

CITY COUNCIL PROCEEDINGS

July 27, 2022

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 at 490 "E" Street, David City, Nebraska. The Public had been advised of the meeting by publication of notice in The Banner Press on July 21, 2022, and an affidavit of the publisher is on file in the office of the City Clerk. 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 were: Mayor Alan Zavodny, Council members Pat Meysenburg, Tom Kobus, Bruce Meysenburg, Jessica Miller, John Vandenberg, Kevin Woita, City Attorney David Levy, and City Clerk-Treasurer Tami Comte.

Also present for the meeting were: Water Operator In Charge Dan Sobota, Water Department Employee Anthony Kobus, Special Projects Coordinator Dana Trowbridge, Craig Reinsch with Olsson, Ethan Joy with JEO Consulting, Joe Johnson with Olsson, Michael Sands and Jennifer Hiatt with Baird Holm, Bob and Laura Kobza of Kobza Ag and Home, Deputy City Clerk Lori Matchett, Banner-Press Correspondent Hannah Schrodtt and Sheriff Tom Dion.

The meeting opened with the Pledge of Allegiance.

Mayor Alan Zavodny informed the public of the "Open Meetings Act" posted on the west wall of the meeting room and asked those present to please silence their cell phones. He also reminded the public that if they speak tonight in front of the Council that they must state their name and address for the record.

Council member Pat Meysenburg made a motion to approve the minutes of the July 13, 2022, City Council meeting as presented. Council Member John Vandenberg seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Yea, Kevin Woita: Yea
Yea: 6, Nay: 0

Mayor Zavodny stated that the next item on the agenda was consideration of Change Order #1 for the "O" Street Paving Project.

Mayor Alan Zavodny said, "We started this discussion previously and so I went and took a look again and I'm anxious to hear the discussion today because it really looks like our best option if we want to do that is going to have to be to put it right on the curb of the road. Let's

start with that as an idea, looking at it with drainage and everything. It's a pretty challenging project. I'll turn it over to anyone who wants to comment on that."

Council member Kevin Woita said, "I'll start. I visited with Joel Schommer with M.E. Collins Contracting this afternoon and got a visual on where the middle of the road is going to be and took measurements. It looks the way that Olsson designed the project that everything should work out. The sidewalks should stay where they are. They will be on the north side of the utility poles. If the center of the street stays where the center of the street is right now, then it's not possible. The edge of the sidewalk would end up basically, on the block between 5th and 6th, it would end up in the utility poles and three feet from Jerry's house. Joel assured me that they are moving the street about seven or eight feet to the north which should give us room."

Mayor Alan Zavodny said, "That's a lot."

Council member Kevin Woita said, "It is. It has to do with the drainage of the ditch in front of your property to get the water to flow, except by Sypal's, to take the ditch out. I spent about an hour with him making sure that we're making the right decisions. I expressed my concerns, and I don't want to have to go back and change it once we get paving down because it won't work. If you go on 11th and "O" at the intersection, Krivanek was already cutting down to where he needed to be, he was six inches from where he had to stop and he told me that this is where the center of the road is. This is what the ditch is going to look like. It looks fantastic. But that's clear on the east end, not the west end. Things are going to tighten up a little bit on the west and with the utility poles, nothing runs straight. My opinion, right now, is to leave it as it is."

Mayor Alan Zavodny said, "Without doing the change order?"

Council member Kevin Woita said, "Correct."

Council member Pat Meysenburg said, "I think we need to leave them in because if we don't have sidewalks there, we're going to open up a can of worms for everybody else in town that doesn't have them now that is supposed to have them, they aren't going to put them in."

Council member Tom Kobus said, "As long as they move the street it should be no problem."

Council member Kevin Woita said, "That was my biggest concern. One, with Jerry and with Eller's property there, which will probably be the tightest, we'll have to adjust the sidewalk to the north."

Mayor Alan Zavodny said, "That is new information that makes it workable. The way it was now there is just no way."

Council member Bruce Meysenburg said, "I'd be on board with that as long as there is enough space between Jerry's house and the sidewalk to make that work."

Council member Kevin Woita said, "I was assured by the contractor himself."

Mayor Alan Zavodny said, "We have people here that will be impacted by the sidewalk if they would like to speak."

Jerry Oborny introduced himself and said, "How far did you say it would be from the house?"

Council member Kevin Woita said, "Right now it would be three feet, but they are moving the center of the street, which moves the curb. The curb is probably going to be two feet on your property, so I think two feet from where it is right now to the side. The sidewalk would run basically about the middle of the ditch."

Jerry Oborny said, "Since it's so tight there why can't we run the sidewalk next to the curb at my place and Eller's and then move it over? Your city building inspector told me that he didn't see any reason that there needed to be a sidewalk there. He said he thought it was a waste of money. So, take it for what it's worth."

Mayor Alan Zavodny said, "It is very tight where you are at for sure."

Council member Kevin Woita said, "We measured from the existing center of the street and started at 5th & "O" and we went to between 6th and 7th, to your driveway and measured that and there was already almost four and a half feet difference, so four and a half feet more to work with."

Mayor Alan Zavodny said, "That does make a significant difference and that is new information. Don, how do you feel about things?"

Don Prochaska introduced himself and said, "It wasn't going to affect me too much but in Jerry's situation it was crowding him too much. If you're going to move the road seven feet north, then if he's okay with it then I'm okay with it."

Discussion continued.

Council member Kevin Woita said, "I think we need to get the street poured first and then can we change the sidewalk as we go, at that point in time?"

Mayor Alan Zavodny said, "Right now, really before us is just to take the sidewalks out. If we don't approve this change order, then we're still going to have sidewalks. I think we can still have input on what the design looks like."

Council member Kevin Woita made a motion to indefinitely postpone Change Order #1 to exclude sidewalks for the "O" Street Paving Project. Council Member Tom Kobus seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Yea, Kevin Woita: Yea

Yea: 6, Nay: 0

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CHANGE ORDER

No. 1



Date of Issuance: July 18, 2022 Effective Date: July 18, 2022

Project: Municipal Paving Improvements, David City, Nebraska	Owner: City of David City	Owner's Contract No.:
Contract: Municipal Paving Improvements Base Bid		Date of Contract: 06/22/2022
Contractor: M.E. Collins Contracting Co., Inc.		Engineer's Project No.: 021-07066

The Contract Documents are modified as follows upon execution of this Change Order:

Description: Adjust quantities for bid items No. 4 and No. 6

Attachments: (List documents supporting change): see attached.

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES
Original Contract Price: \$ <u>1,848,434.00</u>	Original Contract Times: Substantial Completion (days or date): <u>December 31, 2022</u> Ready for Final Payment (days or date): <u>April 30, 2023</u>
[Increase] [Decrease] from previously approved Change Orders No. <u>0</u> to No. <u>0</u> : \$ <u>0.00</u>	[Increase] [Decrease] from previously approved Change Orders No. <u>0</u> to No. <u>0</u> : Substantial Completion (days or date): <u>N/A</u> Ready for Final Payment (days or date): <u>N/A</u>
Contract Price prior to this Change Order: \$ <u>1,848,434.00</u>	Contract Times prior to this Change Order: Substantial Completion (days or date): <u>December 31, 2022</u> Ready for Final Payment (days or date): <u>April 30, 2023</u>
Decrease of this Change Order: \$ <u>87,270.00</u>	[Increase] [Decrease] of this Change Order: Substantial Completion (days or date): <u>N/A</u> Ready for Final Payment (days or date): <u>N/A</u>
Contract Price incorporating this Change Order: \$ <u>1,761,164.00</u>	Contract Times with all approved Change Orders: Substantial Completion (days or date): <u>December 31, 2022</u> Ready for Final Payment (days or date): <u>April 30, 2023</u>

RECOMMENDED: Olsson

ACCEPTED: City of David City

ACCEPTED: M.E. Collins Contracting Co., Inc.

By: <u></u> Engineer (Authorized Signature)	By: _____ Owner (Authorized Signature)	By: <u></u> Contractor (Authorized Signature)
Title: <u>Project Manager</u>	Title: _____	Title: <u>V.P.</u>
Date: <u>07/18/2022</u>	Date: _____	Date: <u>7/26/22</u>

Approved by Funding Agency (if applicable):

By: _____ Title: _____ Date: _____



Municipal Paving Improvements, David City, Nebraska - 2022

Change Order No. 1

CONTRACTOR: M.E. Collins Contracting Co. Inc.

Olsson No. 021-07066

Date: 07/18/2022

Item No.	Description	Unit	Quantity	Unit Price	Total Cost
Decrease Quantities					
4	Build 4" Concrete Sidewalk	S.Y.	1,370	\$57.00	\$78,090.00
6	Detectable Warning Panel	S.F.	180	\$51.00	\$9,180.00
New Bid Items					
					\$0.00
					\$0.00
					\$0.00
					\$0.00
					\$0.00
					\$0.00
					\$0.00
					\$0.00
					\$0.00
Total Change Order Items					\$87,270.00

Municipal Paving Improvements, David City, Nebraska - 2022



Change Order No. 1

CONTRACTOR: M.E. Collins Contracting Co. Inc.

Olsson No. 021-07066

Date: 07/18/2022

Item No.	Description	Unit	Quantity	Unit Price	Total Cost
Decrease Quantities					
4	Build 4" Concrete Sidewalk	S.Y.	1,370	\$57.00	\$78,090.00
6	Detectable Warning Panel	S.F.	180	\$51.00	\$9,180.00
New Bid Items					
					\$0.00
					\$0.00
					\$0.00
					\$0.00
					\$0.00
					\$0.00
					\$0.00
					\$0.00
Total Change Order Items					\$87,270.00

Council member Kevin Woita made a motion to approve an agreement with Olsson without Change Order #1 to provide "O" Street construction phase services. Council Member Pat Meysenburg seconded the motion. The motion carried.
 Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Yea, Kevin Woita: Yea
 Yea: 6, Nay: 0



LETTER AGREEMENT AMENDMENT #1

This AMENDMENT ("Amendment") shall amend and become part of the Letter Agreement for Professional Services dated October 4, 2021, between the City of David City, Nebraska ("Client") and Olsson Associates ("Olsson") providing for professional civil engineering services. Olsson's Scope of Services is indicated below.

PROJECT DESCRIPTION AND LOCATION

Project will be located at: "O" Street from 4th to 12th Street
David City, Nebraska

Project Description: Municipal Paving Improvements, David City, NE 2022

SCOPE OF SERVICES

Olsson shall provide the following civil engineering services to Client (Scope of Services) for the Project:

CONSTRUCTION PHASE SERVICES

ADMINISTRATION

\$10,900.00 Time & Material NTE

- 3.1 Olsson shall review shop drawings, samples, equipment information, approval data and other data submitted by the Contractor to determine compliance with the project drawings and specifications.
- 3.2 Olsson shall review and make recommendations to pay requests and change orders.
- 3.3 Olsson shall be available to the Client and Contractor as needed for project questions.
- 3.4 Olsson shall complete a final walk through and revise the project drawings with any changes in the work authorized during construction and shall submit a set of record drawings to the Client indicating such changes upon completion of the Project.

CONSTRUCTION STAKING

\$28,500.00 Time & Material NTE

- 3.5 Olsson will perform construction staking services for the Client based on the plans prepared by Olsson. Olsson will coordinate with the Client for scheduling. Services to include grading control, storm sewer, paving, radius points, etc.

OBSERVATION & TESTING

\$52,270.00 Time & Material NTE

- 3.6 Olsson will provide full time construction observation services based on an assumed construction schedule of ten (10) weeks, at 45 hours per week. Olsson will prepare and distribute field reports on a weekly basis.
- 3.7 Olsson will provide laboratory and field-testing services for the project including soil proctors, nuclear density testing, and concrete testing. Testing will be provided at the frequencies as listed within the project specifications.

Should Client request work in addition to the Scope of Services, Olsson shall invoice Client for such additional services (Optional Additional Services) according to the Schedule of Fees for those employees performing the work, plus reimbursable expenses if any. Olsson shall not commence work on Optional Additional Services without Client's prior written approval.

Olsson agrees to provide all its services in a timely, competent, and professional manner, in accordance with applicable standards of care, for projects of similar geographic location, quality and scope.

SCHEDULE FOR OLSSON'S SERVICES

Unless otherwise agreed, Olsson expects to perform its services under the Agreement as follows:

Anticipated Start Date: TBD
Anticipated Completion Date: TBD

Olsson will endeavor to start its services on the Anticipated Start Date and to complete its services on the Anticipated Completion Date. However, the Anticipated Start Date, the Anticipated Completion Date, and any milestone dates are approximate only, and Olsson reserves the right to adjust its schedule and any or all those dates at its sole discretion, for any reason, including, but not limited to, delays caused by Client or delays caused by third parties.

COMPENSATION

For the additional Scope of Services specifically set forth in this Amendment, Client shall pay Olsson the following fee in addition to the fee(s) set forth in the Agreement.

Client shall pay to Olsson for the performance of the Scope of Services, the actual time of personnel performing such services on an hourly cost basis times a factor of 3.085 for services rendered by our principals and employees engaged directly on the Project, and all actual reimbursable expenses in accordance with Reimbursable Expense Schedule attached to this Agreement. Olsson shall submit invoices monthly and payment is due within 30 calendar days of invoice date.

Olsson's Scope of Services will be provided on a time and expense basis not to exceed **Ninety-One Thousand, Six Hundred Seventy Dollars (\$91,670.00)**. Upon reaching the Not to Exceed Limit, Owner will be notified, and work will cease until additional agreement is negotiated.

TERMS AND CONDITIONS OF SERVICE

All provisions of the original Agreement not specifically amended herein shall remain unchanged.

We have discussed with you the risks, rewards and benefits of the Project, the Scope of Services, and our fees for such services and the Amendment represents the entire understanding between Client and Olsson with respect to the Project. The Amendment may only be modified in writing signed by both parties.

Client's designated Project Representative shall be Chris Kroesing.

If this Work Order satisfactorily sets forth your understanding of our agreement, please sign in the space provided below. Retain a copy for your files and return an executed original to Olsson. This proposal will be open for acceptance for a period of 30 days from the date set forth above, unless changed by us in writing.

OLSSON ASSOCIATES, INC.

By 
Steven Hancock

By 
David Ziska

By signing below, you acknowledge that you have full authority to bind Client to the terms of the Agreement. If you accept this Work Order, please sign:

CITY OF DAVID CITY, NE

By _____
Signature

Print Name _____

Title _____

Dated: _____

Council member Tom Kobus made a motion to accept the bid of Midlands Contracting Co. for the Akrs Water and Sewer extension instead of the low bid of Obrist and Company

City Council Proceedings

July 27, 2022

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because the Material/Supplier statement was not completed by Obrist and Company. Council Member Pat Meysenburg seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Yea, Kevin Woita: Yea

Yea: 6, Nay: 0

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July 21, 2022

City of David City
Attn: Ms. Tami Comte, Interim City Administrator
PO Box 191, 490 E Street
David City, Nebraska 68632-0191

Re: Akrs Water and Sewer Utility Extension
David City, Nebraska
Olsson Project No. 022-01722

Dear Ms. Comte:

On Wednesday, July 20, 2022, bids were received for the above-mentioned project. This letter summarizes the bid(s) received and provides the City Council with our recommendations for making an award on the project. A bid tabulation was prepared for the project, and is enclosed for reference.

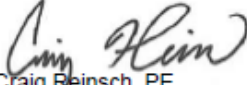
A total of four (4) bids were received for the project, as listed in the enclosed bid tabulation. The stated completion dates are to be substantially complete with the project by November 1, 2022, and final completion achieved by November 15, 2022.

The lowest bid was provided by Obrist and Company, with a unit price total amount of \$364,029.00. We have worked with this bidder on past projects. However, Obrist did not include a Material/Supplier Statement to confirm that material availability wouldn't be an issue with the proposed completion schedule. The only Contractor to submit this statement and confirm the construction schedule was Midlands Contracting, Inc, who was the 2nd lowest bidder. We have also worked with this bidder on past projects. Their bid amount was \$397,013.85, or a difference of \$32,984.85, or 8.3%. Both of these bid amounts are lower than the engineer's opinion of probable construction cost of \$800,000, by more than half.

Since providing the Material/Supplier Statement was added to the bid as a condition via Addendum #3, the City may, if recommended by legal counsel, choose to consider the lack of Material/Supplier Statement required to be submitted with the Obrist and Company bid, as a nonconforming bid. If the City determines that Obrist and Company's bid is nonconforming, then the City may choose to award the project to Midlands Contracting, Inc as a responsive and responsible bidder.

Please feel free to contact me with any additional questions that you may have. I can be reached at 402.458.5671 or creinsch@olsson.com.

Sincerely,


Craig Reinsch, PE

Encls.

BID TABULATION
 20-Jul-2022 Proj. #022-01722
 11:00 a.m. Page 1 of 1

Akrs Water and Sewer Utility Extension
 DAVID CITY, NEBRASKA - 2022



CONTRACTOR				Obrist and Company Columbus, NE		Midlands Contracting, Inc. Kearney, NE		ME Collins Contracting Co. Wahoo, NE		Myers Construction, Inc. Broken Bow, NE	
Item No.	ITEM	UNIT	QTY.	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
BASE BID:											
1	Mobilization/Demobilization/Bonds/Insurance	LS	1	\$10,000.00	\$10,000.00	\$5,000.00	\$5,000.00	\$20,000.00	\$20,000.00	\$45,000.00	\$45,000.00
2	Clearing and Grubbing	LS	1	7,500.00	\$7,500.00	3,000.00	\$3,000.00	5,252.00	\$5,252.00	9,500.00	\$9,500.00
3	Traffic Control	LS	1	3,500.00	\$3,500.00	1,000.00	\$1,000.00	2,858.00	\$2,858.00	11,500.00	\$11,500.00
4	Connect to Existing Sanitary Sewer	EA	1	1,500.00	\$1,500.00	2,500.00	\$2,500.00	1,156.00	\$1,156.00	550.00	\$550.00
5	48-inch Eccentric Manhole	EA	3	5,400.00	\$16,200.00	7,000.00	\$21,000.00	8,712.00	\$26,136.00	10,755.00	\$32,265.00
6	48-inch Flat Top Manhole	EA	1	5,500.00	\$5,500.00	6,000.00	\$6,000.00	1,229.00	\$1,229.00	0.00	\$0.00
7	48-inch Manhole Section, over 6'	VLF	7.7	650.00	\$5,005.00	400.00	\$3,080.00	704.00	\$5,420.80	0.00	\$0.00
8	8-inch PVC Cap	EA	3	125.00	\$375.00	100.00	\$300.00	301.00	\$903.00	276.00	\$828.00
9	8-inch PVC SDR 35 Sanitary Sewer	LF	967	55.50	\$53,668.50	60.00	\$58,020.00	65.00	\$62,855.00	89.00	\$88,043.20
10	16-inch C900 PVC Water Main	LF	1,396	127.50	\$177,990.00	155.00	\$216,380.00	166.00	\$231,736.00	189.56	\$264,625.76
11	8-inch C900 PVC Water Main	LF	16	67.50	\$1,080.00	80.00	\$1,280.00	86.00	\$1,378.00	85.06	\$1,360.96
12	8-inch C900 PVC Water Main	LF	1	40.00	\$40.00	70.00	\$70.00	379.00	\$379.00	853.80	\$853.80
13	16-inch Gate Valve w/ Box, MJ	EA	2	10,250.00	\$20,500.00	11,000.00	\$22,000.00	13,300.00	\$26,600.00	18,183.00	\$36,366.00
14	8-inch Gate Valve w/ Box, MJ	EA	1	1,825.00	\$1,825.00	2,700.00	\$2,700.00	3,197.00	\$3,197.00	3,599.20	\$3,599.20
15	6-inch Gate Valve w/ Box, MJ	EA	1	1,525.00	\$1,525.00	1,950.00	\$1,950.00	2,421.00	\$2,421.00	2,409.00	\$2,409.00
16	Fire Hydrant Assembly	EA	3	4,125.00	\$12,375.00	7,750.00	\$23,250.00	8,640.00	\$25,920.00	8,439.80	\$25,319.40
17	Ductile Iron Fittings, M.J.	LB	3,889	9.50	\$36,945.50	4.65	\$18,083.85	3.80	\$14,778.20	8.03	\$31,228.67
18	Connect to Existing Water Main/4" or larger service	EA	1	1,500.00	\$1,500.00	1,400.00	\$1,400.00	1,114.00	\$1,114.00	2,500.00	\$2,500.00
19	Seeding and Mulching	LS	1	3,500.00	\$3,500.00	2,500.00	\$2,500.00	5,058.00	\$5,058.00	9,500.00	\$9,500.00
20	Erosion Control	LS1	1	3,500.00	\$3,500.00	7,500.00	\$7,500.00	5,539.00	\$5,539.00	12,500.00	\$12,500.00
TOTAL BASE BID:					\$364,029.00		\$397,013.85		\$443,928.00		\$576,548.99
Substantially Complete On or Before:				November 1, 2022		November 1, 2022		November 1, 2022		November 1, 2022	
Complete and Ready for Final Payment On or Before:				November 15, 2022		November 15, 2022		November 15, 2022		November 15, 2022	
Addendas				Yes		Yes		Yes		Yes	
Bid Guarantee:				5% Bid Bond		5% Bid Bond		5% Bid Bond		5% Bid Bond	
Material/Supplier Statement - per Addendum #3				No		Yes		No		No	
Remarks:											

Mayor Zavodny stated that the next item on the agenda was consideration of the quotes received from Tillotson Roofing for the new City Office for the awning, west offices roof repair with long skylight, lobby roof and the main building roof.

Justin Zysset from Tillotson Enterprises introduced himself and said, "I'm here to answer some questions and give an overview of what you guys have now and what I feel the needs are moving forward."

Mayor Alan Zavodny said, "Would you start with your evaluation of what we have and my first question, and maybe you can cover it, is what about those skylights?"

Justin Zysset from Tillotson Enterprises said, "You bet. So, you have a lot of roofs. I think there are eight roofs on top of this facility, with the awning being one of them. The awning is in immediate need of repair. It's a rubber membrane. It's come apart completely and is seeping through. So, my proposal for that is to completely remove that and install new insulation board and apply the polyurethane spray foam to the entire awning. That's the most immediate need that I think you guys have. The second need, and I'm actually meeting an independent insurance adjuster here tomorrow to go over four other roofs that are currently polyurethane foam roofs. So, you kind of inherited a roof that had previous hail damage and now they are redamaged from the storm last month. There is a claim holding with those. I

know there was some discussion about wanting to replace those with a different type of roof. My proposal is to repair and rejuvenate what you guys have. This skylight is not on a foam roof. I think you've had some issues with that. That is repairable. The skylights above the main portion of the building, two of those have already been removed and covered with a type of cap and an EPDM membrane. My proposal would be to encapsulate that further with a polyurethane system and tie it into the roof. There are two other small skylights up there that I plan to just remove the skylight, cap and then roof over it. So, the hail damage that is up there is repairable. That's kind of the benefit of a foam roof is that you shouldn't have to tear that off. It's repairable. You can have the roof back to its initial two coat system that it had when it was originally installed and then we can reinstate it and do a warranty with our company. So, we can address all four of those roofs. I guess the only thing that I'm concerned about is the level of pitch that is up on that roof and the type of coating that was used originally. It has held up alright considering how old it is. I'm proposing going with a different chemistry of coating that will hold up better long term to bird-bathing with the water standing at times. So, there will be a cost difference between the insurance companies' assessment of what you have and what we propose to put back there. But I do have a plan to meet with that adjuster tomorrow. The other two roofs I call the west roof, which is basically over this west section with the skylight, that is a newer EPDM roof. It's in fairly good shape. I just worked up some numbers. We do coating systems, too, the EPDM. If you can do the coating system before those roofs start to stretch and pull and tear apart, you would probably never have to tear those roofs off. We did the same type of system to "E" Street Pharmacy before it became Roper's Bar & Grill so that is currently under one of our EPDM coating systems. Then what I call the lobby roof is an EPDM. That roof, if I'm reading the time stamp on it correctly, is from 2000. That one is approaching life expectancy. It's not pulling or stretching right now so that would buy you time indefinitely. We put warranties on those EPDM coated roofs for ten years with a fifteen-year life expectancy. We recommend a recoat or an evaluation on a recoat so it would put it back into warranty. The foam roof systems go for twelve years. The company covers material and labor. It's not a pro-rated warranty. Barring another hail event, that's kind of what you're going through now is kind of the time to get insurance involved and pay to have that recoated, rejuvenated and put back into warranty again. Really, with our systems in place you shouldn't have to tear these roofs off. We just need to keep them maintained."

Mayor Alan Zavodny said, "I have a couple of questions, but you guys can go first."

Council member Tom Kobus said, "I think that's the way to go. But, if I was you, I'd tear all of those skylights out."

Justin Zysset from Tillotson Enterprises said, "So, right now the skylights all have a curb, and the foam system is flashed up onto the curb. So, my plan is to remove the actual dome of the skylight, put a cap on it, and incorporate it with a foam application to the roof. So, you'll see where the footprint was but the cost that it would take to dig that curb out would be high."

Mayor Alan Zavodny said, "It's not going to hurt anything, it will just run off and no one is going to see it."

Justin Zysset from Tillotson Enterprises said, "You're going to have a continuous seamless roof, it's just going to be around where those were."

Mayor Alan Zavodny said, "A couple of questions. Do we really know what our cost is going to be without knowing what the insurance is going to cover?"

Justin Zysset from Tillotson Enterprises said, "Not yet."

Mayor Alan Zavodny said, "When do you think you would want to get to this?"

Justin Zysset from Tillotson Enterprises said, "So, the EPDM roofs, if you were to do the coating system done with the awning, those have nothing to do with insurance. Those weren't damaged by hail, so those would be just maintaining and repairing those roofs on your own. The only insurance claim would be on the foam roof sections, which I have all four sections since it's the same type of roof bid into one proposal. So, decisions can be made on the awning roof and the other EPDM sections. As far as timing, once we lock pricing in, we can get you on the list and we can work you in fairly quickly. They can be done this year prior to winter."

Council member Kevin Woita said, "Without insurance we were at \$67,000. So, that would be the maximum that we would pay."

Interim Administrator/City Clerk Tami Comte said, "It was \$67,594."

Mayor Alan Zavodny said, "So, you'd probably have the option to authorize up to that amount, knowing that it will be below that."

Justin Zysset from Tillotson Enterprises said, "It would be below that. There is old hail damage. I have twenty-five roofs that I'm bidding in town here on the foam recoats so I'm dealing with this independent adjuster on a handful of them so he realizes that there is old damage but the scope of work to repair the new damage would encompass the old damage, so I think that they are going to pay to have it repaired regardless of when that hail occurred."

Mayor Alan Zavodny said, "There are a couple of ways that I think we could go. Depending on when you can get to this, we could buy a little time to see what our actual number would be. We could table this tonight, or we know that we're going to do the ones that insurance won't cover so there are a couple of different ways that we can approach this but if you're not going to get to it before August 10th, if we tabled it to then do you think we could have a firm number by that night?"

Justin Zysset from Tillotson Enterprises said, "I would assume so."

Mayor Alan Zavodny said, "If we do that it's not going to bump us to the end of..."

Justin Zysset from Tillotson Enterprises said, "We try to do things in order as much as we can. What we are experiencing right now is you are one of many towns that got hit so we are getting flooded. This week I think we signed a dozen hail claims throughout the state, in just our territory which includes York and east. In a month I don't know how many more we'd sign. We do go through them pretty quickly but as the nights start to turn colder our work slows down, too. I'm not trying to push you; I'm just letting you know."

Mayor Alan Zavodny said, "That's why we are asking the questions. Why don't we just authorize up to an amount and that gets us in your que."

Justin Zysset from Tillotson Enterprises said, "That would lock the pricing in. My priority would be to do the awning and get the hail damage sealed before winter. We would have time to do the EPDM roofs. The different chemistries, the coating, we do have time to apply those

types later in the season. If we have a winter like we had last year, we could do those into November or December, even.”

Mayor Alan Zavodny said, “From your professional opinion, we’re looking at the best practices and best fit for what our needs are here?”

Justin Zysset from Tillotson Enterprises said, “Yes.”

Mayor Alan Zavodny said, “There aren’t other options that we should consider?”

Justin Zysset from Tillotson Enterprises said, “Your other options on a foam roof would be to tear it off and replace it which, to me....”

Mayor Alan Zavodny said, “Okay, that’s a no. You’ve seen those roofs, they almost look like wrestling mats that they roll out.”

Justin Zysset from Tillotson Enterprises said, “The benefit to using our process is that when we’re finished you have a seamless roof. You’re taking the black membrane, which rapidly heats up and cools down and causes it to shrink and stretch and pull.”

Mayor Alan Zavodny said, “So, we don’t want to do that so I’m not going to take any more of your time.”

Council member Tom Kobus made a motion to authorize the quote from Tillotson Roofing up to \$67,000 to repair all of the roofing at the new City Office at 490 "E" Street. Council Member Pat Meysenburg seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Yea, Kevin Woita: Yea

Yea: 6, Nay: 0

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Page 1

Tillotson Enterprises
8000 Fletcher Ave, Suite 100
Lincoln, NE 68507
Office: 402-466-7038
Fax: 402-466-0305
(herin "Tillotson")



Contract #24580 - 29407
Page 1 of 1
Date: 7/15/2022
469 square feet
469 expanded square feet

To: Tami Comte - City of David City
PO Box 191
David City, Nebraska 68632
Cell: 402-367-2099
(herin "Client")

Job: AWNING ROOF
Location: 490 E St.
David City, Nebraska 68632

Submit specifications and estimates for: installing the FOAM & ISO system using PERMATHANE coating.

1. Tear off 100% of roofing materials down to suitable surface and dispose of debris.
2. Install 1/2" fiberboard by gluing down with foam or screwing down with screws and plates.
3. To prevent over-spray, cover vents and paper off edge detail.
4. Install a minimum of 1 1/2 inches of sprayed in place polyurethane foam over the specified area.
Foam thickness is an average and can vary + or -1/4" from proposed thickness.
Foam R-Value is 6.3/ inch.
5. Apply Permathane II 70620 base coat over the entire foamed surface (1.5 gallons per square).
6. Apply Urethane Caulk where necessary.
7. Apply Peramathane 7490 top coat over the entire foamed surface (1.5 gallons per square).

Finished color: WHITE

Install the above system in accordance with NEOGARD specifications.

Minimum average dry mils of coatings over entire foamed surface is 36 mils
Elongation 263% Tensile Strength 3042 psi

WARRANTY: 10 year "leak free" material and 10 year "leak free" labor warranty (non pro-rated).

* This system has a fifteen year life expectancy.

RENEWABLE WARRANTY: An additional warranty can be renewed at the end of the warranty period with an inspection and re-coat. If roof is re-coated on a regular basis, the roof may never need to be replaced again.

Any alteration or deviation from above specification involving extra costs, will be undertaken and preformed only after a written change order has been signed by the parties, and will become an extra charge over and above the original contract price as set forth in such change order. Client shall carry fire, tornado, hail and other necessary insurance on above work. Workmen's compensation and public liability insurance on above work to be taken out by Tillotson Enterprises Inc. Tillotson Enterprises, Inc. is not responsible for any existing or future damage due to mold or mildew. The warranties set forth in this contract are in lieu of any other or additional warranties of any type or nature whatsoever, and Tillotson shall not be liable for, incidental or consequential damages.

We hereby propose to furnish material and labor - in accordance with the above specifications, for the sum of: Nine Thousand Six Hundred Sixty Four dollars \$9,664.00

Payment to be made as follows: 50% with signed contract, and 50% within 30 days of project completion. Delinquent payment, upon any work completed, shall bear interest at 1 1/2% per month from date of completion, and, if suit is filed to enforce payment, owner will pay reasonable attorney fees and court costs. I understand that any failure to pay as and when required by the contract, all Warranty/Guarantees contained herein can be reduced or voided. The prices, specifications and conditions are satisfactory and are hereby accepted. The contractor is authorized to do the work specified. Tillotson Enterprises Inc. reserves the right to charge client for expenses incurred for a warranty service call if it is determined the problem is not a warranty issue covered by material and/or labor.

1st Payment: \$4,832.00 dollars
Date Paid:

2nd Payment: \$4,832.00 dollars
Date Paid:

If the first down payment is not received with the contract, then any additional material cost, labor cost, etc. will be passed on to the client when the job is started and included in the first payment.

Page 1

Tillotson Enterprises
8000 Fletcher Ave, Suite 100
Lincoln, NE 68507
Office: 402-466-7038
Fax: 402-466-0305
(herin "Tillotson")



Contract #24583 - 29441
Page 1 of 1
Date: 7/19/2022
2,664 square feet
2,664 expanded square feet

To: Tami Comte - City of David City
PO Box 191
David City, Nebraska 68632
Cell: 402-367-2099
(herin "Client")

Job: WEST ROOF
Location: 490 E St.
David City, Nebraska 68632

Submit specifications & estimates for: installing Silkoxy Silicone SYSTEM over Single ply roofing material.

1. Apply Everprep Cleaner/Surface at a rate of 500 ft/gal. Power wash completely off.
2. Seams and Penetrations: Apply Polar Everseal at the rate of 55 mils over the seams or Silicone at the rate of 3 gallons/square in a 6 inch wide strip.
3. Apply two Coats of Silkoxy Top Coat for a total coverage rate of 2.0 gallons per square.
4. Seal all seams and fasteners on existing skylight unit as necessary.

Relieve tension from areas of membrane that are stretching and seal into roof system using termination bar, fasteners, reinforced fabric and coatings.

Finished color: White

Install the above system in accordance with Everest Systems specifications.

**Total average dry mils over seams is 55 Mil+ and 30 Dry mils in the field of the Single Ply
Elongation 468% Tensile Strength 205 psi**

WARRANTY: 10 year "leak free" material and 10 year "leak free" labor warranty (non pro-rated).

Proposal & Warranty may be subject to adhesion test and manufacturer's approval

* This system has a fifteen year life expectancy

RENEWABLE WARRANTY: An additional warranty can be renewed at the end of the warranty period with an inspection and re-coat. If roof is re-coated on a regular basis, the roof may never need to be replaced again.

Any alteration or deviation from above specification involving extra costs, will be undertaken and preformed only after a written change order has been signed by the parties, and will become an extra charge over and above the original contract price as set forth in such change order. Client shall carry fire, tornado, hail and other necessary insurance on above work. Workmen's compensation and public liability insurance on above work to be taken out by Tillotson Enterprises Inc. Tillotson Enterprises, Inc. is not responsible for any existing or future damage due to mold or mildew. The warranties set forth in this contract are in lieu of any other or additional warranties of any type or nature whatsoever, and Tillotson shall not be liable for, incidental or consequential damages.

We hereby propose to furnish material and labor - in accordance with the above specifications, for the sum of: Fifteen Thousand Eight Hundred Sixty dollars \$15,860.00

Payment to be made as follows: 50% with signed contract, and 50% within 30 days of project completion. Delinquent payment, upon any work completed, shall bear interest at 1 1/2% per month from date of completion, and, if suit is filed to enforce payment, owner will pay reasonable attorney fees and court costs. I understand that any failure to pay as and when required by the contract, all Warranty/Guarantees contained herein can be reduced or voided. The prices, specifications and conditions are satisfactory and are hereby accepted. The contractor is authorized to do the work specified. Tillotson Enterprises Inc. reserves the right to charge client for expenses incurred for a warranty service call if it is determined the problem is not a warranty issue covered by material and/or labor.

1st Payment: \$7,930.00 dollars
Date Paid:

2nd Payment: \$7,930.00 dollars
Date Paid:

If the first down payment is not received with the contract, then any additional material cost, labor cost, etc. will be passed on to the client when the job is started and included in the first payment.

Page 1

Tillotson Enterprises
8000 Fletcher Ave, Suite 100
Lincoln, NE 68507
Office: 402-466-7038
Fax: 402-466-0305
(herin "Tillotson")



Contract #24582 - 29440
Page 1 of 1
Date: 7/19/2022
1,508 square feet
1,508 expanded square feet

To: Tami Comte - City of David City
PO Box 191
David City, Nebraska 68632
Cell: 402-367-2099
(herin "Client")

Job: LOBBY ROOF
Location: 490 E St.
David City, Nebraska 68632

Submit specifications & estimates for: installing Silkoxy Silicone SYSTEM over Single ply roofing material.

1. Apply Everprep Cleaner/Surface at a rate of 500 ft/gal. Power wash completely off.
2. Seams and Penetrations: Apply Polar Everseal at the rate of 55 mils over the seams or Silicone at the rate of 3 gallons/square in a 6 inch wide strip.
3. Apply two Coats of Silkoxy Top Coat for a total coverage rate of 2.0 gallons per square.

Relieve tension from areas of membrane that are stretching and seal into roof system using termination bar, fasteners, reinforced fabric and coatings.

Finished color: White

Install the above system in accordance with Everest Systems specifications.

**Total average dry mils over seams is 55 Mils+ and 30 Dry mils in the field of the Single Ply
Elongation 468% Tensile Strength 205 psi**

WARRANTY: 10 year "leak free" material and 10 year "leak free" labor warranty (non pro-rated).

Proposal & Warranty may be subject to adhesion test and manufacturer's approval

* This system has a fifteen year life expectancy

RENEWABLE WARRANTY: An additional warranty can be renewed at the end of the warranty period with an inspection and re-coat. If roof is re-coated on a regular basis, the roof may never need to be replaced again.

Any alteration or deviation from above specification involving extra costs, will be undertaken and preformed only after a written change order has been signed by the parties, and will become an extra charge over and above the original contract price as set forth in such change order. Client shall carry fire, tornado, hail and other necessary insurance on above work. Workmen's compensation and public liability insurance on above work to be taken out by Tillotson Enterprises Inc. Tillotson Enterprises, Inc. is not responsible for any existing or future damage due to mold or mildew. The warranties set forth in this contract are in lieu of any other or additional warranties of any type or nature whatsoever, and Tillotson shall not be liable for, incidental or consequential damages.

We hereby propose to furnish material and labor - in accordance with the above specifications, for the sum of: Ten Thousand Three Hundred Ninety dollars \$10,390.00

Payment to be made as follows: 50% with signed contract, and 50% within 30 days of project completion. Delinquent payment, upon any work completed, shall bear interest at 1 1/2% per month from date of completion, and, if suit is filed to enforce payment, owner will pay reasonable attorney fees and court costs. I understand that any failure to pay as and when required by the contract, all Warranty/Guarantees contained herein can be reduced or voided. The prices, specifications and conditions are satisfactory and are hereby accepted. The contractor is authorized to do the work specified. Tillotson Enterprises Inc. reserves the right to charge client for expenses incurred for a warranty service call if it is determined the problem is not a warranty issue covered by material and/or labor.

1st Payment: \$5,195.00 dollars
Date Paid:

2nd Payment: \$5,195.00 dollars
Date Paid:

If the first down payment is not received with the contract, then any additional material cost, labor cost, etc. will be passed on to the client when the job is started and included in the first payment.

Page 1

Tillotson Enterprises
8000 Fletcher Ave, Suite 100
Lincoln, NE 68507
Office: 402-466-7038
Fax: 402-466-0305
(herin "Tillotson")



Contract #24581 - 29439
Page 1 of 1
Date: 7/21/2022
4,963 square feet
4,963 expanded square feet

To: Tami Comte - City of David City
PO Box 191
David City, Nebraska 68632
Cell: 402-367-2099
(herin "Client")

Job: FOAM ROOF SECTIONS
490 E St.
Location: David City, Nebraska 68632

Submit specifications and estimates for: **installing NEOGARD Permthane II base and top coat three of the four foam roof sections.**

1. Clean the specified surface using a pressure washer and/or cleaner to ensure proper bonding.
2. Caulk large holes with urethane caulking compound.
3. Clean and trim areas around old roof curbs and encapsulate with new polyurethane foam application.
4. Remove two old skylight domes from roof and cover with metal caps. Encapsulate metal caps with new polyurethane foam application.
5. Remove any areas of wet foam and replace with new polyurethane spray foam application as necessary.
6. Apply Permthane II 70620 base coat to the entire specified surface (1.0 gallons per square).
7. Apply Permthane 7490 top coat to the entire specified surface (1.5 gallons per square).

Finished color: WHITE

Install the above system in accordance with manufacturer's specifications.

Average dry mils over specified surface is 28 Mil

Elongation 263% Tensile Strength 3042 psi

WARRANTY: 10 year "leak free" material and 10 year "leak free" labor warranty (non pro-rated).

* This system has a fifteen year life expectancy

RENEWABLE WARRANTY: An additional warranty can be renewed at the end of the warranty period with an inspection and re-coat. If roof is re-coated on a regular basis, the roof may never need to be replaced again.

Submit specifications and estimates for: **installing Uniflex 44 Silicone to the Chiropractor roof.**

1. Clean the specified surface using a pressure washer to ensure proper bonding.
2. Caulk large holes with silicone caulking compound.
4. Apply Uniflex 44 top coat to the entire specified surface (2.0 gallons per square).

Finished color: WHITE

Install the above system in accordance with Uniflex specifications

Total average dry mils over specified surface is 30 mils

Elongation 315% Tensile Strength 250 psi

WARRANTY: 10 year "leak free" material and 10 year "leak free" labor warranty (non pro-rated)

*This system has a fifteen year life expectancy

RENEWABLE WARRANTY: An additional warranty can be renewed at the end of the warranty period with an inspection and re-coat. If roof is re-coated on a regular basis, the roof may never need to be replaced again.

Any alteration or deviation from above specification involving extra costs, will be undertaken and performed only after a written change order has been signed by the parties, and will become an extra charge over and above the original contract price as set forth in such change order. Client shall carry fire, tornado, hail and other necessary insurance on above work. Workmen's compensation and public liability insurance on above work to be taken out by Tillotson Enterprises Inc. Tillotson Enterprises, Inc. is not responsible for any existing or future damage due to mold or mildew. The warranties set forth in this contract are in lieu of any other or additional warranties of any type or nature whatsoever, and Tillotson shall not be liable for, incidental or consequential damages.

Page 2

We hereby propose to furnish material and labor - in accordance with the above specifications, for the sum of: Thirty One Thousand Six Hundred Eighty dollars \$31,680.00

Payment to be made as follows: 50% with signed contract, and 50% within 30 days of project completion. Delinquent payment, upon any work completed, shall bear interest at 1 1/2% per month from date of completion, and, if suit is filed to enforce payment, owner will pay reasonable attorney fees and court costs. I understand that any failure to pay as and when required by the contract, all Warranty/Guarantees contained herein can be reduced or voided. The prices, specifications and conditions are satisfactory and are hereby accepted. The contractor is authorized to do the work specified. Tillotson Enterprises Inc. reserves the right to charge client for expenses incurred for a warranty service call if it is determined the problem is not a warranty issue covered by material and/or labor.

1st Payment: \$15,840.00 dollars
Date Paid:

2nd Payment: \$15,840.00 dollars
Date Paid:

If the first down payment is not received with the contract, then any additional material cost, labor cost, etc. will be passed on to the client when the job is started and included in the first payment.

Acceptance of the proposal. The above prices, specifications, and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

We agree to furnish the above items and conditions herein contained. All agreements contingent upon strikes, acts of God, or other causes beyond our control.

Date of Acceptance _____

This contract price is void after 30 days

Purchaser _____

Contractor _____

Mayor Zavodny stated that the next item on the agenda was consideration of a Community Development Block Grant (CDBG) Downtown Revitalization (DTR) application.

Interim Administrator/City Clerk Tami Comte said, "I met with Tom Bliss from SENDD and two other gals and they would like have us apply for a Downtown Revitalization grant. Clayton had started this. There would be no cost to the City. The businesses would have to match half and the grant would pay the other half. It cannot be used for living quarters upstairs. It would basically beautify the downtown area with paint, new windows and doors that are energy efficient and things like that. It's just to revitalize our downtown."

Mayor Alan Zavodny said, "So, really all we would be authorizing is the application."

Interim Administrator/City Clerk Tami Comte said, "Yes. There are some things that we have to do in order to get the grant. I think that Skip is going to work with me to get the pre-applications finished."

Special Projects Coordinator Dana Trowbridge said, "I had a long visit with Kelly Gentrup this morning and I learned a bit about what's going on. If we would not have done our Downtown Revitalization/Redevelopment Program four years ago, this would factor into some of the things that we've already done and that's the ADA accessibility as to stepless entry into the buildings, which I told Kelly has already been addressed and is completed. She was really excited about that. It would help some of the people around the square if there are code violations, bring their facility up to a level that would meet everybody's code. Weatherization is another one. We're going to do pre-applications like we did with the owner-occupied housing. It is a competitive grant process among communities."

Mayor Alan Zavodny said, "Since we've kind of got a head start on addressing a lot of those things, that doesn't hurt us, necessarily. We might not be as high a priority, but there's no downside to this, is there?"

Special Projects Coordinator Dana Trowbridge said, "No. Those are all the things that we don't have to ask for. We can ask for the pretty things because a lot of these other things don't show."

Mayor Alan Zavodny said, "I think we've addressed the functionality piece fairly well."

Interim Administrator/City Clerk Tami Comte said, "I think that maximum if \$400,000."

Special Projects Coordinator Dana Trowbridge said, "Somewhere between \$400,000 and \$500,000. The only thing that you're going to have to do out of the ordinary is have one special meeting between now and September to meet the calendar requirements and public notification for a public hearing."

Mayor Alan Zavodny said, "That's something that we're good at. We can do that."

Council member Bruce Meysenburg made a motion to approve a Community Development Block Grant (CDBG) Downtown Revitalization (DTR) application. Council Member Jessica Miller seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Yea, Kevin Woita: Yea
Yea: 6, Nay: 0

Mayor Zavodny stated that the next item on the agenda was consideration/review of Bone Creek Museum's Community Development Assistance Act application and authorize Mayor Zavodny to sign a letter of review.

Mayor Alan Zavodny said, "Really, what they are asking us to do is on City letterhead to submit a letter on their behalf is my understanding."

Council member Bruce Meysenburg made a motion to approve Bone Creek Museum's Community Development Assistance Act application and authorize Mayor Zavodny to sign a letter of review. Council Member Pat Meysenburg seconded the motion. The motion carried.

City Council Proceedings

July 27, 2022

Page #22

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John
Vandenberg: Yea, Kevin Woita: Yea

Yea: 6, Nay: 0

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P.O. Box 191
557 4th Street
David City, NE 68632



Phone: (402) 367-3135
FAX: (402) 367-3126
Website: www.davidcityne.com

July 27, 2022

To Whom It May Concern,

As Mayor of David City, I am very pleased to lend my support for this exciting new project: Bone Creek Museum of Agrarian Art's new location in our downtown area.

This new project will help energize our town by activating the block and helping to sustain our thriving community. It will also attract even more economic development through tourism dollars, which will be great for our city.

This project fits well into our city's master plan and I endorse it fully.

Sincerely,

A handwritten signature in blue ink, appearing to read "Alan Zavodny", is written over the printed name below.

Mayor Alan Zavodny

AZ/tc

Mayor Zavodny stated that the next item on the agenda was consideration of an airport lease with Matt Treadway for a one-month lease.

Mayor Alan Zavodny said, "What we believe to be the truth in this matter is the FAA does not allow us to not allow someone to come onto our airport so he's there already. So, we're approving a lease to someone who is already there. We usually don't turn down money. When we had a little bit of a power outage, he's had an issue already. He knocked out the feeder line from NPPD, which then Butler Public Power, so anyone that knows anything about electric was chasing the poor guy. He's had a rough start to his month lease. We're asking you to approve that. That's everything we know about that, at this point."

Council member Pat Meysenburg made a motion to approve an airport lease with Matt Treadway for a one-month lease. Council Member Kevin Woita seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Yea, Kevin Woita: Yea
Yea: 6, Nay: 0

LEASE TO AIRPORT LAND LEASE

THIS AGREEMENT made effective as of _____, 20____, by and between THE DAVID CITY MUNICIPAL AIRPORT through the City of David City, Nebraska, a municipal corporation of the State of Nebraska, hereinafter referred to as the "City" and _____, hereinafter referred to as "Lessee(s)".

IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED IN THIS AGREEMENT, THE PARTIES AGREE AS FOLLOWS:

The City hereby grants the Lessee(s) the exclusive privilege of using a 60' x 60' pad of asphalt at the David City Municipal Airport. Lessee(s) assures City that it has read and fully understands the Rules and Regulations of the David City Municipal Airport.

1. For the privilege granted by this Lease to Lessee(s), Lessee(s) shall pay to the City a monthly sum of \$150.
2. Lessee(s) shall refrain from storing any items or materials on the premises which would violate local or national fire codes and shall not store any gasoline, combustible liquids or hazardous materials in the above-described storage unit. Upon notice to Lessee(s) of the violation of paragraph 5, Lessee(s) shall immediately remove such conditions that violate the local and national fire codes or any gasoline combustible liquids or hazardous material in the above-described hangar.
3. Lessee(s), whether individuals, partnership or corporation, must have and maintain a majority legal ownership or majority leasehold interest in the stored items.
4. Lessee(s) shall not exercise any privileges granted by this Agreement in such a way as to interfere with or adversely affect the use, operation, maintenance or development of the Airport.
5. The City shall not be liable for any damage to Lessee(s) stored items and/or personal property while the same is stored on the asphalt pad, other than gross negligence or willful wrongful acts of the officers, employees or agents of the City.

6. The City shall stand indemnified by Lessee(s) as herein provided. It is expressly understood by and between the parties hereto that Lessee(s) herein is, and shall be deemed to be, responsible to all parties for its respective acts and omissions and the City shall in no way be responsible therefore. It is further agreed that in the use of the airport and hangar space and the exercise or enjoyment of the privileges herein granted, Lessee(s) agrees to indemnify and save harmless the City from any and all losses that may result from any negligence on the part of Lessee(s). Lessee(s) shall not be responsible to indemnify City in the following events: acts of God, riots, civil commotion and the public enemy.

The City shall insure all improvements owned by the City of the premises. Lessee shall bear the entire risk of damage or destruction of any stored items and other personal property stored in or about the storage unit, whether owned or leased by the Lessee or a third party located in or about the storage unit. Lessee, on behalf of itself and its insurer, waives any right of subrogation to the City, arising out of damage or destruction of the stored items or personal property while in the leased premises. Lessee further, by the signing of this lease, releases the City from liability for damage or destruction of its stored items or personal property, unless such damage or destruction is due to the sole negligence of the City.

7. The City reserves the right to control access to the storage units in order to regulate the orderly and efficient operation of the Airport. Lessee(s) may lock the door to the storage units in order to protect Lessee(s) property kept in the storage units; provided, however, Lessee(s) shall provide a key for the lock to the Airport Manager who shall have the right of access to the storage units at all times.

The City controls access to the main gate, hangars, and storage units. The City shall provide a key for the lock to the Lessee(s) Hangar or Storage Unit. The Airport Manager shall have the right of access to all hangars and storage units at all time. No additional locks, padlocks, or keys shall be added by the Lessee(s).

8. The City reserves the right (but shall not be obligated to Lessee(s)) to maintain and keep in repair all publicly owned facilities at the David City Municipal Airport. The City's obligation for repairs or maintenance to the storage unit shall extend only to maintain the storage unit in a fit and usable condition.
9. The Lessee(s) and its employees and agents shall obey the rules and regulations as may from time to time be lawfully promulgated by the City or its authorized agents in charge of the Airport, and the Lessee(s) and its employees and agents shall observe and obey such regulations as may from time to time be promulgated by the United States, or any department or agency thereof, and by the State of Nebraska, as the same may relate to the privileges provided to Lessee(s) under this Agreement.
10. The Lessee(s) as part of the consideration of this Agreement, do hereby covenant and agrees that:
 - (A) No person on the grounds of race, creed, color, sex, disability or national origin shall be subjected to discrimination in the use of the facilities; and
11. The parties agree that this Agreement is a mere lease; that it confers upon the Lessee(s) the privilege of the use of storage unit only for the purposes herein

permitted, and necessary incidental privileges. Failure to abide by any of the provisions of this lease will result in the default of this lease at the option of the City.

12. This lease shall be governed by and construed in accordance with the laws of the State of Nebraska. By signing this lease, the City and Lessee(s) hereby submit to personal and subject matter jurisdiction of the State of Nebraska in Butler County of any dispute between the City and Lessee(s).
13. If it shall be determined by a court or other governing body that any provision or wording of this lease shall be invalid or unenforceable under city, state or other applicable law, such invalidity or unenforceability shall not invalidate the entire lease. Whenever two or more interpretations of the provisions or wording of this lease shall be possible, the interpretation or construction shall lead to the enforcement and validity of any provision of this lease shall be favored and deemed to be the intended interpretation of the parties to this lease.
14. To the full extent permissible by applicable law, City and Lessee(s) waive trial by jury in any action, proceedings or counterclaim brought by a party against any other party on any conflict arising out or in any way connected with this lease or the relationship of the parties created hereunder.

Executed by:

CITY OF DAVID CITY, NEBRASKA

Mayor

City Clerk

LESSEE(S)

#1 By: _____

#2 By: _____

Printed Name(s), Address(es), Phone Number(s), and Email Address(es):

Mayor Zavodny stated that the next item on the agenda was consideration of hiring cleaning personnel for the new City Office.

Mayor Alan Zavodny said, "One of the things that I've heard is that no one knew that this was going on. I don't know how else we advertise. People don't run out of things to point out to me."

Interim Administrator/City Clerk Tami Comte said, "It was in the paper for two weeks and I believe that we put it on Facebook also."

Mayor Alan Zavodny said, "You see a significant difference in the two that have been presented. For the longest time we had one and especially since you have present employees but once you start comingling those kinds of things you get into all kinds of trouble. That's what causes me concern. The only question that we have is you pick one of these or do you try a little bit longer of an advertisement."

Council member Kevin Woita said, "How long of a contract are we going to have?"

Interim Administrator/City Clerk Tami Comte said, "It's not really a contract because the last time that we were audited by the IRS they told us that if they do not provide their own supplies and the vacuum and everything, that they were an employee."

Mayor Alan Zavodny said, "Yes, they are not an independent contractor. They need to be able to choose when they can do it, use all of their own equipment otherwise they don't pass the IRS test."

Council member Kevin Woita said, "I guess what I'm trying to say is can we put a time limit on how long if we're not satisfied with their work. Can we just terminate them or what?"

Council member Jessica Miller said, "If I'm reading this correctly, the one that you are proposing would become a city employee now."

Interim Administrator/City Clerk Tami Comte said, "Yes."

Council member Jessica Miller said, "So, what I'm hearing is that you could terminate them at any time with just cause."

Mayor Alan Zavodny said, "Here's my problem. I don't know how you have a monthly fee make them an employee because it's not hourly and they certainly can't pass the litmus test for salary."

City Attorney David Levy said, "You have a benefits issue and all kinds of things. You could do that as a service agreement for an independent contractor. That would make a lot more sense. I don't know if that person is willing to do it."

Council member Jessica Miller said, "Would she be able to use the city supplies or would she have to supply her own?"

Mayor Alan Zavodny said, "She would have to supply her own to meet the independent contractor litmus test."

City Attorney David Levy said, "And have her own insurance."

Mayor Alan Zavodny said, "She would have her own business and she would be coming in to do her business. Let me tell you what I believe based on the discussion that we've had so far. The safest course of action so far is that you table this thing and pull back and find out some more information."

Council member Jessica Miller said, "I would put it on the next agenda and then go back to her and see if she is willing to supply her own equipment and cleaning supplies."

Mayor Alan Zavodny said, "It may affect the bid because now you have to factor in the supplies and insurance."

Council member Jessica Miller said, "Table it and leave it open for the public to apply and ask her if she is interested in supplying her own equipment."

Council member Jessica Miller made a motion to table consideration of hiring cleaning personnel for the new City Office. Council member Bruce Meysenburg seconded the motion.

City Attorney David Levy said, "You might want to be careful about mixing and matching. If you want to table it to go back and negotiate with more information from these two respondents but if you want to table it and remain open for bids. You should do one or the other. Did you put it in the paper as an RFP?"

Interim Administrator/City Clerk Tami Comte said, "No. I assumed that we were basically hiring an employee because that is what we had before."

City Attorney David Levy said, "So, these are employment applications?"

Interim Administrator/City Clerk Tami Comte said, "Yes."

City Attorney David Levy said, "You have a motion and a second so you can act on that but you could also indefinitely postpone this item because essentially you are taking no action on this item and you are going to go back and start over on the process."

Council member Jessica Miller withdrew her motion to table consideration of hiring cleaning personnel for the new City Office. Council member Bruce Meysenburg withdrew his second of the motion.

Council member Jessica Miller made a motion to indefinitely postpone hiring cleaning personnel for the new City Office. Council Member Bruce Meysenburg seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Yea, Kevin Woita: Yea

Yea: 6, Nay: 0

Council member Bruce Meysenburg made a motion to recess the City Council meeting at 7:39 p.m. and reconvene as the Community Development Agency of the City of David City, Nebraska. Council Member Jessica Miller seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Yea, Kevin Woita: Yea

Yea: 6, Nay: 0

Chairman Alan Zavodny declared the Community Development Agency in session and asked for the Secretary to call the roll.

Present for the meeting were: Chairman Alan Zavodny, Community Development Members Jessica Miller, Pat Meysenburg, Bruce Meysenburg, Tom Kobus, John Vandenberg and Kevin Woita.

Also present: City Attorney David Levy, Special Projects Coordinator Dana Trowbridge, Joe Johnson of Olsson and legal counsel Michael Sands of Baird Holm.

Michael Sands, Special Assistant to the City Attorney with Baird Holm introduced himself and said, "This Redevelopment Plan deals with the sewage treatment facility. I was at the meeting about a month ago when you got the rundown on the cost of that to be approximately thirteen million dollars. So, in conjunction with that I think that everybody was eager to explore all the opportunities to mitigate some of those costs in any way possible. This was part of that effort. This Redevelopment Plan sets forth a structure of TIF that is different than you would typically see in that it divides the taxes on all of the properties within that Northwest Redevelopment area for fifteen years and it will capture the inherent or natural tax revenue increases on that. We put in a factor of two percent year over year that would be pretty typical of what you would see in increases. It's not necessarily going to go up two percent every single year, but it might jump five percent every two or three years, something like that. By doing that the base on all those properties as it grows will keep going to the taxing jurisdictions and that natural increase will go into a fund to help pay that bond on the sewage treatment. Based on that two percent year over year increase and your current property valuations in that area over fifteen years we've calculated just a shade under eight hundred thousand dollars could be available to offset that thirteen-million-dollar treatment bond. The last thing to highlight is that the treatment plant is not in that area however the nexus between that area and the treatment facility is very strong because you're going to see a lot of new development in that northwest region of the city and the need for heightened sewage treatment facilities is very apparent especially as things currently sit especially if you're going to have more development."

Mayor Alan Zavodny said, "So, that's our defensible position and as far as complying with all of the TIF laws, we're solid?"

Michael Sands, Special Assistant to the City Attorney with Baird Holm said, "It's a novel issue, to be frank. There's no real precedent to look at but we're on the right side of the plain reading of the law would support our position."

Mayor Alan Zavodny said, "Considering the purpose that we're going to use it for, too, that should be a high priority."

Michael Sands, Special Assistant to the City Attorney with Baird Holm said, "More so than for a private development."

City Attorney David Levy said, "I would just add that the one instance of this where somebody did get a negative report from the State Auditor was, they generated funds on one side of town and used the funds on the other side of town for something unrelated. I believe it was also a private development. We can't tell you that what you are doing has been tested but we know that you are at the other end of the spectrum from what was tested and found to be a bridge too far, if you will."

Mayor Alan Zavodny said, "So, we're not doing what we know is wrong. But what we don't necessarily know that what we're doing is going to be okay. That's as good as I can get from a lawyer, and I've talked to a lot of them."

City Attorney David Levy said, "But we've learned from what we know is wrong and we're doing essentially the opposite in every category."

Michael Sands, Special Assistant to the City Attorney with Baird Holm said, "We were over the top of being able to lay the breadcrumbs and repeating that nexus between the areas, essentially."

Council member Kevin Woita said, "Does it affect any money that we're going to get in the future? It essentially cuts it in half, doesn't it?"

Mayor Alan Zavodny said, "The one question that we probably would need to address is where we're at as a community as far as our percentage of TIF coverage. Did we do that calculation yet?"

Michael Sands, Special Assistant to the City Attorney with Baird Holm said, "No. So, I've been working with Keith Marvin on this..."

Mayor Alan Zavodny said, "I hound him about that all the time."

Michael Sands, Special Assistant to the City Attorney with Baird Holm said, "We discussed that, and we know that we're going to have to deblight some areas. Certainly, this does not involve any new blighted areas so we're good for now. But if you're going to build on that northwest area, you're going to have to take some out of, probably, that central area."

Mayor Alan Zavodny said, "My understanding is that we have somewhat of a plan to do that."

Michael Sands, Special Assistant to the City Attorney with Baird Holm said, "Yes. I think Keith is working on that."

Mayor Alan Zavodny said, "That takes away my only slippery slope on this deal."

Special Projects Coordinator Dana Trowbridge introduced himself and said, "This captures the escalation of the base from year one?"

Michael Sands, Special Assistant to the City Attorney with Baird Holm said, "Yes. So, we're going to divide it yet this year so the 2021 valuation for every single one of these properties within the area is going to be base value. That's where it's going to be frozen at and continue going to the taxing jurisdictions. For the next fifteen years any increases that are seen within that area on those properties will go into the fund to pay for the bond on the sewage treatment."

Special Projects Coordinator Dana Trowbridge said, "So, the County Assessor will escalate the base and the revalued in two steps?"

Michael Sands, Special Assistant to the City Attorney with Baird Holm said, "Since 2018, any property that is within a redevelopment project received two tax statements. One shows you the base, so all the folks that own property will get a tax statement that will essentially show whatever the tax valuation was in 2021 and then they'll get a second one that shows whatever it has increased since 2022 essentially. So, that 2021 frozen tax statement will always just continue to go to the taxing jurisdictions. The second one will represent all of the funds that are in excess of that amount that will go into the fund to pay the bond. It's really just generated by

the natural escalation. So, even if you aren't doing anything to your property to improve it, typically it will go up over time because of inflation and other factors."

Council member Bruce Meysenburg made a motion to pass and adopt Resolution No. 3-2022 CDA, Recommending the Redevelopment Plan and adoption of cost benefit analysis for the Northwest Redevelopment Area. Council Member Jessica Miller seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Yea, Kevin Woita: Yea

RESOLUTION NO. 3-2022 CDA

A RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF DAVID CITY, NEBRASKA, RECOMMENDING APPROVAL OF A REDEVELOPMENT PLAN ENTITLED "REDEVELOPMENT PLAN FOR THE NORTHWEST REDEVELOPMENT AREA (SEWAGE TREATMENT FACILITIES DISTRICT TIF PROJECT)", TO THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA.

WHEREAS, pursuant to Chapter 18, Article 21, Nebraska Reissue Revised Statutes, as amended, known as the Community Development Law (the "Act"), a redevelopment plan entitled, "Redevelopment Plan for the Northwest Redevelopment Area (Sewage Treatment Facilities District TIF Project)" (the "Plan"), setting forth certain redevelopment activities in the City of David City, Nebraska (the "City"), was submitted to the Planning Commission of the City, for approval and recommendation to the Mayor and City Council of the City; and

WHEREAS, on July 23, 2022, the Planning Commission reviewed the Plan for its conformity with the comprehensive plan of the City, and recommended approval of the Plan to the Mayor and City Council of the City; and

WHEREAS, on July 27, 2022, the Community Development Agency of the City (the "Agency"), reviewed the Plan pursuant to section 18-2114 of the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE AGENCY:

Section 1. Based on the substantial evidence in the record of this proceeding, the Agency finds as follows:

(a) The proposed land uses and building requirements in the redevelopment area as described in the Plan are designed with the general purpose of accomplishing, in conformance with the City's comprehensive plan, a coordinated, adjusted and harmonious development of the City and its environs which will, in accordance with the present and future needs, promote health, safety, morals, order, convenience, prosperity and the general welfare, as well as efficiency and economy in the process of development; that under the Plan adequate provision is made for traffic, vehicular parking, the promotion of safety from fire, panic and other dangers, adequate provision for light and air, the promotion of the healthful and convenient distribution of populations, the provision of adequate transportation, water, sewage and other public utilities, schools, parks, recreational and community facilities and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public

funds and the elimination of, or prevention of the recurrence of, insanitary or unsafe dwelling accommodations or conditions of blight.

(b) The Plan contains a satisfactory statement of the proposed method and estimated cost of the redevelopment set forth in the Plan; the required public improvements; the estimated proceeds or revenue expected to be obtained by the City from disposal of property to the redeveloper, if any; the method of financing for the proposed redevelopment; a cost-benefit analysis; and a statement regarding the displacement of families, if any, within the redevelopment area.

Section 2. Based on the foregoing and substantial evidence in the record of this proceeding, the Agency recommends approval and adoption of the Plan to the Mayor and City Council of the City, and pending such approval and adoption, hereby adopts and approves the Plan.

PASSED AND APPROVED this 27th day of July, 2022.

Community Development Agency
of the City of David City, Nebraska

By: _____
Chairperson

ATTEST:

By: _____
Secretary

Council member Bruce Meysenburg made a motion to recess as the Community Development Agency at 7:50 p.m. Council Member Tom Kobus seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Yea, Kevin Woita: Yea

Yea: 6, Nay: 0

Mayor Zavodny declared the recessed City Council meeting back in session at 7:52 p.m.

Mayor Zavodny opened the public hearing at 7:53 p.m. to consider a Redevelopment Plan entitled "Redevelopment Plan for Sewage Treatment Subdivision Redevelopment Project" for redevelopment pursuant to the Community Development Law, Nebraska Revised Statutes, Section 18-2101.

Hearing no comments Mayor Zavodny declared the public hearing closed at 7:54 p.m.

Council member Bruce Meysenburg made a motion to pass and adopt Resolution No. 14-2022 adopting and approving a Redevelopment Plan for the Northwest Redevelopment Area

(Sewage Treatment Facilities District TIF Project). Council Member Pat Meysenburg seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Yea, Kevin Woita: Yea

Yea: 6, Nay: 0

RESOLUTION NO. 14-2022

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA, ADOPTING AND APPROVING A REDEVELOPMENT PLAN ENTITLED, "REDEVELOPMENT PLAN FOR THE NORTHWEST REDEVELOPMENT AREA (SEWAGE TREATMENT FACILITIES DISTRICT TIF PROJECT)".

WHEREAS, pursuant to the Nebraska Community Development Law, Nebraska Revised Statutes Sections 18-2101 et. seq. (the "Act"), the Mayor and City Council of the City of David City, Nebraska (the "City"), designated a portion of the City, commonly referred to as the "Northwest Redevelopment Area", as blighted, substandard, and in need of redevelopment under the Act; and

WHEREAS, the Mayor and City Council finds based on substantial evidence in the record of this proceeding that redevelopment of the Northwest Redevelopment Area will result in the elimination and prevention of blight and aligns with the purposes of the Act and the City's comprehensive plan for land use and development (the "Comprehensive Plan"); and

WHEREAS, attached hereto as Exhibit "A" is a tax-increment financing redevelopment plan for redevelopment within the Northwest Redevelopment Area entitled, "Redevelopment Plan for the Northwest Redevelopment Area (Sewage Treatment Facilities District TIF Project)" (the "Redevelopment Plan"), which sets forth a specific redevelopment project pertaining to the Northwest Redevelopment Area (the "Redevelopment Project"); and

WHEREAS, in conformance with the Act, the Planning Commission of the City held a duly noticed public hearing on the Redevelopment Plan on July 23, 2022, and provided written findings on and recommended the Mayor and City Council's adoption and approval of the Redevelopment Plan; and

WHEREAS, in conformance with the Act, the Community Development Agency of the City (the "Agency") previously provided written findings on and recommended the Mayor and City Council's adoption and approval of the Redevelopment Plan; and

WHEREAS, on July 27, 2022, the Mayor and City Council held a duly noticed public hearing on the Redevelopment Plan, in conformance with the Act; and

WHEREAS, after public hearing and review of the Redevelopment Plan, the Mayor and City Council determined that the Redevelopment Plan complies with the Comprehensive Plan of the City and will result in the elimination and prevention of blight; and

WHEREAS, after public hearing and review of the Redevelopment Plan, the Mayor and City Council determined that the Redevelopment Project contemplated in the Redevelopment Plan would not occur and would not be economically feasible without the use of tax-increment financing.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY:

Section 1. The Redevelopment Plan attached as Exhibit "A" complies with the Comprehensive Plan of the City.

Section 2. Based on the substantial evidence in the record of this proceeding, the Mayor and City Council finds as follows:

(a) The proposed land uses and building requirements for the Redevelopment Project as described in the Redevelopment Plan are designed with the general purpose of accomplishing, in conformance with the City's Comprehensive Plan, a coordinated, adjusted and harmonious development of the City and its environs which will, in accordance with the present and future needs, promote health, safety, morals, order, convenience, prosperity and the general welfare, as well as efficiency and economy in the process of development; that under the Redevelopment Plan adequate provision is made for traffic, vehicular parking, the promotion of safety from fire, panic and other dangers, adequate provision for light and air, the promotion of the healthful and convenient distribution of populations, the provision of adequate transportation, water, sewage and other public utilities, schools, parks, recreational and community facilities and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds and the elimination of, or prevention of the recurrence of, insanitary or unsafe dwelling accommodations or conditions of blight.

(b) The Redevelopment Plan contains a satisfactory statement of the proposed method and estimated costs of the Redevelopment Project; that no public improvements are required to be provided except as set forth in the Redevelopment Plan with respect to the Redevelopment Project; that there are no estimated proceeds or revenue expected to be obtained by the City from disposal of property to the redeveloper except as set forth in the Redevelopment Plan; that the Redevelopment Plan sets forth a satisfactory method of financing for the Redevelopment Project consisting of direct payment for public improvements or grant assistance to the redeveloper for the Redevelopment Project, as designated in the Redevelopment Plan, which method of financing is the issuance by the City of its tax increment revenue bond to provide funds to pay for the costs of certain eligible improvements by grant assistance and that there are no families currently living within the redevelopment area, as set forth in the Redevelopment Plan, which are currently expected to be displaced from such area as a direct result of the Redevelopment Project.

(c) The cost-benefit analysis prepared in conjunction with the Redevelopment Plan and attached thereto sets forth the factors required under section 18-2113 of the Act and supports the Mayor and City Council's adoption and approval of the Redevelopment Plan.

Section 3. The Redevelopment Project set forth in the Redevelopment Plan would not be economically feasible without the use of tax-increment financing; would not occur without the use of tax-increment financing; and the costs and benefits of the Redevelopment Project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services have been analyzed by the Mayor and City Council and have been found to be in the long-term best interest of all those impacted by the Redevelopment Plan.

Section 4. Based on the foregoing and substantial evidence in the record of this proceeding, the Mayor and City Council hereby approves and adopts the Redevelopment Plan.

INTRODUCED BY COUNCIL MEMBER _____

PASSED AND ADOPTED THIS 27TH DAY OF JULY, 2022.

MAYOR

ATTEST:

CITY CLERK

**REDEVELOPMENT PLAN FOR THE
NORTHWEST REDEVELOPMENT AREA
(SEWAGE TREATMENT FACILITIES DISTRICT TIF PROJECT)
DAVID CITY, NEBRASKA**

**PREPARED JUNE, 2022
FOR
THE COMMUNITY DEVELOPMENT
AGENCY OF
DAVID CITY, NEBRASKA**

I. Introduction

This Redevelopment Plan for a blighted and substandard area of the City of David City, Nebraska ("**Redevelopment Plan**") is a guide for redevelopment activities to remove or eliminate blighted and substandard conditions within the City of David City, Nebraska (the "**City**"). The Mayor and City Council of the City (the "**Council**"), recognizing that blighted and substandard conditions are a threat to the continued stability and vitality of the City, passed a resolution designating certain areas of the City to be blighted and substandard and in need of redevelopment pursuant to the requirements of section 18-2103 of the Nebraska Community Development Law, sections 18-2101 et. seq., as amended (the "**Act**").

This Redevelopment Plan was prepared by the Community Development Agency of the City of David City (the "**CDA**"), and submits the implementation of a redevelopment project in the blighted and substandard community redevelopment area, commonly referred to as the Northwest Redevelopment Area (referred to herein as the "**Redevelopment Area**") to optimize the tax increment financing ("**TIF**") resources available for the construction of eligible public improvements. The TIF resources for the redevelopment project identified in this Redevelopment Plan will be derived from the natural valuation increase of all real property within the Redevelopment Area, rather than the increment created by a single project. The City estimates the natural valuation increases used to fund the TIF under this Redevelopment Plan will be approximately 2% per year based upon historical trends.

In accordance with the above, Section III(A) of this Redevelopment Plan contemplates a redevelopment project for the construction of new sewage treatment facilities for the City (the "**Project**") to serve the Redevelopment Area. As detailed below, the City anticipates and desires additional growth and development within the Redevelopment Area. However, the City's current sewage treatment facilities are outdated and cannot meet the demands that such development and growth will place on them. As such, even though the site of the sewage treatment facilities is not located within the Redevelopment Area, the infrastructure associated with the Project directly services and benefits the Redevelopment Area, and is a necessary component for fostering growth and development within the Redevelopment Area. Any additional redevelopment projects made part of this Redevelopment Plan shall be incorporated via an amendment hereto.

The Project and use of TIF for the same is authorized under section 18-2107(13), et al. of the Act. Section 18-2107(13) of the Act authorizes the CDA to, "plan, undertake, and carry out neighborhood development programs consisting of redevelopment project undertakings and activities in one or more community redevelopment areas which are planned and carried out on the basis of annual increments in accordance with the Community Development Law for planning and carrying out redevelopment projects." Section 18-2107(10) of the Act authorizes the CDA to, "make such expenditures as may be necessary to carry out the purposes of the Community Development Law." Section 18-2107(8) of the Act authorizes the CDA to, "make or have made all surveys, appraisals, studies, and plans . . . necessary to the carrying out of the purposes of the Community Development Law and to contract or cooperate with any and all

persons or agencies, public or private, in the making and carrying out of such surveys, appraisals, studies, and plans.”

II. Redevelopment Area

Exhibit "A", attached hereto and incorporated herein, sets forth the boundaries and shows the existing land use of the Redevelopment Area. The Redevelopment Area is approximately located north of O Street and south of 37th Road, between Road M and North 4th Street.

If the City wishes to adopt a redevelopment plan for a stand-alone project on a parcel included within the Redevelopment Area, the City may do so by amending the boundaries of the Redevelopment Area, via an administrative amendment to this Redevelopment Plan and amendment to the “Notice to Divide” for the Project filed with the county assessor, to exclude such parcels so the excess ad valorem real estate taxes thereon may be divided and allocated toward the individual redevelopment project.

Notwithstanding the foregoing, any individual redevelopment projects shall continue to contribute TIF Revenues (defined below) in an amount equal to the assumed 2% natural property valuation increases for such parcel(s) toward the Project set forth in this Redevelopment Plan. This continuing contribution shall be made a requirement in the “redevelopment contract” (as defined in the Act) for any such individual redevelopment project.

The Project set forth in this Redevelopment Plan shall benefit the Redevelopment Area, inclusive of all parcels therein, via the contribution of infrastructure that is necessary for the Redevelopment Area’s growth. Additionally, the improvements included as part of the Project are vital to the public health and safety of the City. The sewage treatment facilities benefits and is utilized by all property owners in the Redevelopment Area, as well as the City as a whole.

III. Project Plan

This Redevelopment Plan contemplates construction of a new sewage treatment facilities for the City. The City and CDA may amend this Redevelopment Plan to incorporate additional redevelopment projects in furtherance of the goals and objectives of the redevelopment of the Redevelopment Area. All redevelopment projects set forth in this Redevelopment Plan, as may be amended or supplemented, will be funded (in part) by TIF Revenues derived from the natural valuation increases of all real property in the Redevelopment Area. The new sewage treatment facilities will be constructed at the site of the current sewage treatment facilities, which will be decommissioned as part of the Project.

A. Sewage Treatment Facilities Project Overview

The Project consists of the construction of new sewage treatment facilities, which the City will undertake using, among other things, the division of ad valorem taxes in the

Redevelopment Area derived from natural property value increases. The current wastewater treatment facility was constructed between 1997 and 1998. The facility is now beyond its useful life and cannot support the expected and necessary growth and development desired by the City, and specifically located within the Redevelopment Area. Besides the natural deterioration of the current facility, the City has experienced, and continues to experience, growth in both population and industry, placing added burden on the current facility which are beyond its capabilities to accommodate. As such, the current facility can no longer meet the needs of the City – both as a whole and with respect to the anticipated growth and development within the Redevelopment Area. As such, while the Project is not located within the Redevelopment Area, it directly relates to and benefits the Redevelopment Area via the construction of sewage treatment facilities which are a vital component of the growth and development of the Redevelopment Area anticipated and desired by the City.

The Project involves the site preparation, construction, and such other work related to the construction of the new sewage treatment facility, as detailed in **Exhibit "B"**, attached hereto and incorporated herein.

The City anticipates commencement of the Project in 2023, and completion of the Project by the spring of 2024, subject to external delays. The Project will be funded, in part, by a portion of the TIF Revenues generated from the Redevelopment Area, as further detailed in Section III(H), below.

B. Conformance with the Comprehensive Plan

This Redevelopment Plan was developed on the basis of goals, policies and actions adopted by the City for the Redevelopment Area and community as a whole. It is essential to the City's Comprehensive Plan ("**Comprehensive Plan**") that the City's public infrastructure conform to the current and future needs of the City as it continues to grow and expand. The Project will further the City's adopted plans and stated goals.

The Comprehensive Plan sets forth the following guidance and objectives with respect to the Project and the City as a whole:

- Continue to encourage population and employment growth to enhance the tax base and economic viability of the community.
- Plan, provide, and maintain efficient and effective public infrastructure that promotes sustained development with a focus on water and sewer facilities.
- Ensure older infrastructure facilities are rehabilitated so the level of service is consistent with customer expectations.

In accordance with the forgoing, the Project and this Redevelopment Plan is feasible and in conformity with the Comprehensive Plan as a whole, and conforms to the legislative declarations and determinations set forth in the Act.

D. Existing Conditions in Redevelopment Area

1. Existing Land Use

The Redevelopment Area consists of a mix of vacant agricultural land, industrial use, commercial use and residential use, as shown on **Exhibit "A"**. The site of the Project consists of the City's current sewage treatment facilities.

2. Existing Zoning

The Redevelopment Area currently contains FS (Flex Space Mixed Use), I-2 (Heavy Industrial), C-1 (Highway Commercial) and R-1 (Single Family Residential) districts.

3. Existing Public Improvements

There are currently public improvements and infrastructure serving the Redevelopment Area. However, in light of the deteriorating condition of the current sewage treatment facilities and anticipated future development, further enhancement of the public sewage treatment infrastructure is necessary. The current sewage treatment facilities will not be able to meet the needs of any further population or industry growth generated from the potential improvements in the Redevelopment Area.

E. Proposed Redevelopment

1. Public Improvements

The Project consists of constructing new sewage treatment facilities as well as other public improvements. Such improvements will include site excavation, construction of the facility and other TIF-eligible expenses related to the enhancement of the Redevelopment Area.

a. *Public Access; Traffic Flow, Street Layouts and Street Grades*

The Project will not require additional public access to the new facility. Notwithstanding, the public improvements for the Project will address any traffic and street infrastructure concerns created thereby.

b. *Construction of Water and Sewer Improvements*

The Project involves the construction of new sewage treatment infrastructure. Large commercial and industrial development is anticipated within the Redevelopment Area. This development will increase the demand on the City's sewage treatment facilities, which currently are at maximum capacity.

c. *Other incidental improvements*

No further improvements are anticipated in relation to the Project.

d. *Additional public facilities or utilities*

Other than the improvements detailed above, the CDA anticipates that the existing public facilities and utilities can adequately meet the demands of the Redevelopment Area at this time.

e. *Property Acquisition, Demolition and Disposal*

No public acquisition of private property or relocation of families or businesses by the City or the CDA is necessary to accomplish the Project.

f. *Population Density*

The CDA does not anticipate the Project will directly impact population density in the Redevelopment Area, but will aid the City in future population growth.

g. *Land Coverage*

The CDA does not anticipate the Project will change existing land coverage ratios in the area.

h. *Parking*

The CDA does not anticipate the Project will impact current parking in the City or include construction of additional parking lots/structures.

g. *Zoning, Building Code and Ordinance*

The Redevelopment Area is zoned as a mix of FS (Flex Space Mixed Use), I-2 (Heavy Industrial), C-1 (Highway Commercial) and R-1 (Single Family Residential). The CDA does not anticipate that any zoning changes will be necessary to carry out the Project.

2. Private Improvements

The Project does not include any private improvements. The City will analyze any future private improvements within the Redevelopment Area on an individual basis, in conformance with this Redevelopment Plan and the Act.

F. Project Costs

The total estimated cost of the Project is \$13,000,000. A breakdown of the estimated costs of the Project are listed in **Exhibit "C"**, attached hereto and incorporated herein.

G. Implementation

The City intends to commence construction of the Project in 2023. The City anticipates completion of the Project by spring of 2024, subject to external delays.

H. Financing

The City and the CDA contemplate the use of TIF for the Project. Section 18-2147 of the Act authorizes the use of TIF. It provides that any ad valorem tax levied upon real property, or any portion thereof, in relation to a redevelopment project shall be divided, for a period not to exceed fifteen years after the "effective date" (as defined in the Act), as follows:

- (a) That portion of the ad valorem tax the levy produces at the rate fixed each year by or for each public body upon the area of redevelopment shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body ("**Base Tax Amount**"); and
- (b) That portion of the ad valorem tax on real property in the area of redevelopment in excess of the Base Tax Amount, if any, (i.e., the "**TIF Revenues**") shall be allocated to and, when collected, paid into a special fund of the authority to be used solely to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such authority for financing or refinancing, in whole or in part, the redevelopment project.

With respect to the Project, the base tax year in which the Base Tax Amount is determined shall be 2021. The "Effective Date" (as defined in the Act) shall be January 1, 2022. The allocation of TIF Revenues for the Project shall be set forth in a resolution authorizing the issuance and administration of the same, and the terms of such resolution shall govern.

1. Necessity of TIF

The Project is necessary for the continued growth and further development of the City. One of the core responsibilities of the City is to provide adequate waste water services to its citizens to protect public health, safety and welfare. The City experienced sustained growth over the past few years and anticipates continued growth. The age of the current facilities and sustained growth and development of the City has resulted in a need for new sewage treatment infrastructure that provides greater efficiency and capacity. Such infrastructure is especially necessary with respect to the anticipated and desired growth and development of the City within the Redevelopment Area. This growth is crucial to the economic vitality of the City. Without construction of new sewage treatment facilities, the City will not be able to sustain such new growth and development and will stagnate.

The City desires to be proactive and construct the sewage treatment facilities before new development renders the current facilities inadequate. However, the City would not have adequate funds to cover the costs of the Project without the use of TIF to supplement the City's other funding sources derived from grants and the City's general fund. Accordingly, the Project is not economically feasible, and would not occur, but-for the assistance of TIF.

2. Sources and Uses of Financing

Based upon the projections in Exhibit "C", the CDA contemplates issuance of a TIF bond or note in an amount not to exceed \$799,615 to cover a portion of the cost of the Project (the "**TIF Indebtedness**"). The balance of the cost of the Project will be paid via the allocation of general-use funds and grant funds received by the City. As shown on Exhibit "D", attached hereto and incorporated herein, the TIF Indebtedness amount does not exceed the anticipated TIF-eligible costs. Further detail and governance related to the TIF Indebtedness shall be set forth in a resolution authorizing the issuance and administration of the same, and the terms of such resolution shall govern.

I. Cost-Benefit Analysis

A cost-benefit analysis for the Project is attached as Exhibit "E", and incorporated herein.

Exhibits:

- Exhibit A: Redevelopment Area and Existing Use
- Exhibit B: Preliminary Project Site Plan
- Exhibit C: Estimated Construction Costs of Project
- Exhibit D: Sources and Uses of TIF
- Exhibit E: Cost-Benefit Analysis

EXHIBIT "A"

Redevelopment Area and Existing Use

Legal Description:

The Point of Beginning is northeast corner of a parcel referred to 18-15-3 David City 18-15-3 NW1/4 (PID 120008566), thence westerly along the north property line of said lot and continuing to the NW corner of a parcel referred to as 18-15-3 David City 18-15-3 PT NW1/4 (PID 120008569), thence, southerly along the west property line of said parcel to the intersection with the BNSF Railroad right-of-way and following said right-of-way to the south property line of said parcel, thence easterly along the south property line of said parcel, and continuing easterly along the south property line of a parcel referred to as 18-15-3 David City 18-15-3 PT SE1/4NW1/4 (PID 120008565) to the SE corner of said parcel; thence, southerly along the east property line of said parcel and continuing southerly along the west property lines of lots to the SW corner of a parcel referred to as 18-15-3 David City 18-15-3 PT NE1/4SW1/4 (PID 120008579); thence, westerly along the north right-of-way line of Timpote Parkway and continuing to the NW corner of said right-of-way; thence, southerly along the west right-of-way line of Timpote Parkway to the intersection with the NE corner of a parcel referred to as 18-15-3 David City PT of Lots 8-13, Blk 1, and Schmids Addition and vacated "S" Street; thence westerly along the northern property line of said parcel to the NW corner of said parcel; thence, northerly along the east property line of a parcel referred to as 18-15-3 Lots 1, 3-7, PT of Lots 8-13, Blk 1 Schmids Addition and PT of vacated "S" Street to the NE corner of said parcel; thence, westerly along the north property line of said parcel to the NW corner; thence, southerly along the west property line of said parcel to the intersection with the BNSF Railroad right-of-way and following said right-of-way to the intersection with the SW corner of a parcel referred to as 19-15-3 David City S 80.2' of Lot 1, Blk 2 Hilgers Addition, thence, easterly along the south right-of-way line of "N" Street and continuing to the intersection with the centerline of "5th" Street; thence northerly along said centerline to the intersection with the centerline of "O" Street; thence, easterly along said centerline to the extended east property line of a parcel referred to as 18-15-3 David City PT Lot 7 DC Land and Lot Company's Suburban Lots; thence northerly along the east property line of said parcel to the NE corner of the parcel; thence, westerly along the north property line of said parcel to the intersection with the east property line of a parcel referred to as 18-15-3 David City 18-15-3 PT of Lot 8 in S1/2SE1/4 and PT Lot 7 DC Land and Lot Company's Suburban Lots; thence, northerly along said east property line and continuing northerly along the east property lines to the NE corner of a parcel referred to as 18-15-3 David City 18-15-3 PT Lot 8 DC Land and Lot Company's Suburban Lots; thence, westerly along the north property line of said parcel to the intersection with the west right-of-way of Nebraska Highway 15; thence, northerly along the west right-of-way line of Nebraska Highway 15 and continuing northerly to the POB; excluding a parcel referred to as 18-15-3 David City 18-15-3 PT NW1/4 (PID 120008567).

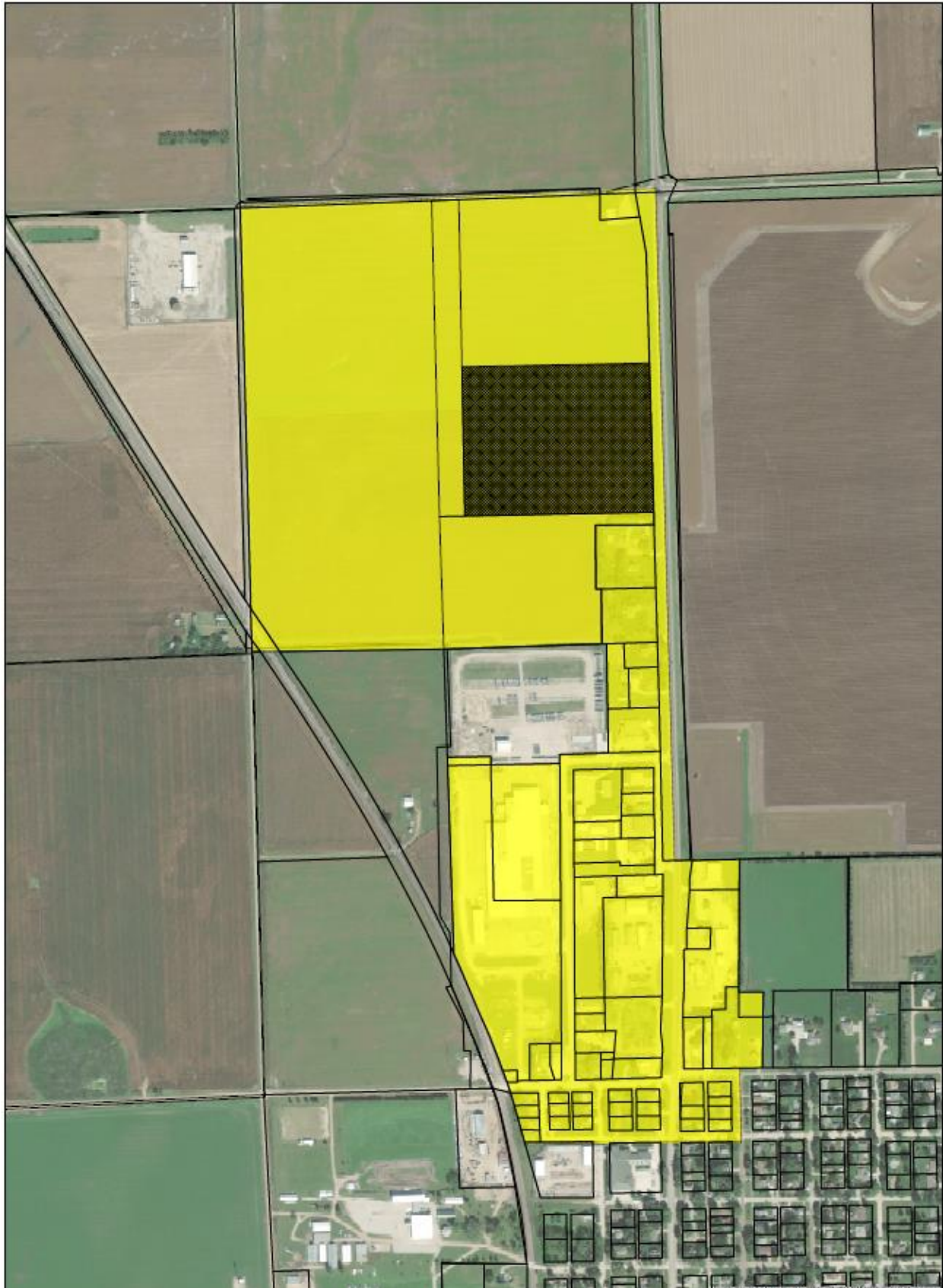


Exhibit "A"

Existing Conditions of Redevelopment Area and Surrounding Area:

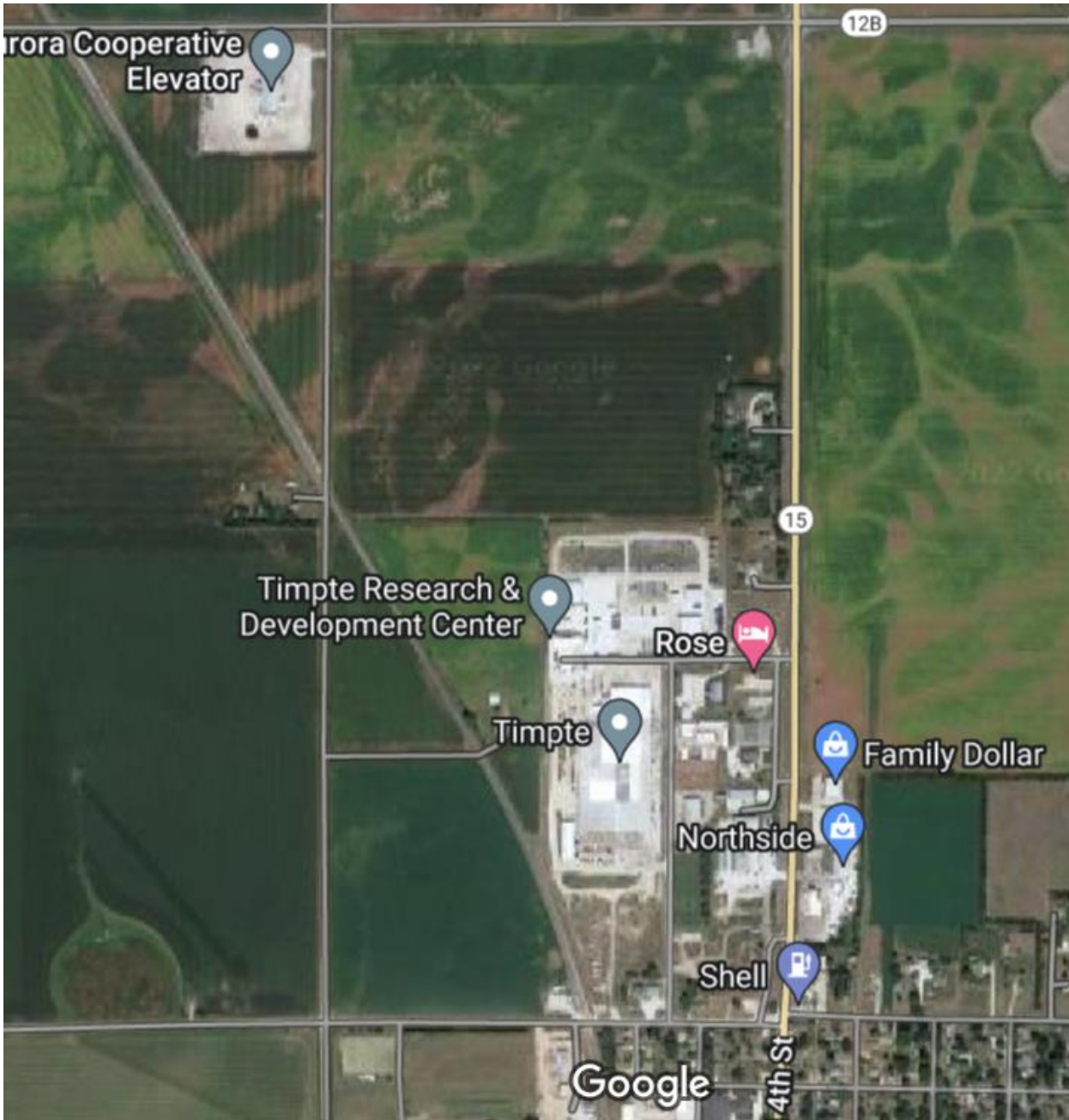
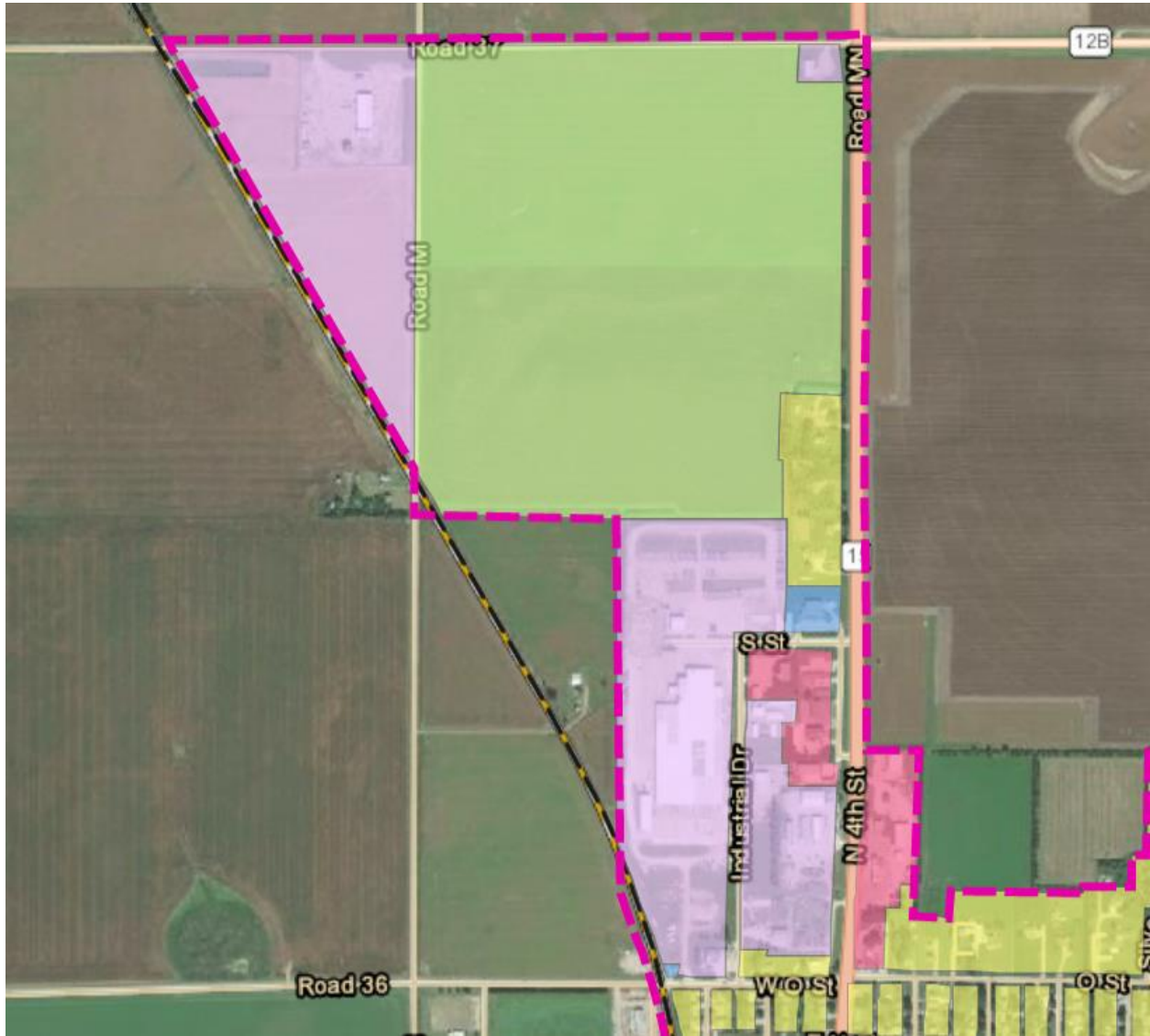


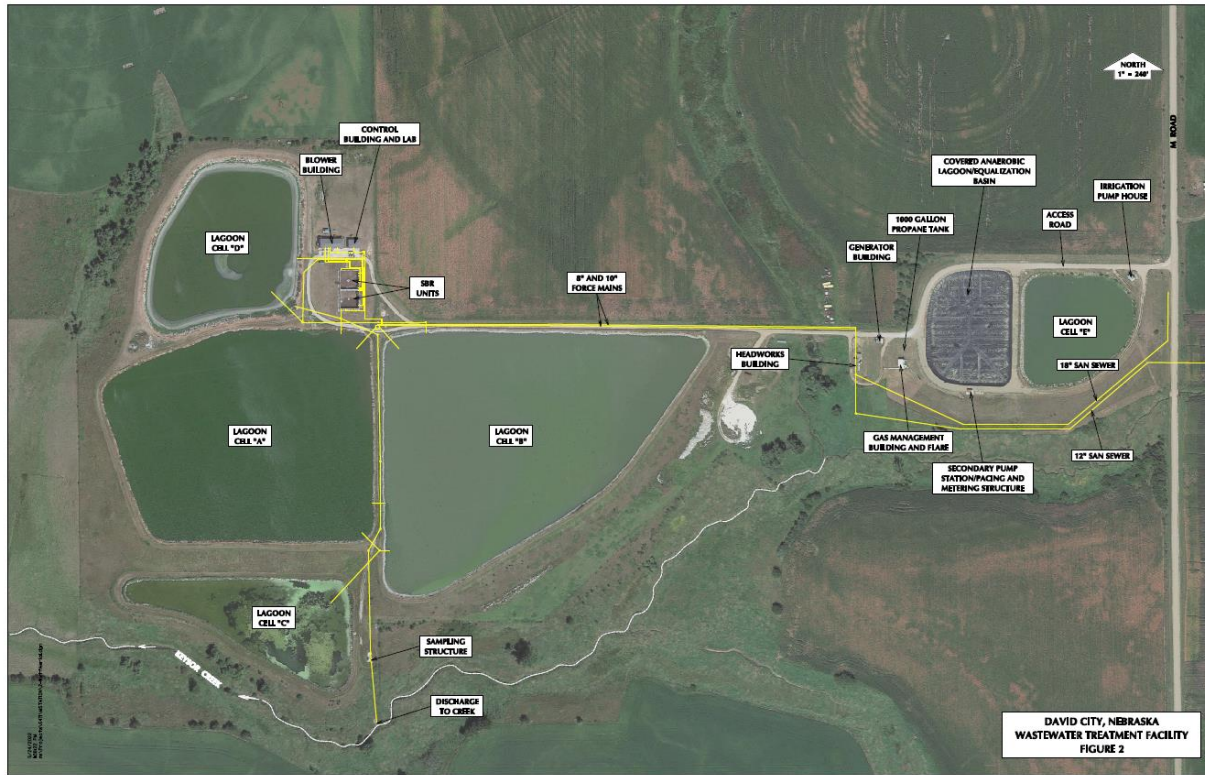
Exhibit "A"

Current Land Use Map



* A more legible version of the above map is available at the office of the City Clerk

EXHIBIT "B"
Preliminary Site Plan



* The attached depiction is preliminary in nature and subject to change.

EXHIBIT "C"

Estimate of Construction Costs

COST CLASSIFICATION	ESTIMATED TOTAL COST
1. Administrative and legal expenses	175,000
2. Land, structures, right-of-ways, appraisals, etc.	
3. Relocation expenses and payments	
4. Architectural and engineering fees	775,000
5. Project inspection fees	700,000
6. Site work, demolition and removal	
7. Construction	9,500,000
8. Equipment	
9. Miscellaneous	
10 SUBTOTAL (sum of lines 1-9)	11,150,000
11. Contingencies	1,850,000
12. SUBTOTAL (sum of lines 10-11)	13,000,000
13. Less project (program) income	0
14. TOTAL PROJECT COSTS (line 12 minus 13)	13,000,000

* The above figures are preliminary projections and subject to change.

EXHIBIT "D"

Sources and Uses of TIF

SOURCES

Assumptions:

Base Tax Amount of Redevelopment Area	\$18,547,195
Post-Redevelopment Valuation	See below chart
Tax Levy	1.65%
Annual Increase to Assessed Valuation	2%
Tax Increment Generated	\$799,615

Amortization:

	Total	Less Pre-	TIF			Treasurer's	Revenues
	Taxable	Development	Taxable	Tax	Tax	1% Collection	Available
DATE	Valuation	Base	Valuation	Levy	Revenues	Fee	For TIF Loan
-----	-----	-----	-----	----	-----	-----	-----
0	\$ 18,547,195						
0.5	\$ 18,918,139	\$ 18,547,195	\$ 370,944	1.65000	\$ 3,055	\$ 31	\$ 3,024
1	\$ 18,918,139	\$ 18,547,195	\$ 370,944	1.65000	\$ 3,060	\$ 31	\$ 3,029
1.5	\$ 19,296,502	\$ 18,547,195	\$ 749,307	1.65000	\$ 6,182	\$ 62	\$ 6,120
2	\$ 19,296,502	\$ 18,547,195	\$ 749,307	1.65000	\$ 6,182	\$ 62	\$ 6,120
2.5	\$ 19,682,432	\$ 18,547,195	\$ 1,135,237	1.65000	\$ 9,366	\$ 94	\$ 9,272
3	\$ 19,682,432	\$ 18,547,195	\$ 1,135,237	1.65000	\$ 9,366	\$ 94	\$ 9,272
3.5	\$ 20,076,080	\$ 18,547,195	\$ 1,528,885	1.65000	\$ 12,613	\$ 126	\$ 12,487
4	\$ 20,076,080	\$ 18,547,195	\$ 1,528,885	1.65000	\$ 12,613	\$ 126	\$ 12,487
4.5	\$ 20,477,602	\$ 18,547,195	\$ 1,930,407	1.65000	\$ 15,926	\$ 159	\$ 15,767
5	\$ 20,477,602	\$ 18,547,195	\$ 1,930,407	1.65000	\$ 15,926	\$ 159	\$ 15,767
5.5	\$ 20,887,154	\$ 18,547,195	\$ 2,339,959	1.65000	\$ 19,305	\$ 193	\$ 19,112
6	\$ 20,887,154	\$ 18,547,195	\$ 2,339,959	1.65000	\$ 19,305	\$ 193	\$ 19,112
6.5	\$ 21,304,897	\$ 18,547,195	\$ 2,757,702	1.65000	\$ 22,751	\$ 228	\$ 22,523
7	\$ 21,304,897	\$ 18,547,195	\$ 2,757,702	1.65000	\$ 22,751	\$ 228	\$ 22,523
7.5	\$ 21,730,995	\$ 18,547,195	\$ 3,183,800	1.65000	\$ 26,266	\$ 263	\$ 26,003
8	\$ 21,730,995	\$ 18,547,195	\$ 3,183,800	1.65000	\$ 26,266	\$ 263	\$ 26,003
8.5	\$ 22,165,615	\$ 18,547,195	\$ 3,618,420	1.65000	\$ 29,852	\$ 299	\$ 29,553
9	\$ 22,165,615	\$ 18,547,195	\$ 3,618,420	1.65000	\$ 29,852	\$ 299	\$ 29,553
9.5	\$ 22,608,927	\$ 18,547,195	\$ 4,061,732	1.65000	\$ 33,509	\$ 335	\$ 33,174
10	\$ 22,608,927	\$ 18,547,195	\$ 4,061,732	1.65000	\$ 33,509	\$ 335	\$ 33,174
10.5	\$ 23,061,106	\$ 18,547,195	\$ 4,513,911	1.65000	\$ 37,240	\$ 372	\$ 36,868
11	\$ 23,061,106	\$ 18,547,195	\$ 4,513,911	1.65000	\$ 37,240	\$ 372	\$ 36,868
11.5	\$ 23,522,328	\$ 18,547,195	\$ 4,975,133	1.65000	\$ 41,045	\$ 410	\$ 40,635
12	\$ 23,522,328	\$ 18,547,195	\$ 4,975,133	1.65000	\$ 41,045	\$ 410	\$ 40,635
12.5	\$ 23,992,774	\$ 18,547,195	\$ 5,445,579	1.65000	\$ 44,926	\$ 449	\$ 44,477
13	\$ 23,992,774	\$ 18,547,195	\$ 5,445,579	1.65000	\$ 44,926	\$ 449	\$ 44,477
13.5	\$ 24,472,630	\$ 18,547,195	\$ 5,925,435	1.65000	\$ 48,885	\$ 489	\$ 48,396
14	\$ 24,472,630	\$ 18,547,195	\$ 5,925,435	1.65000	\$ 48,885	\$ 489	\$ 48,396
14.5	\$ 24,962,083	\$ 18,547,195	\$ 6,414,888	1.65000	\$ 52,923	\$ 529	\$ 52,394
15	\$ 24,962,083	\$ 18,547,195	\$ 6,414,888	1.65000	\$ 52,923	\$ 529	\$ 52,394
	=====	=====	=====		-----	-----	-----
					\$807,693	\$8,078	\$799,615

USES

COST CLASSIFICATION	ESTIMATED TOTAL COST
1. Administrative and legal expenses	175,000
2. Land, structures, right-of-ways, appraisals, etc.	
3. Relocation expenses and payments	
4. Architectural and engineering fees	775,000
5. Project inspection fees	700,000
6. Site work, demolition and removal	
7. Construction	9,500,000
8. Equipment	
9. Miscellaneous	
10 SUBTOTAL (sum of lines 1-9)	11,150,000
11. Contingencies	1,850,000
12. SUBTOTAL (sum of lines 10-11)	13,000,000
13. Less project (program) income	0
14. TOTAL PROJECT COSTS (line 12 minus 13)	13,000,000

* The above "sources" and "uses" are estimates based upon the assumptions of the CDA and the City and are subject to change.

EXHIBIT "E"

**Cost-Benefit Analysis
(Pursuant to Neb. Rev. Stat. § 18-2113)**

The cost-benefit analysis for the Project, as described in the attached Redevelopment Plan, which will utilize funds authorized by section 18-2147 of the Act, is provided below:

1. Tax shifts resulting from the approval of the use of funds pursuant to Section 18-2147:

The taxes generated by the base value of the Redevelopment Area will continue to be allocated between the relevant taxing jurisdictions pursuant to the Act. Only the incremental taxes created by the Redevelopment Area will be captured to pay for the Project's eligible expenditures. For the purposes of illustrating the incremental taxes used for TIF, the estimated 15 year tax shift for the Project is set forth under the "Assumptions" in **Exhibit "D"** of the Redevelopment Plan.

Notes:

The Base Tax Amount provided above is based upon the assessed value of the Redevelopment Area in 2021.

The projected TIF Revenues are based on assumed values and levy rates; actual amounts and rates will vary from those assumptions, and it is understood that the actual tax shift may vary materially from the projected amount.

2. Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the Project:

a. **Public Infrastructure Improvements and Impacts:**

The City will construct new sewage treatment facilities to address its current and future needs. The proposed improvements include site excavation, construction of new sewage treatment facilities and such other work detailed in the Redevelopment Plan. The modernized sewage treatment facilities will positively impact City residents and protect the public health, safety and welfare of the community.

b. Local Tax Impacts (in addition to impacts of Tax Shifts described above):

Without the use of TIF, the Project could only be paid for via an increase of taxes and assessments passed through to the residents of the City. Accordingly, the use of TIF for the Project should provide tax relief for residents. Additionally, the CDA and City anticipate that the static property tax amounts received by the taxing jurisdictions during the TIF period for the Project will be adequate to fund city services associated therewith. Accordingly, it is not anticipated that the Project will have a material adverse impact on the City or City services. Rather, the Project will provide a net benefit to the City and City services.

3. Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the Project:

The Project should not adversely impact employers or employees within the Redevelopment Area. Employers and employees should benefit from the improved sanitary services the Project will provide.

4. Impacts on other employers and employees within the City and the immediate area that is located outside of the boundaries of the area of the Project:

The Project will provide needed infrastructure improvements to the sewage treatment facilities, which will benefit employers, employees, and the City in general. Such improvements should not have a negative impact on local employers or employees. Employers and employees should benefit from the improved sanitary services the Project will provide.

5. Impacts on student populations of school districts within the City:

The Project will not impact student populations of school districts within the City.

6. Other impacts determined by the CDA to be relevant to the consideration of costs and benefits arising from the Project:

It is imperative that the City continue to be able to provide adequate wastewater services to its current and future residents and businesses. The current sewage treatment facilities cannot sustain further growth. The City must build a new facility to meet the growing need. There are no other material impacts determined by the City or CDA relevant to the consideration of the cost or benefits arising from the Project. As such, the benefits of the Project outweigh the costs.

Council member Kevin Woita made a motion to approve the agreement with JEO for engineering for the water main loop to AGP. Council Member Pat Meysenburg seconded the motion. The motion carried. Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Yea, Kevin Woita: Yea Yea: 6, Nay: 0



**AGREEMENT
BETWEEN OWNER AND ENGINEER
FOR
PROFESSIONAL SERVICES**

THIS IS AN AGREEMENT effective as of Date Signed by Owner ("Effective Date") between City of David City, Nebraska ("Owner") and JEO Consulting Group, Inc. ("Engineer").

Owner's project, of which Engineer's services under this Agreement are a part, is generally identified as follows: David City Water Main Loop to AGP ("Project").

JEO Project Number: 221276.00

Owner and Engineer further agree as follows:

ARTICLE 1 - SERVICES OF ENGINEER

1.01 Scope

- A. Engineer shall provide, or cause to be provided, the services set forth herein and in Exhibit A.

ARTICLE 2 - OWNER'S RESPONSIBILITIES

2.01 Owner Responsibilities

- A. Owner responsibilities are outlined in Section 3 of Exhibit B.

ARTICLE 3 - COMPENSATION

3.01 Compensation

- A. Owner shall pay Engineer as set forth in Exhibit A and per the terms in Exhibit B.
- B. The fee for the Project is:

Basic Services (Lump Sum):	
Project Management	\$ 15,500
Preliminary Design	\$ 135,000
Final Design	\$ 109,700
Bidding and Negotiation	\$ 8,700
Construction Administration	\$ 106,000
Resident Project Representation	\$ 90,350 (Hourly, 690 Hours Estimated) *
Post-Construction	\$ 6,850
Total Estimated Fee:	\$ 472,100

* Engineer's estimate of the amount that will become payable are only estimates for planning purposes, are not binding on the parties, and are not the minimum or maximum amounts payable to Engineer under the Agreement.

- C. The Standard Hourly Rates Schedule shall be adjusted annually (as of approximately January 1st) to reflect equitable changes in the compensation payable to Engineer. The current hourly rate schedule can be provided upon request.

ARTICLE 4 - EXHIBITS AND SPECIAL PROVISIONS

4.01 Exhibits

Exhibit A – Scope of Services
Exhibit B – General Conditions

4.02 Total Agreement

- A. This Agreement (consisting of pages 1 to 2 inclusive, together with the Exhibits identified as included above) constitutes the entire agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

Owner:

Engineer: JEO Consulting Group, Inc.



By: Alan Zavodny

By: Ethan E. Joy, PE

Title: Mayor

Title: Branch Manager

Date Signed: _____

Date Signed: July 18, 2022

Address for giving notices:

Address for giving notices:

City of David City, Nebraska

JEO Consulting Group, Inc.

557 4th Street, PO Box 191

1937 North Chestnut Street

David City, NE 68632-0191

Wahoo, NE 68066

Exhibit A

JEO Consulting Group, Inc.
SCOPE OF SERVICES

PROJECT DESCRIPTION:

The City of David City, Nebraska (city) owns and operates a public water system (PWS) that serves the city residents and businesses. A new industry (AGP) plans to construct a new facility northwest of the community. The city wishes to install a new 16" water main loop to serve the new industrial site. The proposed 16" water main will begin near the existing municipal water tower on North 11th Street. The main will then extend north along 11th Street to Hwy 12B. The main will then turn west along Hwy 12B, under Hwy 15, and ending at the proposed industrial site. The main will be looped south along M Road tying into an existing water main near O Street and Industrial Drive. The route will require three railroad crossing permits along with NDOT and county occupancy/crossing permits. It is assumed that no private easements nor rights-of-way acquisition will be required, and all water mains will be installed in existing public ROW.

The work to be performed by the Engineer shall generally encompass and include the development of front-end contract documents, technical specifications and plans detailing the necessary work, services, materials, equipment and supplies necessary to complete the design of the project, as well as, to provide bidding assistance, construction administration, and part-time inspections during the construction of the project.

The improvements will be constructed by a Contractor under a separate construction contract with the city, which will be awarded through a formal bidding process. It is anticipated that there will be one (1) Prime Contractor contract to complete the work. It is assumed the project will be funded via Tax Increment Financing (TIF).

BASIC SERVICES (Lump Sum)

DESIGN AND CONSTRUCTION PHASES:

PROJECT MANAGEMENT:

- A. Provide project management oversight over all facets and phases of the project. Project management shall include the following services:
 - 1. Coordination of design disciplines including facilitating communication and transfer of documents between disciplines to minimize errors in the plans and specifications as well as ensure a timely project design.
 - 2. Provide timely and coordinated communication to and from the Owner for requests for information, providing progress updates, scheduling meetings, and receiving and providing feedback.
 - 3. Provide oversight, monitor staff, and ensure proper staffing levels are maintained to ensure scope of services and schedule are met.
 - 4. Work with disciplines to identify potential risks and how to mitigate those risks.
 - 5. Review billed hours by design team and prepare invoice statements for Owner.
 - 6. Provide timely and coordinated communication to and from the Contractor for requests for information and to receive and provide feedback.

Exhibit A

JEO Consulting Group, Inc.
SCOPE OF SERVICES

PRELIMINARY DESIGN PHASE:

- A. Attend and facilitate one (1) project Initiation/Kickoff meeting with Owner/Owner's representatives to review the project scope, schedule, and project requirements. Confirm with the Owner and designated staff the proposed route and preferred side of the road for the watermain alignment.
- B. Once Owner has provided confirmation to the Engineer of the proposed water alignment and both Owner and Engineer are comfortable with the proposed improvement locations, Engineer will initiate the topo survey of the improvements.
- C. Conduct preliminary topographic surveying:
 - 1. Establish vertical and horizontal control on the State Plane coordinate system near the project areas.
 - 2. Schedule utility location information (a One-Call utility locate request will be made) and incorporate on preliminary plans (gas, telephone, electric, water, sanitary sewer, communications, etc.).
 - 3. Conduct a topographic survey of the proposed water main route. In most areas survey will only be conducted on the half of the ROW where the main is planned to be constructed.
 - 4. Survey the locations of all physical features along the proposed route (concrete, asphalt, gravel, rock, driveways, sidewalks, trees, utility poles, utility locates, valves, manholes, signs, drainage structures, curb stops, water meter pits, terrain profiles, buildings, trees and landscaping, etc.).
 - 5. Create an electronic drawing illustrating elevations, site features, water, sanitary sewer, stormwater collection and discharge points, electrical service, and other appurtenances in AutoCAD®.
- D. Assist the Owner in contracting with a geotechnical investigation firm. Geotechnical investigation will include performing soil bores along the route to determine existing soil conditions, groundwater levels, and develop criteria for soil suitability and properties to be utilized during the design of the water main. Cost of geotechnical services to be paid by the Owner.
- E. Prepare 30% preliminary drawings and conduct a plan-in-hand review in the field to confirm the proposed layout and existing drawing information.
- F. Perform an internal quality assurance and quality control (QA/QC) review of the 30% complete plans and specifications. Revise the plans according to comments received.
- G. Attend one (1) council meeting to provide an update on the status of the design plans.

FINAL DESIGN PHASE:

- A. Revise design plans following receipt of 30% review comments from internal QA/QC and comments from Owner's representatives.
- B. Prepare standard details to illustrate the installation of various features and construction items needed for the project.
- C. Prepare 60% complete plans. Plans sheets to include:
 - 1. Title sheet.
 - 2. Abbreviation sheet.
 - 3. Location sheet.
 - 4. Survey control sheets
 - 5. Water Main Plan and Profile sheets.

Exhibit A

JEO Consulting Group, Inc.
SCOPE OF SERVICES

- D. Develop technical specifications for project specific materials and procedures.
- E. Conduct an internal 60% QA/QC of the plan set.
- F. Prepare a 60% engineer's opinion of probable cost.
- G. Provide a digital set of the 60% project plans and opinion of probable construction cost to Owner's representatives for review and comment. No in person meeting will be scheduled.
- H. Prepare final plans for construction drawings.
- I. Prepare final specifications and bid documents.
- J. Owner to pay any permit fees.
- K. Perform a final 90% QA/QC Review.
- L. Make any revision to final plans upon QA/QC Review comments.
- H. Conduct a final review meeting with the Owner to present and review final plans, specifications, and cost opinion. It is assumed that the final review meeting will be scheduled on the same day as the City Council meeting.
- I. Attend one (1) council meeting to present the final plans and specifications.
- M. Create final plan and specification set to be signed and sealed by engineers and a coordinating professional all to be registered in the State of Nebraska.
- N. Prepare a final engineer's opinion of probable cost.
- O. Prepare and submit a Nebraska Department of Transportation (NDOT) road crossing and occupy permit, if applicable. Owner to pay any permit fees.
- P. Prepare and submit up to three (3) Railroad crossing and occupy permits, if applicable. Owner to pay any permit fees.
- Q. Prepare and submit a Butler County road crossing and occupy permit, if applicable.
- R. Submit final plans and specifications to Nebraska Department Environment and Energy (NDEE) for review and approval and issuance of a construction permit. Owner to pay all permit fees.
- S. Design a Storm Water Pollution Prevention Plan (SWPPP) to consist of site plans illustrating the locations of Best Management Practices (BMP's), details for the installation of the BMP's, and a manual that includes procedures, documentation, and monitoring of the SWPPP.
- T. Coordinate the Owner's signature and submit a Notice of Intent (NOI) to NDEE to obtain an NPDES Storm Water Permit. Owner to pay all permit fees.
- U. Incorporate regulatory agency comments into final design plans and specifications with revised documents or prepare addendum as appropriate.

BIDDING AND NEGOTIATION PHASE:

- A. Provide assistance with authorizing the advertisement for bids and setting the bid date, location, and time. It is expected that there will be one (1) bid opening for one (1) construction contract.
- B. Furnish copies of the plans, specifications, and contract documents of the project to prospective bidders, materials suppliers, and other interested parties upon their request and payment of the purchase cost established for the documents.
- C. Supply the Invitation to Bidders to the Owner for publication in the official media outlet(s).
- D. Respond to inquiries from prospective bidders, prepare any addenda required.
- E. Attend one (1) meeting with the Owner to assist at the Bid Opening, assist the Owner with receipt and tabulation of bids.

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- F. Attend one (1) meeting to review bids received and make a formal recommendation of award to the Owner.
- G. Prepare Contract Documents for execution by the Prime Contractor and the Owner; provide cursory reviews of all insurance and bond submittals and present to Owner's legal and insurance counsel for approval; then advise the Owner to proceed with execution of all documents.
- H. Provide copies of all executed Contract Documents to the Owner and Prime Contractor.

CONSTRUCTION ADMINISTRATION PHASE:

- A. Schedule and conduct a Pre-construction Conference (Pre-Con), consisting of one (1) meeting prior to construction beginning. The conference will review the required timelines set forth in the specifications, lines of communication, key contacts of those involved, review any conflicts with utilities or schedules, review the schedule proposed by the Contractor, review any requirements of the Contractor for locates and staking needs, etc.
- B. Provide interpretation of Plans and Specifications, when necessary.
- C. Review shop drawings (submittals) and related data supplied by the Contractor. This will provide the Engineer and Owner the opportunity to review the materials and equipment that will be supplied for the improvements prior to the Contractor securing and obtaining them; which allows the Engineer the chance to compare the selected materials and equipment against the specifications.
- D. Provide baseline survey for horizontal and vertical controls for the proposed improvements, to be referenced by both the Engineer and Contractor during the construction of the project.
- E. Provide construction staking of the proposed improvements.
- F. Coordinate materials testing during construction. Material testing shall be completed by a geotechnical firm. Costs associated for these services to be paid by the Owner.
- G. Review and process Contractor's monthly payment applications, and process change orders, if necessary, and provide to the Owner for review and approval.
- H. Consult with and advise Owner during construction regarding all aspects of the project.
- I. Facilitate and attend monthly progress meetings with Owner and Contractor (up to 6 meetings included) including providing the agenda and meeting minute reports. Provide written progress meeting minutes for the review at the City Council meeting. Meetings may be conducted by Resident Project Representative.
- J. Attend up to three (3) City Council meetings during construction to provide City Council Members updates and assistance with pay applications, change orders, etc. It is assumed that the construction progress meetings will be scheduled on the same day as the City Council meeting.
- K. Conduct a final inspection of the project with the Contractor and Owner to ensure all components of the project have been completed and are acceptable to all parties prior to final payment.
- L. Prepare a final punch-list of outstanding items needing completion prior to finalization of the project based on field observations and review by Resident Project Representative, Owner, and Contractor.
- M. Attend one (1) meeting to recommend to the Owner the substantial completion the project and complete the necessary certificate(s). This recommendation(s) will be based

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on the Engineer's observation of construction utilizing professional judgment and accepted tests to determine that the Contractor(s) have completed their contracts in substantial compliance with the plans, specifications, and contract documents.

- N. Send completion notice to NDEE.

POST-CONSTRUCTION PHASE:

- A. Prepare post-construction record drawings from data gathered by the RPR and Contractor during the construction process.
- B. Conduct 6-month and 11-month warranty inspection with Owner.
- C. Coordinate with Contractor to have warranty items addressed.

RESIDENT PROJECT REPRESENTATION (RPR) PHASE (HOURLY):

- A. JEO will furnish a part-time Resident Project Representative (RPR) to observe construction progress and quality of the work.
- B. The duties and responsibilities of the RPR are described as follows:
 - 1. Review of contractors work for general compliance with the plans and specifications.
 - 2. Complete Construction Observation Reports when on site.
 - 3. Coordinate pay quantities with Contractor and Engineer.
 - 4. Review of materials delivered to the site for specification compliance.
 - 5. Assist the Engineer in interpretation of the plans and specifications to the Contractor.
 - 6. Review and coordinate materials testing by assigned testing firm.
 - 7. Attend progress meetings.
 - 8. Compile records for use in preparing record drawings.
- C. When nearing estimated compensation amounts stated herein and it subsequently becomes apparent to Engineer that a compensation amount estimated will be exceeded, Engineer shall give Owner written notice thereof. Should the Owner determine the estimated amount should not be exceeded, Owner shall notify Engineer and Engineer shall reduce the remaining services to be rendered by Engineer, so that total compensation for such services will not exceed said estimated amount when such services are completed. If Engineer exceeds the estimated amount before Owner notifies the Engineer, the Engineer shall be paid for all services rendered up to being notified.

MEETINGS INCLUDED WITHIN SCOPE OF SERVICES:

- A. Design Phase:
 - 1. Project Initiation / Kickoff Meeting (1 meeting)
 - 2. 30% Design Review (1 meeting)
 - 3. 90% Design Review (1 meeting)
 - 4. City Council Updates on Design Progress (2 meetings)
- B. Bidding and Negotiation Phase:
 - 1. Bid Opening (1 meeting)
 - 2. City Council Update on Bid Results/Award of Contracts (1 meeting)

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- C. Construction Phase:
 - 1. Preconstruction Conference (1 meeting)
 - 2. Construction Progress Meetings (6 meetings)
 - 3. City Council Updates on Construction Progress (3 meetings)
 - 4. City Council Recommendation of Substantial Completion (1 meeting)

ADDITIONAL SERVICES, NOT INCLUDED:

- A. Services to evaluate additional alternatives.
- B. Attendance at any additional meetings not identified above.
- C. Preparation of grant or loan applications in connection with the project.
- D. Davis-Bacon Wage Rate administration review services.
- E. Preparation of environmental assessments, impact studies or similar studies.
- F. Zoning regulations review or modifications necessary for the proposed improvements included in this project.
- G. Land acquisition services.
- H. Preparation of easement documents.
- I. Floodplain, Stormwater, Corps 404, or any other permitting, not outlined in the scope of services.
- J. Payment of review and permitting fees.
- K. Installation or maintenance of best management practices (BMP's) corresponding to the implementation of the SWPPP.
- L. Any other item not outlined in the scope of services.

ESTIMATED TIME FRAME:

- A. Preliminary Design Phase – 120 days from effective date of agreement
- B. Final Design Phase – 90 days from Council review of preliminary plans.
- C. Bidding Phase – Estimated 60 days from Council authorization to bid the project.
- D. Construction Phase – Estimated to be 300 days.
- E. Post Construction Phase – 60 days following substantial completion of the project.

JEO CONSULTING GROUP INC ■ JEO ARCHITECTURE INC

1. SCOPE OF SERVICES: JEO Consulting Group, Inc. (JEO) shall perform the services described in Exhibit A. JEO shall invoice the owner for these services at the fee stated in Exhibit A.

2. ADDITIONAL SERVICES: JEO can perform work beyond the scope of services, as additional services, for a negotiated fee or at fee schedule rates.

3. OWNER RESPONSIBILITIES: The owner shall provide all criteria and full information as to the owner's requirements for the project; designate and identify in writing a person to act with authority on the owner's behalf in respect to all aspects of the project; examine and respond promptly to JEO's submissions; and give prompt written notice to JEO whenever the owner observes or otherwise becomes aware of any defect in work.

Unless otherwise agreed, the owner shall furnish JEO with right-of-access to the site in order to conduct the scope of services. Unless otherwise agreed, the owner shall also secure all necessary permits, approvals, licenses, consents, and property descriptions necessary to the performance of the services hereunder. While JEO shall take reasonable precautions to minimize damage to the property, it is understood by the owner that in the normal course of work some damage may occur, the restoration of which is not a part of this agreement.

4. TIMES FOR RENDERING SERVICES: JEO's services and compensation under this agreement have been agreed to in anticipation of the orderly and continuous progress of the project through completion. Unless specific periods of time or specific dates for providing services are specified in the scope of services, JEO's obligation to render services hereunder shall be for a period which may reasonably be required for the completion of said services.

If specific periods of time for rendering services are set forth or specific dates by which services are to be completed are provided, and if such periods of time or date are changed through no fault of JEO, the rates and amounts of compensation provided for herein shall be subject to equitable adjustment. If the owner has requested changes in the scope, extent, or character of the project, the time of performance of JEO's services shall be adjusted equitably.

5. INVOICES: JEO shall submit invoices to the owner monthly for services provided to date and a final bill upon completion of services. Invoices are due and payable within 30 days of receipt. Invoices are considered past due after 30 days. Owner agrees to pay a finance charge on past due invoices at the rate of 1.0% per month, or the maximum rate of interest permitted by law.

If the owner fails to make any payment due to JEO for services

and expenses within 30 days after receipt of JEO's statement, JEO may, after giving 7 days' written notice to the owner, suspend services to the owner under this agreement until JEO has been paid in full all amounts due for services, expenses, and charges.

6. STANDARD OF CARE:The standard of care for all services performed or furnished by JEO under the agreement shall be the care and skill ordinarily used by members of JEO's profession practicing under similar circumstances at the same time and in the same locality. JEO makes no warranties, express or implied, under this agreement or otherwise, in connection with JEO's services.

JEO shall be responsible for the technical accuracy of its services and documents resulting therefrom, and the owner shall not be responsible for discovering deficiencies therein. JEO shall correct such deficiencies without additional compensation except to the extent such action is directly attributable to deficiencies in owner furnished information.

7. REUSE OF DOCUMENTS: Reuse of any materials (including in part plans, specifications, drawings, reports, designs, computations, computer programs, data, estimates, surveys, other work items, etc.) by the owner on a future extension of this project, or any other project without JEO's written authorization shall be at the owner's risk and the owner agrees to indemnify and hold harmless JEO from all claims, damages, and expenses including attorney's fees arising out of such unauthorized use.

8. ELECTRONIC FILES: Copies of Documents that may be relied upon by the owner are limited to the printed copies (also known as hard copies) that are signed or sealed by JEO. Files in electronic media format of text, data, graphics, or of other types that are furnished by JEO to the owner are only for convenience of the owner. Any conclusion or information obtained or derived from such electronic files shall be at the user's sole risk.

a. Because data stored in electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of the data's creator, the party receiving electronic files agrees that it shall perform acceptance tests or procedures within 30 days, after which the receiving party shall be deemed to have accepted the data thus transferred. Any errors detected within the 30 day acceptance period shall be corrected by the party delivering the electronic files. JEO shall not be responsible to maintain documents stored in electronic media format after acceptance by the owner.

b. When transferring documents in electronic media format, JEO makes no representations as to long term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or

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computer hardware differing from those used by JEO at the beginning of the project.

c. The owner may make and retain copies of documents for information and reference in connection with use on the project by the owner.

d. If there is a discrepancy between the electronic files and the hard copies, the hard copies govern.

e. Any verification or adaptation of the documents by JEO for extensions of the project or for any other project shall entitle JEO to further compensation at rates to be agreed upon by the owner and JEO.

9. SUBCONSULTANTS: JEO may employ consultants as JEO deems necessary to assist in the performance of the services. JEO shall not be required to employ any consultant unacceptable to JEO.

10. INDEMNIFICATION: To the fullest extent permitted by law, JEO and the owner shall indemnify and hold each other harmless and their respective officers, directors, partners, employees, and consultants from and against any and all claims, losses, damages, and expenses (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) to the extent such claims, losses, damages, or expenses are caused by the indemnifying parties' negligent acts, errors, or omissions. In the event claims, losses, damages, or expenses are caused by the joint or concurrent negligence of JEO and the owner, they shall be borne by each party in proportion to its negligence.

11. INSURANCE: JEO shall procure and maintain the following insurance during the performance of services under this agreement:

a. Workers' Compensation: Statutory

b. Employer's Liability

i. Each Accident: \$500,000

ii. Disease, Policy Limit: \$500,000

iii. Disease, Each Employee: \$500,000

c. General Liability

i. Each Occurrence (Bodily Injury and Property Damage): \$1,000,000

ii. General Aggregate: \$2,000,000

d. Auto Liability

i. Combined Single: \$1,000,000

e. Excess or Umbrella Liability

i. Each Occurrence: \$1,000,000

ii. General Aggregate: \$1,000,000

f. Professional Liability:

i. Each Occurrence: \$1,000,000

ii. General Aggregate: \$2,000,000

g. All policies of property insurance shall contain provisions to the effect that JEO and JEO's consultants' interests are covered and that in the event of payment of any loss or

damage the insurers shall have no rights of recovery against any of the insureds or additional insureds thereunder.

h. The owner shall require the contractor to purchase and maintain general liability and other insurance as specified in the Contract Documents and to cause JEO and JEO's consultants to be listed as additional insured with respect to such liability and other insurance purchased and maintained by the contractor for the project.

i. The owner shall reimburse JEO for any additional limits or coverages that the owner requires for the project.

12. TERMINATION: This agreement may be terminated by either party upon 7 days prior written notice. In the event of termination, JEO shall be compensated by owner for all services performed up to and including the termination date. The effective date of termination may be set up to thirty (30) days later than otherwise provided to allow JEO to demobilize personnel and equipment from the site, to complete tasks whose value would otherwise be lost, to prepare notes as to the status of completed and uncompleted tasks, and to assemble project materials in orderly files.

13. GOVERNING LAW: This agreement is to be governed by the law of the state in which the project is located.

14. SUCCESSORS, ASSIGNS, AND BENEFICIARIES: The owner and JEO each is hereby bound and the partners, successors, executors, administrators and legal representatives of the owner and JEO are hereby bound to the other party to this agreement and to the partners, successors, executors, administrators and legal representatives (and said assigns) of such other party, with respect to all covenants, agreements and obligations of this agreement.

a. Neither the owner nor JEO may assign, sublet, or transfer any rights under or interest (including, but without limitation, monies that are due or may become due) in this agreement without the written consent of the other, except to the extent that any assignment, subletting, or transfer is mandated or restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment shall release or discharge the assignor from any duty or responsibility under this agreement.

b. Unless expressly provided otherwise in this agreement: Nothing in this agreement shall be construed to create, impose, or give rise to any duty owed by the owner or JEO to any contractor, contractor's subcontractor, supplier, other individual or entity, or to any surety for or employee of any of them.

c. All duties and responsibilities undertaken pursuant to this agreement shall be for the sole and exclusive benefit of the owner and JEO and not for the benefit of any other party.

15. PRECEDENCE: These standards, terms, and conditions shall take precedence over any inconsistent or contradictory language contained in any proposal, contract, purchase order,

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requisition, notice to proceed, or like document regarding JEO's services.

16. SEVERABILITY: Any provision or part of the agreement held to be void or unenforceable shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon the owner and JEO, who agree that the agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

17. NON-DISCRIMINATION CLAUSE: Pursuant to Neb. Rev. Stat. § 73-102, the parties declare, promise, and warrant that they have and will continue to comply fully with Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C.A § 1985, et seq.) and the Nebraska Fair Employment Practice Act, Neb. Rev.

Stat. § 48-1101, et seq., in that there shall be no discrimination against any employee who is employed in the performance of this agreement, or against any applicant for such employment, because of age, color, national origin, race, religion, creed, disability or sex.

18. E-VERIFY: JEO shall register with and use the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee pursuant to the Immigration Reform and Control Act of 1986, to determine the work eligibility status of new employees physically performing services within the state where the work shall be performed. Engineer shall require the same of each consultant.

Council member Bruce Meysenburg made a motion to go into closed session to discuss the law enforcement contract. Council Member Pat Meysenburg seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Yea, Kevin Woita: Yea
Yea: 6, Nay: 0

Mayor Zavodny stated, "Now, at 7:58 p.m., we are going into closed session to discuss the Law Enforcement Contract between the City of David City and Butler County." Mayor Zavodny, all of the Council members, City Attorneys David Levy, Jennifer Hiatt, and Michael Sands and City Clerk Comte went into closed session at 7:58 p.m.

Mayor Zavodny declared the City Council out of closed session at 8:34 p.m.

Council member Kevin Woita made a motion to adjourn. Council Member Pat Meysenburg seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Yea, Kevin Woita: Yea
Yea: 6, Nay: 0

CERTIFICATION OF MINUTES

July 27, 2022

I, Tami Comte, duly qualified and acting City Clerk for the City of David City, Nebraska, do hereby certify with regard to all proceedings of July 27, 2022; 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.

Tami Comte, City Clerk