013 (likely to be located on 56th Street), Kearney would be providing additional firefighters at that time in order to meet the staffing requirements of that fire station. The initial training cost is about \$15,000. They have actually completed a lot of that training. They also have the firefighter rescue equipment which would meet the requirements at the airport which Kearney has received in previous years.

This year at the airport, there will be sealcoat improvements, airport terminal parking lot (2012), new aircraft rescue and fire station (2013) using some federal funds. However, Fire Station 3 would still be primarily used for the airport. There will be a runway extension in 2014 and rehab of the main runway estimated at \$13 million which does not include the \$750,000 for the current terminal renovation. FAA has reported that they support all of these projects at 95 percent and 5 percent would be paid locally. The federal government has indicated they are going to invest significant funds in the Kearney Airport. Kearney has one of the best infrastructures for an airport, especially a Class III airport, in the country.

City staff wants to proceed in order to implement the Class II status on January 1, 2011 for the cost benefits as presented. They want to complete the terminal remodeling this year. The Class II status is simply an application process to the FAA for approval. They have expressed an interest for Kearney to go to a Class II in the past because of the amount of money they have invested in the airport and they would like to see it move to a Class II. The City has also submitted an application for a new grant for funds to do some analysis of where its passengers are coming from in order to do a better marketing job. City staff should hear back about that grant around November 1st.

It is important and critical that a decision is made and to explore how Kearney is going to pay for it. They have pending sales of some airport property which will provide sufficient funding for the staff for the next 2-2½ years before getting to the next phase of the airport.

The Council members indicated they would like the City staff to proceed with the reclassification.

### **VIII. ADJOURN**

Moved by Kearney seconded by Lammers that Council adjourn at 7:35 p.m. Roll call resulted as follows: Aye: Clouse, Buschkoetter, Lammers, Kearney. Nay: None. Lear absent. Motion carried.

**ATTEST:**

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**STANLEY A. CLOUSE  
PRESIDENT OF THE COUNCIL  
AND EX-OFFICIO MAYOR**

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**MICHAELLE E. TREMBLY  
CITY CLERK**