CITY COUNCIL PROCEEDINGS
July 20/21, 2026

The City Council of the City of David City, Nebraska, met in open public session at 7:00 p.m. in the meeting room of the City Office, 490 E Street, David City, Nebraska. The Public had been advised of the meeting by posting in four places (City Office, U.S. Post Office, Butler County Courthouse, and Hruska Public Library). The Mayor and members of the City Council acknowledged advance notice of the meeting by signing the Agenda which is a part of these minutes. The advance notice to the Public, Mayor, and Council members conveyed the availability of the agenda, which was kept continuously current in the office of the City Clerk and was available for public inspection on the City's website. No new items were added to the agenda during the twenty-four hours immediately prior to the opening of the Council meeting.

Present for the meeting on August 20, 2026, were Mayor Jessica Miller, Council President Bruce Meysenburg, Council Members Rick Holland, Jeremy Abel, Jim Angell, Kevin Woita, City Administrator Alan Zavodny, City Administrator Intern Raiko Martinez, and City Clerk-Treasurer Lori Matchett. Council Member Keith Marvin was absent.

Also present for the meeting were: Librarian Lucy Watts, Recreation Director Will Reiter, Wastewater Employee Anthony Kobus, Wastewater Supervisor Josh Human, and Nick Hein.

The meeting opened with the Pledge of Allegiance.

Mayor Jessica Miller informed the public of the "Open Meetings Act" posted on the west wall of the meeting room and asked those present to silence their cell phones. Mayor Miller read the Citizen Participation Rules for the meeting. She also reminded the public that if they speak tonight before the Council, they must state their name and address for the record.

Library Budget — Presented by Lucia Watts

- *Library is projected to finish the current fiscal year slightly under budget, despite unexpected technology and attorney expenses.*
- *The Library Board carefully reviewed each budget line item and adjusted projected expenditures to better reflect anticipated costs.*
- *No major budget increases are proposed.*
- *The primary increase is for personnel costs, including maintaining consistent staffing of part-time positions, and a proposed 3% cost-of-living adjustment (COLA).*
- *The Library qualified for E-Rate funding, which is expected to reduce technology expenses by approximately 70%, with a estimated savings of about $1,722.*
- *The proposed budget will allow the Library to continue providing current services, programs, and collections while maximizing the City's investment.*
- *Council discussed the Library meeting room usage: approximately 30 meetings a month are held in the meeting room, roughly 15 meetings a month are non-library meetings.*
- *Council explored the possibility of charging rental fees for non-library use of the meeting room.*
- *Council clarified that after-hours use of the meeting room does not require Library staff to be present, resulting in no additional staffing costs.*
- *It was noted that any rental fees currently collected are paid to the Library Foundation, which owns the building.*
- *Council discussed the potential transfer of the Library building to City ownership and possible insurance savings.*
- *The Library Foundation anticipates approximately $15,000 in insurance premiums this year; however, no guarantee was made that coverage through the City's insurance provider would reduce costs due to the building's previous water damage claims.*

- *No further questions or concerns were raised, and the Council proceeded to the next budget presentation.*

Auditorium — Presented by Alan Zavodny

- *Auditorium usage has declined in recent years due to fewer funeral dinners, wedding receptions, Harvest Festival events, and other community gatherings.*
- *Despite reduced revenue, the Auditorium continues to be viewed as an important community asset and landmark.*
- *Council discussed exploring new ways to increase utilization and revenue, including hosting City-sponsored events, utilizing the existing bar, liquor license, and facility improvements, expanding recreational and community programming, and considering extended public access to the facility.*
- *Council expressed optimism that the new hotel could increase demand for the facility.*
- *Recent improvements, including new curtains and the HVAC system, have enhanced the facility.*
- *Personnel expenses were reduced due to the retirement of the Park/ Auditorium Supervisor.*
- *Future capital needs identified include additional tables for the stage area, electrical and wiring upgrades, and ongoing maintenance and facility improvements.*
- *Council discussed rental rates with other local facilities and noted that the Auditorium remains an economical rental option.*
- *No further questions were raised regarding the auditorium budget.*

Parks — Presented by Alan Zavodny

- *The proposed Parks budget reflects personnel savings following staffing changes.*
- *Both David City school districts have renewed their facility use agreements.*
- *Council discussed developing a rental agreement for East Butler Public Schools to ensure consistent facility use charges.*
- *The proposed budget includes reduced salary and benefit expenses, lower workers' compensation costs, funding for the mowing contract, and funding for spraying and park maintenance.*
- *Council discussed reviewing the City's employee clothing allowance policy to ensure expenditures are limited to required uniforms, safety equipment, City-identifying apparel, not jeans and pants.*
- *Administration reported similar discussions are underway with the employee union.*
- *Council emphasized the importance of developing a long-term park improvement plan, including improved irrigation and turf management to reduce weeds and maintenance costs.*

Schweser House — Presented by Alan Zavodny

- *The Schweser House continues to be a valued amenity within the park system.*
- *Future replacement of the air conditioning units was identified as a potential capital improvement need, along with continued building maintenance.*

Swimming Pool — Presented by Alan Zavodny

- *The swimming pool was recognized as an important quality-of-life amenity that is not expected to be self-supporting financially.*
- *Council noted that the pool attracts visitors from surrounding communities, generating indirect economic benefits through local spending.*
- *Operating expenses remain generally consistent with prior years.*
- *Significant capital improvement needs were identified, including repainting the pool, refurbishing the frog slide, replacing the failed boiler, replacing the pool heater, and replacing deteriorating fiberglass pool grates.*
- *Staff is obtaining replacement cost estimates from multiple vendors for the boiler and heater.*
- *Additional project costs may include a concrete pad, fencing, and relocation of mechanical equipment outside the building.*
- *Council briefly discussed future landscaping options around the pool.*

- *Council acknowledged that, at approximately 25 years old, the pool will require increased capital investment to preserve the facility.*
- *No further questions were raised regarding the Parks or Swimming Pool budgets.*

Recreation Department — Presented by Will Reiter

The overall operating budget remains generally consistent with the prior year, with increases primarily related to equipment, staffing, umpire costs, and proposed capital improvements.

- *The mini split installed in the recreation building has improved conditions for staff and umpires. The budget also includes possible door replacement and completion of upstairs flooring and trim.*
- *Equipment costs continue to increase, particularly for baseballs, uniforms, field supplies, and maintenance tools.*
- *Additional part-time staffing is proposed to help maintain the expanded five-field complex and support additional tournaments.*
- *Umpire wages may need to increase to remain competitive with surrounding communities. Mr. Reiter also plans to coordinate scheduling with nearby towns to address the regional umpire shortage.*
- *The City hosted several tournaments this year and may be able to host four or five annually with the additional field capacity.*
- *Approximately $6,000 was included for a new storage shed, and Mr. Reiter requested a used utility vehicle to help drag and maintain fields.*
- *Council discussed assigning the City's red pickup to the Recreation Department, which could eliminate the need to purchase another vehicle.*
- *Recent grant-funded improvements include a new field, Field Three lighting, and new restrooms.*
- *Youth baseball and softball participation continues to grow, and the additional field capacity has reduced scheduling conflicts.*
- *Mr. Reiter presented a four-year capital improvement plan focused on:*
- *Converting field lighting to LED.*
- *Adding lights to Field Four.*
- *Repairing deteriorating dugouts.*
- *Improving infield materials and drainage.*
- *Council noted that any use of sales tax funds must be balanced with the City's remaining downtown debt obligations.*
- *Artificial turf was discussed, but Mr. Reiter recommended retaining natural grass due to cost, heat, injury, and maintenance concerns.*
- *Council encouraged staff to continue exploring tournament and program revenues, while acknowledging that recreation is a quality-of-life service and is not expected to be self-supporting.*
- *Mr. Reiter plans to complete field spraying with City staff next year, which could save approximately $10,000 annually.*

RV Campground — Presented by Will Reiter

- *Recreation Director Will Reiter presented the proposed RV Campground budget, noting that revenue is difficult to predict because occupancy varies throughout the year. Construction workers have recently increased long-term occupancy.*
- *Staff recommended simplifying campground operations by establishing a single monthly rate rather than separate construction and recreational rates, allowing online reservations and reducing administrative work.*
- *Council discussed whether the discounted construction rate should continue, appropriate monthly and nightly rates, and the need to remain competitive with surrounding campgrounds while preventing the campground from becoming a long-term residential area.*
- *Council also discussed installing a self-pay station and improved campsite signage to make the campground more accessible outside normal office hours and simplify the registration process.*

- *Operating expenses remain largely unchanged, with funding included for routine maintenance, weed control, white rock, and replacement campsite numbers. Staff plans to perform weed control in-house to reduce maintenance costs.*
- *Council directed staff to replace the existing white campsite numbers with black numbers to improve visibility.*

Wastewater Department — Presented by Joshua Human and Anthony Kobus

- *Wastewater Supervisor Joshua Human presented the proposed Wastewater Department budget and outlined department goals for the coming year.*
- *Mr. Human reported the wastewater treatment plant renovation is nearing completion, with all four renovated SBR basins and the new headworks facility now operational. Remaining work consists primarily of site grading and cleanup.*
- *Department priorities include preserving the City's investment in the new treatment plant, implementing a preventative maintenance program, expanding in-house laboratory testing, and maintaining compliance with wastewater regulations.*
- *Council discussed purchasing a deionizer to allow more laboratory testing to be completed in-house, reducing outside laboratory costs and providing more timely operational data.*
- *Major future capital projects identified include dredging one wastewater lagoon and extending sanitary sewer service to the airport. Council discussed pursuing financing options, including the State Revolving Fund (SRF), to spread the costs over time.*
- *Additional budget items include replacing a water heater, purchasing shop tools, improving spraying operations, and planning for future replacement of aging vehicles and mowing equipment.*
- *Council discussed monitoring industrial wastewater discharges, particularly from AGP, and ensuring the treatment plant has adequate capacity to serve future industrial growth while maintaining regulatory compliance.*
- *Mr. Human recognized Wastewater Operator Chuck Clement for quickly earning his Grade II Wastewater certification and his contributions to the department. Council discussed following the City's personnel policies regarding compensation while acknowledging his strong performance.*
- *Council thanked the Wastewater Department staff for their work and dedication in operating and maintaining the City's wastewater system.*

General, Building Permits, Social Security, Various Purpose, Sales Tax, CDBG, Tax Increment Financing — Presented by Lori Matchett

- *City Clerk Lori Matchett presented several administrative budgets and requested guidance on how recreation sales tax expenditures should be accounted for. Council agreed to seek the auditor's recommendation to ensure consistent financial reporting.*
- *Council discussed allocating a percentage of recreation sales tax revenues while maintaining downtown debt obligations as the first priority.*
- *The proposed General Fund budget includes a 3% cost-of-living adjustment, updates to salary allocations, replacement computers, printers, a new cashier station, and staff polo shirts.*
- *Mrs. Matchett reported that the City expects to begin processing building permits online following implementation of the new permitting software, which will streamline the application process.*
- *Bond payment schedules for the General Obligation Water Bonds and Various Purpose Bonds were reviewed as part of long-term financial planning.*
- *Council discussed providing $20,000 to the Creative District to account for a previously missed annual contribution and reviewed ongoing Veterans Memorial Park improvements, including lighting, security cameras, and anti-graffiti protection.*
- *Council also discussed restoring lighting to the Highway 15 welcome sign and continuing Downtown Revitalization (DTR) grant funding as projects move forward.*
- *Tax Increment Financing (TIF) revenues, future bond obligations, Social Security expenditures, and other administrative funds were reviewed as part of the City's long-range financial planning.*

Council Member Jim Angell made a motion at 8:11 p.m. to recess the special City Council meeting until July 21, 2026, at 6 p.m. Council Member Bruce Meysenburg seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Absent, Bruce Meysenburg: Yea, Kevin Woita: Yea. Yea: 5, Nay: 0, Absent: 1.

Council Member Bruce Meysenburg made a motion to reconvene the special City Council meeting on July 21, 2024, at 6 p.m. Council Member Jim Angell seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Absent, Bruce Meysenburg: Yea, Kevin Woita: Yea, Yea: 5, Nay: 0, Absent: 1.

Present for the meeting on August 21, 2026, were Mayor Jessica Miller, Council President Bruce Meysenburg, Council Members Rick Holland, Jeremy Abel, Jim Angell, Kevin Woita, City Administrator Alan Zavodny, City Administrator Intern Raiko Martinez, and City Clerk - Treasurer Lori Matchett. Council Member Keith Marvin was absent.

Also present for the meeting were: Water Supervisor John Kobus, Electric Supervisor Pat Hoeft, Police Chief Marla Schnell, Sergeant Tristan Hilger, Nick Hein, and Doug Rix.

The meeting reconvened with the Pledge of Allegiance.

Mayor Jessica Miller informed the public of the "Open Meetings Act" posted on the west wall of the meeting room and asked those present to silence their cell phones. Mayor Miller read the Citizen Participation Rules for the meeting. She also reminded the public that if they speak tonight before the Council, they must state their name and address for the record.

Street Department — Presented by Alan Zavodny

- *City Administrator Alan Zavodny presented the Street Department budget on behalf of the Street Superintendent Chris Kroesing.*
- *Mr. Zavodny recommended limiting major street projects during the upcoming fiscal year to allow highway allocation and lane mile revenues to recover while the City awaits the outcome of pending grant applications.*
- *Council discussed future transportation improvements, including the proposed turn lane and roundabout near Aquinas, and the potential need for additional access as development occurs near the hotel and Casey's area.*
- *The estimated cost of reconstructing Fifth Street with brick was discussed, with costs ranging from approximately $800,000 to $1 million. Council agreed the project should remain on hold pending available funding and grant opportunities.*
- *Council also discussed the deteriorating condition of G Street due to construction traffic and plans to meet with project stakeholders to determine repair costs and potential cost-sharing opportunities.*
- *Routine street maintenance and equipment replacement will remain priorities while larger capital street projects are deferred until additional funding becomes available.*

Airport — Presented by Alan Zavodny

- *City Administrator Alan Zavodny presented the Airport budget on behalf of the Street Superintendent.*
- *The Airport remains in good condition, with current efforts focused on crack sealing, pavement preservation, and protecting taxiways from damage caused by heavy aircraft operations during periods of extreme heat.*
- *Council discussed the importance of continuing preventative maintenance to preserve the City's investment while pursuing state and federal grant opportunities for future improvements.*
- *The City continues to benefit from airport improvement grants with a minimal local cost share, allowing significant infrastructure improvements at a low cost to taxpayers.*

- *Preliminary discussions have been held regarding the construction of a privately funded hangar by Frontier. Council noted that the Airport Layout Plan will require updates to accommodate the project and determine appropriate aircraft taxi routes.*

Police Department — Presented by Marla Schnell

- *Police Chief Marla Schnell presented the proposed Police Department budget and highlighted recent grant awards, including a $5,000 BNSF grant, while noting additional grant opportunities currently being pursued. Chief Schnell also invited Council members to participate in ride-along to better understand daily police operations and equipment needs.*
- *The Chief reported that increasing case complexity, including digital evidence collection, drug testing, and specialized investigations, continues to increase operating costs. Although mandatory training requirements will decrease beginning in 2027, training remains an essential budget component.*
- *Council reviewed the department's growing workload, noting that average monthly calls for service increased significantly compared to the previous year. The department also continues to expand community programs through grants and donations, including Project Lifesaver, D.A.R.E., and the K-9 program.*
- *Council discussed the Police Department's assistance to the Butler County Sheriff's Office and the upcoming review of the interlocal agreement. Members expressed support for seeking reimbursement for City resources used when assisting with county calls.*
- *Proposed budget increases primarily reflect personnel costs, including wages, retirement, and health insurance, with staff noting that health insurance costs continue to rise significantly.*
- *During public comment, concerns were expressed regarding overnight parking enforcement, police visibility, patrol practices, and police vehicle equipment. Council discussed the need to review overnight parking regulations and consider future policy changes while recognizing that emergency calls and public safety priorities affect ordinance enforcement.*

Electric Department — Presented by Pat Hoeft

- *Electric Supervisor Pat Hoeft presented the proposed Electric Department budget, which includes personnel adjustments for staffing needs, cost-of-living increases, and additional contract labor for professional tree trimming around power lines.*
- *Council discussed replacing the City's aging computer server before Microsoft support ends in early 2027. Members agreed that replacing the server is a critical investment to protect the City's data and reduce cybersecurity risks.*
- *The proposed budget includes funding to begin replacing deteriorating streetlight poles along Highway 15 as bids become available.*
- *Council reviewed anticipated wholesale power cost increases from Nebraska Public Power District (NPPD), discussed AGP-related electrical demand, and considered pursuing reimbursement from NPPD for costs associated with temporary electrical service changes required during AGP infrastructure improvements.*
- *Revenue projections remain conservative due to uncertainty surrounding future industrial electrical usage, while operating expenditures are based on current cost trends.*
- *Capital improvement plan includes installation of a backup generator at the Electric Department shop, a future vacuum trailer purchase, and advance planning for replacement of an aging bucket truck due to extended manufacturing lead times. Council noted that the bucket truck replacement would not occur until a future budget year.*
- *Revenue projections remain conservative due to uncertainty surrounding AGP operations, future dairy facility electrical usage, tax-exempt utility sales, and miscellaneous equipment sales.*
- *Electric Supervisor Pat Hoeft reported on an upcoming meeting with the representative of the dairy project regarding proposed construction near existing electric distribution lines. Council agreed that any required relocation or underground installation resulting from the developer's project should be completed at the developer's expense while ensuring all electrical code clearances are maintained.*

Power Plant — Presented by Pat Hoeft

- *Council reviewed the Electric Production Plant budget, including anticipated reductions in generation revenue while Generator No. 2 remains out of service pending repairs. Repair estimates include replacement of the stator, winding, and voltage regulator, with additional discussion regarding replacement of aging voltage regulators to improve long-term reliability.*
- *Council discussed the challenges of repairing Generator No. 2 due to equipment access within the plant and weighed the cost of repairs against reduced capacity payments received from Nebraska Public Power District (NPPD).*

Service Deposit — Presented by Lori Matchett

- *Staff reviewed the Utility Service Deposit Fund, noting that all new utility customers are required to pay a standard $300 utility service deposit.*
- *The City has discontinued the practice of allowing existing customers to co-sign new utility accounts.*
- *The fund is intended solely to secure payment of utility bills and is budgeted to break even, with approximately $10,000 in anticipated deposits and refunds during the fiscal year.*

Water Department Budget – Presented by John Kobus

- *Water Supervisor John Kobus proposed Water Department budget, Council with discussion focused on balancing critical infrastructure improvements with delaying non-essential capital expenditures. The Sixth Street Water Main project will remain on hold, while improvements to the water treatment plant, remote meter reading system (AMI), and backwash facilities continue to be prioritized.*
- *Staff reported that water demand continues to increase due to industrial usage, requiring the Reverse Osmosis (RO) treatment plant to operate nearly continuously. Council discussed upsizing the backwash pit pump to improve filter performance and accommodate the increased volume of rejected water generated by the treatment process.*
- *Council discussed future water and wastewater infrastructure needs associated with continued industrial growth, including service to the airport and proposed residential developments. While these projects remain important, several were identified as future budget considerations rather than immediate priorities.*
- *A detailed review of the capital improvement budget resulted in several recommended reductions. Council directed staff to defer the purchase of a replacement pickup truck, office furnishings, shop expansion, and other non-essential expenditures while retaining projects necessary for regulatory compliance, system reliability, and treatment plant operations.*
- *Staff provided an update on the performance of the Reverse Osmosis treatment system. Although the plant is producing quality drinking water, the system continues to require significant operator attention, chemical adjustments, and outside technical assistance to reduce membrane fouling, improve recovery rates, and optimize long-term operation. Council acknowledged that the technology remains in an optimization phase.*
- *Council discussed recommendations received through a recent federal critical infrastructure security assessment. Suggested improvements include expanded camera systems, controlled access through key fobs, additional fencing and gates at utility facilities, cybersecurity enhancements, and improved protection of critical water, wastewater, and electric infrastructure.*
- *Staff also discussed efforts to improve inventory management, utility records, service documentation, and material tracking. Council emphasized the importance of maintaining accurate records and organized inventories to improve operational efficiency and future maintenance planning.*
- *The budget workshop concluded with Council identifying additional reductions for staff to incorporate before the final budget workshop scheduled for **August 5**, while reaffirming its commitment to maintaining reliable and compliant utility services.*

Council Member Bruce Meysenburg made a motion to adjourn at 8:16 p.m. Council Member Rick Holland seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Absent, Bruce Meysenburg: Yea, Kevin Woita: Yea. Yea: 5, Nay: 0, Absent: 1.

CERTIFICATION OF MINUTES
July 20/21, 2026

I, Lori Matchett, duly qualified and acting City Clerk for the City of David City, Nebraska, do hereby certify with regard to all proceedings of July 20/21, 2026; that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and available for public inspection at the office of the City Clerk; that such subjects were contained in said agenda for at least twenty-four hours prior to said meeting; that the minutes of the meeting of the City Council of the City of David City, Nebraska, were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; that all news media requesting notification concerning meetings of said body were provided with advance notification of the time and place of said meeting and the subjects to be discussed at said meeting.

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Lori Matchett, City Clerk