

COMMISSIONERS PROCEEDINGS

Madison, Nebraska

June 22, 2010

The Board of County Commissioners of Madison County, Nebraska met in regular session at 9:30 A.M.

Advance notice of meeting was published in the Thursday, June 17, 2010 edition of The Norfolk Daily News. A copy of said notice was mailed to each Board member. An affidavit of acknowledgment of receipt of notice of meeting as published was executed. Chairman Jerry McCallum called the meeting to order and notified the public of the location of the information regarding the Open Meeting Act posted in the meeting room.

Present: Commissioners Jerry McCallum, Rick Uhlir, and Lee Klein and County Clerk Nancy Scheer. County Highway Superintendent Richard Johnson joined the meeting at 9:56 A.M. Noxious Weed Board members Eudell Feldmann and Earl Reeves, and Noxious Weed Superintendent C.J. Rudnick, were present until 9:42 A.M.

Chairman Jerry McCallum read the following consent agenda items into the record:

- 1) Approval of minutes of the June 8, 2010 meeting
- 2) Acknowledge receipt of the continuation certificate for the Official Bond of Tim Means as Secretary/Treasurer of the Meadow Grove Rural Fire District
- 3) Approval of Gary Warner's Lot Split located in Section 34-24-4

- 4) RESOLUTION #2010-26

WHEREAS, Check No. 10050465, dated May 25, 2010, and drawn on the General Fund in the amount of sixty one dollars and eighty two cents (\$61.82), was made payable to Gina Wright, 1617 Blackberry Drive, Norfolk, Nebraska 68701, and

WHEREAS, said check was not tendered, but remains in the possession of the Madison County Clerk,
NOW, THEREFORE, BE IT RESOLVED that Check No. 10050465, dated May 25, 2010, and drawn on the General Fund in the amount of sixty one dollars and eighty two cents (\$61.82), is hereby cancelled.

- 5) RESOLUTION #2010-27

BE IT RESOLVED, that the following securities held in safekeeping by Midwest Independent Bank, Jefferson City, Missouri, to secure deposits of this county in Midwest Bank, N.A., Pierce, Nebraska, be and the same hereby are approved:

| | |
|--|---------------------------|
| YORK CNTY NEB SCH DIST #012 | Midwest Independent Bank |
| Cusip: 986365DQ4 | Jefferson City, Missouri |
| Receipt Date: 04/29/2010 | Maturity Date: 12/15/2017 |
| Receipt Number: JC44319 | \$250,000.00 |
| CUMING CNTY NE SCH DIST 0030 RFDG WISNER | Midwest Independent Bank |
| Cusip: 23088RBT3 | Jefferson City, Missouri |
| Receipt Date: 06/11/2010 | Maturity Date: 12/15/2021 |
| Receipt Number: JC48486 | \$130,000.00 |
| CUMING CNTY NE SCH DIST 0030 RFDG WISNER | Midwest Independent Bank |
| Cusip: 23088RBU0 | Jefferson City, Missouri |
| Receipt Date: 06/11/2010 | Maturity Date: 12/15/2022 |
| Receipt Number: JC48487 | \$130,000.00 |

Motion was made by Klein and seconded by Uhlir to approve the consent agenda. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

Motion was made by Klein and seconded by Uhlir to approve the regular agenda. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

Noxious Weed Board members Eudell Feldmann and Earl Reeves, and Noxious Weed Superintendent C.J. Rudnick, were present to discuss closure of the Noxious Weed Fund. County Clerk Nancy Scheer explained that LB 731 adopted during the 2010 Legislative session eliminates the requirement for a county to maintain a separate Noxious Weed Fund. She reported that the effective date of the bill is July 15, 2010 and the current statutes require that collections by the weed superintendent be credited to the Noxious Weed Fund. She explained that as long as the weed superintendent does not deposit any money with the County Treasurer between July 1, 2010 and July 15, 2010, then the county could close the fund prior to the July 15, 2010 effective date of the legislative bill. Mrs. Scheer stated that she spoke to Weed Superintendent C. J. Rudnick regarding weed spraying assessments and Mr. Rudnick advised that he completed some spraying along the Cowboy Trail and mailed a bill for the services; however, he didn't think the payment would be received prior to July 15, 2010. She stated that the budget committee proposes to eliminate the Noxious Weed Fund and to establish a separate function within the Road/Bridge Fund, which is similar to all the office functions set up in the County General Fund. She stated that any revenue that is collected by the weed superintendent would be deposited into the Road/Bridge Fund as a line item revenue, just like it was listed as a line item revenue in the Noxious Weed Fund.

Weed Superintendent C.J. Rudnick questioned if future checks for weed spraying should be payable to Road/Bridge Fund instead of Weed Fund and County Clerk Nancy Scheer responded that checks would be payable to Madison County and the County Treasurer would be informed that weed spraying assessments received after July 15, 2010 would be deposited into the Road/Bridge Fund. Chairman McCallum questioned if all future herbicides and insecticides could be purchased as tax exempt and C.J. Rudnick also questioned if he would have tax issues on future chemical purchases. County Clerk Nancy Scheer responded that nothing would change from the aspect of the control that the weed department has for future purchases and she was unsure if future chemical purchases would be tax exempt because there would continue to be a separate weed department with a five-member Governing Board. She explained that the proposal will only eliminate a separate Noxious Weed Fund which will become a function of the Road/Bridge Fund. She recommended that C.J. Rudnick research the tax exempt purchase of chemicals. Weed Board member Eudell Feldmann stated that there were some questions regarding the wording of Weed Board versus Weed Authority with regard to tax exemption. C.J. Rudnick advised that he was told that the wording difference put the weed department in a gray area with regard to the tax exempt purchase of chemicals.

Commissioner Lee Klein stated that the law says that sales tax must be paid unless the entity has an exemption and the county is exempt. Chairman McCallum concurred that since there is a separate Noxious Weed Board and weed department, there shouldn't be any change with regard to chemical purchases.

County Clerk Nancy Scheer explained that just because the expenditures and revenue would become a function in another fund doesn't give the County Weed Board any more or less power. She explained that under state law the Noxious Weed Board is an entirely separate elected governing board that oversees the functions of the weed department. In addition, she reported that the current Noxious Weed Fund did not have any separate taxing authority. She explained that when the budget is received from the weed department, the County Board looks at the funds requested; revenue received, cash on hand, and cash reserve and then determines the amount that is required to be raised through property taxes. She also explained that the property tax could not be levied in the Noxious Weed Fund, but was levied in the General Fund and then transferred to the Noxious Weed Fund. Mrs. Scheer stated that the budget committee is recommending that the weed department become a function of the Road/Bridge Fund where transfers are already being made from the General Fund. She reported that the weed department would continue to receive an operating statement every two weeks. Weed Board member Earl Reeves questioned if the weed spraying collections would continue to go the General Fund and County Clerk Nancy Scheer responded that the weed spraying assessments collected would be a separate revenue item in the Road/Bridge Fund. In addition, she stated that the Weed Board members probably never reviewed the revenue side of the Noxious Weed Fund, but C.J. Rudnick has obtained copies of the entire Noxious Weed Fund, including the revenue and expenditures to submit with state reports.

Noxious Weed Board member Eudell Feldmann questioned if Platte County has a Noxious Weed Board. County Clerk Nancy Scheer responded that she checked with the State Auditor's Office who advised that very few counties have an elected County Weed Board because most of them have been dissolved. Weed Superintendent C.J. Rudnick stated that he believes there are 16 counties who have elected weed boards.

After discussion, the following resolution was introduced:

RESOLUTION #2010-28

WHEREAS, the Board of Commissioners finds that it would be more efficient to establish an office function in the Road/Bridge Fund to provide for expenditures previously budgeted in the Noxious Weed Fund, and

WHEREAS, property taxes have been levied and other revenue has from time to time been deposited into the Noxious Weed Fund,

NOW, THEREFORE BE IT RESOLVED that the Noxious Weed Fund shall be closed at the end of business on June 30, 2010 and a corresponding office function shall be established in the Road/Bridge Fund, and

BE IT FURTHER RESOLVED, that the Madison County Treasurer is hereby directed to transfer all funds remaining in the Noxious Weed Fund at the close of business on June 30, 2010 to the Road/Bridge Fund.

Motion was made by Uhlir and seconded by Klein that the foregoing resolution be adopted. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

County Clerk Nancy Scheer presented the budget balances for the General Fund office functions and reported that the only budget that exceeded the budget allocation was the Juvenile Detention office function in General Fund by the amount of \$2,920.70. She reported that the County Jail budget has adequate funds to transfer to the Juvenile Detention Office and she recommended that a resolution be adopted authorizing this transfer. She recommended that additional funds be transferred to the Road/Bridge Fund, Federal Aid Secondary Fund, and Noxious Weed Fund to pay for current expenditures and also to provide for adequate cash reserve for payment of future expenses.

After discussion, the following resolutions were introduced:

RESOLUTION #2010-29

WHEREAS, due to unforeseen circumstances, proposed expenditures exceed budget authority allocated for the Juvenile Detention office function in the General Fund Budget, and

WHEREAS, budget authority in the County Jail budget, also an office function of the General Fund Budget, is adequate to allow for a transfer to meet current fiscal year expenditures,

NOW, THEREFORE, BE IT RESOLVED, that an additional two thousand nine hundred twenty one dollars (\$2,921.00) of budget authority is hereby allocated to the Juvenile Detention office function from the County Jail office function.

Motion was made by Klein and seconded by Uhlir that the foregoing resolution be adopted. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

RESOLUTION #2010-30

WHEREAS, the 2009-2010 fiscal year budget, adopted by the Board of Commissioners of Madison County, Nebraska, commits up to \$2,471,734 from the General Fund to pay for expenditures exceeding monies available in the Road/Bridge Fund and to provide for adequate cash reserve in said fund; and

WHEREAS, the 2009-2010 fiscal year budget, adopted by the Board of Commissioners of Madison County, Nebraska, commits up to \$600,000 from the General Fund to provide funds for major construction projects in Federal Aid Secondary Fund; and

WHEREAS, the 2009-2010 fiscal year budget, adopted by the Board of Commissioners of Madison County, Nebraska, commits up to \$145,236 from the General Fund to pay for expenditures exceeding monies available in the Noxious Weed Fund; and

WHEREAS, the 2009-2010 fiscal year budget, adopted by the Board of Commissioners of Madison County, Nebraska, commits up to \$564,189 from the Inheritance Tax Fund to provide funds for major construction projects in Federal Aid Secondary Fund; and

WHEREAS, \$1,000,000 has previously been transferred during the current fiscal year from General Fund to the Road/Bridge Fund; and

WHEREAS, \$70,000 has previously been transferred during the current fiscal year from General Fund to the Noxious Weed Fund; and

WHEREAS, monies in the Road/Bridge Fund and Noxious Weed Fund are now insufficient to meet the current expenditures approved by the Board of Commissioners; and

WHEREAS, it is necessary to provide for cash balances in the Road/Bridge Fund and Federal Aid Secondary Fund to provide funding until adoption of the 2010-2011 fiscal year budget; and

WHEREAS, unused budget authority in General Fund and Inheritance Tax Fund is adequate to provide for additional interfund transfers to Road/Bridge Fund, Noxious Weed Fund, and Federal Aid Secondary Fund as budgeted;

NOW, THEREFORE, BE IT RESOLVED, that one million four hundred seventy-one thousand seven hundred thirty-four dollars (\$1,471,734.00) be transferred from General Fund to Road Bridge Fund, and six hundred thousand dollars (\$600,000.00) be transferred from General Fund to Federal Aid Secondary Fund, seventy-five thousand two hundred thirty-six dollars (\$75,236.00) be transferred from General Fund to Noxious Weed Fund, and five hundred sixty-four thousand one hundred eighty-nine dollars (\$564,189.00) be transferred from Inheritance Tax Fund to Federal Aid Secondary Fund to provide adequate cash balances in said funds.

Motion was made by Uhlir and seconded by Klein that the foregoing resolution be adopted. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

Members of the Madison County Library Association were in attendance to present an annual report. They presented a skit used at the summer reading programs in the libraries.

Mardell Kohl, Meadow Grove Librarian, reported that the county funds were used as matching funds for a Libri Foundation grant which resulted in the library receiving \$1,250 worth of children's books for \$350. In addition, she reported that the funds were also used for purchasing accu-cut dies, books, and movies.

Kathy Strong, Newman Grove librarian, reported that the county funds are mainly used to purchase books. She reported that the Newman Grove library also received a Libri grant that was used for math, science, and story books. She stated that the county funds were also used to support the summer reading program this year. In addition, she reported that an employee from the Nebraska Game and Parks came to the library and brought several animals and a representative from the Shell Creek Watershed group will also speak to the children in the summer reading program. She expressed her appreciation for the county funds.

Nicole Lawless, Madison librarian, reported that typically books for the library are purchased with funds from the Madison Library Foundation; however, funding has decreased during the last two years so the county funds have really helped subsidize book purchasing. She reported that the funds were also used to increase the DVD movie collection since there has been an incredible increase in the usage of the library for DVD checkouts. She also reported that she is updating the young adult book collection since most of the books were based from the 1960s and now the circulation rates have tripled. She stated that the county funds have been a great help to the Madison library in purchasing books and movies. Commissioner Uhlir questioned if the library has a selection of books on tapes and Nicole Lawless stated that she has purchased some for the library; however, there has not been much usage. She encouraged Commissioner Uhlir to come to the Madison library and check out the audio books so she has a reason to purchase more.

Dixie Kucera, Tilden librarian, reported that many programs have been scheduled at the Tilden library. She submitted a copy of a monthly newsletter and a report itemizing the use of the county funds. She extended her appreciation for the support of the county. In addition, she submitted a proposal from the Madison County Library Association for funding in the amount of \$37,500 for the next fiscal year and explained that the request is not an increase from the prior year. She reported that she is retiring and she introduced Cindy Simon who will serve as the new librarian.

Madison librarian Nicole Lawless reported that Battle Creek librarian Kathy Bretschneider apologized that she was unable to attend the Board meeting; however, they are moving their library and are having some water issues. She reported that the report from the Battle Creek library was included in the packet distributed to the Commissioners.

Chairman McCallum questioned if free access to Ancestry.com would be a good asset in the libraries. Madison librarian Nicole Lawless responded that, in her opinion, it would get a lot of usage. She reported that Nebraska Access provides a genealogy heritage quest, but it is not user friendly. She stated that Ancestry.com is very easy to use and most of the people doing genealogy work are not highly experienced with computers.

Board members thanked the librarians for their annual report and stated that the funding request would be considered during the budget process. No further action was taken.

County Highway Superintendent Richard Johnson reported that flooding from recent storms requires the County Board to consider closing a segment of Nucor Road. He explained that he is recommending closing the Nucor Road west of the railroad track crossing by the Nucor plant. He reported that the Norfolk Fire and Rescue has expressed concerns of closing a portion of the Nucor Road; however, if an emergency occurs rescue personnel could go around the barricades. He reported that he spoke with Dirk Petersen, General Manager of Nucor, who advised that Nucor has not had an ambulance at the plant site this year and they have never had a fire call.

Commissioner Klein questioned if the road closing was temporary or permanent and County Highway Superintendent Richard Johnson responded that this would be a temporary road closing. He explained that if the road closure was permanent the county would be required to have a public hearing and provide notice to the adjoining landowners. In addition, he reported that barricades would be placed west of the railroad crossing by the Nucor plant so all traffic must access the Nucor plant from the east, except emergency vehicles which could disregard the barricades. County Highway Superintendent Richard Johnson reported that this road closure was in response to the lack of rail service in Norfolk at the current time and for safety reasons due to the increased truck traffic in the area. He stated that Stanton County would also work on this road closure issue by asking the Nebraska Department of Roads to place an electronic sign along Highway 35. He explained that the Nebraska Department of Roads will have a traffic engineer looking at the possibility of reducing the speed limit and placing a temporary signal at the location of Eastwood and Highway 35.

After discussion the following resolution was introduced:

RESOLUTION # 2010-31

WHEREAS, recent flooding in Madison County especially along the Elkhorn River has caused significant damage to public and private infrastructure; and

WHEREAS, the Union Pacific Railroad/Nebraska Central Railroad bridge across the Elkhorn River was washed out due to the flooding resulting in no rail service into Norfolk until the bridge can be repaired or replaced; and

WHEREAS, industries served by the Nebraska Central Railroad will have to truck materials and product over existing county roads, which are in poor condition; and

WHEREAS, the additional trucks create a safety hazard to the traveling public and will further damage the existing county roads;

NOW, THEREFORE BE IT RESOLVED that the Nucor Road be temporarily closed to all traffic in accordance with the Manual on Uniform Traffic Control Devices at a point immediately west of the railroad crossing west of the Stanton County line until further notice and that Madison County will install signs and barricades as required by said MUTCD, provided that emergency vehicles may disregard the barricades.

BE IT FURTHER RESOLVED that this resolution shall be in full force and effect upon erection of the required signs and barricades.

Motion was made by Klein and seconded by Uhlir that the foregoing resolution be adopted. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

County Highway Superintendent Richard Johnson reported that, in his opinion, the contractor for the Victory Road project submitted good prices for the project. He explained that in order to protect Nucor Road and 1st Street from heavy truck traffic he recommended entering into a change order with the contractor, Elkhorn Paving Construction Co., Inc. of Norfolk, to construct a road from Victory Road that would go east around the Louis Dreyfus Commodities ethanol plant and then tie into the Nucor plant entrance. Mr. Johnson estimated that the project would be approximately one mile long with an estimated cost of \$1 million. He stated that one concern with all the flood damage is that Madison County, Stanton County, and the City of Norfolk may have a cash flow problem by making major road repairs due to flood damage and then waiting for reimbursement from FEMA. He explained that he spoke with Dirk Petersen, General Manager of Nucor, and Nucor plans to construct a new half-mile section of road heading south from their plant which will intersect with Industrial Road. In addition, he stated that in order to get Victory Road open as soon as possible, the Victory Road project would be suspended north of the entrance into the ethanol plant until the new one mile of road is completed. Mr. Johnson stated that the contractor could then finish the remainder of the Victory Road project. He explained that this would take pressure off the county roads because Norfolk Iron and Metal and Louis Dreyfus ethanol plant could use Victory Road. Commissioner Klein stated that when the contractor starts the remaining portion of the Victory Road project from the ethanol plant to Norfolk Iron and Metal's driveway, Norfolk Iron and Metal will need to use 1st Street until the Victory Road project is completely finished. County Highway Superintendent Richard Johnson reported that the railroad crossing project is completed. He stated that he reviewed the County Purchasing Act and it refers to emergencies and, in his opinion, the construction of the additional one-mile project qualifies as an emergency, plus the fact that the county already has bid prices for the Victory Road project. Commissioner Klein questioned if Elkhorn Paving is willing to use the same prices as they submitted for the Victory Road project and County Highway Superintendent Richard Johnson responded that the contractor is currently reviewing the bid prices. Chairman McCallum stated that the county would probably get the project completed at a cheaper price with a change order than completing a separate bid process. Commissioner Klein stated that he is really in favor of completing a change order for the additional one-mile project because the contractor submitted very good prices for the Victory Road project and is already on the site. County Highway Superintendent Richard Johnson explained that the one-mile project would be a three-lane concrete surface which will be tapered to two-lanes after the ethanol plant entrance.

After discussion, it was moved by Uhlir and seconded by Klein to authorize the Board Chairman to enter into a change order with Elkhorn Paving Construction Co., Inc. on the Victory Road Project to incorporate Ethanol Road improvements due to an emergency caused by the flooding. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

County Highway Superintendent Richard Johnson reported that there is a possibility that the railroad company would want to use the Recovery Zone bonds for the repair of the damaged railroad bridge located southwest of Norfolk. He explained that he prepared a resolution that designates Madison County as a recovery zone, which would allow the use of the Recovery Zone bonds within the county. He reported that there is no obligation on the part of the county.

After discussion, the following resolution was introduced:

RESOLUTION #2010-32

A RESOLUTION DESIGNATING A RECOVERY ZONE PURSUANT TO THE AMERICAN RECOVERY AND REINVESTMENT TAX ACT OF 2009 FOR THE PURPOSE OF ISSUING RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS AND RECOVERY ZONE FACILITY BONDS.

WHEREAS, Madison County (the "Public Entity") has received an allocation of the national Recovery Zone Economic Development Bonds limitation in the amount of \$2,565,000 and an allocation of the national Recovery Zone Facility Bonds limitation in the amount of \$3,847,000 pursuant to the American Recovery and Reinvestment Tax Act of 2009, codified in Title 26 of the United States Code and Internal Revenue Service, Notice 2009-50, issued on June 12, 2009 (collectively, the "Allocations"); and

WHEREAS, the Public Entity understands that the Allocations are to be used for the issuance of Recovery Zone Economic Development Bonds and Recovery Zone Facility Bonds pursuant to Section 1400U-2 or 1400U-3, respectively, of the Internal Revenue Code of 1986, as amended (the "Code"), such bonds referred to collectively as "Recovery Zone Bonds"; and

WHEREAS, the Public Entity understands that Recovery Zone Bonds are to be issued with respect to or to finance certain expenditures located in or attributable to an area within the jurisdiction of the Public Entity that the Public Entity determines has a significant level of one or more of the following factors: poverty, unemployment, home foreclosures, or general distress (such factors referred to herein as the "Distress Factors"); and

WHEREAS, the Public Entity has determined that the Distress Factors have been caused by one or more of the "Underlying Conditions of Distress" described in Section 1 hereof; and

WHEREAS, the Public Entity desires to designate the area described in Section 3 as a "Recovery Zone" to provide for the possible issuance of Recovery Zone Bonds (such area being referred to herein as the "Recovery Zone");

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF MADISON COUNTY, AS FOLLOWS:

Section 1. Underlying Conditions of Distress. The Board of Commissioners of Madison County hereby finds and determines that the Recovery Zone identified in Section 3 suffers from one or more of the following conditions (each an "Underlying Condition of Distress"):

| Check Those that apply | |
|-------------------------------------|---|
| <input checked="" type="checkbox"/> | The Recovery Zone has experienced significant increases in unemployment during the calendar years 2008 and 2009. |
| <input type="checkbox"/> | The Recovery Zone has experienced significant increases in home foreclosures and business failures [during the calendar years 2008-2009]. |
| <input type="checkbox"/> | The Recovery Zone suffers from significant poverty. |
| <input type="checkbox"/> | Within the entire Recovery Zone there is a significant number of buildings and improvements which, by reason of dilapidation, deterioration, age or obsolescence, illegal use of individual structures, presence of structures below minimum code standards, abandonment, excessive vacancies, inadequate provision for ventilation, light, air sanitation, utilities or open spaces, high density of population and overcrowding of buildings, overcrowding of land, the existence of conditions which endanger life or property by fire and other causes, excessive land coverage, deleterious land use or layout, depreciation of physical maintenance, and lack of community planning, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare of the Recovery Zone. |
| <input type="checkbox"/> | There are substantial real properties on which there is a vacant structure and on which real property taxes have been delinquent for one year or more and orders have been issued by the Recovery Zone's fire official, building official or health official, and there has been no compliance with those orders within the prescribed time given by such official or within ninety days, whichever is longer, or the owner has declared in writing to the building official that the property is abandoned or there has been a determination by the Governing Body that the vacant structure contributes to housing blight. |
| <input checked="" type="checkbox"/> | The Recovery Zone has generally suffered from declining population or an increase in property tax delinquency. |
| <input checked="" type="checkbox"/> | The Recovery Zone has suffered from a material decline (using historical numbers) in retail sales. |
| <input type="checkbox"/> | The Recovery Zone has experienced a decline in property tax or sales tax revenues, resulting in budget cuts and an ensuing reduction in the governmental services provided by the Public Entity within the Recovery Zone since 2008. |
| <input type="checkbox"/> | The Recovery Zone has experienced economic distress by reason of the closure or realignment of a military installation pursuant to the Defense Base Closure and Realignment Act of 1990. |
| <input type="checkbox"/> | A significant portion of the Recovery Zone has been designated as an empowerment zone or renewal community before February 17, 2009. |

Section 2. Distress Factors. The Governing Body hereby finds and determines that, as a result of the Underlying Condition(s) of Distress, the Recovery Zone has experienced a significant level of one or more of the Distress Factors (*i.e.* poverty, unemployment, home foreclosures, or general distress):

Section 3. Designation of Recovery Zone. Based upon the findings and determinations of the Underlying Condition(s) of Distress and the resulting Distress Factors, the Governing Body hereby designates the following area as the "Recovery Zone" for the Public Entity:

| | |
|-------------------------------------|---|
| Check one | |
| <input checked="" type="checkbox"/> | The Recovery Zone includes the <u>entire area</u> within the jurisdictional boundaries of the Public Entity. |
| <input type="checkbox"/> | The Recovery Zone includes the entire area within the jurisdictional boundaries of the Public Entity, <u>excluding</u> the area(s) identified in the attachment hereto. |
| <input type="checkbox"/> | The Recovery Zone includes only the area(s) identified in the attachment hereto. |

Section 4. Further Action. The appropriate staff and officers of the Public Entity are authorized and directed: to take all necessary steps to indentify appropriate projects for which the issuance of bonds will further the goals established for Recovery Zone Bonds in order to cure the Distress Factors within the Recovery Zone; to identify other economic development incentives and programs which may be available under Federal or Nebraska laws for such projects which will further the goals established for Recovery Zone Bonds; and to work with the Nebraska Department of Economic Development to plan for the issuance of Recovery Zone Bonds for identified projects.

Motion was made by Klein and seconded by Uhlir that the foregoing resolution be adopted. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

County Highway Superintendent Richard Johnson recommended that the County Board of Commissioners approve a letter of intent regarding the Recovery Zone Bonds. He explained that he drafted a letter which states that there is a total of \$19,900,000 of bonding authority through the Recovery Zone bonds, with the Norfolk project using \$10 million and allowing the remaining \$9.9 million to be allocated for the railroad bridge. County Highway Superintendent Richard Johnson explained that if the railroad wants to use the Recovery Zone bonds, the application must be submitted by July 1, 2010, so he was unsure if all the paperwork could be completed in such a short amount of time. He stated that this is one step which would allow the railroad an opportunity to use Recovery Zone bond funds if they desired to do so.

Chairman McCallum explained that Madison County was offered the Recovery Zone bonds and the county subsequently allocated the funds to the City of Norfolk. He stated that the City of Norfolk has already designated the funds for several projects, but with the county's approval the City of Norfolk can re-allocate the funds for other projects. County Highway Superintendent Richard Johnson explained that Elkhorn Valley Economic Development Council had a project to revitalize the Tyson plant and they requested money from the pool of unallocated funds so they had a total of \$19.9 million. He reported that the Tyson building project is currently projected at \$10 million, so there is \$9.9 million that is available to offer to the railroad.

Motion was made by Uhlir and seconded by Klein to authorize the Board Chairman to sign the letter of intent regarding re-allocation of the Recovery Zone Facility Bonds for the NA CoPack project in the amount of \$10,000,000 and the Railroad Bridge in the amount of \$9,905,000. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

Doug DeBerg, rail coordinator for Louis Dreyfus Commodities, and Nathan Brabec, commodities merchandiser for Louis Dreyfus Commodities, met with the Board to discuss the loss of rail service to the area due to damage to the railroad bridge. Mr. DeBerg stated that, in order to keep the Norfolk plant operating, the ethanol must be trucked to a facility where it can be loaded into rail cars to continue on with the transportation process. He reported that they inspected many sites and have decided to use a site in Madison located along the rail site that is east of the main railroad line south of Highway 32 across from Ochsner Grain Company. He reported that they plan to work in the area between the rail site and the main line and create a roadway at this location so that the trucks can pull off of Highway 32, unload the material, and then try to exit through the county yard, and turn back to Highway 32. Mr. DeBerg explained that they plan to scrape the mud off the ground and rock it.

Chairman McCallum questioned how many trucks would use this site each day and if traffic signs should be installed. Nathan Brabec responded that between 10 to 25 trucks would use this location each day. Mr. DeBerg stated that the Madison City Mayor expressed a concern about the two right angle intersections. Chairman McCallum responded that if trucks are coming west through the county yard, the county would make sure that there are no obstructions between the county shop building to the intersection so trucks could turn north. In addition, he stated that the corner at the intersection of Third and Hamilton Streets is difficult for trucks to maneuver because there are high curves on the north side. Mr. DeBerg stated that they plan to have the trucks make a complete circle through the county yard and go down on the east side of the old existing elevator buildings and come back to Highway 32 so the trucks could stay off the city streets as much as possible.

Mr. DeBerg explained that the county was the last hurdle in their plan to load rail cars in Madison. Chairman McCallum stated that the City of Madison does not have any equipment to maintain roads, so if any assistance is required to maintain the road during the company's use, they should contact him. Mr. DeBerg reported that D & D Industries owns the southern half of the rail track and has agreed to also work with the ethanol plant. He stated that the railroad track that must be repaired is owned by the railroad and will be fixed by Louis Dreyfus Commodities. Chairman McCallum stated that transportation won't be a problem once everyone gets used to the extra truck traffic and Madison County will do anything it can to assist.

No action was taken by the Board.

The Board reviewed the following reports and correspondence:

- County Clerk May fee report
- County Treasurer fund balance report
- Register of Deeds May fee report
- Sale of surplus property report
- Minutes of June 11, 2010 meeting of the Veterans' Service Committee
- Minutes of the May 18, 2010 meeting of PrairieLand RC&D and June newsletter

The following claims were audited:

| | | GENERAL FUND | |
|--|---|--------------|------------|
| Total Net Payroll | | | 114,454.10 |
| Mark Albin | Legal Services, County Court | | 3,217.85 |
| Albracht Disposal Service | Garbage Service, Public Defender | | 41.00 |
| Albracht Disposal Service | Garbage Service, Courthouse | | 94.00 |
| Albracht Disposal Service | Garbage Service, County Jail | | 155.00 |
| American Express | Uniforms, County Sheriff | | 179.38 |
| American Family Life Assurance Company | Insurance Premiums | | 553.56 |
| Ameritas Life Insurance Corporation | Employee Share Retirement | | 7,242.45 |
| Ameritas Life Insurance Corporation | Employer Share Retirement | | 10,646.08 |
| Ameritas Life Insurance Corporation | Insurance Premiums | | 356.66 |
| Carol Andrews | Mileage, County Extension | | 6.00 |
| Antelope County Sheriff | Service Fees, County Court | | 25.00 |
| Appeara | Mat Service, Public Defender | | 34.82 |
| Appeara | Mat Service, Courthouse | | 168.78 |
| AS Central Services | Telephone Service, County Sheriff | | 32.00 |
| Aspen Publishers, Inc. | Subscription, Public Defender | | 1,718.69 |
| Associated Fire Protection | Inspection, County Jail | | 147.50 |
| Charles Balsiger | Legal Services, County Court | | 562.05 |
| BHS | Services, Juvenile Diversion | | 700.00 |
| BI Inc. | Monitoring Services, Juvenile Diversion | | 1,645.99 |
| Kenneth Bierman | Meals, Mileage, Veterans' Service Office | | 32.20 |
| Big Red Printing | Supplies, County Clerk | | 309.47 |
| Big Red Printing | Supplies, County Treasurer | | 2,549.09 |
| Big Red Printing | Supplies, Reappraisal | | 643.81 |
| Big Red Printing | Supplies, County Extension | | 120.40 |
| Big Red Printing | Supplies, County Attorney | | 367.83 |
| Big Red Printing | Supplies, Juvenile Diversion | | 64.50 |
| Black Hills Energy | Gas Service, Courthouse | | 123.62 |
| Black Hills Energy | Gas Service, County Jail | | 165.92 |
| Blue Cross Blue Shield of Nebraska | Insurance Premiums | | 117,879.35 |
| Bomgaars Supply Inc. | Equipment, County Sheriff | | 179.98 |
| Brady & Amy's Inc. | Fuel, Election Commissioner | | 49.81 |
| Brady & Amy's Inc. | Fuel, Courthouse | | 75.72 |
| Brady & Amy's Inc. | Fuel, County Sheriff | | 67.51 |
| Brandl Electric | Services, County Jail | | 526.40 |
| Al Brandl | Equipment, County Jail | | 97.32 |
| Joanie Brugger | Telephone Services, Victim Witness | | 75.00 |
| Buck's Specialty | Uniforms, County Sheriff | | 325.92 |
| Buck's Specialty | Uniforms, Juvenile Diversion | | 68.54 |
| Buck's Specialty | Uniforms, Victim Witness | | 68.02 |
| Cableone | Cable Services, Public Defender | | 125.95 |
| Cash-Wa Distributing | Supplies, Courthouse | | 699.40 |
| Central United Life Insurance Company | Insurance Premiums | | 37.21 |
| Champs Inc. | Equipment, County Sheriff | | 17,322.50 |
| City of Madison | Utilities, County Jail | | 2,779.70 |
| City of Norfolk | Utilities, Probation | | 116.78 |
| Civic Research Institute | Subscription, County Jail | | 179.95 |
| CMRS-FP | Postage, County Sheriff | | 1,000.00 |
| Gail Collins | Mileage, Registration, County Attorney | | 301.40 |
| Colonial Life and Accident Insurance | Insurance Premiums | | 154.67 |
| Complete Pest Elimination Inc. | Services, County Jail | | 125.00 |
| Connecting Point | Equipment, County Clerk | | 267.50 |
| Connecting Point | Equipment, County Treasurer | | 1,208.50 |
| Connecting Point | Equipment, County Assessor | | 1,238.00 |
| Connecting Point | Software, District Court | | 828.00 |
| Connecting Point | Supplies, District Judge | | 29.99 |
| Connecting Point | Supplies, Software, Equipment, County Sheriff | | 19,235.98 |
| Connecting Point | Equipment, County Attorney | | 1,176.00 |
| Connecting Point | Equipment, Probation | | 29.98 |
| Connecting Point | Internet Services, Veterans' Service Office | | 35.95 |
| Connecting Point | Software, District Court | | 276.00 |
| Constellation Energy | Gas Service, Courthouse | | 335.63 |
| Constellation Energy | Gas Service, County Jail | | 783.12 |

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| Continental Alarm & Detection | Inspection, County Jail | 450.00 |
| Copple, Rockey, McKeever & Schlecht, P.C., L.L.O. | Legal Services, County Court | 131.20 |
| Copycraft Printing | Supplies, County Treasurer | 1,052.50 |
| Copycraft Printing | Supplies, Probation | 374.90 |
| Correctional Counseling, Inc. | Publication, Probation | 275.09 |
| County Assessor's Association | Dues, County Assessor | 50.00 |
| Credit Bureau Services | Garnish of Wages | 131.41 |
| Credit Management Services, Inc. | Garnish of Wages | 124.95 |
| Culligan | Drinking Water Service, County Jail | 91.55 |
| Dick Day | Equipment, County Sheriff | 139.95 |
| Dell Marketing LP | Supplies, County Clerk | 208.99 |
| Dell Marketing LP | Supplies, District Court | 409.96 |
| Dent Specialists | Repairs, County Sheriff | 506.65 |
| Dental Distributors Inc. | Supplies, County Jail | 700.21 |
| Department of Revenue | Data Processing, County Assessor | 6,248.98 |
| Don's Auto Repair Inc. | Repairs, County Sheriff | 36.43 |
| Eakes Office Plus | Supplies, County Treasurer | 344.13 |
| Eakes Office Plus | Supplies, Equipment, County Court | 4,904.58 |
| Eakes Office Plus | Supplies, County Sheriff | 193.88 |
| Eakes Office Plus | Supplies, County Attorney | 1,606.84 |
| Eakes Office Plus | Supplies, Juvenile Diversion | 261.96 |
| Eakes Office Plus | Supplies, County Jail | 170.94 |
| Election Systems & Software Inc. | Programming, Printing, Election Commissioner | 9,641.19 |
| Electrical Engineering & Equipment Company | Supplies, Courthouse | 92.49 |
| Elite Office Products | Copier Maintenance, County Court | 71.90 |
| Embassy Suites Hotels | Lodging, District Court | 70.00 |
| Entertainment Unlimited | Services, County Jail | 5,334.35 |
| Enviromaster, Inc. | Supplies, County Jail | 42.00 |
| First Concord Benefits Group | Flex Plan, Deductible Buy-Down, Administrative Fees | 9,748.31 |
| Fitzgerald, Vetter & Temple | Legal Services, County Court | 424.00 |
| Floor Maintenance & Paper Supply | Supplies, County Jail | 513.87 |
| Floor Maintenance & Paper Supply | Supplies, Veterans' Service Office | 79.96 |
| Frontier Bank | Supplies, County Treasurer | 210.56 |
| Gall's Inc. | Uniforms, County Sheriff | 85.91 |
| Gall's Inc. | Uniforms, County Jail | 1,210.82 |
| Gasrite Inc. | Fuel, County Sheriff | 4,946.46 |
| Gordy's Towing & Repair | Repairs, County Sheriff | 191.44 |
| Richard Grant | Mileage, Planning and Zoning | 597.20 |
| Nancy Gross | Mileage, Register of Deeds | 240.00 |
| Hartford Life Insurance Company | Deferred Compensation | 50.00 |
| William Hatterman | Meals, Mileage, Veterans' Service Office | 36.45 |
| Darel Heppner | Meals, Veterans' Service Office | 18.50 |
| Marci Hjorth | Mileage, Law Enforcement | 15.00 |
| Homestead Homes of America Inc. | Architectural Services, Capital Acquisitions | 9,054.00 |
| Jeffrey Hrouda | Legal Services, County Court | 926.10 |
| IHC/Group Link | Insurance Premiums | 304.50 |
| Jack's Uniforms & Equipment | Uniforms, Supplies, County Sheriff | 1,560.13 |
| Jerry's Standard | Fuel, Supplies, County Sheriff | 45.78 |
| John's Disposal | Garbage Service, Probation | 38.00 |
| Johnson Engineering Company | Insurance Services | 500.00 |
| Johnson, Morland, Easland & Lohrberg, P.C. | Legal Services, County Court | 2,598.75 |
| K & S Door Company Inc. | Repairs County Jail | 132.00 |
| Pam Kesting | Mileage, Meals, County Extension | 54.00 |
| Kay Knapp | Mileage, Meals, County Extension | 14.50 |
| Larry Kohl | Meals, Mileage, Veterans' Service Office | 43.75 |
| Michelle Kroupa | Mileage, Meals, County Extension | 16.00 |
| LearningWare, Inc. | Software, County Extension | 410.00 |
| LMEP-SCIP | Registration, Juvenile Diversion | 350.00 |
| Lou's Thriftyway | Supplies, Courthouse | 3,150.00 |
| Louderback Drug | Prescriptions, County Jail | 1,885.20 |
| Madison County Clerk | Tax Deposit | 38,061.01 |
| Madison County Court | Filing Fees, Law Enforcement | 41.00 |
| Madison County Sheriff | Supplies, County Jail | 45.96 |
| Madison County Sheriff | Fees, County Court | 973.74 |
| Madison County Sheriff | Fees, District Court | 894.91 |
| Madison County Sheriff | Fees, Mental Health | 70.04 |
| Madison County Sheriff | Service Fees, Law Enforcement | 127.04 |
| Madison County Sheriff | Uniforms, County Sheriff | 71.94 |
| Madison County Treasurer | Insurance Reimbursement | 94.12 |
| Madison County Veterans' Service Office | Veterans Aid, Veterans' Service Office | 2,000.00 |
| Madison Foods | Supplies, Courthouse | 160.74 |
| Madison National Life | Insurance Premiums | 127.39 |
| Madison Star Mail | Publication Costs, County Treasurer | 33.25 |
| Christal McDonald | Court Reporting, Mental Health | 50.00 |
| Menards | Supplies, County Sheriff | 81.67 |
| Menards | Supplies, County Jail | 127.15 |
| Michael Foods Inc. | Supplies, Courthouse | 2,800.00 |

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| Microfilm Imaging Systems Inc. | Equipment Rental, County Clerk | 45.00 |
| Microfilm Imaging Systems Inc. | Equipment Rental, Register of Deeds | 31.50 |
| Microfilm Imaging Systems Inc. | Equipment Rental, County Court | 227.00 |
| Microfilm Imaging Systems | Equipment Rental, County Surveyor | 45.00 |
| Med-American Specialties | Supplies, County Sheriff | 1,232.02 |
| Midwest Office Automations | Copier Maintenance, Probation | 433.92 |
| Midwest Plumbing & Heating | Repairs, County Jail | 368.15 |
| MIPS | Supplies, County Treasurer | 2,133.49 |
| Morrissey Motor Company | Repairs, Reappraisal | 106.28 |
| Morrissey Motor Company | Repairs, County Sheriff | 290.05 |
| Evelyn Muegge | Mileage, County Extension | 6.00 |
| NASCO Fort Atkinson | Supplies, County Extension | 1,170.88 |
| Nationwide Retirement Solutions | Deferred Compensation | 370.00 |
| Nebraska Assessor Association | Registration, County Assessor | 125.00 |
| Nebraska Association of County Officials | Membership Dues | 2,005.76 |
| Nebraska Child Support Payment Center | Garnish of Wages | 505.84 |
| Nebraska Crime Commission | Publication, Victim Witness | 7.50 |
| Nebraska Health and Human Services | State Institution Costs | 753.00 |
| Nebraska Public Power District | Utilities, Planning and Zoning | 110.55 |
| Nebraska Public Power District | Utilities, Probation | 308.80 |
| Nebraska State Bar Association | Publications, District Court | 70.00 |
| Tracy Neidig | Mileage, County Extension | 30.00 |
| Mark Nelson | Mileage, County Extension | 6.00 |
| NIRMA | Insurance Premiums | 264,495.00 |
| Norfolk Daily News | Publication Costs, Election Commissioner | 2,418.13 |
| Norfolk Daily News | Publication Costs, County Extension | 5.14 |
| Norfolk Daily News | Publication Costs, Courthouse | 294.38 |
| Norfolk Printing Company | Supplies, County Sheriff | 430.53 |
| Norfolk Specialties | Repairs, County Sheriff | 36.00 |
| Northeast Community College | Lease, Operating Costs, County Extension | 3,726.55 |
| Northeast Nebraska Juvenile Services Inc. | Board of Prisoners, Juvenile Detention | 30,237.50 |
| Northeast Research & Extension Center | Equipment, Administrative Costs, County Extension | 4,304.87 |
| Rita Olberding | Postage, District Judge | 132.00 |
| Mel Olmer | Meal, Mileage, Veterans' Service Office | 31.50 |
| Valorie Olson | Court Reporting, Mental Health | 50.00 |
| Christy Owen | Mileage, County Extension | 97.00 |
| Sherry Peterson | Mileage, Telephone Service, Juvenile Diversion | 300.49 |
| Pierce County Sheriff | Service Fees, District Court | 18.50 |
| Pioneer Telephone | Telephone Service, Courthouse | 229.15 |
| Pitney Bowes | Equipment Rental, Courthouse | 930.00 |
| Platte County Court | Copies, Law Enforcement | 2.00 |
| Sarah Polacek | Mileage, Meals, County Extension | 282.00 |
| Postmaster | Postage, Veterans' Service Office | 124.60 |
| Puppy Love | Impound Fees, County Sheriff | 25.00 |
| Quality Inn & Suites | Lodging, County Clerk | 139.90 |
| Quality Inn & Suites | Lodging, Register of Deeds | 139.90 |
| Quill | Equipment, County Extension | 1,494.94 |
| Qwest | Telephone Services, County Jail | 17.66 |
| Qwest | Telephone Services, Probation | 314.95 |
| Rad, Inc. | Supplies, County Sheriff | 73.97 |
| Terry Radenslaben | Mileage, County Extension | 117.00 |
| Reserve Account | Postage, Courthouse | 34,800.00 |
| Jeffrey Rub | Mileage, County Extension | 9.00 |
| Saunders County Court | Copies, Law Enforcement | 3.25 |
| Marjorie Schaffer | Mileage, Meal, District Court | 147.77 |
| Nancy Scheer | Mileage, Election Commissioner | 275.00 |
| Schroeder Land Surveying | Services, County Surveyor | 1,520.00 |
| Sears | Equipment, Courthouse | 4,629.94 |
| Security Shredding | Services, Probation | 70.00 |
| Shell Fleet Plus | Fuel, Reappraisal | 176.28 |
| Shell Fleet Plus | Fuel, County Sheriff | 253.14 |
| Sheridan County Sheriff | Board of Prisoners, County Jail | 600.00 |
| Lee Sherry | Mileage, Meals, Lodging, Registration, County Extension | 1,207.13 |
| Short Stop | Fuel, County Sheriff | 155.79 |
| Sioux City Night Patrol | Guard Services, County Jail | 300.00 |
| Joseph Smith | Mileage, Law Enforcement | 97.50 |
| Mike Smith | Meals, Veterans' Service Office | 23.90 |
| Stratton, DeLay & Doele, P.C., L.L.O. | Legal Services, District Court | 3,501.09 |
| Stratton, DeLay & Doele, P.C., L.L.O. | Legal Services, County Court | 1,889.62 |
| Survey Monkey.com, L.L.C. | Subscription, Juvenile Diversion | 200.00 |
| Tilly's | Fuel, County Sheriff | 20.58 |
| Trane US Inc. | Maintenance Agreement, Equipment, Courthouse | 5,743.75 |
| Dave Unkel | Mileage, County Extension | 18.00 |
| U.S. Bank Corporate Payment System | Equipment, Meals, Supplies, County Sheriff | 668.66 |
| U.S. Bank Corporate Payment System | Lodging, County Attorney | 239.76 |
| U.S. Bank Corporate Payment System | Copies, Law Enforcement | 10.20 |
| U.S. Bank Corporate Payment System | Supplies, Juvenile Diversion | 186.51 |

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| Verizon Wireless | Telephone Services, Planning and Zoning | 57.40 |
| Verizon Wireless | Telephone Services, County Extension | 90.49 |
| Walmart Community | Supplies, Reappraisal | 140.66 |
| Melissa Wentling | Supplies, Public Defender | 79.67 |
| West Payment Center | Publication, County Attorney | 115.00 |
| West Payment Center | Publication, Law Library | 198.50 |
| Western Office Plus | Supplies, County Clerk | 1,577.76 |
| Western Office Plus | Supplies, County Treasurer | 3,720.51 |
| Western Office Plus | Supplies, Equipment, Register of Deeds | 756.14 |
| Western Office Plus | Supplies, Furniture, Planning and Zoning | 2,228.92 |
| Western Office Plus | Supplies, Equipment, District Court | 228.18 |
| Western Office Plus | Supplies, County Court | 1,791.33 |
| Western Office Plus | Supplies, Equipment, District Judge | 340.30 |
| Western Office Plus | Supplies, Public Defender | 834.97 |
| Western Office Plus | Supplies, Equipment, County Extension | 399.95 |
| Western Office Plus | Supplies, Copier Maintenance, County Sheriff | 1,187.99 |
| Western Office Plus | Supplies, County Attorney | 223.39 |
| Western Office Plus | Supplies, Juvenile Diversion | 1,543.00 |
| Western Office Plus | Furniture, Probation | 971.00 |
| Western Office Plus | Supplies, Equipment, Veterans' Service Office | 525.86 |
| Windshield Doctors | Repairs, Planning and Zoning | 279.33 |
| Zee Medical Service | Supplies, County Sheriff | 66.85 |
| Zippy Lube | Repairs, County Sheriff | 130.92 |

ROAD/BRIDGE FUND

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| Total Net Payroll | | 26,190.91 |
| Albracht Disposal Service | Garbage Service, District #1 | 40.00 |
| Randall Alder | Commercial Drivers License | 57.50 |
| American Family Life Assurance Company | Insurance Premiums | 260.60 |
| Ameritas Life Insurance Corporation | Employee Share Retirement | 1,508.49 |
| Ameritas Life Insurance Corporation | Employer Share Retirement | 2,262.50 |
| Ameritas Life Insurance Corporation | Insurance Premiums | 88.16 |
| Appeara | Towel Services, District #1, #2 | 178.42 |
| B's Enterprises | Culverts, District #3 | 5,337.00 |
| Bauer Built Inc. | Repairs, District #2, #3 | 164.00 |
| Beck's Equipment | Repairs, District #3 | 185.50 |
| Black Hills Energy | Gas Service, District #1 | 63.39 |
| Blue Cross Blue Shield of Nebraska | Insurance Premiums | 30,219.20 |
| Brady & Amy's Inc. | Fuel, District #1 | 1,085.52 |
| Bullseye Windshield Repair | Repairs, District #2 | 40.00 |
| Carquest Auto of Norfolk | Parts, District #1, #2 | 191.35 |
| Central Sand & Gravel | Gravel, District #1 | 2,976.54 |
| Colonial Life and Accident Insurance | Insurance Premiums | 121.80 |
| Constellation NewEnergy | Gas Service, District #1 | 76.08 |
| First Concord Benefits Group, L.L.C. | Flexible Benefit Plan, Deductible Buy Down, Admin Fees | 1,145.74 |
| Geotechnical Services Inc. | Services, District #1 | 5,885.00 |
| Green Line Equipment | Equipment Rental, District #3 | 2,660.00 |
| IHC/Group Link | Insurance Premiums | 12.42 |
| John Deere Credit | Equipment Rental, District #2 | 5,354.15 |
| Johnson Engineering Company | Engineering Services, District #1, #2, #3 | 2,475.00 |
| LaFleur Seed Mills | Seed, District #1 | 176.50 |
| Linweld Inc. | Supplies, District #2 | 56.48 |
| M & M Farm Supply | Shop Supplies, District #1 | 108.20 |
| Madison County Clerk | Tax Deposit | 8,200.62 |
| Madison National Life | Insurance Premiums | 33.78 |
| Matteo Sand & Gravel Company Inc. | Gravel, District #1, #2, #3 | 24,095.63 |
| Meisinger Oil Company Inc. | Fuel, District #1 | 5,958.27 |
| Menards | Shop Supplies, District #1, #2, #3 | 1,029.58 |
| Nebraska Public Power District | Utilities, District #2 | 95.91 |
| NMC Exchange LLC | Repairs, District #1, #2, #3 | 4,549.58 |
| NMC Inc. | Equipment, District #3 | 101,600.00 |
| Norfolk Implement Inc. | Parts, District #1 | 646.45 |
| Pioneer Telephone | Telephone Services, District #1, #3 | 65.05 |
| Powerplan | Repairs, District #2 | 99.75 |
| RF Machine Works | Parts, District #1 | 69.92 |
| Red Bud Hardware Inc. | Shop Supplies, District #3 | 19.30 |
| Rose Equipment Inc. | Parts, District #2 | 844.45 |
| Schaben Industries | Equipment, District #3 | 7,470.00 |
| Stanley Petroleum Maintenance | Parts, District #3 | 36.45 |
| T & K Chemicals | Chemicals, District #3 | 250.00 |
| Tom's Radiator | Repairs, District #1 | 845.84 |
| Transamerica Life Insurance Company | Insurance Premiums | 49.28 |
| Truck Center of Norfolk | Repairs, District #3 | 150.45 |
| Verizon Wireless | Telephone Services, District #2 | 59.43 |
| West Lumber Company | Shop Supplies, District #1 | 62.43 |
| Wick's Sterling Trucks Inc. | Parts, District #1 | 108.23 |

FEDERAL AID SECONDARY FUND

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| Elkhorn Paving Construction Company Inc. | Contract Services | 165,543.00 |
| Flinn Paving Company, Inc. | Asphalt Project | 781,539.21 |
| Johnson Engineering Company | Services | 32,560.00 |
| Mainelli, Wagner & Associates, Inc. | Contract Services | 15,228.50 |
| Mid-State Engineering & Testing, Inc. | Testing | 642.00 |

VISITORS PROMOTION FUND

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| Norfolk Area Chamber of Commerce | Administrative Costs | 2,023.44 |
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VISITORS IMPROVEMENT FUND

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| Norfolk Area Chamber of Commerce | Administrative Expense | 7,559.54 |
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INHERITANCE TAX FUND

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| John Rice | Inheritance Tax Reimbursement | 277.00 |
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LAW ENFORCEMENT OPERATING FUND

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| Madison County Sheriff | Supplies, Postage, Subscriptions | 1,673.14 |
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DRUG COURT FUND

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|-------------------------|----------|--------|
| A Small Affair | Supplies | 58.00 |
| Janessa Finley | Supplies | 8.56 |
| Kathryn Liebers | Supplies | 99.85 |
| On Call Employee Health | Testing | 210.00 |
| Putters | Supplies | 19.95 |
| Redwood Toxicology | Testing | 58.39 |

NOXIOUS WEED FUND

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| Total Net Payroll | | 2,348.58 |
| American Family Life Assurance Company | Insurance Premiums | 36.65 |
| Ameritas Life Insurance Corporation | Employee Share Retirement | 136.88 |
| Ameritas Life Insurance Corporation | Employer Share Retirement | 205.30 |
| Ameritas Life Insurance Corporation | Insurance Premiums | 14.64 |
| AS Central Services | Telephone Services | 44.67 |
| B & B Cycle Inc. | Repairs | 578.26 |
| Blue Cross Blue Shield of Nebraska | Insurance Premiums | 1,370.89 |
| Bomgaars | Shop Supplies | 921.56 |
| Cableone | Internet Services | 64.20 |
| Cornhusker Auto Center | Vehicle | 24,909.00 |
| Eastern Nebraska Trailer Repair, Inc. | Equipment | 918.80 |
| Eudell Feldmann | Mileage | 43.00 |
| First Concord Benefits Group | Flexible Benefit Plan, Administrative Fees | 41.46 |
| Gempler's | Equipment | 200.75 |
| Graham Tire | Repairs | 1,852.35 |
| HSBC Business Solutions | Supplies | 119.55 |
| IES Commercial, Inc. | Equipment | 625.00 |
| John's Disposal | Garbage Service | 26.00 |
| August Klug | Mileage | 6.00 |
| Light and Siren | Equipment | 845.93 |
| Madison County Clerk | Tax Deposit | 730.00 |
| Madison National Life | Insurance Premiums | 3.25 |
| Nebraska Child Support Payment Center | Garnish of Wages | 245.70 |
| Nebraska Public Power District | Utilities | 46.24 |
| Myron Nelson | Mileage | 39.00 |
| Norfolk Daily News | Publication Costs | 7.20 |
| Radio.com | Equipment | 456.85 |
| Earl Reeves | Mileage | 34.50 |
| Orin Rinkel | Mileage | 10.00 |
| Roderick Sign Company Inc. | Supplies | 67.20 |
| Schaben Industries | Equipment | 1,154.86 |
| Van Diest Supply Company | Chemicals | 1,943.59 |
| Western Office Plus | Supplies | 37.19 |

Motion was made by Uhlir and seconded by Klein to approve the claims as audited and authorize the County Clerk to issue checks for payment of said claims. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

The Board adjourned at 10:45 A.M. to Wednesday, July 7, 2010 at 9:30 A.M.

County Clerk

Chairman

BOARD OF EQUALIZATION MEETING

Madison, Nebraska

June 22, 2010

The Board of Equalization of Madison County, Nebraska met at 1:00 P.M. to conduct hearings on property valuation protests.

Advance notice of meeting was published in the Thursday, June 17, 2010 edition of The Norfolk Daily News. A copy of said notice was mailed to each Board member. An affidavit of acknowledgement of receipt of notice of meeting as published was executed. Chairman Lee Klein called the meeting to order and notified the public of the location of the Open Meeting Act information posted in the meeting room.

Present: Commissioners Jerry McCallum, Rick Uhlir, and Lee Klein, County Assessor Jeff Hackerott, and County Clerk Nancy Scheer.

Motion was made by McCallum and seconded by Uhlir to approve the agenda for the meeting. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

Motion was made by Uhlir and seconded by McCallum to approve the minutes of the meeting held on June 8, 2010. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

County Assessor Jeff Hackerott presented the following tax list corrections:

- #2619: Michael and Shelley Freudenburg, 54966 844th Road, Norfolk
Addition to the tax rolls in the amount of \$1,355.94 for acceleration of the 2009 real estate taxes due to a mobile home being moved out of the county
- #2520: Greentree Servicing, LLC, 1155 Centre Pointe, Dr., Suite 7, Mendota Heights, MN 55120
Addition to the tax rolls in the amount of \$548.70 for acceleration of the 2009 real estate taxes due to a mobile home being moved out of the county

After review, it was moved by McCallum and seconded by Uhlir to approve the tax list corrections as submitted. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

County Assessor Jeff Hackerott presented the following documents that were accepted by the Board as part of the official record for all property valuation protest hearings conducted in 2010:

- 1) Rules and Regulations of the Tax Equalization and Review Commission (TERC)
- 2) Copy of certification of assessment filed with the Madison County Clerk
- 3) Written statement of the basic procedures used to send valuation notices
- 4) Copy of Notice of Valuation Change
- 5) Generalized overview of the procedure used in Madison County Assessor's Office to determine value of real property
- 6) Nebraska Assessor's Reference Manual
 - A) Article 15 of Nebraska Statutes, Chapter 77
 - B) Real Property Appraisal Regulations: 44-001 through 44-005
- C) County Officials Regulations: 49-001 through 49-010
- D) Real Property Regulations: 40-001, 003, 004, 008, 010, 011, 012 and 013
- 7) I.A.A.O. Textbooks: Property Appraisal and Assessment Administration, Property Assessment Valuation, and Mass Appraisal of Real Property
- 8) Tax Equalization and Review Commission General Orders #4 through #8
- 9) Madison County Sales File Record (Residential, Commercial, and Agricultural)
- 10) Copy: Madison County Measures of Central Tendency as required under Nebraska Revised Statute Section 77-1315(4) (2000 Cum. Supp., as amended by Nebraska Laws L.B. 170 Section 6)
- 11) Copy: Property Valuation Protest Form 422
- 12) Nebraska Agricultural Land Valuation Manual
- 13) Map of Madison County Agricultural Market Areas for 2010
- 14) Copy of Confidential intra-office spreadsheet of adjustments made by location
- 15) Copy of Ag land values spreadsheet – 3 year comparison
- 16) Copy of Ag land values spreadsheet – values by market area
- 17) Soil Survey of Madison County published by US Dept. of Agriculture / Soil Conservation Service
- 18) 2010 Reports and Opinions of the Property Tax Administrator
- 19) Copy of Nebraska Administrative Code, Chapter 1 TERC Enabling Authority

Hearings were conducted on property valuation protests as follows:

Protest #2010-1: Richard E. Richardson, 3413 Fox Ridge, Norfolk
Fox Ridge Estates Addition Phase I Lot 2, Block 3

Chairman Klein opened a hearing at 1:05 P.M. Richard Richardson appeared at the hearing and reported that he has lived at the subject property for five years and he is concerned with the house valuation when compared with other properties located on the south side of Fox Ridge Avenue. He submitted a document that reflected the addresses and locations of the properties in Fox Ridge Estates Subdivision that he used for comparison purposes. He explained that the document also listed the valuations for each comparable property from 2004 through 2009, the square footage of each property, whether the house had a fireplace, and the square footage of the deck for each house. In addition, he explained that the other document was a chart that reflected the valuation changes of each comparable property from 2004 through 2009. Mr. Richardson reported that his house has the same floor plan as 3405 Fox Ridge Drive, only reversed; however, the valuations differ by approximately \$20,000. He stated that the valuation of 3415 Fox Ridge Drive is approximately \$10,000 lower than his house and the house located at 3409 Fox Ridge Drive has more square footage, a larger deck, and is one year newer than his home; however, the valuation is approximately \$14,000 lower than his property. He stated that in his opinion, the valuation of his house should be equal to or less than the valuation of the house located at 3415 Fox Ridge Drive. County Assessor Jeff Hackerott responded that the valuation of several of the comparable properties used by Mr. Richardson may be disproportionately low. Chairman Klein closed the hearing at 1:20 P.M. Motion was made by McCallum and seconded by Uhlir to set the 2010 property valuation at \$177,903. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays none. Motion carried.

Protest #2010-2: Royal Management, 2600 Mimick Drive, Norfolk
Koenigsteins Third Addition Lots 14 and 15, Block 3

Chairman Klein opened a hearing at 1:22 P.M. Brent Berner, representing Royal Management, testified that this property was purchased in September 2009 for \$40,000 after it had been listed on the market for some time. He reported that he looked at the property and wasn't interested in purchasing it; however, the realtor asked him to submit an offer since the previous owners were anxious to sell. He reported that the units were extensively cleaned, new flooring was installed in the kitchens and bathrooms, walls were patched, several doors were replaced, the units were painted, and trees were cleaned up. Mr. Berner estimated clean up costs between \$4,000 and \$8,000. He reported that only one unit was rented at the time of purchase; however, all four units are currently rented, with an average rent of \$440 per unit. He explained that he pays for garbage service and water for all the units and the tenants pay all other costs. Chairman Klein closed the hearing at 1:28 P.M. Motion was made by McCallum and seconded by Uhlir to set the 2010 property valuation at \$60,000. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays none. Motion carried.

Protest #2010-3: Brent Berner and Brad Albers, Triple B Management LLC, 1511 Longhorn, Norfolk
Tax Lots SW $\frac{1}{4}$ SE $\frac{1}{4}$ 15-24-1
Pt Tax Lot 8 and Vacant Street and Alley (Parcel #4)

Chairman Klein opened a hearing at 1:28 P.M. Brent Berner and Brad Albers appeared at the hearing. Brent Berner testified that they are in the process of closing on the sale of the subject properties consisting of three buildings with a total of 60 apartments for a sale price of \$870,000. He reported that the hallway carpet, doors, lights, and windows are all original. He stated that the average purchase price of each apartment was \$14,000. He submitted a copy of the closing statement for a comparable four-plex apartment unit located at 104-108 South 9th Street that was recently purchased for an average cost of \$10,000 per unit. Mr. Berner reported that there are 36 two-bedroom apartment units and 24 one-bedroom apartment units in the subject complex. He stated that the rent for the two-bedroom apartments averages between \$400 to \$450 per month and the rent for the one-bedroom apartments averages between \$330 and \$385 per month. In addition, he submitted copies of the 2009 income and expense statements and the year-to-date statements for 2010. Chairman Klein closed the hearing at 1:35 P.M. Motion was made by McCallum and seconded by Uhlir to set the 2010 property valuation at \$900,000. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays none. Motion carried.

Protest #2010-4: Eco-Lux Motel, Norfolk, LLC, 1005 Arno Road, Kansas City, MO
Desai's Second Addition Lot 2-R

Chairman Klein opened a hearing at 1:45 P.M. No one appeared at the hearing to offer verbal testimony. The written protest form was reviewed. County Assessor Jeff Hackerott reported that he reviewed the income and expense statements submitted by the protestor. Chairman Klein closed the hearing at 1:48 P.M. Motion was made by Uhlir and seconded by McCallum to make no change to the 2010 property valuation. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays none. Motion carried.

Protest #2010-5: Duane Timperley, 54941 845th Road, Norfolk
S $\frac{1}{2}$ SW $\frac{1}{4}$ 3-24-2 80 acres

Chairman Klein opened a hearing at 1:50 P.M. No one appeared at the hearing to offer verbal testimony. The written protest form was reviewed. County Assessor Jeff Hackerott reported that there are discrepancies regarding the number of acres of cropland on the market analysis, the owner's protest letter, and the county assessment record. Chairman Klein closed the hearing at 1:54 P.M. Motion was made by Uhlir and seconded by McCallum to make no change to the 2010 property valuation. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays none. Motion carried.

Protest #2010-6: Roger and Kimberly Foster, PO Box 1128, Madison
Clarks Addition N 37 ft Lot 3, Block 46

Chairman Klein opened a hearing at 1:37 P.M. Roger Foster was present at the hearing and testified that he purchased the property on November 25, 2009 at a cost of \$40,000. He stated that the property was listed on the market for almost a year for \$50,000. He explained that the house has two-bedrooms and no basement, only a 10 foot by 12 foot block room built on a slab under the house. He reported that a new central air conditioning unit was installed in the house after it was purchased and that the house is currently rented for \$475 per month. Mr. Foster submitted a copy of the buyer's closing statement for the property. Chairman Klein closed the hearing at 1:44 P.M. Motion was made by Uhlir and seconded by McCallum to set the 2010 property valuation at \$40,000. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays none. Motion carried.

Protest #2010-7: Brian Herrick, 83641 554th Avenue, Norfolk
Pt NE¼ SE¼ 20-23-1 1 AC

Chairman Klein opened a hearing at 2:10 P.M. No one appeared at the hearing to offer verbal testimony. The appraisal submitted by the owner was reviewed. County Assessor Jeff Hackerott reported that he reviewed the independent appraisal and the data appears to match the county assessment record. Chairman Klein closed the hearing at 2:14 P.M. Motion was made by McCallum and seconded by Uhlir to make no change to the 2010 property valuation. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays none. Motion carried.

Protest #2010-8: Central Nebraska Pizza Hut, PO Box 1866, Grand Island
Virginia's Addition Lot 3, Block 1 less pt. to state

Chairman Klein opened a hearing at 2:10 P.M. Michael Staab appeared at the hearing and submitted a spreadsheet listing the building sizes, assessed valuations, and assessment value per square foot for the three Pizza Hut buildings located in Norfolk, Culver's building, and Pizza Hut buildings located in Grand Island and Crete. He testified that the square foot assessed valuation of the subject property is higher than similar properties, including the Culver's building located in Norfolk and the Pizza Hut building located in Madison. He stated that the actual construction cost of the subject property is approximately the same at the assessed value. County Assessor Jeff Hackerott reported that the valuations of the Pizza Hut properties in other communities are disproportionately lower than the Madison County properties. He stated that the Culver's building sold in January 2010 for \$1,035,000. Chairman Klein closed the hearing at 2:23 P.M. Motion was made by McCallum and seconded by Uhlir to table a decision on the 2010 property valuation. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays none. Motion carried.

Protest #2010-9: Gary and Joanna Coolidge, 56020 845 Road, Norfolk
Pasewalks Fifth Addition Lot 5, Block 1

Chairman Klein opened a hearing at 2:29 P.M. Garry Coolidge appeared at the hearing and testified that he purchased the subject property in March 2010 for \$36,350. He explained that someone else purchased the property in 2010 and then re-sold it to him, so this is the second time the property sold in 2010. He reported that the house has three bedrooms, one bathroom, and no finished basement. He stated that the property is rented for \$600 a month. Chairman Klein closed the hearing at 2:32 P.M. Motion was made by McCallum and seconded by Uhlir to set the 2010 valuation at \$37,000. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays none. Motion carried.

Protest #2010-10: Patrick Jessen-McGrath, 54564 840 Road, PO Box 522, Battle Creek
ILL Tax Lots NE ¼ SE ¼ 1-23-3
Tax Lot 12 2.52 AC MH Lot 1

Chairman Klein opened a hearing at 2:34 P.M. Patrick Jessen-McGrath appeared at the hearing and testified that he is in the process of buying this 1974 mobile home for \$1,000. He reported that all the insulation underneath the mobile home is gone and that the floors need to be replaced. County Assessor Jeff Hackerott reported that he physically inspected the mobile home. Chairman Klein closed the hearing at 2:37 P.M. Motion was made by Uhlir and seconded by McCallum to set the 2010 valuation at \$1,000. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays none. Motion carried.

Commissioner Rick Uhlir left the meeting at 2:48 P.M.

Protest #2010-11: Erin Beckenhauer, 2200 Clearfield Drive, Norfolk
Western Heights Third Platting Lot 1, Block 11

Chairman Klein opened a hearing at 2:50 P.M. No one appeared at the hearing to offer verbal testimony. The written protest form was read. The appraisal prepared by Blaser Appraisal and submitted by the protestor was reviewed. County Assessor Jeff Hackerott reported that the property was purchased on May 27, 2010. In addition, he stated that the appraisal report submitted by Blaser Appraisal reflects that the subject property appears to have been listed and sold for less than market value. Chairman Klein closed the hearing at 2:54 P.M. Motion was made by McCallum and seconded by Klein to set the 2010 valuation at \$92,000. Roll call vote: Ayes, McCallum and Klein. Absent, Uhlir. Nays none. Motion carried.

Protest #2010-12 Karen Arkfeld, PO Box 438, Battle Creek
Pt N½ N½ NW¼ 34-24-3 38 AC-MH

Chairman Klein opened a hearing at 3:05 P.M. No one appeared at the hearing to offer verbal testimony. The written protest form was read. County Assessor Jeff Hackerott reported that he inspected the property with the owners. He stated that the mobile home has several holes in the ceiling, a hole in the floor, and there is water damage. Chairman Klein closed the hearing at 3:08 P.M. Motion was made by McCallum and seconded by Klein to set the 2010 valuation at \$78,474.00. Roll call vote: Ayes, McCallum and Klein. Absent, Uhlir. Nays none. Motion carried.

The Board of Equalization recessed at 3:09 P.M. to Wednesday, July 7, 2010 at 1:00 P.M.

County Clerk

Chairman