CITY COUNCIL PROCEEDINGS
July 8, 2026

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

Present for the meeting were: Mayor Jessica Miller, Council President Bruce Meysenburg, Council Members Rick Holland, Keith Marvin, Kevin Woita, Jeremy Abel, City Administrator Alan Zavodny, City Administrator Intern Raiko Martinez, and City Clerk-Treasurer Lori Matchett. City Attorney Michael Sand attended via Zoom. Council Member Jim Angell was absent.

Also present for the meeting were: Ethan Joy of JEO Consulting Group, Marlene & Nick Hein, Greg Jahde, Officer Jason Reed, Account Clerk Elizabeth Parker and Matt Fleming.

The meeting opened with the Pledge of Allegiance.

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

Council Member Rick Holland made a motion to approve the minutes of June 24th, 2026, meeting of the Mayor and City Council as presented. Council Member Keith Marvin seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Absent, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Kevin Woita: Yea. Yea: 5, Nay: 0, Absent: 1.

Council Member Rick Holland made a motion to approve the claims as presented. Council Member Bruce Meysenburg seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Absent, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Kevin Woita: Yea. Yea: 5, Nay: 0, Absent: 1.

Council Member Jim Angell arrived at 7:03 p.m.

The following updates were given to the Council from the various committees and boards:

- <u>Butler County Development Board</u>: No formal report was provided as both council representatives were unable to attend the meeting. It was noted that data centers were among the topics discussed.

- <u>Tree Board and Sidewalk Committee:</u> It was acknowledged that recent meetings were missed due to scheduling miscommunication. Future meetings will be scheduled after 4:00 p.m. to better accommodate board members while maintaining quarterly meeting requirements.

- Community for Kids: The committee is planning a community meeting at Northside to gather public input on the use of childcare grant funding and encourage participation from local businesses. Council discussed the ongoing shortage of day care providers, noting that other communities are facing similar challenges. It was suggested that available funding may be more effectively used to assist existing childcare centers with expenses such as employee wages or health insurance due to limited participation from in-home daycare providers. Discussion also included concerns regarding future code compliance requirements should ownership of an existing daycare facility change.

- Park and Recreation Advisory Board: The board reviewed ordinance language and recommended updates for consistency with state law. Discussion included the use of the recreation sales tax, noting it has funded the campground project, contributed approximately $900,000 toward improvements, and continues to support projects such as the auditorium HVAC replacement, track resurfacing, and the anticipated replacement of the swimming pool boiler system. Long-term planning for recreation funding was also discussed, including the possibility of dedicating 10-15% of future sales tax revenues to a recreation sinking fund after completion of downtown projects.

- Airport Advisory Board: An update was provided on the upcoming runway crack repair project, which is scheduled to begin at the end of August and is expected to take approximately 25 business days. The timing is intended to minimize impacts on airport operations. The board also discussed the potential construction of an additional hangar for Frontier Cooperative.

- Swimming Pool: Park Employee Nathan Styskal has been reaching out and speaking with three different companies to get a quote to replace the broken boiler. The Boiler is over 25 years old. Once we receive the quotes they will be brought to council.

Council Member Keith Marvin made a motion to accept the committee and officer reports updates as presented. Council Member Jim Angell seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Kevin Woita: Yea. Yea: 6, Nay: 0.

Council Member Keith Marvin made a motion to appoint Nathan Styskal to the Park and Recreation Advisory Board and the Tree Board. Council Member Kevin Woita seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Kevin Woita: Yea. Yea: 6, Nay: 0.

PARKS AND RECREATION ADVISORY BOARD		
TERM SPECIFICS:		
Number of Members:	2 CITIZENS, 2 COUNCIL MEMBERS AND 2 PERMANENT MEMBERS-Park Superintendent & Recreation Coordinator	
Term:	1-year terms	
Eligible for re-appointment?	Yes	
NAME	BEGAN TERM	TERM ENDS
JIM WITTER	1-2026	9-2027
DEB DINKELMAN	1-2026	9-2027
COUNCIL MEMBER – BRUCE MEYSENBURG	1-2026	9-2027
COUNCIL MEMBER – JIM ANGELL	1-2026	9-2027
PARK – NATHAN STYSKAL	7-2026	9-2027
RECREATION DIRECTOR – WILLIAM REITER	1-2026	9-2027
CITY ADMINISTRATOR – RAIKO MARTINEZ	PERMANENT	PERMANENT
CITY CLERK – TREASURER	PERMANENT	PERMANENT

TREE BOARD		
TERM SPECIFICS:		
Number of Members:	4 APPOINTED MEMBERS AND 1 PERMANENT MEMBER-City Community Forester	
Term:	2 year terms	
Eligible for re-appointment?	Yes	
As of 4/16/2024		
NAME	BEGAN TERM	TERM ENDS
CHRIS KROESING-COMMUNITY FORESTER	4-2026	4-2028
NICK HEIN	4-2026	4-2028
PAT HOEFT – ELECTRIC SUPERVISOR	4-2026	4-2028
PARK – NATHAN STYSKAL	4-2026	4-2028
KEVIN WOITA – COUNCIL MEMBER	4-2026	4-2028
RICK HOLLAND – COUNCIL MEMBER	4-2026	4-2028
CITY ADMINISTRATOR – RAIKO MARTINEZ	PERMANENT	PERMANENT
CITY CLERK-TREASURER LORI MATCHETT	PERMANENT	PERMANENT

Greg Jahde attended the meeting on behalf of his son, Trevin Jahde, who was unable to attend due to travel. Trevin had previously presented his Eagle Scout project to the Park and Recreation Advisory Board, which recommended using recreation sales tax funds to assist with the renovation of the ballfield storage shed. Greg thanked the Park and Recreation Advisory Board for its consideration of the project and noted that Trevin appreciated the opportunity to present the proposal.

Council Member Jim Angell made a motion to approve the use of recreation sales tax funds to assist with the Eagle Scout Ballfield shed renovation project. Council Member Keith Marvin seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Kevin Woita: Yea. Yea: 6, Nay: 0.

Council consider Resolution No. 9-2026, authorizing the City Attorney to solicit and present bids for an independent investigation.

Council stated the purpose of the resolution was to obtain an independent forensic review to demonstrate transparency, address public concerns, and dispel rumors regarding the City's financial operations.

Council Member Bruce Meysenburg made a motion to approve Resolution No. 9-2026 authorizing the City Attorney to solicit and present bids to the City for an investigation and authorizing investigation. Council Member Keith Marvin seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Kevin Woita: Yea. Yea: 6, Nay: 0.

RESOLUTION NO. 9 - 2026

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA, AUTHORIZING THE CITY ATTORNEY TO SOLICIT BIDS FROM THIRD PARTIES TO CONDUCT AN INVESTIGATION INTO ALLEGATIONS OF FINANCIAL MALFEASANCE BY CITY OFFICIALS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on June 10, 2026, at a regular meeting of the City Council of the City of David City, Nebraska (the "**City**"), the City discussed recent allegations made against the City's officials relating to, among other things, alleged financial mismanagement and corruption (collectively, the "**Allegations**"); and

WHEREAS, the City declares that the Allegations are unsubstantiated and harmful to the City's ability to conduct business; and

WHEREAS, the City nonetheless finds it in the best interest of the City and its residents to engage an independent, non-partisan third-party to investigate the Allegations by reviewing the City's books and records, interviewing the City's employees, and prepare a report of its findings to the City during a regular meeting (the "**Investigation**").

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA, as follows:

1. Authorization to Solicit Bids. The City hereby directs the City Attorney to solicit bids from three (3) entities to conduct the Investigation and to present the same to the City at the City's next regular meeting. The City shall make the scope of the Investigation public. The bidding entities shall meet the following criteria:

A. The entities shall have no explicit political affiliation or political purpose of any kind;

B. The entities shall have no connection to the City, Baird Holm LLP, or any candidate for any public office in the City, Butler County, Nebraska, or any agencies of the State of Nebraska.

C. The individual(s) of the entities that will conduct the Investigation must hold a valid and current certification or licensure from the State of Nebraska that qualifies said individual(s) to conduct an Investigation and that subjects the individual(s) to stated, publicly-available rules of professional responsibility or rules of professional conduct.

2. **Authorization to Engage**. The City hereby authorizes the Mayor to engage the entity that the City chooses, by majority vote, from the three (3) bids the City Attorney presents to the City. The City further authorizes the Mayor to execute all documents necessary to effectuate and carry out the engagement.

3. **Effective Date**. This Resolution takes immediate effect upon approval.

PASSED AND APPROVED THIS 8th DAY OF JULY, 2026.

Jessica Miller, Mayor

ATTEST

Lori Matchett, City Clerk

Ethan Joy of JEO Consulting Group presented Amendment No. 1 to the Drinking Water State Revolving Fund (SRF) loan agreement. The amendment increases the project's funding by $350,000, bringing the total authorized funding above the original $12 million to cover final project costs and several small change orders associated with the water treatment plant improvements, including water tower painting.

Council was reminded that the loan is a 30-year loan at 1% interest, with approximately $6.318 million of the funding provided as loan forgiveness.

During the discussion, the Council clarified whether the amendment required additional review. After consulting with legal counsel, it was confirmed that the drinking water loan amendment was ready for approval, while the wastewater loan amendment would require additional review before consideration.

Council Member Keith Marvin introduced Ordinance No. 1533 authorizing Amendment No. 1 to the loan agreement with the Nebraska Department of Water, Energy, and Environment for SRF Project No. D311686. Mayor Jessica Miller read Ordinance No. 1533 by title.

Council Member Keith Marvin made a motion to suspend the statutory rule requiring that an ordinance be read on three separate days. Council Member Bruce Meysenburg seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Kevin Woita: Yea. Yea: 6, Nay: 0.

Council Member Bruce Meysenburg made a motion to approve Ordinance No. 1533 authorizing Amendment No. 1 to Loan Agreement with Nebraska Department of Water, Energy, and Environment for SRF Project No. D311686. Council Member Keith Marvin seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Kevin Woita: Yea. Yea: 6, Nay: 0.

ORDINANCE NO. 1533

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA, AUTHORIZING EXECUTION OF THAT CERTAIN AMENDMENT NO. 01 TO LOAN AGREEMENT WITH NEBRASKA DEPARTMENT OF WATER, ENERGY, AND ENVIRONMENT (DWEE PROJECT NO. D311686); REPEALING ALL ORDINANCES IN CONFLICT THEREWITH; AUTHORIZING PUBLICATION IN PAMPHLET FORM; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of David City, Nebraska, a municipal corporation and city of the second class (the "**City**") executed that certain Loan Agreement (SRF Project No. D311686) on April 5, 2023 (the "**Loan Agreement**"), with the State of Nebraska, acting by and through the Nebraska Department of Water, Energy, and Environment, a consolidation of the Nebraska Department of Environment and Energy and the Nebraska Department of Natural Resources pursuant to Section 81-1571(1) of the Nebraska Revised Statutes (collectively, the "**Lender**"); and

WHEREAS, under the Loan Agreement, the Lender provided the City with a loan in the original principal amount of Twelve Million and 00/100 Dollars ($12,000,000.00) (the "**Loan**") from the State Revolving Fund Program pursuant to Nebraska Revised Statutes Section 71-5318; and

WHEREAS, the City is using the Loan in connection with improving its existing water treatment plant filters, converting from lime softening to reverse osmosis, upgrading chemical feed systems, and providing other general improvement to address Manganese (collectively, the "**Project**"); and

WHEREAS, the City desires to execute that certain Amendment No. 01 to Loan Agreement with Lender to, among other things, increase the Loan by Three Hundred Fifty Thousand and 00/100 Dollars ($350,000.00), a copy of which is attached hereto and incorporated herein as **Exhibit A** (the "**Amendment**"); and

WHEREAS, the City finds it in the best interest of the City, its residents, and the Project to execute the Amendment.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA, as follows:

1. **Amendment**. The City hereby authorizes the Mayor to execute the Amendment in substantially the same form as **Exhibit A**.

2. **Further Authorization**. The City hereby authorizes the Mayor and City Clerk to execute such further documents and to take such further actions as necessary to effectuate the purposes herein.

3. **Conflicting Ordinances**. The City hereby repeals any other ordinances or sections of any ordinance passed and approved prior to the passage, approval, and publication or posting of this Ordinance and in conflict herewith to the extent of the conflict thereof.

4. **Effective Date.** This Ordinance shall be in full force and effect from immediately upon passage and approval and publication in pamphlet form.

PASSED AND APPROVED THIS 8TH DAY OF JULY, 2026.

____
Jessica Miller, Mayor

ATTEST:

____
Lori Matchett, City Clerk

Exhibit A

Form of Amendment

[SEE ATTACHED]

(Space Intentionally Left Blank)

AMENDMENT NO. 01

To

LOAN AGREEMENT
(Governmental Borrower)

Between

NEBRASKA DEPARTMENT OF WATER, ENERGY, AND ENVIRONMENT

and

CITY OF DAVID CITY, NEBRASKA

DWEE PROJECT NO. D311686

DATED AS OF ____________________, 2026

AMENDMENT NO. 01
LOAN CONTRACT BETWEEN
NEBRASKA DEPARTMENT OF WATER, ENERGY, AND ENVIRONMENT
AND
CITY OF DAVID CITY, NEBRASKA
PROJECT NO. D311686

This Amendment No. 01 to the Loan Agreement (this "Amendment"), is entered into by and between the State of Nebraska, acting by and through the Nebraska Department of Water, Energy, and Environment (hereinafter "DWEE") and the City of David City, Nebraska, a municipal corporation and city of the second class (hereinafter "Borrower"). This Amendment refers to DWEE and Borrower individually each as a "Party" and collectively as the "Parties."

1. The Loan Agreement for Loan (Project No. D311686) (hereinafter "Loan Agreement") between the Nebraska Department of Environment and Energy ("NDEE") and the Borrower dated April 5, 2023, and signed by Jim Macy, Director of the NDEE, and Jessica Miller, Mayor of the City of David City, is hereby acknowledged and incorporated by this reference as if fully set out herein.

2. Pursuant to Nebraska Revised Statutes Section 81-1571(1), NDEE and the Nebraska Department of Natural Resources consolidated into a single agency, DWEE, and accordingly the Parties shall treat all references to the NDEE in the Agreement as references to DWEE.

3. Pursuant to Section 6.04 of the Loan Agreement, the parties hereby amend the following:

a. Section 2.01. The Parties amend Section 2.01 of the Loan Agreement by deleting it in its entirety and replacing it with the following:

> Section 2.01. Amount of the Loan. Subject to all of the terms, provisions and conditions of this Loan Agreement, and subject to the availability of state and federal funds, the DWEE will loan an amount not to exceed twelve million three hundred fifty thousand and 00/100 dollars ($12,350,000.00) to the Borrower to pay a portion of the Project Costs in Attachment B attached hereto, and incorporated herein.

b. Section 2.03. The Parties amend Section 2.03 of the Loan Agreement by deleting it in its entirety and replacing it with the following:

> Section 2.03. Interest Rate. The interest rate on this Loan is determined by the DWEE pursuant to Regulations and the Intended Use Plan and is applied to outstanding principal. The interest rate on this Loan is 0.5085% per annum (calculated on the basis of a year equaling 360 days made up of 12 months of 30 days each), compounded semi-annually, to be paid pursuant to Section 2.06 of this Loan Agreement.

c. Section 2.06. The Parties amend Section 2.06 of the Loan Agreement by deleting it in its entirety and replacing it with the following:

> Section 2.06. Administrative Fee. The administrative rate on this Loan is determined by the DWEE pursuant to Regulations and the Intended Use Plan and is applied to outstanding principal. The Borrower shall pay to the DWEE, or at the direction of the DWEE, to the NIFA or the Trustee, an annual administrative fee of 0.5085% per annum (calculated on the basis of a year equaling 360 days made up of 12 months of 30 days each) to be paid pursuant to Section 2.06 of this Loan Agreement.

4. Pursuant to Section 6.04 of the Loan Agreement, the parties hereby incorporate and, in accordance with the terms and conditions set forth in this Amendment, substitute the following attachments attached hereto:

    a. ATTACHMENT A, LOAN REPAYMENT SCHEDULE;
    b. ATTACHMENT B, PROJECT COSTS;
    c. ATTACHMENT C, FINANCIAL ANALYSIS;
    d. ATTACHMENT E, BORROWER'S COUNSEL'S OPINION;
    e. ATTACHMENT F, AMENDED AND RESTATED PROMISSORY NOTE and ASSIGNMENT OF AMENDED AND RESTATED PROMISSORY NOTE; and
    f. ATTACHMENT H, ORDINANCE NO. 1533.

5. Except as specifically modified herein, all terms and conditions of the original Loan Agreement remain in full force and effect.

6. Electronic Signature – The DWEE and the Borrower hereby approve the usage of electronic signatures pursuant to Neb. Rev. Stat. §86-611 and Nebraska Administrative Code, Title 437, Digital Signatures Act, provided however Borrower shall execute the Promissory Note shown in Attachment F, attached hereto and incorporated herein, by physical means and deliver the same to DWEE upon execution.

7. The amendment or modification made herein shall become effective on the latter of the two dates signed

IN WITNESS THEREOF, the Parties have caused this Amendment to be executed and delivered as of the date set forth below.

CITY OF DAVID CITY, NEBRASKA	NEBRASKA DEPARTMENT OF WATER, ENERGY, AND ENVIRONMENT
By ______________ (printed name)	By ______________ (printed name)
______________ (signature)	______________ (signature)
Title Mayor	Title Director
Date ______________	Date ______________

ATTEST: ______________
Lori Matchett, City Clerk

APPROVED AS TO FORM:

____
David C. Levy, Esq., City Attorney

ATTACHMENT A

LOAN REPAYMENT SCHEDULE

Payments are due on June 15 and December 15 of each calendar year. Interest and Administrative fees shall accrue at the applicable rate as established by Section 2.03 and Section 2.04 of this Loan Agreement and repayments of such accrued interest and administrative fees will be repaid after the effective date of this Loan Agreement. Principal repayment commenced on December 15, 2025 (as established by Section 2.02 of this Loan Agreement wherein repayment must begin within one (1) year from the date of Initiation of Operation, but no later than three (3) years from the date of the Loan, whichever occurs first).

Amounts due will be invoiced on or about May 15 and November 15 of each year for each six-month payment period ending on the set Interest payment date. Interest and Administrative fee accruing on principal amounts drawn after the invoicing date are to be included with the next invoice.

The Amortization Schedule included in this Attachment A is a projected schedule based upon estimated principal repayment start and full distribution of funds and is subject to change pending date of Initiation of Operation and final principal amount disbursed. Interest and Administrative fees accruing before the first principal repayment that is not reflected on the following draft amortization schedule will be billed and paid in accordance with the DWEE's procedures.

Following the receipt of an Initiation of Operation and the final disbursement of Loan proceeds to the Borrower, a revised final Attachment A shall be prepared by the DWEE to establish the final debt service schedule based upon the following parameters set forth below. Such revised final Attachment A thereafter shall be deemed to be incorporated herein by reference and made a part hereof and shall supersede and replace the projected Attachment A.

The final Loan Repayment Schedule shall be calculated by the DWEE based on the following parameters:

(1) Final principal amount of Loan;

(2) Amount of Loan Forgiveness, if any;

(3) Interest rate as set forth in Section 2.03;

(4) Administrative fee rate as set forth in Section 2.04;

(5) Installments of principal, interest, and fees on each June 15 and December 15 payment date shall:

- a. Begin no later than one year after the Initiation of Operation, or three years from the effective date of this Loan Agreement, whichever occurs first; and
- b. End on the last repayment which must be paid no later than thirty (30) years from the date of either (i) one year after the Initiation of Operation, or (ii) three years from the effective date of this Loan agreement, whichever occurs first; and
- c. Amortization of principal to achieve level payments of principal and interest (not taking into account the administrative fee payment pursuant to Section 2.04).

ATTACHMENT A

PROJECTED AMORTIZATION SCHEDULE

TOTAL PRINCIPAL:	$ 6,032,000	INTEREST RATE (%):	0.5085
LOAN FORGIVENESS:	$ 6,318,000	ADMIN FEE (%):	0.5085
SMALL TOWN GRANT:	$ -	TERM (YEARS):	30
TOTAL SRF ASSISTANCE:	$ 12,350,000		

Principal Payment	Principal	Principal Payment	Interest	Admin Fee	Total Payment	Remaining Principal
12/15/2025	$ 6,032,000.00	$ 93,187.54	$ 15,336.36	$ 15,336.36	$ 123,860.26	$ 5,938,812.46
6/15/2026	$ 5,938,812.46	$ 93,424.47	$ 15,099.43	$ 15,099.43	$ 123,623.33	$ 5,845,387.98
12/15/2026	$ 5,845,387.98	$ 93,662.00	$ 14,861.90	$ 14,861.90	$ 123,385.80	$ 5,751,725.98
6/15/2027	$ 5,751,725.98	$ 93,900.14	$ 14,623.76	$ 14,623.76	$ 123,147.67	$ 5,657,825.84
12/15/2027	$ 5,657,825.84	$ 94,138.88	$ 14,385.02	$ 14,385.02	$ 122,908.93	$ 5,563,686.96
6/15/2028	$ 5,563,686.96	$ 94,378.23	$ 14,145.67	$ 14,145.67	$ 122,669.58	$ 5,469,308.73
12/15/2028	$ 5,469,308.73	$ 94,618.19	$ 13,905.72	$ 13,905.72	$ 122,429.62	$ 5,374,690.55
6/15/2029	$ 5,374,690.55	$ 94,858.75	$ 13,665.15	$ 13,665.15	$ 122,189.05	$ 5,279,831.79
12/15/2029	$ 5,279,831.79	$ 95,099.93	$ 13,423.97	$ 13,423.97	$ 121,947.88	$ 5,184,731.86
6/15/2030	$ 5,184,731.86	$ 95,341.72	$ 13,182.18	$ 13,182.18	$ 121,706.08	$ 5,089,390.14
12/15/2030	$ 5,089,390.14	$ 95,584.13	$ 12,939.77	$ 12,939.77	$ 121,463.68	$ 4,993,806.01
6/15/2031	$ 4,993,806.01	$ 95,827.15	$ 12,696.75	$ 12,696.75	$ 121,220.65	$ 4,897,978.86
12/15/2031	$ 4,897,978.86	$ 96,070.79	$ 12,453.11	$ 12,453.11	$ 120,977.01	$ 4,801,908.07
6/15/2032	$ 4,801,908.07	$ 96,315.05	$ 12,208.85	$ 12,208.85	$ 120,732.75	$ 4,705,593.02
12/15/2032	$ 4,705,593.02	$ 96,559.93	$ 11,963.97	$ 11,963.97	$ 120,487.87	$ 4,609,033.08
6/15/2033	$ 4,609,033.08	$ 96,805.44	$ 11,718.47	$ 11,718.47	$ 120,242.37	$ 4,512,227.65
12/15/2033	$ 4,512,227.65	$ 97,051.56	$ 11,472.34	$ 11,472.34	$ 119,996.24	$ 4,415,176.08
6/15/2034	$ 4,415,176.08	$ 97,298.32	$ 11,225.59	$ 11,225.59	$ 119,749.49	$ 4,317,877.77
12/15/2034	$ 4,317,877.77	$ 97,545.70	$ 10,978.20	$ 10,978.20	$ 119,502.11	$ 4,220,332.07
6/15/2035	$ 4,220,332.07	$ 97,793.71	$ 10,730.19	$ 10,730.19	$ 119,254.10	$ 4,122,538.36
12/15/2035	$ 4,122,538.36	$ 98,042.35	$ 10,481.55	$ 10,481.55	$ 119,005.46	$ 4,024,496.01
6/15/2036	$ 4,024,496.01	$ 98,291.62	$ 10,232.28	$ 10,232.28	$ 118,756.18	$ 3,926,204.39
12/15/2036	$ 3,926,204.39	$ 98,541.53	$ 9,982.37	$ 9,982.37	$ 118,506.28	$ 3,827,662.86
6/15/2037	$ 3,827,662.86	$ 98,792.07	$ 9,731.83	$ 9,731.83	$ 118,255.74	$ 3,728,870.79
12/15/2037	$ 3,728,870.79	$ 99,043.25	$ 9,480.65	$ 9,480.65	$ 118,004.56	$ 3,629,827.54
6/15/2038	$ 3,629,827.54	$ 99,295.07	$ 9,228.84	$ 9,228.84	$ 117,752.74	$ 3,530,532.47
12/15/2038	$ 3,530,532.47	$ 99,547.52	$ 8,976.38	$ 8,976.38	$ 117,500.28	$ 3,430,984.95
6/15/2039	$ 3,430,984.95	$ 99,800.62	$ 8,723.28	$ 8,723.28	$ 117,247.18	$ 3,331,184.33
12/15/2039	$ 3,331,184.33	$ 100,054.37	$ 8,469.54	$ 8,469.54	$ 116,993.44	$ 3,231,129.96
6/15/2040	$ 3,231,129.96	$ 100,308.76	$ 8,215.15	$ 8,215.15	$ 116,739.05	$ 3,130,821.20
12/15/2040	$ 3,130,821.20	$ 100,563.79	$ 7,960.11	$ 7,960.11	$ 116,484.02	$ 3,030,257.41
6/15/2041	$ 3,030,257.41	$ 100,819.47	$ 7,704.43	$ 7,704.43	$ 116,228.33	$ 2,929,437.94
12/15/2041	$ 2,929,437.94	$ 101,075.81	$ 7,448.10	$ 7,448.10	$ 115,972.00	$ 2,828,362.13
6/15/2042	$ 2,828,362.13	$ 101,332.79	$ 7,191.11	$ 7,191.11	$ 115,715.01	$ 2,727,029.34
12/15/2042	$ 2,727,029.34	$ 101,590.43	$ 6,933.47	$ 6,933.47	$ 115,457.38	$ 2,625,438.91
6/15/2043	$ 2,625,438.91	$ 101,848.72	$ 6,675.18	$ 6,675.18	$ 115,199.08	$ 2,523,590.18
12/15/2043	$ 2,523,590.18	$ 102,107.67	$ 6,416.23	$ 6,416.23	$ 114,940.13	$ 2,421,482.51
6/15/2044	$ 2,421,482.51	$ 102,367.28	$ 6,156.62	$ 6,156.62	$ 114,680.52	$ 2,319,115.23
12/15/2044	$ 2,319,115.23	$ 102,627.55	$ 5,896.35	$ 5,896.35	$ 114,420.25	$ 2,216,487.67
6/15/2045	$ 2,216,487.67	$ 102,888.48	$ 5,635.42	$ 5,635.42	$ 114,159.32	$ 2,113,599.19
12/15/2045	$ 2,113,599.19	$ 103,150.08	$ 5,373.83	$ 5,373.83	$ 113,897.73	$ 2,010,449.11
6/15/2046	$ 2,010,449.11	$ 103,412.34	$ 5,111.57	$ 5,111.57	$ 113,635.47	$ 1,907,036.78
12/15/2046	$ 1,907,036.78	$ 103,675.26	$ 4,848.64	$ 4,848.64	$ 113,372.54	$ 1,803,361.52
6/15/2047	$ 1,803,361.52	$ 103,938.86	$ 4,585.05	$ 4,585.05	$ 113,108.95	$ 1,699,422.66
12/15/2047	$ 1,699,422.66	$ 104,203.12	$ 4,320.78	$ 4,320.78	$ 112,844.69	$ 1,595,219.54
6/15/2048	$ 1,595,219.54	$ 104,468.06	$ 4,055.85	$ 4,055.85	$ 112,579.75	$ 1,490,751.48
12/15/2048	$ 1,490,751.48	$ 104,733.67	$ 3,790.24	$ 3,790.24	$ 112,314.14	$ 1,386,017.81
6/15/2049	$ 1,386,017.81	$ 104,999.95	$ 3,523.95	$ 3,523.95	$ 112,047.85	$ 1,281,017.86
12/15/2049	$ 1,281,017.86	$ 105,266.92	$ 3,256.99	$ 3,256.99	$ 111,780.89	$ 1,175,750.95
6/15/2050	$ 1,175,750.95	$ 105,534.56	$ 2,989.35	$ 2,989.35	$ 111,513.25	$ 1,070,216.39
12/15/2050	$ 1,070,216.39	$ 105,802.88	$ 2,721.03	$ 2,721.03	$ 111,244.93	$ 964,413.51
6/15/2051	$ 964,413.51	$ 106,071.88	$ 2,452.02	$ 2,452.02	$ 110,975.92	$ 858,341.63
12/15/2051	$ 858,341.63	$ 106,341.57	$ 2,182.33	$ 2,182.33	$ 110,706.24	$ 752,000.06
6/15/2052	$ 752,000.06	$ 106,611.94	$ 1,911.96	$ 1,911.96	$ 110,435.86	$ 645,388.12
12/15/2052	$ 645,388.12	$ 106,883.00	$ 1,640.90	$ 1,640.90	$ 110,164.80	$ 538,505.11
6/15/2053	$ 538,505.11	$ 107,154.75	$ 1,369.15	$ 1,369.15	$ 109,893.05	$ 431,350.36
12/15/2053	$ 431,350.36	$ 107,427.19	$ 1,096.71	$ 1,096.71	$ 109,620.61	$ 323,923.17
6/15/2054	$ 323,923.17	$ 107,700.33	$ 823.57	$ 823.57	$ 109,347.48	$ 216,222.84
12/15/2054	$ 216,222.84	$ 107,974.16	$ 549.75	$ 549.75	$ 109,073.65	$ 108,248.68
6/15/2055	$ 108,248.68	$ 108,248.68	$ 275.22	$ 275.22	$ 108,799.13	$ (0.00)
	TOTAL:	$ 6,032,000	$ 479,434.18	$ 479,434.18	$ 6,990,868.36	

ATTACHMENT B

"PROJECT COSTS"

COST CLASSIFICATION	ESTIMATED TOTAL COST
1) Administrative and legal expenses	$ 81,200
2) Land, structures, right-of-ways, appraisals, etc.	
3) Relocation expenses and payments	
4) Architectural and engineering fees	$ 687,900
5) Project inspection fees	$ 144,000
6) Site work, demolition and removal	
7) Construction	$ 11,136,900
8) Equipment	
9) Miscellaneous	
10) SUBTOTAL (sum of lines 1-9)	$ **12,050,000**
11) Contingencies	$ 300,000
12) SUBTOTAL (sum of lines 10-11)	$ **12,350,000**
Less project (program) income	
TOTAL PROJECT COSTS (line 12 minus 13)	**$ 12,350,000**
SOURCE OF FUNDS	
DWEE DWSRF Loan (Principal)	$ 6,032,000
DWEE DWSRF Loan IIJA EC Forgiveness	$ 3,645,320
DWEE DWSRF Loan IIJA General Forgiveness	$ 2,672,680
TOTAL PROJECT ASSISTANCE	$ 12,350,000

Funds shall be made only to owners of eligible systems for eligible projects pursuant to the Safe Drinking Water Act.

OUTLAY SCHEDULE

	2023 ESTIMATED OUTLAY	2024 ESTIMATED OUTLAY	2025 ESTIMATED OUTLAY	2026 ESTIMATED OUTLAY
January	$ -	$ 221,503.00	$ -	$ -
February	$ -	$ 894,043.00	$ -	$ -
March	$ -	$ 444,473.00	$ 1,127,315.00	$ -
April	$ -	$ -	$ 199,720.00	$ -
May	$ -	$ 1,676,754.00	$ -	$ 593,549.00
June	$ -	$ 634,079.00	$ 258,385.00	$ -
July	$ 1,140,957.00	$ -	$ -	$ 442,129.00
August	$ -	$ -	$ -	$ -
September	$ -	$ 1,675,656.00	$ 163,460.00	$ -
October	$ -	$ -	$ -	$ -
November	$ -	$ -	$ -	$ -
December	$ -	$ 2,877,977.00	$ -	$ -
ANNUAL TOTAL:	$ 1,140,957	$ 8,424,485	$ 1,748,880	$ 1,035,678
TOTAL OUTLAY:	**$**			**12,350,000**

**Amounts after May 2026 are projected outlay schedule.*

ATTACHMENT C

FINANCIAL CAPABILITIES ANALYSIS

CITY OF DAVID CITY, NEBRASKA
DWSRF Project No. D311686

The City of David City, Nebraska, has requested Drinking Water State Revolving Fund ("DWSRF") funding assistance of $12,000,000, and an amendment of $350,000 for a total of $12,350,000 to finance a water treatment plant renovation and upgrade project. The City of David City is eligible for 52.65% DWSRF Loan Forgiveness out of the SRF SFY2023 IUP Program on the initial loan of $12,000,000.

An abbreviated financial analysis is presented. The documents reviewed and used to complete this analysis are:

1. Audit reports of the City of David City, for the years 2019 through 2025;
2. Water/Wastewater Pre-application for Federal/State Assistance; and
3. Miscellaneous correspondence from City of David City in the project file.

Analysis of the Public Water System:

The City of David City manages and operates a Public Water System and utilizes water user rates as their User Charge System. Table 1 displays the City of David City's general gross profit of their revenue and expenses operation for their User Charge System.

Table 1
Water Fund: Statement of Revenues, Expenses, and Changes in Fund Net Position

Year ending Sept. 30	*Operating Revenues (including interest income & interest expense)*	*Operating Expenses (excluding depreciation)*	*Gross Profit (Revenues minus Expenses)*
2019	$1,225,712	$608,210	$617,502
2020	$1,334,407	$771,916	$562,491
2021	$1,272,837	$853,712	$419,125
2022	$1,115,440	$1,024,079	$91,361
2023	$1,070,743	$1,114,164	-($43,421)
2024	$879,882	$1,247,799	-($367,917)
2025	$916,843	$2,108,885	-($1,192,042)

The City of David City manages their Public Water System which generates revenue by assessing water use fees on the residents and businesses in David City. The revenue stream goes towards paying for the operation and maintenance expenses incurred to operate the water utility. The water use revenues will be used to pay the debt service due to the proposed water utility loan. The water utility ran an operating deficit in the most recent years 2023 through 2025, as shown in Table 1.

According to the 2025 audit report, the assets of David City exceeded its liabilities and has positive balances of net position for the government as a whole. The City has invested in capital assets and utility infrastructure improvements. The above amounts do not include grant income or contributions in aid of construction related to these projects.

Outstanding Debt Analysis

The following long-term debt and liabilities are taken directly from David City's audit report: City of David City, Nebraska, Financial Statements and Supplementary Information, September 30, 2025, Note C – 4. Long-term Debt.

4. Long-term Debt

The reporting entity's long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

Governmental Activities

As of September 30, 2025, the governmental long-term liabilities consisted of the following:

Bonds payable:	
On July 15, 2020, the City issued General Obligation Various Purpose Bonds, Series 2020 for $7,135,000. Interest is at 0.9 percent to 1.6 percent and maturity is December 15, 2031. The bond payments are made from the Sales Tax Fund.	$ 4,380,000
On June 30, 2021, the City issued General Obligation Sewer Bonds, Series 2021 for $540,000. Interest is 0.95 to 1.70 percent and maturity is December 15, 2036. The bond payments are made from the CDA Fund using TIF proceeds.	435,000
On July 15, 2024, the City issued General Obligation Various Purpose Refunding Bonds, Series 2024 for $900,000. Interest is 4.15 to 4.30 percent and maturity is July 15, 2034. The bond payments are made from the Debt Service Fund.	825,000
On September 15, 2023, the City issued General Obligation Bond Anticipation Notes, Series 2023C for $1,650,000. Interest is 4.35 and maturity is June 15, 2026. The bond payments are made from the CDA Fund.	1,650,000
On July 15, 2025, the City issued General Obligation Various Purpose and Refunding Bonds, Series 2025 for $4,240,000. Interest is 4.00 to 4.85 and maturity is December 15, 2040. The CDA Fund makes 69.6 percent of bond payments.	2,951,040

Governmental Activities, continued

Note payable:	
On October 1, 2025, the City executed a note with the Electric Fund for $100,000 to provide financing on the police vehicles. Interest is at 4 percent due with annual payments and maturity is October 1, 2027. The payments are made by the General Fund.	100,000
Total governmental activities long-term debt	$ 10,341,040
Current portion	$ 2,497,035
Noncurrent portion	7,844,005
Total governmental long-term debt	$ 10,341,040

Business-type Activities

As of September 30, 2025, the long-term debt payable from proprietary fund resources consisted of the following:

Bonds payable:	
USDA Sanitary Sewer System Revenue Bonds, Series 2020, issued July 13, 2020, with an original issue amount of $3,000,000. Due in annual installments of $93,570 commencing July 13, 2021, through July 13, 2060, interest is at 1.125 percent. The payments are made by the Sewer Fund.	$ 2,694,054
On September 15, 2023 the City issued Series 2023 Electric Revenue Bonds, with an original issue amount of $995,000. The bonds bear interest ranging from 4.40 to 4.55 percent due semiannually, with annual principal payments beginning December 15, 2023 through December 15, 2034. The payments are made by the Electric Fund.	995,000

Business-type Activities, continued

On July 12, 2023 the City issued Series 2023B General Obligation Bond Anticipation Notes, with an original issue amount of $3,575,000. The bond bears interest of 4.05 percent due semiannually beginning December 15, 2023 with principal due December 15, 2027. The payments are made by the Water Fund.	3,575,000
On July 15, 2025, the City issued General Obligation Various Purpose and Refunding Bonds, Series 2025 for $4,240,000. Interest is 4.00 to 4.85 and maturity is December 15, 2040. The Water Fund makes 30.4 percent of bond payments.	1,288,960
On June 10, 2024 the City issued Series 2024 General Obligation Sewer Bond Anticipation Notes, with an original issue amount of $2,370,000. The bond bears interest of 4.05 percent due semiannually beginning December 15, 2024 with principal due December 15, 2028. The payments are made by the Sewer Fund.	2,370,000
On June 13, 2024 the City issued Series 2024 Tax Supported Municipal Improvement Bonds, with an original issue amount of $4,070,000. The bond bears interest of 4.50 percent due semiannually beginning December 15, 2024 with principal due December 15, 2028. The payments are made by the Sewer Fund.	4,070,000

Business-type Activities, continued

Notes payable:

Nebraska Department of Water, Environment and Energy Sewer Note Payable of $19,665,000, consisting of $7,408,125 of principal forgiveness and $12,256,875 of principal. As of September 30, 2025 only $9,348,485 of the principal has been advanced. The note will be payable in semiannual installments beginning December 15, 2024 through December 15, 2054. The note bears interest of 0.50 percent. A 0.50 percent administration fee will also be due semi-annually. The payments are made by the Sewer Fund.	9,348,485
Nebraska Department of Water, Environment and Energy Water Note Payable of $12,000,000, consisting of $6,318,000 of principal forgiveness and $5,682,000 of principal. As of September 30, 2025 only $5,536,691 of the principal has been advanced. The note will be payable in semiannual installments beginning December 15, 2025 through June 15, 2055. The note bears interest of 0.50 percent. A 0.50 percent administration fee will also be due semi-annually. The payments are made by the Water Fund.	5,536,691
Total business-type activities bonds and notes payable	$ 29,878,190
Current portion	$ 234,876
Noncurrent portion	29,643,314
Total business-type activities long-term debt	$ 29,878,190

Changes in Long-term Debt

The following is a summary of changes in long-term debt for the year ended September 30, 2025:

Type of Debt	Balance at October 1, 2024	Additions	Deductions	Balance at September 30, 2025	Amount Due Within One Year
Governmental Activities					
Notes payable	$ 957,226	$ 121,998	$ (979,224)	$ 100,000	$ 32,035
Bonds payable	10,975,000	2,951,040	(3,685,000)	10,241,040	2,465,000
Totals	$ 11,932,226	$ 3,073,038	$ (4,664,224)	$ 10,341,040	$ 2,497,035
Business-type Activities					
Notes payable	$ 3,120,700	$ 11,764,476	$ -	$ 14,885,176	$ 171,615
Bonds payable	15,016,652	1,288,960	(1,312,598)	14,993,014	63,261
Totals	$ 18,137,352	$ 13,053,436	$ (1,312,598)	$ 29,878,190	$ 234,876

Annual debt service requirements to maturity, including principal and interest, for long-term debt as of September 30, 2025, are as follows:

Year Ending September 30,	Governmental Activities — Direct Placement Principal	Direct Placement Interest	Other Debt Issues Principal	Other Debt Issues Interest
2026	$ 32,035	$ 4,000	$ 2,465,000	$ 288,499
2027	33,316	2,719	830,000	216,033
2028	34,649	1,386	845,000	203,378
2029	-	-	855,000	174,660
2030	-	-	870,000	174,937
2031-2035	-	-	2,521,240	605,810
2036-2040			1,524,200	257,439
2041	-	-	330,600	16,034
	$ 100,000	$ 8,105	$ 10,241,040	$ 1,936,790

Year Ending September 30,	Business-type Activities — Direct Placement Principal	Direct Placement Interest	Direct Placement Fees	Other Debt Issues Principal	Other Debt Issues Interest
2026	$ 234,876	$ 102,898	$ 72,589	$ -	$ 521,118
2027	392,070	102,949	73,353	100,000	524,788
2028	550,553	100,198	71,321	3,675,000	447,995
2029	553,714	97,038	68,888	6,550,000	231,523
2030	556,894	93,857	66,444	110,000	87,116
2031-2035	2,832,902	420,855	295,121	1,088,760	303,202
2036-2040	2,915,559	338,199	232,146	630,800	111,851
2041-2045	3,342,978	252,817	167,579	144,400	3,502
2046-2050	3,097,799	164,606	101,380	-	-
2051-2055	2,650,386	73,455	33,507	-	-
2056-2060	451,499	15,331	-	-	-
	$ 17,579,230	$ 1,762,203	$ 1,182,328	$ 12,298,960	$ 2,231,095

Financial Funding Details

The City is eligible for a 30-year DWSRF loan at a per annum interest rate of 0.5% plus an annual 0.5% administrative fee on the outstanding principal amount of $12,000,000 and a per annum interest rate of 0.75% plus an annual 0.75% administrative fee on the outstanding principal of $350,000. This equates to a blended per annual interest rate of 0.5085% plus an annual 0.5085% administrative fee. The DWSRF loan funding assistance of $12,350,000 minus $6,318,000 in loan forgiveness for a principal amount of $6,032,000 would have an annual debt service of $247,484 plus the DWSRF contract required 10% coverage or $24,748 for delinquency or loss of users, as shown in the following table, totaling $272,232 for the first-year debt service, including coverage. Principal and Interest repayments of SRF loans are protected by intercept statute Neb. Rev. Stat. §75-1503, which allows the Department to recover delinquent loan payments by intercepting state funds that are paid to the City of David City.

Table 2
Estimated Repayment Information

DWSRF Loan Term (Years)	Interest Rate	Interest Rate	Estimated First Year Payment	First Year Payment + 10% Coverage
30	0.5085%	0.5085%	$247,484	$272,232

City of David City's DWSRF Capacity

The revenues from David City's water utility will be dedicated to repay the loan. The projected annual DWSRF Debt Service (including 10% coverage) for the project is $272,232. The number of users is estimated at 1,269 total connections. The current water user charge per Ordinance No. 1439, passed on April 26, 2023, is $28.50 per connection base charge plus $3.41 per 1,000 gallons, up to 10,000 gallons, for a monthly charge of $45.55 for 5,000 gallons usage. Based solely upon the estimated users for the City, a minimum of an additional $17.88 per user, per month is recommended for proper debt coverage for the SRF loan to maintain current levels of operational expenses. This would increase the average monthly water user rate to $63.43 per month, or $761.12 annually. A final assessment of revenues and costs will be analyzed to determine the actual user charge adjustment as necessary.

The projected monthly water rate is $63.43 per month, or $760.12 annually. This projected household water rate total is 1.29% of the City of David City's median household income of $59,087 and is below EPA's 2.5% upper level of water rate affordability.

ATTACHMENT E

OPINION OF BORROWER'S COUNSEL

[SEE ATTACHED]

BAIRD HOLM LLP
ATTORNEYS AT LAW
EST. 1873

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Also admitted in California, Iowa and Kansas

July 13, 2026

VIA ELECTRONIC AND REGULAR U.S. MAIL DELIVERY

Nebraska Department of Water, Energy, and Environment
Attention: State Revolving Fund Program
c/o Lisa Giesbrecht (lisa.giesbrecht@nebraska.gov)
245 Fallbrook Blvd., Suite 100
Lincoln, Nebraska 68521

RE: Amendment No. 01 to Loan Agreement (SRF Loan No. D311686)

To the Nebraska State Revolving Fund:

This firm serves as legal counsel for the City of David City, Nebraska, a municipal corporation and city of the second class ("**Borrower**"). Borrower executed that certain Agreement for Loan No. D311686 (the "**Loan Agreement**") on April 5, 2023, with the Nebraska Department of Water, Energy, and Environment ("**DWEE**") and issued a promissory note to DWEE in connection with the same in the original principal amount of Twelve Million and 00/100 Dollars ($12,000,000.00) (the "**Note**"). All capitalized but undefined terms in this opinion letter shall have the meanings the Loan Agreement provides.

DWEE requests that Borrower's counsel render an opinion as to certain matters relating to that certain Amendment No. 01 to the Loan Agreement (the "**Amendment**"). The purpose of the Amendment is to increase the Note to Twelve Million, Three Hundred Fifty Thousand and 00/100 Dollars ($12,350,000.00), which Borrower shall evidence by executing an amended and restated version of the Note (the "**Amended Note**"). In this connection, I have examined the following:

(a) Certified copies of Borrower's Ordinance No. 1533;

(b) An executed counterpart of the Loan Agreement;

(c) An executed counterpart of the Amendment;

(d) The executed Note and the executed Amended Noted; and

(e) Such other documents as I found relevant and necessary in rendering this opinion.

As to questions of fact material to my opinion, I rely upon the certified proceedings and other certifications of public officials furnished to me without undertaking to verify the same by independent investigation.

Based upon the foregoing and subject to the qualifications, assumptions, and statements of reliance herein, we are of the opinion that:

1. Borrower is a city of the second class, duly organized and validly existing under the laws of the State of Nebraska.

2. Borrower is a governmental unit, as such term is used in Section 141(b)(6) of the Internal Revenue Code of 1986, as amended.

3. Borrower has the power and authority to execute the Amendment, to issue the Amended Note, to borrow the entire principal amount provided for in Section 2.01 of the Loan Agreement, as amended by the Amendment (the "**Principal Amount**"), and to perform its obligations under the Loan Agreement and the Amended Note.

4. The Loan Agreement and the Amended Note have been duly authorized, executed and delivered by Borrower and are, and would be if the entire Principal Amount were advanced to Borrower pursuant to the Loan Agreement on the date of this opinion, valid and legally binding special obligations of Borrower, payable solely from the sources provided therefore in the Loan Agreement, enforceable in accordance with their respective terms, except to the extent that the enforceability thereof may be limited by laws relating to bankruptcy, insolvency, or other similar laws affecting creditors' rights generally and general principles of equity.

5. Pursuant to, where applicable, Nebraska Revised State Statutes Sections 18-1803 through 18-1805, inclusive, and all other applicable statutes governing eligible municipalities, to our knowledge the Loan Agreement, assuming the valid execution and delivery thereof by Borrower and DWEE, creates a valid lien on the funds Borrower pledges pursuant to Section 3.02 of the Loan Agreement for the security of the Loan Agreement and the Amended Note and no other debt of Borrower is secured by a superior lien on such funds.

6. Borrower has obtained or made all approvals, authorizations, consents, or other actions of, and filings, registrations, or qualifications with, Borrower or any other government authority which are legally required to allow Borrower to enter into and perform its obligations under the Loan Agreement and the Amended Note and borrow the full Principal Amount pursuant to the Loan Agreement and the Amended Note.

Notwithstanding anything to the contrary herein, we provide the foregoing opinions expressly subject to the following exceptions, qualifications, and assumptions:

(a) We express no opinion as to the enforceability of any provisions of the Loan Agreement, the Amendment, the Note, the Amended Note, or any other documents relating to the same.

(b) We express no opinion as to the enforceability of provisions waiving, directly or indirectly, expressly or impliedly, defenses to obligations or rights granted by law, where such waivers are prohibited by law or are against public policy or any provision which is qualified by the phrase "to the extent permitted by law" or words of similar import, except to the extent such provisions would require Borrower to indemnify any party.

(c) Without limiting either party's ability to rely upon the representations and warranties of the other in the Loan Agreement, we except from our opinion any provisions contained in any document that purport to prevent any party from raising an affirmative defense thereto, such as estoppel, illegality, etc.

(d) We except from our opinion any provisions in any of the documents that a party could construe as waiving service of process or any applicable statute of limitations defense or which establish any rights to specific performance as a remedy consistent with paragraph (e) immediately below.

(e) We limit our opinion as to enforceability by standards of good faith, fair dealing, materiality, and reasonableness that a court may apply to the exercise of certain rights and remedies; limitations based on statutes or on public policy limiting a contracting party's right to waive the benefit of statutory provisions or of a common law right; and limitations releasing a party from or indemnifying a party against liability for its own wrongful or negligent act when such release or indemnification is contrary to public policy.

(f) We limit our opinion to the matters we state expressly herein and no party shall construe or infer any opinion hereof other than what we expressly state. We provide this opinion as a legal opinion only and not as a warranty or guarantee with respect to the matter herein or in the documents this opinion refers to. Only the party to whom we address this opinion may rely on this opinion and we make no representation or opinion to any other party as to the matters set forth herein. On such basis, any variation or difference in the facts delivered to us in connection with this opinion could affect our conclusions in an adverse manner and make them inaccurate.

(g) We limit our opinion herein to the laws of the State of Nebraska.

Very Truly Yours,

BAIRD HOLM LLP,
a Nebraska limited liability partnership

David C. Levy, Esq.

cc: City of David City, Nebraska (via electronic mail)

ATTACHMENT F

AMENDED AND RESTATED PROMISSORY NOTE OF THE CITY OF DAVID CITY, NEBRASKA

FOR VALUE RECEIVED, the undersigned, on behalf of the City of David City, Nebraska, a municipal corporation and city of the second class (the "**Borrower**") executes this Amended and Restate Promissory Note of the City of David City, Nebraska (this "**Amended Note**") and promises to pay, but solely from the sources described herein, to the order of the Nebraska Department of Water, Energy, and Environment ("**DWEE**"), or its successors and assigns, the principal sum of not to exceed Twelve Million, Three Hundred Fifty Thousand and 00/100 Dollars ($12,350,000.00), less any Loan Forgiveness as established by Section 2.01 of the Loan Agreement, to the extent disbursed pursuant to Section 2.01 and Section 2.05 of the Loan Agreement No. D311686, as amended by that certain Amendment No. 01 to the Loan Agreement dated ____________, 2026 (collectively, the "Loan Agreement"), with interest on each such amount until paid, pursuant to Section 2.03 of the Loan Agreement between the DWEE and the Borrower. In addition, the Borrower shall pay an Administrative Fee on the outstanding principal amount of this Note per annum pursuant to Section 2.04 of the Loan Agreement. The said principal, interest, and Administrative Fee shall be payable in semiannual installments each payable on June 15 and December 15 of each year in accordance with Section 2.06 of the Loan Agreement. Each installment shall be in the amount set forth in Attachment A to the Loan Agreement. The Borrower will pay any penalty or additional interest due pursuant to Section 2.06(d) of the Loan Agreement.

This Amended Note amends, restates, and supersedes that certain Promissory Note of the City of David City, Nebraska, that Borrower executed on March 22, 2023, and DWEE attested on March 31, 2023, in the original principal amount of Twelve Million and 00/100 Dollars ($12,000,000.00), pursuant to that certain Amendment No. 01 to Loan Agreement dated __________, 2026, between the Borrower and DWEE. This terms and provisions of this Amended Note shall supersede all terms and provisions of the aforementioned note.

All payments under this Amended Note shall be payable at the offices of the DWEE in Lincoln, Nebraska, and upon the assignment of this Amended Note to the NIFA, at the principal corporate trust office of a Trustee designated by the NIFA, or such other place as the DWEE may designate in writing.

This Amended Note is issued pursuant to and is secured by the Loan Agreement, as amended, and Resolution No. 14-2023 and Ordinance No. 1533 of Borrower, the terms and provisions of which are incorporated herein.

All payments of principal of and interest on this Amended Note and other payment obligations of the Borrower hereunder shall be limited obligations of the Borrower payable solely out of the System Revenues (as defined in the Loan Agreement) on parity with the Existing Revenue Obligations (as defined the Loan Agreement) and any Additional Revenue Obligations (as defined in the Loan Agreement) hereafter issued, as established in the Loan Agreement, and shall not be payable out of any other revenues of the Borrower. The obligations of the Borrower under this Note shall never constitute or give rise to a charge against its general credit or taxing power. This Amended Note shall not be a debt of the Borrower within the meaning of any constitutional statutory or charter limitation upon the creation of general obligation indebtedness of the Borrower.

If default be made in the payment of any installment due under this Amended Note, or by the occurrence of any one or more of the Events of Default specified in Article V of the Loan Agreement, and if such Event of Default is not remedied as therein provided, or at any time thereafter, the DWEE may give notice to the Borrower that all unpaid amounts of this Amended Note then outstanding, together with all other unpaid amounts outstanding under the Loan Agreement as amended, are due and payable immediately, and thereupon, without further notice or demand, all such amounts shall become and be immediately due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise the same at any time in the event of any continuing or subsequent default.

The Borrower hereby waives presentment for payment, demand, protest, notice of protest and notice of dishonor.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

This Amended Note and all instruments securing the same are to be construed according to the laws of the State of Nebraska. Signed and sealed, if applicable, by the following:

[SEAL] *(if applicable)*

	CITY OF DAVID CITY, NEBRASKA		NEBRASKA DEPARTMENT OF WATER, ENERGY, AND ENVIRONMENT
Attest: ______ *(signature)*	By ______ *(signature)*		By ______ *(signature)*
Title City Clerk	Title Mayor		Title Director
Date ______	Date ______		Date ______

ATTACHMENT F
(Continued)

ASSIGNMENT OF AMENDED AND RESTATED PROMISSORY NOTE OF THE CITY OF DAVID CITY, NEBRASKA

Complete this section upon assignment of this Note to the NIFA.

Pursuant to the Pledge Agreement dated as of ______________ as amended (the "Pledge Agreement"), by and between the DWEE and the Nebraska Investment Finance Authority ("NIFA"), and the City of David City, Nebraska, dated as of ___________________, as supplemented and amended, by and between NIFA ___________________________, as trustee (the "Trustee"), the DWEE hereby assigns, grants and conveys any and all of the DWEE's rights, title and interest in this Note to NIFA, except as provided in the Pledge Agreement, and NIFA hereby assigns such rights, title and interest to the Trustee and any successor Trustee.

Attested by:	NEBRASKA INVESTMENT FINANCE AUTHORITY
By ______________________ *(printed name)*	By ______________________ *(printed name)*
______________________ *(signature)*	______________________ *(signature)*
Title ______________________	Title Director
Date ______________________	Date ______________________

ATTACHMENT H - Other Documents

ORIDNANCE

[SEE ATTACHED]

Ethan Joy of JEO Consulting Group presented Amendment No. 1 to the Wastewater State Revolving Fund (SRF) loan agreement. The amendment increases the project's funding by approximately $1.4 million to cover change orders and additional costs incurred during the wastewater treatment plant improvement project.

Council was reminded that the original loan totaled approximately $19.665 million, with $7.4 million provided as loan forgiveness. The loan carries a 1% interest rate over a 28-year term.

Discussion focused on the requirement to obtain USDA approval before executing the amendment due to an existing USDA wastewater loan. Legal counsel explained that the City's debt service coverage ratio must be reviewed, and the State is currently evaluating whether to waive or modify the requirements. Council also discussed the history of the wastewater project, noting that previous sewer rate increases were implemented to address long-standing funding deficiencies and to meet EPA compliance requirements necessary to secure SRF funding.

Council Member Keith Marvin introduced Ordinance No. 1534 authorizing Amendment No. 1 to loan agreement with Nebraska Department of Water, Energy, and Environment for SRF Project No. C318068. Mayor Jessica Miller read Ordinance No. 1534 by title.

Council Member Keith Marvin made a motion to approve Ordinance No. 1534 authorizing Amendment No. 1 to loan agreement with Nebraska Department of Water, Energy, and Environment for SRF Project No. C312868 on 1st Reading only, contingent upon receiving the required USDA approval. Council Member Bruce Meysenburg seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Kevin Woita: Yea. Yea: 6, Nay: 0.

ORDINANCE NO. 1534

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA, AUTHORIZING EXECUTION OF THAT CERTAIN AMENDMENT NO. 01 TO LOAN AGREEMENT WITH NEBRASKA DEPARTMENT OF WATER, ENERGY, AND ENVIRONMENT (DWEE PROJECT NO. C318068); REPEALING ALL ORDINANCES IN CONFLICT THEREWITH; AUTHORIZING PUBLICATION IN PAMPHLET FORM; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of David City, Nebraska, a municipal corporation and city of the second class (the "**City**") executed that certain Loan Agreement (SRF Project No. C318068) on July 18, 2024 (the "**Loan Agreement**"), with the State of Nebraska, acting by and through the Nebraska Department of Water, Energy, and Environment, a consolidation of the Nebraska Department of Environment and Energy and the Nebraska Department of Natural Resources pursuant to Section 81-1571(1) of the Nebraska Revised Statutes (collectively, the "**Lender**"); and

WHEREAS, under the Loan Agreement, the Lender provided the City with a loan in the original principal amount of Nineteen Million, Six Hundred Sixty-Five Thousand and 00/100 Dollars ($19,665,000.00) (the "**Loan**") from the State Revolving Fund Program pursuant to Nebraska Revised Statutes Section 81-15,153; and

WHEREAS, the City is using the Loan in connection with the rehabilitation and upgrade of the City's wastewater treatment facility, including updating, expanding, and slip-lining wastewater lines (collectively, the "**Project**"); and

WHEREAS, the City desires to execute that certain Amendment No. 01 to Loan Agreement with Lender to, among other things, increase the Loan by One Million Four Hundred Thousand and 00/100 Dollars ($1,400,000.00), a copy of which is attached hereto and incorporated herein as **Exhibit A** (the "**Amendment**"); and

WHEREAS, the City finds it in the best interest of the City, its residents, and the Project to execute the Amendment.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA, as follows:

5. **Amendment**. The City hereby authorizes the Mayor to execute the Amendment in substantially the same form as **Exhibit A**.

6. **Further Authorization**. The City hereby authorizes the Mayor and City Clerk to execute such further documents and to take such further actions as necessary to effectuate the purposes herein.

7. **Conflicting Ordinances**. The City hereby repeals any other ordinance or section of any ordinance passed and approved prior to the passage, approval, and publication or posting of this Ordinance and in conflict herewith to the extent of the conflict thereof.

8. **Effective Date.** This Ordinance shall be in full force and effect from and after passage, approval and publication in pamphlet form.

PASSED AND APPROVED THIS ____TH DAY OF JULY, 2026.

Passed on 1st Reading Only
Jessica Miller, Mayor

ATTEST:

Passed on 1st Reading Only
Lori Matchett, City Clerk

Council considered Pay Application No. 1 from Nemaha Sports Construction in the amount of $72,170.00 for the David City Youth Ballfield Improvement Project. City Administrator Intern Raiko Martinez noted that the payment is funded through the City's Rural Communities Recovery Program (RCRP) award.

It was reported that the work completed includes relocation of a swale, construction of the subgrade, placement of fill material, and installation of the four-inch infield mix necessary to provide proper field drainage. The completed work represents the earthwork phase of the new ballfield.

Council Member Jeremy Abel made a motion to approve Pay Application No. 1 from Nemaha Sports Construction, LLC in the amount of $72,177.00 for the David City Youth Ballfield updates. Council Member Jim Angell seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Kevin Woita: Yea. Yea: 6, Nay: 0.

AIA Type Document
Application and Certification for Payment

TO (OWNER): City of David City
490 E Street
David City, NE 68632

PROJECT: David City Youth Ballfield
490 E Street
David City, NE 68632

APPLICATION NO: 1
PERIOD TO: 6/30/2026

DISTRIBUTION TO:
_ OWNER
_ ARCHITECT
_ CONTRACTOR

FROM (CONTRACTOR): Nemaha Sports Construction LLC
541 S 1st ST
Lincoln, NE 68508

VIA (ARCHITECT):

ARCHITECT'S PROJECT NO:

CONTRACT FOR: David City Youth Ballfield

CONTRACT DATE: 5/4/2026

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for Payment, as shown below, in connection with the Contract.
Continuation Sheet, AIA Type Document is attached.

1. **ORIGINAL CONTRACT SUM** .... $ 186,707.00
2. **Net Change by Change Orders** .... $ 0.00
3. **CONTRACT SUM TO DATE** (Line 1 + 2)........... $ 186,707.00
4. **TOTAL COMPLETED AND STORED TO DATE** ...... $ 80,130.00

5. **RETAINAGE:**
   a. 10.00% of Completed Work $ 8,013.00
   b. 0.00% of Stored Material $ 0.00

   Total retainage (Line 5a + 5b) .... $ 8,013.00

6. **TOTAL EARNED LESS RETAINAGE** .... $ 72,117.00
   (Line 4 less Line 5 Total)
7. **LESS PREVIOUS CERTIFICATES FOR PAYMENT**
   (Line 6 from prior Certificate) .... $ 0.00
8. **CURRENT PAYMENT DUE** .... $ 72,117.00
9. **BALANCE TO FINISH, INCLUDING RETAINAGE**
   (Line 3 less Line 6) $ 114,590.00

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	0.00	0.00
Total approved this Month	0.00	0.00
TOTALS	0.00	0.00
NET CHANGES by Change Order	0.00	

The Undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the work covered by this application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the owner, and that current payment shown herein is now due.

CONTRACTOR: Nemaha Sports Construction LLC
541 S 1st ST Lincoln, NE 68508

By: [signature] Date: 6/22/2026

State of: NE
County of: Lancaster

GENERAL NOTARY-State of Nebraska
KELCY M. BOOTH
My Comm. Exp. November 14, 2026

Subscribed and Sworn to before me this 22nd Day of June 2026
Notary Public: [signature]
My Commission Expires : 11-14-26

ARCHITECT'S CERTIFICATE FOR PAYMENT

In Accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated,the quality of the work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED .... $

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform to the amount certified.)

ARCHITECT:
By: Date:

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, Payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

AIA Type Document
Application and Certification for Payment

TO (OWNER): City of David City
490 E Street
David City, NE 68632

PROJECT: David City Youth Ballfield
490 E Street
David City, NE 68632

APPLICATION NO: 1
PERIOD TO: 6/30/2026

DISTRIBUTION TO:
_ OWNER
_ ARCHITECT
_ CONTRACTOR

FROM (CONTRACTOR): Nemaha Sports Construction LLC
541 S 1st ST
Lincoln, NE 68508

VIA (ARCHITECT):

ARCHITECT'S PROJECT NO:

CONTRACT FOR: David City Youth Ballfield

CONTRACT DATE: 5/4/2026

ITEM	DESCRIPTION	SCHEDULE VALUE	PREVIOUS APPLICATIONS	COMPLETED THIS PERIOD	STORED MATERIAL	COMPLETED STORED	%	BALANCE	RETAINAGE
1	General Conditions	6,315.00	0.00	3,315.00	0.00	3,315.00	52.49	3,000.00	331.50
2	Mobilization	4,372.00	0.00	4,372.00	0.00	4,372.00	100.00	0.00	437.20
3	SWPPP BMPs & Maintenance	3,560.00	0.00	2,560.00	0.00	2,560.00	71.91	1,000.00	256.00
4	Survey & Layout (Allowance	4,000.00	0.00	2,000.00	0.00	2,000.00	50.00	2,000.00	200.00
5	Strip & Respread Topsoil	7,210.00	0.00	0.00	0.00	0.00	0.00	7,210.00	0.00
6	Earthwork	44,496.00	0.00	44,496.00	0.00	44,496.00	100.00	0.00	4,449.60
7	Chainlink Backstop	18,780.00	0.00	0.00	0.00	0.00	0.00	18,780.00	0.00
8	6" Galvanized Sideline & Outfield Fence	23,364.00	0.00	0.00	0.00	0.00	0.00	23,364.00	0.00
9	10" Galvanized Chainlink Dugout	8,400.00	0.00	0.00	0.00	0.00	0.00	8,400.00	0.00
10	Concrete Dugout Floors	5,300.00	0.00	0.00	0.00	0.00	0.00	5,300.00	0.00
11	4" Infield Mix	23,387.00	0.00	23,387.00	0.00	23,387.00	100.00	0.00	2,338.70
12	Clay Batters Boxes	3,340.00	0.00	0.00	0.00	0.00	0.00	3,340.00	0.00
13	Outfield Seed	4,375.00	0.00	0.00	0.00	0.00	0.00	4,375.00	0.00
14	Outfield Irrigation	9,527.00	0.00	0.00	0.00	0.00	0.00	9,527.00	0.00
15	Site Restoration, Fine Grade & Seeding Outside Fields	8,250.00	0.00	0.00	0.00	0.00	0.00	8,250.00	0.00
16	1EA Base Set, Anchors, Home Plate & Pitching Rubber	2,067.00	0.00	0.00	0.00	0.00	0.00	2,067.00	0.00
17	Final Cleaning & Turnover	1,394.00	0.00	0.00	0.00	0.00	0.00	1,394.00	0.00
18	Speed Rotors for Infield	5,000.00	0.00	0.00	0.00	0.00	0.00	5,000.00	0.00
19	Irrigation Outside Fields	3,570.00	0.00	0.00	0.00	0.00	0.00	3,570.00	0.00
	REPORT TOTALS	$186,707.00	$0.00	$80,130.00	$0.00	$80,130.00	42.92	$106,577.00	$8,013.00

Council considered Pay Application No. 28 from BRB Contractors, Inc. in the amount of $240,725.49 for the David City Wastewater Treatment Facility Improvements Project.

Ethan Joy of JEO Consulting Group reported that the project continues to progress well. The final Sequencing Batch Reactor (SBR) was recently brought online, and the project is nearing substantial completion. Remaining work includes final grading, site ligating, minor electrical work, and completion of punch list items. Ethan Joy noted that City personnel continue to successfully operate the facility while maintaining permit compliance.

It was reported that the project is approximately 90% complete, with approximately $900,000 being retained until final completion.

Council Member Bruce Meysenburg made a motion to approve Pay Application No. 28 to BRB Contractors, Inc. in the amount of $247,025.49 for the David City Wastewater Treatment Facility Improvements. Council Member Keith Marvin seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Kevin Woita: Yea. Yea: 6, Nay: 0.

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Contractor's Application for Payment

Owner:	City of David City	**Owner's Project No.:**	
Engineer:	JEO Consulting Group, Inc.	**Engineer's Project No.:**	251034.00
Contractor:	BRB Contractors, Inc.	**Contractor's Project No.:**	NE3DAV
Project:	David City Wastewater Treatment Facility Improvements		
Contract:	David City Wastewater Treatment Facility Improvements		

Application No.: 28 **Application Date:** 6/23/2026

Application Period: From 5/27/2026 to 6/23/2026

1. Original Contract Price		$ 16,882,000.00
2. Net change by Change Orders		$ 1,412,444.86
3. Current Contract Price (Line 1 + Line 2)		$ 18,294,444.86
4. Total Work completed and materials stored to date (Sum of Column G Lump Sum Total and Column J Unit Price Total)		$ 17,887,016.56
5. Retainage		
a. 5% X $ 17,803,813.44 Work Completed =	$ 890,190.67	
b. 5% X $ 83,203.12 Stored Materials =	$ 4,160.16	
c. Total Retainage (Line 5.a + Line 5.b)		$ 894,350.83
6. Amount eligible to date (Line 4 - Line 5.c)		$ 16,992,665.73
7. Less previous payments (Line 6 from prior application)		$ 16,745,640.24
8. Amount due this application		$ 247,025.49
9. Balance to finish, including retainage (Line 3 - Line 4 + Line 5.c)		$ 1,301,779.13

Contractor's Certification

The undersigned Contractor certifies, to the best of its knowledge, the following:

(1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;

(2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such liens, security interest, or encumbrances); and

(3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

Contractor: BRB Contractors, Inc.

Signature: Signed by: Josh Kling 5BE52520172B416... **Date:** 7/6/2026

Recommended by Engineer		**Approved by Owner**	
By:	DocuSigned by: Ethan Ing, P.E. B699CABF58504CA...	**By:**	Signed by: James G. Mill DAFAB7ABA6634E0...
Title:	Project Manager	**Title:**	Mayor
Date:	7/6/2026	**Date:**	7/9/2026

Approved by Funding Agency

By:	N/A	**By:**	N/A
Title:		**Title:**	
Date:		**Date:**	

Progress Estimate - Lump Sum Work

Contractor's Application for Payment

Owner:	City of David City	Owner's Project No.:	
Engineer:	JEO Consulting Group, Inc.	Engineer's Project No.:	251034.00
Contractor:	BRB Contractors, Inc.	Contractor's Project No.:	NE3DAV
Project:	David City Wastewater Treatment Facility Improvements		
Contract:	David City Wastewater Treatment Facility Improvements		

Application No.: 28 Application Period: From 05/27/26 to 06/23/26 Application Date: 06/23/26

A	B	C	D	E	F	G	H	I
			Work Completed					
Item No.	Description	Scheduled Value ($)	(D + E) From Previous Application ($)	This Period ($)	Currently Stored (not in D or E) ($)	Work Completed and Materials Stored to Date (D + E + F) ($)	% of Scheduled Value (G / C) (%)	Balance to Finish (C - G) ($)
			Original Contract					
	GENERAL SITEWORK					-		-
1	Mobilize	$ 750,000.00	750,000.00			750,000.00	100%	-
2	Bonds and Insurance	$ 180,000.00	180,000.00			180,000.00	100%	-
3	SWPP Items	$ 25,000.00	23,750.00	250.00		24,000.00	96%	1,000.00
4	Site Clearing	$ 30,000.00	30,000.00			30,000.00	100%	-
5	12" & 16" Forcemain Piping	$ 300,000.00	300,000.00			300,000.00	100%	-
6	Other Piping/Valves	$ 1,395,000.00	1,263,000.00	25,000.00	83,203.12	1,371,203.12	98%	23,796.88
7	Precast Manholes	$ 65,000.00	65,000.00			65,000.00	100%	-
8	Instrumentation & Control	$ 50,000.00	42,500.00	7,500.00		50,000.00	100%	-
9	Electrical/Generator Work	$ 125,000.00	125,000.00			125,000.00	100%	-
	HEADWORKS BUILDING		-			-		-
10	Excavation & Backfill	$ 150,000.00	145,000.00	5,000.00		150,000.00	100%	-
11	Concrete Base Structure	$ 500,000.00	500,000.00			500,000.00	100%	-
12	Concrete Walls Structure	$ 1,207,000.00	1,207,000.00			1,207,000.00	100%	-
13	Concrete Floor/Deck Structure	$ 350,000.00	350,000.00			350,000.00	100%	-
14	Misc. Metals Furnish/Install	$ 50,000.00	50,000.00			50,000.00	100%	-
15	Masonry Above Structure	$ 225,000.00	225,000.00			225,000.00	100%	-
16	Doors & Windows Furnish/Install	$ 65,000.00	65,000.00			65,000.00	100%	-
17	Roof Trusses Furnish/Install	$ 45,000.00	45,000.00			45,000.00	100%	-
18	Standing Seam Roof & Specialties	$ 100,000.00	100,000.00			100,000.00	100%	-
19	Slide Gates Furish/Install	$ 100,000.00	100,000.00			100,000.00	100%	-
20	Bar Screen Furnish/Install	$ 200,000.00	200,000.00			200,000.00	100%	-
21	Grit Equipment, Valves, Flumes Furnish/Install	$ 1,300,000.00	1,300,000.00			1,300,000.00	100%	-
22	Parshall Flume	$ 10,000.00	10,000.00			10,000.00	100%	-
23	Indoor Sampler	$ 20,000.00	20,000.00			20,000.00	100%	-
24	Painting Structure	$ 40,000.00	40,000.00			40,000.00	100%	-
25	Instrumentation & Control Work	$ 950,000.00	950,000.00			950,000.00	100%	-
26	Mechanical Work (both buildings)	$ 270,000.00	250,000.00	10,000.00		260,000.00	96%	10,000.00
27	Electrical Work	$ 700,000.00	696,500.00	3,500.00		700,000.00	100%	-
	AGP FLUME NO. 20		-			-		-
28	Excavation & Backfill	$ 15,000.00	15,000.00			15,000.00	100%	-
29	Concrete Base	$ 20,000.00	20,000.00			20,000.00	100%	-
30	Concrete Walls	$ 42,000.00	42,000.00			42,000.00	100%	-
31	Misc. Metals Furnish/Install	$ 10,000.00	10,000.00			10,000.00	100%	-
32	Equipment Flume Install	$ 15,000.00	15,000.00			15,000.00	100%	-
	INFLUENT PUMP STATION		-			-		-

Progress Estimate - Lump Sum Work

Contractor's Application for Payment

Owner: City of David City
Engineer: JEO Consulting Group, Inc.
Contractor: BRB Contractors, Inc.
Project: David City Wastewater Treatment Facility Improvements
Contract: David City Wastewater Treatment Facility Improvements

Owner's Project No.:
Engineer's Project No.: 251034.00
Contractor's Project No.: NE3DAV

Application No.: 28 **Application Period:** From 05/27/26 to 06/23/26 **Application Date:** 06/23/26

A	B	C	D	E	F	G	H	I
			Work Completed					
Item No.	Description	Scheduled Value ($)	(D + E) From Previous Application ($)	This Period ($)	Currently Stored (not in D or E) ($)	Work Completed and Materials Stored to Date (D + E + F) ($)	% of Scheduled Value (G / C) (%)	Balance to Finish (C - G) ($)
33	Excavation & Backfill	$ 160,000.00	160,000.00			160,000.00	100%	-
34	Concrete Base	$ 50,000.00	50,000.00			50,000.00	100%	-
35	Concrete Walls	$ 327,000.00	327,000.00			327,000.00	100%	-
36	Concrete Roof	$ 100,000.00	100,000.00			100,000.00	100%	-
37	Misc. Metals Funish/Install	$ 50,000.00	50,000.00			50,000.00	100%	-
38	Furnish & Install Pumps	$ 525,000.00	525,000.00			525,000.00	100%	-
39	Furnish & Install Jib Crane & Foundation	$ 50,000.00	50,000.00			50,000.00	100%	-
40	Painting Work	$ 35,000.00	35,000.00			35,000.00	100%	-
41	Electrical Work	$ 50,000.00	50,000.00			50,000.00	100%	-
	NEW SBR STRUCTURE		-			-		-
42	Excavation & Backfill	$ 350,000.00	350,000.00			350,000.00	100%	-
43	SBR Concrete Base Sections	$ 520,000.00	520,000.00			520,000.00	100%	-
44	SBR Concrete Wall Sections	$ 1,261,000.00	1,261,000.00			1,261,000.00	100%	-
45	SBR Basin Equipment Aeration	$ 1,000,000.00	1,000,000.00			1,000,000.00	100%	-
46	SBR Basin Equipment Pumps	$ 50,000.00	50,000.00			50,000.00	100%	-
47	Misc. Metals Furnish/Install	$ 40,000.00	40,000.00			40,000.00	100%	-
48	Painting Work	$ 15,000.00	15,000.00			15,000.00	100%	-
49	Electrical Work	$ 50,000.00	50,000.00			50,000.00	100%	-
	BLOWER BUILDING MODIFICATIONS		-			-		-
50	Concrete Floor/Wall Demolition	$ 15,000.00	15,000.00			15,000.00	100%	-
51	Excavation & Backfill	$ 15,000.00	15,000.00			15,000.00	100%	-
52	New Concrete Floor and Blower Bases	$ 35,000.00	35,000.00			35,000.00	100%	-
53	New Masonry Wall/Misc. Infill	$ 7,500.00	7,500.00			7,500.00	100%	-
54	Furnish & Install Doors	$ 7,500.00	7,500.00			7,500.00	100%	-
55	Funish & Install New/Existing SBR Blowers	$ 400,000.00	400,000.00			400,000.00	100%	-
56	Painting Work	$ 20,000.00	20,000.00			20,000.00	100%	-
57	Instrumentation & Control Work	$ 150,000.00	150,000.00			150,000.00	100%	-
58	Electrical Work	$ 100,000.00	100,000.00			100,000.00	100%	-
	EXISTING SBR BASIN MODIFICATIONS		-			-		-
59	Remove Existing Equipment & Piping	$ 50,000.00	50,000.00			50,000.00	100%	-
60	Existing SBR Basin Equipment Aeration	$ 1,000,000.00	945,000.00	40,000.00		985,000.00	99%	15,000.00
61	Existing SBR Basin Equipment Pumps	$ 50,000.00	35,000.00	15,000.00		50,000.00	100%	-
62	Misc. Metals Furnish/Install	$ 40,000.00	40,000.00			40,000.00	100%	-
63	Construct New SBR Splitter Box	$ 174,000.00	174,000.00			174,000.00	100%	-
64	Painting Work	$ 20,000.00	20,000.00			20,000.00	100%	-
65	Electrical Work	$ 50,000.00	35,000.00	10,000.00		45,000.00	90%	5,000.00
	STORAGE BUILDING		-			-		-

Progress Estimate - Lump Sum Work

Contractor's Application for Payment

Owner: City of David City
Engineer: JEO Consulting Group, Inc.
Contractor: BRB Contractors, Inc.
Project: David City Wastewater Treatment Facility Improvements
Contract: David City Wastewater Treatment Facility Improvements

Owner's Project No.:
Engineer's Project No.: 251034.00
Contractor's Project No.: NE3DAV

Application No.: 28 **Application Period:** From 05/27/26 to 06/23/26 **Application Date:** 06/23/26

A	B	C	D	E	F	G	H	I
			Work Completed					
Item No.	Description	Scheduled Value ($)	(D + E) From Previous Application ($)	This Period ($)	Currently Stored (not in D or E) ($)	Work Completed and Materials Stored to Date (D + E + F) ($)	% of Scheduled Value (G / C) (%)	Balance to Finish (C - G) ($)
66	Excavation & Backfill	$ 35,000.00	35,000.00			35,000.00	100%	-
67	Building Drainage Piping & Oil Seperator	$ 40,000.00	40,000.00			40,000.00	100%	-
68	Concrete Foundations	$ 40,000.00	40,000.00			40,000.00	100%	-
69	Concrete Floor	$ 56,000.00	56,000.00			56,000.00	100%	-
70	New Building Walls and Roof	$ 270,000.00	270,000.00			270,000.00	100%	-
71	Doors & Windows	$ 40,000.00	40,000.00			40,000.00	100%	-
72	Painting Work	$ 30,000.00	15,000.00			15,000.00	50%	15,000.00
73	Electrical Work	$ 75,000.00	32,000.00	33,000.00		65,000.00	87%	10,000.00
	DEMO EXISTING HEADWORKS BUILDING		-			-		-
74	Demolition of Existing Building Complete	$ 30,000.00	-	30,000.00		30,000.00	100%	-
	CLOSEOUT		-			-		-
75	Site Grading	$ 25,000.00	-			-	0%	25,000.00
76	SBR/Storage Building Sidewalks	$ 25,000.00	-	15,000.00		15,000.00	60%	10,000.00
77	Concrete Paving	$ 20,000.00	-			-	0%	20,000.00
78	Seeding & Mulch	$ 15,000.00	-			-	0%	15,000.00
79	Crushed Rock Surfacing Roads	$ 80,000.00	10,000.00			10,000.00	13%	70,000.00
80	Fence & Gate System	$ 30,000.00	-			-	0%	30,000.00
	Original Contract Totals	$ 16,882,000.00	$ 16,354,750.00	$ 194,250.00	$ 83,203.12	$ 16,632,203.12	99%	$ 249,796.88

EJCDC C-620 Contractor's Application for Payment

Progress Estimate - Lump Sum Work

Contractor's Application for Payment

Owner:	City of David City	**Owner's Project No.:**	
Engineer:	JEO Consulting Group, Inc.	**Engineer's Project No.:**	251034.00
Contractor:	BRB Contractors, Inc.	**Contractor's Project No.:**	NE3DAV
Project:	David City Wastewater Treatment Facility Improvements		
Contract:	David City Wastewater Treatment Facility Improvements		

Application No.: 28 **Application Period:** From 05/27/26 to 06/23/26 **Application Date:** 06/23/26

A	B	C	D	E	F	G	H	I
			Work Completed					
Item No.	Description	Scheduled Value ($)	(D + E) From Previous Application ($)	This Period ($)	Currently Stored (not in D or E) ($)	Work Completed and Materials Stored to Date (D + E + F) ($)	% of Scheduled Value (G / C) (%)	Balance to Finish (C - G) ($)
			Change Orders					
1	Misc Submittals and Deducts	$ 39,532.11	39,532.11			39,532.11	100%	-
2	Headworks Stabilization Rock	$ 133,342.31	133,342.31			133,342.31	100%	-
3	Temporary Bypass Lane	$ 105,656.02	105,656.02			105,656.02	100%	-
4	Headworks Building Deducts	$ (9,951.85)	(9,951.85)			(9,951.85)	100%	-
5	Misc Modifications	$ 112,629.23	112,629.23			112,629.23	100%	-
6	SBR Stabilization Rock, OVH Door & Surge Relief Valves	$ 220,266.68	220,266.68			220,266.68	100%	-
7	Headworks & Storage HVAC, SBR Air Piping	$ 135,701.87	115,000.00	20,701.87		135,701.87	100%	-
8	WCD 10-13, 16-18: Electrical, Grading, HVAC, HW Ceiling	$ 557,215.22	430,000.00	70,000.00		500,000.00	90%	57,215.22
9	WCDs: 1, 15, 20-23, 26-27, 29-30 Misc	$ 37,790.74		17,637.07		17,637.07	47%	20,153.67
10	WCD 25 - Headworks Slide Gate	$ 80,262.53				-	0%	80,262.53
						-		-
						-		-
						-		-
						-		-
						-		-
						-		-
						-		-
						-		-
						-		-
						-		-
	Change Order Totals	$ 1,412,444.86	$ 1,146,474.50	$ 108,338.94	$ -	$ 1,254,813.44	89%	$ 157,631.42
			Original Contract and Change Orders					
	Project Totals	$ 18,294,444.86	$ 17,501,224.50	$ 302,588.94	$ 83,203.12	$ 17,887,016.56	98%	$ 407,428.30

EJCDC C-620 Contractor's Application for Payment

Stored Materials Summary | **Contractor's Application for Payment**

Owner:	City of David City	Owner's Project No.:	
Engineer:	JEO Consulting Group, Inc.	Engineer's Project No.:	251034.00
Contractor:	BRB Contractors, Inc.	Contractor's Project No.:	NE3DAV
Project:	David City Wastewater Treatment Facility Improvements		
Contract:	David City Wastewater Treatment Facility Improvements		

Application No.: 28 | Application Period: From 05/27/26 to 06/23/26 | Application Date: 06/23/26

A	B	C	D	E	F	G	H	I	J	K	L	M
							Materials Stored			Incorporated in Work		
Item No. (Lump Sum Tab) or Bid Item No. (Unit Price Tab)	Supplier Invoice No.	Submittal No. (with Specification Section No.)	Description of Materials or Equipment Stored	Storage Location	Application No. When Materials Placed in Storage	Previous Amount Stored ($)	Amount Stored this Period ($)	Amount Stored to Date (G + H) ($)	Amount Previously Incorporated in the Work ($)	Amount Incorporated in the Work this Period ($)	Total Amount Incorporated in the Work (J + K) ($)	Materials Remaining in Storage (I - L) ($)
	105795-1		Aqua Aerobics Down Payment			261,353.50		261,353.50	261,353.50		261,353.50	-
	50026177578		Rebar			19,091.30		19,091.30	19,091.30		19,091.30	-
	50026159555		Rebar			28,359.32		28,359.32	28,359.32		28,359.32	-
	50026147392		Rebar			26,753.09		26,753.09	26,753.09		26,753.09	-
	50026147072		Rebar			29,743.20		29,743.20	29,743.20		29,743.20	-
	50026147071		Rebar			29,743.20		29,743.20	29,743.20		29,743.20	-
	50026114832		Rebar			29,743.20		29,743.20	29,743.20		29,743.20	-
	50026127187		Rebar			22,299.72		22,299.72	22,299.72		22,299.72	-
	50026303876		Rebar			30,145.37		30,145.37	30,145.37		30,145.37	-
	0755219-1		Polywrap			1,964.40		1,964.40	1,964.40		1,964.40	-
	755226		Polywrap			420.00		420.00	420.00		420.00	-
	755219		Polywrap			3,170.72		3,170.72	3,170.72		3,170.72	-
	27693		HME Shop Drawings			6,675.00		6,675.00	6,675.00		6,675.00	-
	50026415841		Rebar			17,736.06		17,736.06	17,736.06		17,736.06	-
	50026367581		Rebar			26,960.24		26,960.24	26,960.24		26,960.24	-
	50026337203		Rebar			26,014.37		26,014.37	26,014.37		26,014.37	-
	50026192138		Rebar			18,469.82		18,469.82	18,469.82		18,469.82	-
	94020		SBR Wall Valves			76,643.95		76,643.95	76,643.95		76,643.95	-
	755902		Ductile Iron Pipe			18,451.18		18,451.18	18,451.18		18,451.18	-
	755171		Project Manager			15,132.60		15,132.60	15,132.60		15,132.60	-
	50026489471		Rebar			650.00		650.00	650.00		650.00	-
	50026599911		Rebar			5,675.00		5,675.00	5,675.00		5,675.00	-
	50026604462		Rebar			2,179.06		2,179.06	2,179.06		2,179.06	-
			Concrete Expansion Joints			5,892.80		5,892.80	5,892.80		5,892.80	-
	105795-2		Aqua Aerobics - Second Payment			522,707.00		522,707.00	522,707.00		522,707.00	-
	0756281-2		Ductile Iron Pipe and Accessories			1,975.74		1,975.74	1,975.74		1,975.74	-
	0756281-1		Ductile Iron Pipe and Accessories			10,440.99		10,440.99	10,440.99		10,440.99	-
	757833		24" PVC Pipe			83,203.12		83,203.12	-		-	83,203.12
	0755902-1		Ductile Iron Pipe and Accessories			21,275.08		21,275.08	21,275.08		21,275.08	-
	757699		Ductile Iron Pipe and Accessories			622.71		622.71	622.71		622.71	-
	755893		Ductile Iron Pipe and Accessories			22,446.17		22,446.17	22,446.17		22,446.17	-
	756281		Ductile Iron Pipe and Accessories			5,056.44		5,056.44	5,056.44		5,056.44	-
	94511		Butterfly Valves and Accessories			128,612.31		128,612.31	128,612.31		128,612.31	-
	94275		Air Release Valves			7,803.31		7,803.31	7,803.31		7,803.31	-
	27920		HME Shop Drawings			20,025.00		20,025.00	20,025.00		20,025.00	-
	0174120-IN		Hatches and Crane Equipment			30,750.00		30,750.00	30,750.00		30,750.00	-
	0756281-3		Ductile Iron Pipe and Accessories			3,181.29		3,181.29	3,181.29		3,181.29	-
	2022-113		Electrical Stored Materials			36,633.43		36,633.43	36,633.43		36,633.43	-
	759894		Ductile Iron Forcemain Pipe			184,557.08		184,557.08	184,557.08		184,557.08	-
	94711		Valves			116,428.37		116,428.37	116,428.37		116,428.37	-
	0755902-2		Ductile Iron Pipe			23,676.17		23,676.17	23,676.17		23,676.17	-
	50027906312		Rebar			27,202.03		27,202.03	27,202.03		27,202.03	-
	50027701696		Rebar			2,573.98		2,573.98	2,573.98		2,573.98	-
	50027633543		Rebar			14,510.75		14,510.75	14,510.75		14,510.75	-
	50027614897		Rebar			20,282.00		20,282.00	20,282.00		20,282.00	-
	95073		Gates/Valves/Flumes			10,622.32		10,622.32	10,622.32		10,622.32	-
	94913		Gates/Valves/Flumes			135,104.83		135,104.83	135,104.83		135,104.83	-
	0759894-2		Ductile Iron Pipe			89,965.26		89,965.26	89,965.26		89,965.26	-
	0759894-1		Ductile Iron Pipe			48,516.80		48,516.80	48,516.80		48,516.80	-
	760997		Ductile Iron Pipe			30,341.68		30,341.68	30,341.68		30,341.68	-

Stored Materials Summary — **Contractor's Application for Payment**

Owner:	City of David City
Engineer:	JEO Consulting Group, Inc.
Contractor:	BRB Contractors, Inc.
Project:	David City Wastewater Treatment Facility Improvements
Contract:	David City Wastewater Treatment Facility Improvements
Owner's Project No.:	
Engineer's Project No.:	251034.00
Contractor's Project No.:	NE3DAV
Application No.:	28
Application Period:	From 05/27/26 to 06/23/26
Application Date:	06/23/26

A	B	C	D	E	F	G	H	I	J	K	L	M
						Materials Stored			Incorporated in Work			
Item No. (Lump Sum Tab) or Bid Item No. (Unit Price Tab)	Supplier Invoice No.	Submittal No. (with Specification Section No.)	Description of Materials or Equipment Stored	Storage Location	Application No. When Materials Placed in Storage	Previous Amount Stored ($)	Amount Stored this Period ($)	Amount Stored to Date (G + H) ($)	Amount Previously Incorporated in the Work ($)	Amount Incorporated in the Work this Period ($)	Total Amount Incorporated in the Work (J + K) ($)	Materials Remaining in Storage (I - L) ($)
	0757692-1		Ductile Iron Pipe			6,545.67		6,545.67	6,545.67		6,545.67	-
	757692		Ductile Iron Pipe			34,436.37		34,436.37	34,436.37		34,436.37	-
	8635424-01		Electrical Stored Materials			1,893.10		1,893.10	1,893.10		1,893.10	-
	8653766-00		Electrical Stored Materials			1,344.01		1,344.01	1,344.01		1,344.01	-
	8635424-00		Electrical Stored Materials			1,029.30		1,029.30	1,029.30		1,029.30	-
	8651280-00		Electrical Stored Materials			249.97		249.97	249.97		249.97	-
	8602508-01		Electrical Stored Materials			5,846.58		5,846.58	5,846.58		5,846.58	-
	8602508-02		Electrical Stored Materials			18,107.44		18,107.44	18,107.44		18,107.44	-
	8634948-00		Electrical Stored Materials			10.92		10.92	10.92		10.92	-
	2022-119		Electrical Stored Materials			5,915.24		5,915.24	5,915.24		5,915.24	-
	95314		Valves			35,962.26		35,962.26	35,962.26		35,962.26	-
	95296		Valves			5,507.18		5,507.18	5,507.18		5,507.18	-
	95194		Valves			64,227.99		64,227.99	64,227.99		64,227.99	-
	0760997-1		Embedded Wall Pipe			10,490.00		10,490.00	10,490.00		10,490.00	-
	761001		Embedded Wall Pipe			10,763.56		10,763.56	10,763.56		10,763.56	-
	759887		Ductile Iron Fittings			14,654.75		14,654.75	14,654.75		14,654.75	-
	0760997-2		Ductile Iron Pipe			18,733.52		18,733.52	18,733.52		18,733.52	-
	50028222134		Headworks Area Rebar			17,661.05		17,661.05	17,661.05		17,661.05	-
	50028559050		Generator Pad Rebar			5,316.85		5,316.85	5,316.85		5,316.85	-
	95460		Valves			9,113.55		9,113.55	9,113.55		9,113.55	-
	765559		Ductile Iron Pipe			11,022.47		11,022.47	11,022.47		11,022.47	-
	765117		Ductile Iron Pipe			95,948.26		95,948.26	95,948.26		95,948.26	-
	764836		Ductile Iron Pipe			22,291.21		22,291.21	22,291.21		22,291.21	-
	764427		Ductile Iron Pipe			2,800.00		2,800.00	2,800.00		2,800.00	-
	0764836-1		Ductile Iron Pipe			9,449.42		9,449.42	9,449.42		9,449.42	-
	764846		Ductile Iron Pipe			21,007.67		21,007.67	21,007.67		21,007.67	-
	0765117-2		Ductile Iron Pipe			21,792.38		21,792.38	21,792.38		21,792.38	-
	8653766-01		Electrical Stored Materials			6,180.00		6,180.00	6,180.00		6,180.00	-
	8635424-02		Electrical Stored Materials			9,419.62		9,419.62	9,419.62		9,419.62	-
	8635424-03		Electrical Stored Materials			5,327.55		5,327.55	5,327.55		5,327.55	-
	8658232-00		Electrical Stored Materials			20,413.00		20,413.00	20,413.00		20,413.00	-
	8635424-04		Electrical Stored Materials			4,119.52		4,119.52	4,119.52		4,119.52	-
	8666003-00		Electrical Stored Materials			8,910.00		8,910.00	8,910.00		8,910.00	-
	8602508-03		Electrical Stored Materials			5,317.25		5,317.25	5,317.25		5,317.25	-
	8658232-02		Electrical Stored Materials			31,315.00		31,315.00	31,315.00		31,315.00	-
	8658232-01		Electrical Stored Materials			32,956.00		32,956.00	32,956.00		32,956.00	-
	NECOL256197		Electrical Stored Materials			301.18		301.18	301.18		301.18	-
	79795		Electrical Stored Materials			270.00		270.00	270.00		270.00	-
	12251		HOA Progress Billing			227,884.60		227,884.60	227,884.60		227,884.60	-
	27665		Submersible Pumps			432,500.00		432,500.00	432,500.00		432,500.00	-
	0174897-IN		Hoist			19,110.00		19,110.00	19,110.00		19,110.00	-
	0765117-6		Pipe and Fittings			9,402.29		9,402.29	9,402.29		9,402.29	-
	0765117-5		Pipe and Fittings			39,726.61		39,726.61	39,726.61		39,726.61	-
	0765117-4		Pipe and Fittings			6,442.13		6,442.13	6,442.13		6,442.13	-
	0760997-3		Pipe and Fittings			26,816.12		26,816.12	26,816.12		26,816.12	-
	0765117-3		Pipe and Fittings			578.28		578.28	578.28		578.28	-
	766259		Pipe and Fittings			21,663.44		21,663.44	21,663.44		21,663.44	-
	764818		Pipe and Fittings			25,146.59		25,146.59	25,146.59		25,146.59	-
	95755		Valves			33,531.00		33,531.00	33,531.00		33,531.00	-
	8635424-05		Electrical Stored Materials			386.20		386.20	386.20		386.20	-

Docusign Envelope ID: 72E1C0D7-AB91-85EE-8277-BC42FD184B8E

Stored Materials Summary — **Contractor's Application for Payment**

Owner:	City of David City	Owner's Project No.:	
Engineer:	JEO Consulting Group, Inc.	Engineer's Project No.:	251034.00
Contractor:	BRB Contractors, Inc.	Contractor's Project No.:	NE3DAV
Project:	David City Wastewater Treatment Facility Improvements		
Contract:	David City Wastewater Treatment Facility Improvements		

Application No.: 28 — Application Period: From 05/27/26 to 06/23/26 — Application Date: 06/23/26

A	B	C	D	E	F	G	H	I	J	K	L	M
							Materials Stored			Incorporated in Work		
Item No. (Lump Sum Tab) or Bid Item No. (Unit Price Tab)	Supplier Invoice No.	Submittal No. (with Specification Section No.)	Description of Materials or Equipment Stored	Storage Location	Application No. When Materials Placed in Storage	Previous Amount Stored ($)	Amount Stored this Period ($)	Amount Stored to Date (G + H) ($)	Amount Previously Incorporated in the Work ($)	Amount Incorporated in the Work this Period ($)	Total Amount Incorporated in the Work (J + K) ($)	Materials Remaining in Storage (I - L) ($)
	8658653-00		Electrical Stored Materials			1,335.00		1,335.00	1,335.00		1,335.00	-
	8602508-04		Electrical Stored Materials			373.10		373.10	373.10		373.10	-
	8694471-00		Electrical Stored Materials			266.93		266.93	266.93		266.93	-
	8602508-05		Electrical Stored Materials			2,328.26		2,328.26	2,328.26		2,328.26	-
	8635424-06		Electrical Stored Materials			12,514.95		12,514.95	12,514.95		12,514.95	-
	8792		Grit Pump			23,395.00		23,395.00	23,395.00		23,395.00	-
	29452		Handrail			12,300.00		12,300.00	12,300.00		12,300.00	-
	568		HVAC: Air Conditioners			16,920.00		16,920.00	16,920.00		16,920.00	-
	0765117-7		Pipe and Fittings			2,528.22		2,528.22	2,528.22		2,528.22	-
	766417		Piping System/Ball Valves			3,112.76		3,112.76	3,112.76		3,112.76	-
	770080		Pipe and Fittings			4,184.11		4,184.11	4,184.11		4,184.11	-
	765579		Pipe and Fittings			33,920.76		33,920.76	33,920.76		33,920.76	-
	0057750-IN		Sand/Oil Trap			10,900.00		10,900.00	10,900.00		10,900.00	-
	29678		Ladders			8,250.00		8,250.00	8,250.00		8,250.00	-
	769915		Pipe and Fittings			17,343.56		17,343.56	17,343.56		17,343.56	-
	1045880		Aqua Aerobics SBR Equipment			254,849.56		254,849.56	254,849.56		254,849.56	-
	1046052		Aqua Aerobics SBR Equipment			703,753.84		703,753.84	703,753.84		703,753.84	-
	24105-18870		Bar Screen			127,871.00		127,871.00	127,871.00		127,871.00	-
	92726-00		Generator			82,368.00		82,368.00	82,368.00		82,368.00	-
	8653766-02		Electrical Stored Materials			12,200.28		12,200.28	2,200.28	10,000.00	12,200.28	-
	1046371		Aqua Aerobics SBR Equipment			56,029.84		56,029.84	36,029.84	20,000.00	56,029.84	-
	448099		Precast Manholes			6,829.90		6,829.90	6,829.90		6,829.90	-
	448100		Precast Manholes			6,367.98		6,367.98	6,367.98		6,367.98	-
	1046768		Aqua Aerobic Equipment			456,848.92		456,848.92	456,848.92		456,848.92	-
	1046711		Aqua Aerobic Equipment			4,266.73		4,266.73	4,266.73		4,266.73	-
	769540		Pipe and Fittings			10,912.32		10,912.32	7,718.29	3,194.03	10,912.32	-
	777143		Pipe and Fittings			9,368.08		9,368.08	-	9,368.08	9,368.08	-
	50030735331		Blower Room Rebar			4,203.29		4,203.29	4,203.29		4,203.29	-
	SO113091		Doors and Frames			30,000.00		30,000.00	30,000.00		30,000.00	-
	1047062		Aqua Aerobic Equipment			75,103.16		75,103.16	75,103.16		75,103.16	-
	12687		Instrumentation Equipment			55,490.40		55,490.40	55,490.40		55,490.40	-
	97508		Slide Gates			277,359.52		277,359.52	277,359.52		277,359.52	-
	777559		Ductile Iron Pipe and Fittings (SBR)			33,415.07		33,415.07	33,415.07		33,415.07	-
	777526		Ductile Iron Pipe and Fittings (Blower)			7,835.01		7,835.01	7,835.01		7,835.01	-
	0777559-1		Ductile Iron Pipe and Fittings (SBR)			17,352.34		17,352.34	17,352.34		17,352.34	-
	30706		Misc Steel			81,605.00		81,605.00	81,605.00		81,605.00	-
	12743		Motor Control Centers and Drives			438,253.00		438,253.00	438,253.00		438,253.00	-
	97802		Slide Gate Actuator			22,576.82		22,576.82	22,576.82		22,576.82	-
	97966		Grit Removal System			227,316.00		227,316.00	227,316.00		227,316.00	-
6	781379		Ductile Iron Pipe and Fittings			6,995.20		6,995.20	6,995.20		6,995.20	-
6	0779486-1		Ductile Iron Pipe and Fittings			5,131.29		5,131.29	5,131.29		5,131.29	-
6	0799486-2		Ductile Iron Pipe and Fittings			93,081.78		93,081.78	93,081.78		93,081.78	-
6	0777559-2		Ductile Iron Pipe and Fittings			11,821.88		11,821.88	11,821.88		11,821.88	-
6	780229		14" SBR Pipe			4,492.31		4,492.31	4,492.31		4,492.31	-
	IN108191		Doors and Frames			16,637.14		16,637.14	16,637.14		16,637.14	-
	133739		Headworks Trusses (Partial)			4,925.00		4,925.00	4,925.00		4,925.00	-
	781551		Ductile Iron Pipe and Fittings			12,310.45		12,310.45	12,310.45		12,310.45	-
	0785422-1		Dutile Iron Fittings (Blower)			9,229.73		9,229.73	9,229.73		9,229.73	-
CO 7	0793899-2		Ductile Iron Fittings (SBRs)			30,196.48		30,196.48	30,196.48		30,196.48	-
								-	-		-	-

EJCDC C-620 Contractor's Application for Payment

Stored Materials Summary | **Contractor's Application for Payment**

Owner:	City of David City	Owner's Project No.:	
Engineer:	JEO Consulting Group, Inc.	Engineer's Project No.:	251034.00
Contractor:	BRB Contractors, Inc.	Contractor's Project No.:	NE3DAV
Project:	David City Wastewater Treatment Facility Improvements		
Contract:	David City Wastewater Treatment Facility Improvements		

Application No.: 28 | Application Period: From 05/27/26 to 06/23/26 | Application Date: 06/23/26

A	B	C	D	E	F	G	H	I	J	K	L	M
						Materials Stored			Incorporated in Work			
Item No. (Lump Sum Tab) or Bid Item No. (Unit Price Tab)	Supplier Invoice No.	Submittal No. (with Specification Section No.)	Description of Materials or Equipment Stored	Storage Location	Application No. When Materials Placed in Storage	Previous Amount Stored ($)	Amount Stored this Period ($)	Amount Stored to Date (G + H) ($)	Amount Previously Incorporated in the Work ($)	Amount Incorporated in the Work this Period ($)	Total Amount Incorporated in the Work (J + K) ($)	Materials Remaining in Storage (I - L) ($)
								-	-		-	-
								-	-		-	-
					Totals	$ 7,068,288.03	$ -	$ 7,068,288.03	$ 6,942,522.80	$ 42,562.11	$ 6,985,084.91	$ 83,203.12

Council considered Change Order No. 11 to BRB Contractors, Inc. in the amount of $20,941.02 for modifications to the yard hydrant piping at the David City Wastewater Treatment Facility.

Ethan Joy of JEO Consulting Group explained that the original project design connected new yard hydrants to existing underground piping. During construction, the existing piping was found to be comprised of outdated and inconsistent materials that were not suitable for continued use. The proposed change order replaces the existing piping with new materials and adds a required backflow prevention device to protect the potable water system from potential contamination and bring the installation into compliance with current code requirements. Although not part of the original project scope, the improvements were recommended to provide higher-quality, code-compliant system and avoid future maintenance issues.

Council Member Rick Holland made a motion to approve Change Order No. 11 to BRB Contractors in the amount of $20,941.02 for Yard Hydrant Piping for the David City Wastewater Treatment Facility Improvements. Council Member Jeremy Abel seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Kevin Woita: Yea. Yea: 6, Nay: 0.

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CHANGE ORDER NO.: 11

Owner:	City of David City	Owner's Project No.:	
Engineer:	JEO Consulting Group, Inc.	Engineer's Project No.:	251034.00
Contractor:	BRB Contractors, Inc.	Contractor's Project No.:	NE3DAV
Project:	Wastewater Treatment Facility Improvements		
Contract Name:			
Date Issued:	7/8/2026	Effective Date of Change Order:	7/8/2026

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

Description:

This Change Order will incorporate the modifications outlined in Work Change Directive No. 24. This WCD includes the installation of a water meter, backflow preventer, and the replacement of water service piping for the hydrants around the SBRs.

Attachments:

1 WCD No. 24 - Yard Hydrant Piping

Change in Contract Price		Change in Contract Times	
Original Contract Price:	$ 16,882,000.00	Original Contract Times: Substantial Completion:	3/31/2026
		Ready for final payment:	7/31/2026
Net change from previously approved Change Orders No. 1 to No. 10:	$ 1,412,444.86	Net change from previously approved Change Orders 1 to No. 10: Substantial Completion:	60 days
		Ready for final payment:	60 days
Contract Price prior to this Change Order:	$ 18,294,444.86	Contract Times prior to this Change Order: Substantial Completion:	5/30/2026
		Ready for final payment:	9/29/2026
Net change for this Change Order:	$ 20,941.02	Net change for this Change Order: Substantial Completion:	0 days
		Ready for final payment:	0 days
Contract Price incorporating this Change Order:	$ 18,315,385.88	Contract Times with all approved Change Orders: Substantial Completion:	5/30/2026
		Ready for final payment:	9/29/2026

Recommended by Engineer (if required)	Authorized by Owner
By: DocuSigned by: Ethan Joy, P.E. B609CABF585D4C4	DocuSigned by: [signature] 62308C3EAD57494
Title: Project Engineer	Mayor
Date: 7/6/2026	7/9/2026

Accepted by Contractor	Approved by Funding Agency (if applicable)
By: Signed by: [signature]	N/A
Title: Project Manager	
Date: 7/6/2026	

Change Order Estimate - Lump Sum Work

JEO Project Name:	**Wastewater Treatment Facility Improvements**	JEO Project Number:	**251034.00**
Owner:	**City of David City**	Change Order Number:	**11**
Contractor:	**BRB Contractors, Inc.**	Effective Date:	**July 8, 2026**

Item		Change Order Information
Specification Section No.	Description	Scheduled Value
	WCD No. 24 - Yard Hydrant Piping	$20,941.02
		$0.00
		$0.00
		$0.00
		$0.00
		$0.00
		$0.00
		$0.00
		$0.00
		$0.00
	Total:	**$20,941.02**

BRB
CONTRACTORS, INC.

To JEO and the City of David City,

BRB was asked to update the water piping around the existing SBR basins. This will include running additional 2" waterline (PVC) to the yard hydrants around the basins and connect to a backflow preventer by the existing office building. The sidewalk will be replaced as needed where torn up. BRB will utilize the backflow preventer and water meter provided by the city.

The cost of these modifications will be $20,941.02. A breakdown of costs is provided below. If you have any questions, feel free to reach out.

Thank You,

Josh Klug
Project Manager
BRB Contractors, Inc

Work Change Directive

WORK CHANGE DIRECTIVE NO. | 24
DATE | 5/29/2026
PROJECT | Wastewater Treatment Facility Improvements
JEO PROJECT NO. | 251034.00
LOCATION | David City, NE
OWNER | City of David City, NE
CONTRACTOR | BRB Contractors, Inc.

You are directed to proceed promptly with the following change(s):
Description Change to the scope of work to place new water piping, meter, and backflow preventer for the yard hydrants around the SBR basins.

Purpose of Change Directive Change is to allow for proper connections and flow rates to new yard hydrants.

Attachment(s) Sheet 02-C-12 - Updated Water Piping Markup
Existing Piping Photo and Piping Detail

If claim is made that the above changes have affected Contract Price or Contract Times, any claim for a Change Order based thereon will involve one or more of the following methods of determining the effect of the changes:

Method of Determining Change in Contract Price
☐ Unit Prices
☐ Lump Sum
☒ Other N/A

Estimated Increase (Decrease) in Contract Price
$ TBD

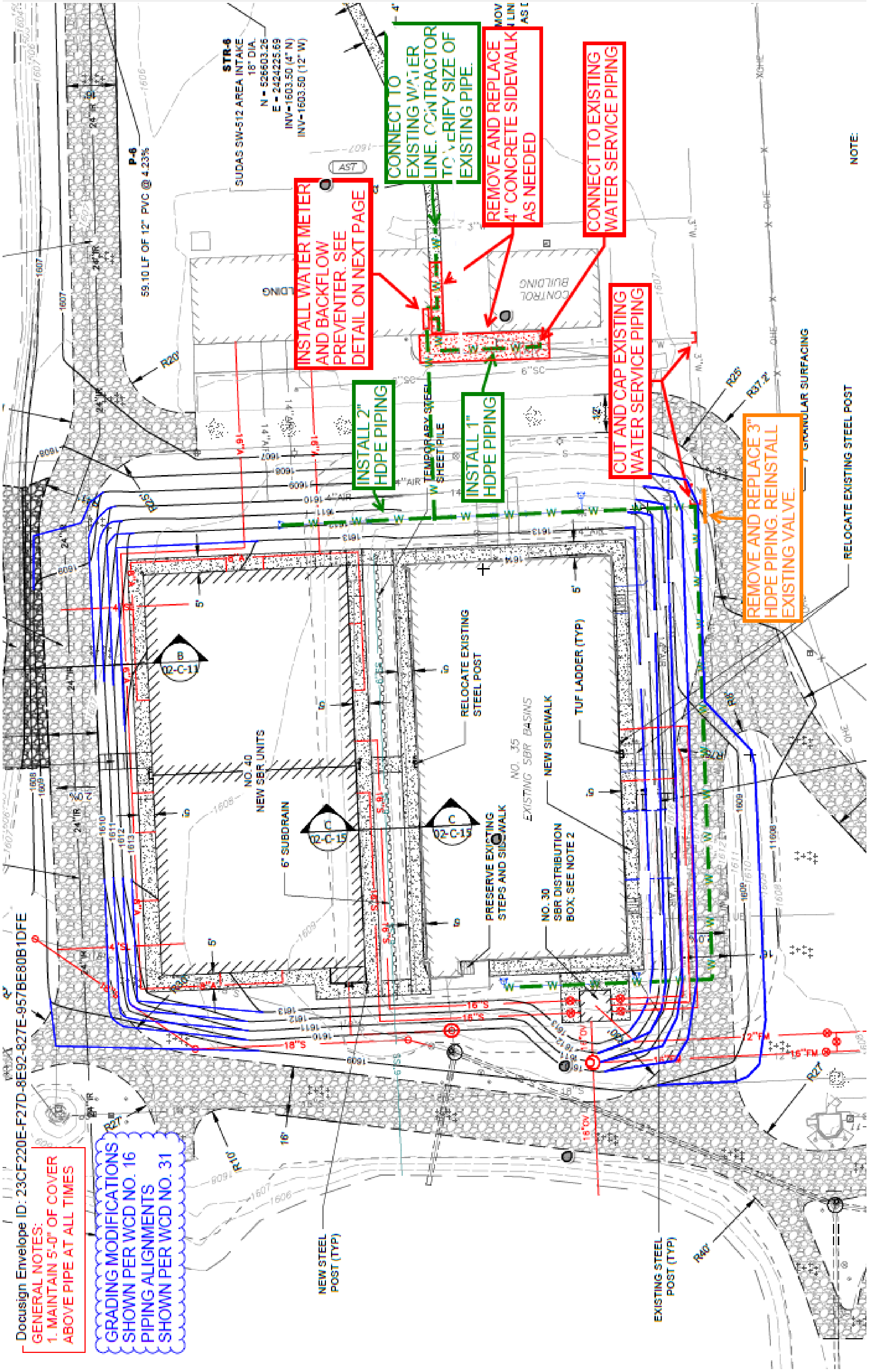
Method of Determining Change in Contract Times
☐ CONTRACTOR's Records
☐ ENGINEER's Records
☒ Other N/A

Estimated Increase (Decrease) in Contract Times
0 Days

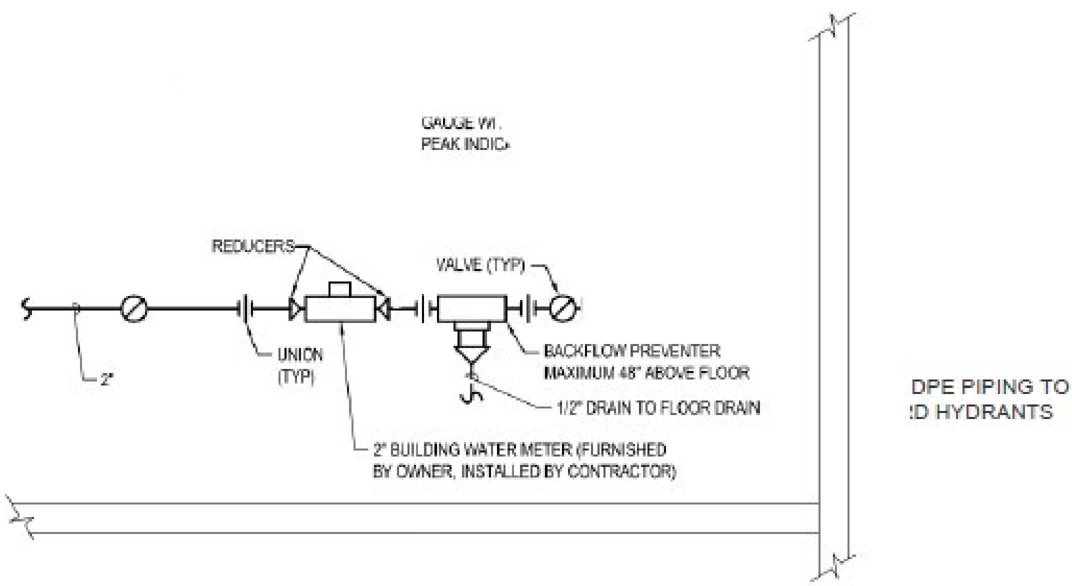
If the change involves an increase, the estimated amount is not to be exceeded without further authorization.

Recommended:	Authorized:	Accepted:
ENGINEER	OWNER	CONTRACTOR
Date	Date	Date

cc: Project Manager, Resident Project Representative, Contractor, Owner


Docusign Envelope ID: 23CF220E-F27D-8E92-827E-957BE80B1DFE
GENERAL NOTES:
1. MAINTAIN 5'-0" OF COVER ABOVE PIPE AT ALL TIMES
GRADING MODIFICATIONS SHOWN PER WCD NO. 16
PIPING ALIGNMENTS SHOWN PER WCD NO. 31
INSTALL WATER METER AND BACKFLOW PREVENTER. SEE DETAIL ON NEXT PAGE
CONNECT TO EXISTING WATER LINE. CONTRACTOR TO VERIFY SIZE OF EXISTING PIPE.
REMOVE AND REPLACE 4" CONCRETE SIDEWALK AS NEEDED
CONNECT TO EXISTING WATER SERVICE PIPING
INSTALL 2" HDPE PIPING
INSTALL 1" HDPE PIPING
CUT AND CAP EXISTING WATER SERVICE PIPING
REMOVE AND REPLACE 3" HDPE PIPING. REINSTALL EXISTING VALVE.
59.10 LF OF 12" PVC @ 4.23%
SUDAS SW-512 AREA INTAKE
CONTROL BUILDING
NO. 40 NEW SBR UNITS
NO. 35 EXISTING SBR BASINS
RELOCATE EXISTING STEEL POST
NEW SIDEWALK
TUF LADDER (TYP)
6" SUBDRAIN
PRESERVE EXISTING STEPS AND SIDEWALK
NO. 30 SBR DISTRIBUTION BOX; SEE NOTE 2
NEW STEEL POST (TYP)
EXISTING STEEL POST (TYP)
GRANULAR SURFACING
TEMPORARY STEEL SHEET PILE
NOTE:

EXISTING YARD HYDRANT PIPING AT VALVE



WATER METER

NO SCALE

5
M3.01

FERGUSON WATERWORKS

FERGUSON WATERWORKS #2923
1251 N CENTURY AVE
KANSAS CITY, MO 64120-2923

Phone: 816-627-2706
Fax: 816-920-5723

Deliver To: .
From: Trevor Dehart
trevor.dehart@ferguson.com
Comments:

11:08:11 MAY 05 2026

FERGUSON WATERWORKS #2923
Price Quotation
Phone: 816-627-2706
Fax: 816-920-5723

Bid No:	B454943	**Cust Phone:**	785-290-1128
Bid Date:	05/04/26	**Terms:**	NET 10TH PROX
Quoted By:	JRX		

Customer: BRB CONTRACTORS INC
3805 NW 25TH ST
DAVID CITY WWTP IMPROVEME
(PLANT DIVISION)
TOPEKA, KS 66618

Ship To: BRB CONTRACTORS INC
3461 M RD
DAVID CITY WWTP IMPROVEMEN
.
DAVID CITY, NE 68632

Cust PO#: R051

Job Name:

Item	Description	Quantity	Net Price	UM	Total
P80PK	2 X 20 FT PVC S80 PE PIPE SEQ #: 885 . 2" X 20' SCH80 PVC PIPE PE	360	288.320	C	1037.95
MH10291NK	"0225 LF 2 ORISEAL CURB VLV LL SEQ #: 886 . 2" BALL CURB STOP	2	745.000	EA	1490.00
P80S9K	2 PVC S80 SXS 90 ELL SEQ #: 887 . 2" SCH80 PVC 90 ELL SOC	5	10.860	EA	54.30
P80STK	2 PVC S80 SXSXS TEE SEQ #: 888 . 2" SCH80 PVC TEE SOC	3	20.710	EA	62.13
P80STMMK	3X3X2 PVC S80 SXSXS TEE SEQ #: 889 . 3" X 2" SCH80 PVC TEE SOC	1	25.680	EA	25.68
P80PM	3 X 20 FT PVC S80 PE PIPE SEQ #: 890 . 3" X 20' SCH80 PVC PIPE PE	20	572.310	C	114.46
P80SCK	2 PVC S80 SXS COUP SEQ #: 891 . 2" SCH80 PVC COUPLING	2	13.510	EA	27.02
P80SCM	3 PVC S80 SXS COUP SEQ #: 892 . 3" SCH80 PVC COUPLING	3	24.180	EA	72.54
P80SMAK	2 PVC S80 SXM ADPT SEQ #: 893 . 2" PVC SCH80 SXM ADAPTER	4	23.150	EA	92.60

Net Total:	$2976.68
Tax:	$0.00
Freight:	$0.00
Total:	$2976.68

FERGUSON WATERWORKS

FERGUSON WATERWORKS #2923
Price Quotation

Fax: 816-920-5723

11:08:11 MAY 05 2026
Reference No: B454943

Quoted prices are based upon receipt of the total quantity for immediate shipment (48 hours). SHIPMENTS BEYOND 48 HOURS SHALL BE AT THE PRICE IN EFFECT AT TIME OF SHIPMENT UNLESS NOTED OTHERWISE. QUOTES FOR PRODUCTS SHIPPED FOR RESALE ARE NOT FIRM UNLESS NOTED OTHERWISE.

Due to the uncertain impact of potential tariffs, Ferguson's quotation/proposal has not included any provision or contingency for future tariffs or increase of existing tariffs. Ferguson reserves the right to adjust prices to reflect the impact of any new or increased tariffs that affect our costs at the time of shipment. Ferguson will provide notice of any such adjustments along with documentation supporting the changes.

CONTRACTOR CUSTOMERS: IF YOU HAVE DBE/MBE/WBE//VBE/SDVBE/SBE GOOD FAITH EFFORTS DIVERSITY GOALS/ REQUIREMENTS ON A FEDERAL, STATE, LOCAL GOVERNMENT, PRIVATE SECTOR PROJECT, PLEASE CONTACT YOUR BRANCH SALES REPRESENATIVE IMMEDIATELY PRIOR TO RECEIVING A QUOTE/ORDER.

Seller not responsible for delays, lack of product or increase of pricing due to causes beyond our control, and/or based upon Local, State and Federal laws governing type of products that can be sold or put into commerce. This Quote is offered contingent upon the Buyer's acceptance of Seller's terms and conditions, which are incorporated by reference and found either following this document, or on the web at https://www.ferguson.com/content/website-info/terms-of-sale
Govt Buyers: All items are open market unless noted otherwise.

LEAD LAW WARNING: It is illegal to install products that are not "lead free" in accordance with US Federal or other applicable law in potable water systems anticipated for human consumption. Products with *NP in the description are NOT lead free and can only be installed in non-potable applications. Buyer is solely responsible for product selection.

David City WWTF
JEO

Cost Proposal: Revise Hydrant Piping
Date: June 23, 2026

Class of Work	QTY.	Unit	Unit Labor	Labor Hours	Total Labor	Unit Material	Extended Material	Equipment Cost	Sub Contract
Run 2" Line	2.00	EA	130.00	24.00	3120.00		2976.88	6000.00	
Connect to 1" Water Line/Backflow Preventer	1.00	EA	130.00	12.00	1560.00				
Replace Concrete Sidewalk	1.00	EA			0.00		1000.00		3500.00
	1.00	EA			0.00				
	1.00	EA			0.00				
	1.00	EA			0.00				
	1.00	EA			0.00				
Sub Totals:					$4,680.00		$3,976.88	$6,000.00	$3,500.00

Material Sub-Total		$3,976.88
Labor Sub-Total		$4,680.00
Subcontractor-Total		$3,500.00
Equipment Sub-Total		$6,000.00
Sub-Total		$18,156.88
Sub-Total Without Sub		$14,656.88
Contractor's Fee	15.00%	$2,198.53
Sub-Contractors Fee	5.00%	$175.00
Sub-Total		$20,530.41
Insurance and Bond	2.00%	$410.61
Total		$20,941.02

Sidewalk: Approximately 330 SF (4.25 CY)
Utilize City's Backflow Preventer

Council discussed closing the City's remaining Keno savings and checking accounts, which have been inactive since Keno operations ended in David City several years ago. City Clerk Lori Matchett reported that the accounts currently contain approximately $12,000. It was noted that local veterans played a significant role in bringing Keno to David City, and Council discussed dedicating the remaining funds to the Veteran's Memorial Park project as an appropriate use of the funds.

Council Member Keith Marvin made a motion to approved closing Keno savings and checking account and earmarking the funds to be used by the Veteran's Memorial Park. Council Member Kevin Woita seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Kevin Woita: Yea. Yea: 6, Nay: 0.

Keno Savings Account	$11,879.40
Keno Checking Account	$ 544.24
Total Keno Funds	$12,423.64

Council considered Ordinance No. 1535, amending Chapter 1 of the David City Municipal Code to adopt a revised procurement policy.

City Clerk Lori Matchett explained that the revisions establish additional internal controls and separation of duties to strengthen financial oversight, ensure multiple levels of review in the procurement process, and bring the City's policies into compliance with recommendations from the Nebraska State Auditor's Office. The City Clerk reported that, after discussions with the State Auditor's Office, it was determined that municipalities are not required to submit a six-month corrective action report as state agencies are. However, the City proactively updated its financial policies and procedures and provided copies of the revised policies to the Nebraska State Auditor’s office and the City's independent auditors.

Council also discussed whether the revised procurement policy would affect the appointment of professional service providers, such as the City Engineer and City Attorney. Legal counsel advised that the ordinance was drafted to mirror state law and does not impose procurement requirements beyond those already required under Nebraska statutes.

Council member Bruce Meysenburg introduced Ordinance No. 1535 amending Chapter 1 of the David City Municipal Code to implement a revised procurement policy. Mayor Jessica Miller read Ordinance No. 1535 by title.

Council Member Keith Marvin made a motion to suspend the statutory rule requiring that an Ordinance be read on three separate days. Council Member Jim Angell seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Kevin Woita: Yea. Yea: 6, Nay: 0.

Council Member Bruce Meysenburg made a motion to approve Ordinance No. 1535 amending Chapter 1 of the David City Municipal Code to implement a revised procurement policy. Council Member Rick Holland seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Kevin Woita: Yea. Yea: 6, Nay: 0.

ORDINANCE NO. 1535

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA, AMENDING CHAPTER 1 OF THE DAVID CITY MUNICIPAL CODE TO IMPLEMENT A REVISED PROCUREMENT POLICY; AUTHORIZING PUBLICATION IN PAMPHLET FORM; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Section 1-615 of the Municipal Code (the "**Code**") of the City of David City, Nebraska, a municipal corporation and city of the second class (the "**City**") regulates the City's procurement of materials and work on improvements, among other things; and

WHEREAS, the City desires to revise Section 1-615 of the Code to implement a new procurement policy, as shown in **Exhibit A**, attached hereto and incorporated herein (the "**New Policy**"); and

WHEREAS, the City finds it in the best interest of City and its residents to amend the Code to adopt the New Policy.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA, as follows:

1. **Amendment to Section 1-615**. The City hereby amends Section 1-615 of the Code by deleting it in its entirety and replacing it with the New Policy as shown in **Exhibit A**.

2. **Conflicting Ordinances**. The City hereby repeals any other ordinance or section of any ordinance passed and approved prior to the passage, approval, and publication or posting of this Ordinance and in conflict herewith to the extent of the conflict thereof.

3. **Effective Date.** This Ordinance shall be in full force and effect from and after passage, approval and publication in pamphlet form.

PASSED AND APPROVED THIS 8TH DAY OF JULY, 2026.

____
Jessica Miller, Mayor

ATTEST:

____
Lori Matchett, City Clerk

Exhibit A

New Policy

[SEE ATTACHED]

City of David City

DAVID CITY
NEBRASKA

FINANCIAL MANAGEMENT POLICY AND PROCEDURES

Adopted on July 8, 2026, via Ordinance No. 1535

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1. GENERAL PURPOSE

The purpose of The City of David City (the "**City**")'s Financial Management and Internal Controls Policy, including the Effective Internal Controls and Accountability Policy appended hereto and incorporated herein as Appendix 1 (collectively, this "**Policy**"), is to establish guidelines for control of the administration and implementation of the City's funds in accordance with the City's goals and objectives; and, to properly safeguard the assets of the City, to make sound financial decisions and have the ability to provide accurate financial reports.

The City is a government entity and is therefore required to account for and present its basic financial statements according to Generally Accepted Accounting Principles ("**GAAP**") standards set by the Governmental Accounting Standards Board ("**GASB**").

2. ADOPTION AND AMENDMENT

This Policy shall become effective upon approval by the City's Council (the "**City Council**").

The City Council may amend this Policy from time to time by ordinance of the City Council.

3. FINANCIAL RESPONSIBILITIES

This Policy and any later changes shall be submitted to the City Council for approval. The City Council is responsible for ensuring that any modification to the Policy is appropriate for the City and its citizens.

The City Council appoints and delegates financial and budget authority to the City Administrator and the City Treasurer. The City Treasurer oversees the day-to-day financial management activities of the City's funds; ensures the accuracy of the accounting records and that internal controls are in place and adhered to; and, that financial reports are prepared and communicated to the City Administrator in a timely manner.

The City Treasurer is responsible for the preparation and maintenance of the accounting software's chart of accounts, maintenance of the general ledger, reconciliation of subsidiary system accounts such as cash management, accounts payable, and accounts receivable, payroll, journal entries, and the preparation of required reports for compliance with the Internal Revenue Service (IRS) and state and federal grant-reporting requirements.

4. ACCOUNTING METHODS & STANDARDS

Accounting methods the City employs shall, at a minimum, satisfy such requirements as federal and state laws, regulations, and guidelines prescribe. The City shall employ further accounting methods to satisfy applicable government accounting standards that competent authoritative sources, such as GASB and Financial Accounting Standards Board ("**FASB**"), promulgate, as applicable.

5. REVENUE RECOGNITION

The City shall recognize revenues in the accounting periods in which they are earned and measurable. The City's major revenue categories are, without limitation:

- *Governmental Grants*: The City recognizes this revenue type in accordance with the legal and contractual requirements of the specific programs involved (including grant programs at the federal, state, and local level), and, if the applicable program is silent with regards to timing, when the City records expenditures.
- *Unrestricted Donations and Contributions:* The City recognizes these revenues when it actually receives them.
- *Rental Income*: The City recognizes these revenues when earned, based on monthly billings to residents.
- *Other Income*: The City recognizes these revenues when earned.
- *Interest and Dividend Income*: The City recognizes revenues from interest, dividend incomes from cash and investments, and interest from loans issued to borrowers when earned.
- *Gain/Loss on Sale of Assets*: The City recognizes gains or losses from the sale of assets at the time of disposition.

6. EXPENSE RECOGNITION

The City generally recognizes expenses in the accounting period in which they are incurred, when measurable. Exceptions to this general rule include:

- *Prepaid Expenses*: The City recognizes these expenses as used or consumed.
- *Capital Assets*: The City recognizes and records these expenses through depreciation over the useful life of the asset(s).

7. ACCOUNT RECORDS, IDENTIFICATION, AND SOURCE DOCUMENTS

In the administration of federal, state and local government awards, the City's financial management system must be set up so that it can provide for the following:

- The City must maintain adequate accounting records with source documents that serve as the basis for the accounting transactions that the City enters into its accounting system. Examples include checks, invoices, copies of checks, receipts, timesheets, etc. The City must maintain records that adequately identify the source and application of funds provided. For example:

  a. **Federal Awards:** All Federal awards that the City receives and expends must be properly identified and accounted for and must include, as applicable, the Catalog of Federal Domestic Assistance ("CDFA") title and number, grant identification number and year, name of the federal agency, and the name of the pass-through entity, if any.

b. **State and Local Awards**: All state and local awards that the City receives and expends must be properly identified and accounted for and must include, as applicable, the title and name of the grant award, the award number and the year, and the name of the pass-through entity, if any.

The City must maintain source documents that adequately support the grant award, authorizations, obligations, unobligated balances, assets, expenditures, income, and interest.

8. RECORDS AND INFORMATION MANAGEMENT

The City shall apply uniform rules for the City's records (including financial) and information that meet legal standards and best practices for effective records and information management, both for existing records and records yet-to-be created. The rules shall apply to all employees and contractors who generate information for the City. The City shall ensure:

- Control of all of the City's information, regardless of media form;
- Retention of records in accordance with legal, business, and federal, state, and local government program requirements, including without limitation the Nebraska Records Management Act, Nebraska Revised Statutes Section 84-1201 *et seq.*, and Schedule 24 of the General Records for Local Government dated May 23, 2024;
- Retention and storage of records in a manner that is secure and accessible through the retention period;
- Implementation of appropriate safeguards to protect against illegal access, removal, loss, or destruction of the City's records and information;
- Disposal of records and information in accordance with an approved state records retention schedule; and,
- If any litigation, claim, negotiation, audit, or other action involving the records has commenced before the expiration of the 3-year period, the City shall retain the records until completion of the action and resolution of all issues which arise from it, or until the end of the regular 3-year period, whichever is later.

9. FINANCIAL REPORTS

The City must produce accurate, current, and complete disclosures of the financial results of each financially assisted activity in accordance with the financial reporting requirements of any applicable grant or subgrant.

The City shall use the financial reports as tools to manage, control, ensure compliance, monitor, and inform the City Council on its financial activities.

a. *Reports to Grant Agencies*: The City shall complete and submit all reports to federal, state, and local grant agencies in accordance with, and in the format and timelines, the applicable agency requires.

b. *Department Heads and City Administrator reports:* The City Treasurer shall prepare and make available, to the heads of all the City's departments (each, a "**Department Head**" and collectively, the "**Department Heads**") and the City Administrator, on a monthly basis, financial reports to include:

- Statement of Net Position;
- Statement of Revenues, Expenses, and Changes in Net Position;
- Statement of Cash Flow; and,
- Comparisons of the City's annual budget to actual reports that details significant variances of sources and uses of funds as a management tool.

10. CASH MANAGEMENT POLICY

The City recognizes the importance of cash management to ensure there are sufficient funds to pay for the expenses of operating the City. The City Treasurer shall be responsible for monitoring the daily cash flow and balances of all cash funds, including investments.

On a monthly basis, the City Treasurer shall provide a Treasurer's report that shows the cash position from all sources that are accounted for in the cash accounts and investment accounts.

If at any time the City Administrator finds the City in a potential cash deficiency, it shall immediately notify the City Council.

11. BUDGET ADMINISTRATION

a. *Budget Responsibility and Adoption*:

The City's annual budget represents a financial plan for management to carry out the objectives of the City. The City Administrator, City Treasurer, and Department Heads are responsible for preparing the annual budget and are responsible for presenting the annual budget to the City Council for final approval.

The annual budget shall include total projected revenues or sources and uses of funds, allowing for inclusion of all funding sources and all funding outlays during the budget period. It shall also include, in addition to grant revenue, other sources of funds, such as debts (for example, Title VI loans), to accurately portray total resources used to fund operating and capital plans in the fiscal year, and to ensure expenditure budgets for grant awards are in compliance with the applicable grant agreements. Lastly, it shall also include the approved activities within the annual strategic plan the City Council approves.

b. *Budget Preparation Timing:*

The budget process should begin early in the fiscal year to allow the City Administrator, the City

Treasurer, and the Department Heads to engage in the process and present the budget to the City Council for approval.

In accordance with Nebraska Law, the budget is due September 30th of each year to the County and the State Auditor. The City should approve the Strategic Plan ahead of time for incorporation in the overall budget for the next fiscal year.

The budget process has multiple meetings and hearings including a possible county joint hearing if the City is exceeding its Allowable Growth Percentage. The City Administrator will produce a schedule to make sure the City complies with all state requirements.

Once the City Council approves the budget, the City Treasurer shall input the approved budget in the accounting system for the new fiscal year.

c. ***Budget Management and Report:***

Department Heads shall manage transactions charged against their department budgets and shall ensure their department revenues and expenses posted against their department budget are accurate, and shall provide justifications on budget variables.

The budget for specific grant awards provides a spending plan against which fiscal and program performance can be measured. Therefore, the City's accounting system must be set up in a manner that allows it to produce financial reports that compare expenditures with budget amounts.

12. PURCHASE OF GOODS AND SERVICES

The City's procurement policy, which the City Council approved and adopted on ____________________, 2026, via Ordinance No. _______________, a copy of which is appended hereto and incorporated herein as Appendix 2 (the "**Procurement Policy**"), shall govern all of the City's purchases. The Procurement Policy establishes guidelines to ensure reasonable buying practices, competition, quality, and integrity.

13. ALLOWABLE COSTS

Department Heads shall receive invoices directly or through internal mail from the Accounting Clerk. Each Department Head or designee is responsible for signing off on the invoice, providing the account number to be charged, and recording a description.

The City's Charging Accounts and Credit Card Purchase Policy requires that when an employee make a City purchase, the employee must sign for the purchase, submit a receipt, and follow other state laws. All receipts are required to be presented to the Department Head. The Department Head must then submit all receipts to the Accounting Clerk. Employees that do not submit receipts will be responsible for the cost of items purchased.

The following are key requirements of the claims processing procedure:

- Every claim needs to have an original ITEMIZED receipt attached (this includes all charge accounts and credit card purchases);
- Any claim without a receipt will be the responsibility of the person making the purchase;

- For most claims, the City will not pay tax (unless for Electric, Water, Sewer, or WWTP);
- The City shall not pay any claim for merchandise not received or services not rendered unless approved by City Council; and,
- All receipts must be more than or equal to the request of claim.

Department Heads shall submit approved invoices for payment promptly upon receipt. Department Heads will review the invoices with the City Administrator, answering questions as needed. The Accounting Clerk shall review the invoice for proper account coding and proper supporting documentation, and approve the invoice for payment if appropriate. The invoices shall be presented to the City Treasurer, City Administrator, and City Council for approval of payment.

14. CAPITAL ASSETS

Capital assets means tangible or intangible assets used in operations having a useful life of more than one year that are capitalized in accordance with GAAP. Capital assets include:

- Capital Outlays, including items that can be inventoried, such as equipment and vehicles.
- Capital Improvements, including acquisition of real property or the acquisition, construction, or extension of any improvements on real property.
- Land, buildings, additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance).

The City shall comply with its capital asset policy and procedures that provide guidance for employees to manage and safeguard the City's capital assets, including the active management of assets, with processes in place for tracking additions through purchases and donations, disposition, and depreciation.

a) CAPITAL ASSET POLICY AND PROCEDURES

I. Physical assets, such as property and equipment, are an integral part of the operation of the City and shall be safeguarded in the same manner as cash assets.

II. All Department property and equipment shall be stored in a secure place. Each Department Head is responsible for implementing measures to safeguard all of the City's assets within their control.

III. The City Treasurer shall maintain a property ledger in the book of accounts of each Department, which shall include a list of all capitalized items for inventory control purposes.

IV. All Department Heads shall maintain detailed records of individual capital assets and shall periodically balance the same (at least annually) with the general ledger accounts.

V. All property and equipment the City owns (other than real property) shall be divided into two categories: Expendable items or Non-expendable items, defined as follows:

i. Expendable items are purchased or donated items having a useful life of less than twelve (12) months and costing less than $5,000.00, which can be expended.

ii. Non-expendable items are purchased or donated items having a useful life of more than twelve (12) months and costing $5,000.00 or more.

VI. The City Treasurer or his/her designee for budgeting and financial control purposes shall capitalize non-expendable items.

All Department Heads shall provide a new asset form along with the invoice for all equipment for all non-expendable items.

Department Heads shall maintain detailed records of individual capital assets and shall periodically balance the same (at least annually) with the general ledger accounts. Adjustments for depreciation should be made as necessary.

VII. The City shall make a physical inventory of all equipment and property (other than real estate) at least annually, which shall be reconciled to the general ledger accounts.

b) REAL PROPERTY PROCEDURES

I. All Department Heads shall work with the City Treasurer regarding any real property or improvements for works in progress, in order to capitalize the asset. The City Treasurer will provide a project number to be noted on invoices and tracked until completed. Once the project is completed, an asset form can be completed.

II. The City shall maintain a property ledger for all developed and improvements made to real estate in order to ensure that amounts expended are accurate.

15. AUDIT

The City shall have a financial audit completed annually by a certified, external, independent accounting firm, unless applicable law requires the City to undergo audits biennially.

The City Treasurer shall have direct responsibility in overseeing the implementation of the audit. The City shall use a Request for Proposal ("**RFP**") method with the objective of obtaining a high-quality audit, and the selected audit firm must provide a peer review report as part of the selection process.

The City Administrator and the City Treasurer shall make available the completed audit report to the City Council. The auditors shall present the audit to the City Council for approval and acceptance.

The audit shall meet the Generally Accepted Government Auditing Standards ("**GAGAS**") and comply with the audit requirements under Title 2 Part 200 of the Uniform Grant Guidance. The City's audit shall include audit of the City's federal, state, and local government funded programs expended during the audit period.

a. **Single Audit:** If the City expends $750,000 or more of federal funds during the fiscal year, it is subject to a single audit and must comply with the scope of audit within the Uniform Grant Guidance, pursuant to which the auditor shall test for the City's:

I. Compliance with the requirements of the federal program, and

II. Internal Control over the compliance of the program.

b. **Audit Findings and Follow-up:** The City shall develop a plan to respond to all deficiencies (if any) noted in the audit and shall implement sufficient and appropriate corrective actions in order to preclude repeat findings in subsequent audits. The City shall describe in the audit document the reasons for the reoccurrence of any finding, planned corrective action, and any partial corrective action taken.

c. **Report Submission:** The audit reports must be filed with the Auditor of Public Accounts within six months after City's fiscal year-end.

16. PETTY CASH

The City may maintain a petty cash fund of not more than $200.00. The purpose of the fund is to have a small amount of cash available for small amounts owed, rather than for writing checks. The petty cash shall be in the safekeeping of the City Clerk, Deputy City Clerk, and City Treasurer, who shall keep track of payouts from the fund with receipts. At all times, the amount of cash on hand and the receipts must total the amount of authorized petty cash. When the cash in the petty cash fund is low, the custodian shall request a check to replenish the cash that has been paid out. The fund shall be subject to surprise audits.

17. BANKING AND INVESTING SERVICES

The City has multiple banking and investment accounts. The depository must be a financial institution that is sufficiently insured by the Federal Deposit Insurance Corporation ("FDIC"). Many programs require specific procedures for the City to set up a bank account and investment accounts for certain programs. The City Treasurer will coordinate with the bank on opening bank and investment accounts and maintaining the signatures on those accounts.

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APPENDIX 1: EFFECTIVE INTERNAL CONTROLS AND ACCOUNTABILITY

Notwithstanding the Policy described earlier in this document, the City has established a number of internal control procedures to ensure the following:

- Grant awards are managed to comply with statutes, regulations, and the terms and conditions of the awards;
- The City evaluates and monitors the grant awards to ensure compliance with statutes, regulations, and the terms and conditions of the awards;
- The City shall take prompt action to correct identified instances of noncompliance, including noncompliance identified in audit findings; and,
- The City must take reasonable measures to safeguard sensitive information and assets purchased with grant awards, consistent with privacy obligations of confidentiality and applicable federal, state, and local laws.

In addition, the City has established written procedures to implement internal controls over cash handling and requirements for payment methods that:

- Ensure there are sufficient funds to cover payments made for program and operations activities;
- Ensure adequate internal controls are in place with respect to the handling of cash receipts, from the time of receipt to deposit in the appropriate depository account;
- Establish written procedures to ensure the amount and the timing of grant award advances drawn for the purpose of paying program expenses have not been drawn unreasonably in advance of when the funds are needed for program expenses;
- Establish adequate internal controls and written procedures to ensure payments are made only for approved purposes; and,
- Maintain adequate accounting records for cash receipts and payments.

A. Separation of Duties

This Policy is based on the principle of separation of duties. Accordingly, no single person shall have the authority to authorize a transaction, execute a transaction, record a transaction, or have custody of any resulting assets.

B. Cash Collection Control Procedures

1. Payments by cash, checks, and money orders (including tenant payments) may be received only by designated personnel of the City's accounting department. Only employees the City Treasurer designates are authorized to receive payments and issue receipts.
2. Cash, checks and/or money orders shall be deposited in the bank where the City has an approved depository agreement. Deposits shall be made no less frequently than once per week, regardless of the amount accumulated.

3. When cash is retained in the office overnight, it must be stored in a locked fireproof cabinet or safe.

4. Checks received shall immediately be stamped "For Deposit Only."

5. The City Treasurer shall print a copy of the deposit details to memorialize the information for payments received by ACH or EFT. These transactions are recorded in accounting software.

6. The City Treasurer shall issue a receipt for all payments collected so there is an official record of the transactions and possible disputes are prevented.

   a. Receipts shall be assigned through the accounting software system. One part shall be given to the resident and one part, having the same number, shall be provided to the employee designated by the Department Head as having responsibility for ledger maintenance.

   b. Receipts shall contain, at a minimum, the following information: (1) name of the resident/entity being credited with the payment, (2) date, (3) amount of payment and (4) method of payment (cash, check, etc.).

   c. The supply of unassigned receipts shall be adequately safeguarded and kept in the custody of the City Treasurer.

7. The City Treasurer shall prepare a bank deposit slip and shall include each of the cash receipt numbers making up the deposit and complete details as to the amount of coin, currency, and checks. The City Treasurer shall reconcile the receipts and create financials to be reviewed by the City Administrator.

8. All payments shall be deposited intact with the appropriate deposit slip to provide an additional record. Under no circumstances shall any disbursements be made from payments received.

9. Payments received shall be recorded in the individual resident accounts receivable records on the day of receipt or as soon thereafter as practical, even when the money is not deposited on the same day. Cash receipt numbers shall be recorded on both the deposit slip and the resident accounts receivable records.

10. The City Treasurer shall be responsible for posting the resident accounts receivable records. The City Treasurer shall make all bank deposits.

C. **Cash Disbursement Control Procedures**

1. The Department Head identifies the need for a purchase, payment, or reimbursement and verifies that the expenditure is authorized, necessary, and budgeted.

2. The Department Head obtains any required quotes, bids, purchase orders, or approvals in accordance with the City's Procurement Policy.

3. New vendors shall be established by the City Treasurer or his/her designee. A completed IRS Form W-9 shall be obtained for all new vendors before payment is issued. Vendor numbers shall be assigned through the City's accounting system.

4. The Department Head reviews the invoice, verifies receipt of goods or completion of services, signs or initials the invoice indicating approval, and submits the invoice and all supporting documentation to the Deputy Clerk.

5. The Deputy Clerk enters the claim into PowerManager, and:

   a. Records the invoice number;

   b. Records the invoice amount;

   c. Records the invoice date;

   d. Verifies the mathematical accuracy of the invoice;

   e. Records the items or services being purchased; and

   f. Assigns a posting number to the invoice.

6. The Accounting Clerk reviews the invoice and supporting documentation for completeness and accuracy and shall:

   a. Verify invoice calculations and totals;

   b. Confirm that all required supporting documentation is attached;

   c. Verify that goods have been received and conform to specifications or that services billed have been satisfactorily rendered. The Department Head's approval confirms that the goods have been received in acceptable condition or that the services have been satisfactorily completed;

   d. Verify that discounts, credits, and adjustments have been properly applied;

   e. Verify that account coding is correct;

   f. Confirm that sufficient funds are available for payment;

   g. Identify any discrepancies, omissions, or errors; and,

   h. Make necessary corrections or obtain additional information before further processing the claim.

7. The Accounting Clerk prepares a Claim Cover Sheet and Check Register summarizing all claims submitted for payment. The Claim Cover Sheet shall include:

   a. Vendor names;

   b. Invoice numbers;

   c. Invoice dates;

   d. General ledger account coding;

e. Individual invoice amounts;

f. Total amount of claims presented for payment;

g. Any adjustments or corrections made during the review process; and,

h. Posting numbers assigned within PowerManager.

8. All claim requests shall contain a sufficient narrative description to clearly identify the purpose of the expenditure and the account to which the cost is charged.

9. The Claim Cover Sheet and Check Register shall include designated verification and approval lines for review and signature by the Finance Committee and City Clerk.

10. The Finance Committee reviews the claims packet, supporting documentation, Claim Cover Sheet, and Check Register for completeness, proper coding, and compliance with City policies.

11. The City Clerk reviews the claims packet and verifies that all required documentation, approvals, and signatures have been obtained.

12. The Claim Cover Sheet, Check Register, and payment approval documents shall be presented to the City Treasurer and City Administrator for review prior to presentation to the City Council for approval of claims.

13. The City Council shall approve all claims at a duly called City Council meeting prior to payment, except where otherwise authorized by law or City Council action, and except for payroll, debt service, tax payments, utility settlements, emergency expenditures, or other payments authorized by law, ordinance, or prior City Council action.

14. Following all required reviews and approvals, the City Treasurer or his/her designee shall prepare checks or ACH payments.

15. All disbursements shall be made by check or ACH. ACH payments shall require documented approval from two authorized individuals prior to processing. The City Administrator and City Treasurer may authorize other forms of disbursement, including wire transfers or electronic funds transfers when necessary.

16. All checks shall:

    a. Be pre-printed with the name and address of the City;

    b. Be pre-numbered and used in numerical sequence;

    c. Have all voided checks retained and properly recorded; and,

    d. Be safeguarded in a secure fireproof cabinet or safe when unused.

17. Checks shall never be issued payable to “Cash”.

18. Checks shall not be signed prior to being completely prepared and supported by appropriate documentation.

19. Each payment shall be supported by adequate documentation, including invoices, purchase orders, receipts, travel vouchers, contracts, or other supporting records as applicable.

20. Pursuant to Section 1-629 of the David City Municipal Code, all checks, payments, or purchases exceeding One Hundred Dollars ($100.00) shall require approval by two authorized individuals.

21. All checks issued by the City shall require the signatures of at least two (2) authorized individuals. ACH payments shall require documented approval by at least two (2) authorized individuals.

22. At least one (1) signatory shall be the Mayor, City Council President, Department Head, or appointed leader of the department responsible for the expenditure.

23. The second signatory shall be an authorized City employee or agent with lawful authority to approve the transaction.

24. No individual shall sign a check on which he or she is the payee.

25. Check signers shall review each check and supporting documentation prior to signing and shall not sign any check that lacks proper documentation or appears altered.

26. If a correction to a check is necessary, the original check shall be voided and retained, and a new check shall be issued.

27. The City Treasurer shall oversee notification to all banking institutions whenever authorized signatories are added, removed, or changed.

28. The signed check or ACH payment shall be mailed, transmitted, or otherwise delivered to the payee by the City Treasurer or his/her designee.

29. The City Treasurer or his/her designee shall reconcile all bank statements monthly.

30. Any discrepancies identified between accounting records, financial statements, or bank statements shall be promptly reported to the City Administrator and City Council, investigated, and resolved.

31. The completed claims packet, invoices, approvals, Claim Cover Sheet, Check Register, payment records, and reconciliation records shall be retained in accordance with the City's records retention requirements.

D. **Special Procedures Regarding Payroll Disbursement.**

1. The City shall have written authorizations on file for all employees that cover their rates of pay, withholdings, and deductions.

2. The City Treasurer or his/her designee shall establish adequate timekeeping controls (including the use of time sheets, whether paper or digital), and there shall be supervisory review and approval of all employee time/leave records prior to issuance of a check.

3. The City Treasurer or his/her designee shall prepare payroll checks.

4. The City Treasurer or his/her designee shall review any reimbursement claims. Any reimbursement claims must submit a claim voucher along with itemized receipts. The Department Head must approve the claim voucher prior to reimbursement.

E. Charge Accounts and Credit Card Control Procedures

1. With the advice and consent of the City Administrator, charge accounts and credit cards may be made available to designated employees of the City, consistent with their job duties, demonstrated professional responsibility, and the City's Municipal Code.

2. Credit cards are for authorized business expenditures of the City and shall not be used by employees as a substitute for personal credit cards.

3. Employees shall submit receipts for all expenses charged to company charge accounts and credit cards to the Accounting Clerk or his/her designee within one (1) week of the applicable transaction.

4. The City Treasurer or his/her designee shall examine billings for all company charge accounts and credit cards to ensure that all charges are valid. If there are incorrect charges, the City Treasurer or his/her designee shall notify the City Administrator immediately, and Department Heads shall complete and return any forms necessary to dispute such charges to the credit card company. If an employee with knowledge of an incorrect or disputable charge fails to report such charge within a reasonable time, he or she may be liable to the City for any resultant charges and may be subject to disciplinary action up to and including termination of employment.

5. Employees who incur ineligible or disallowed costs on company charge accounts and credit cards shall reimburse the City for such charges within thirty (30) calendar days of the date such charges were incurred, and may be subject to disciplinary action up to and including termination of employment.

6. Finance charges, late fees, and/or penalties associated with charge account and credit card use shall be avoided.

7. Charges shall not be incurred in excess of the credit card's established credit limits. If a higher limit is required, a request for a new credit limit and supporting documentation shall be submitted to the City Administrator for approval.

8. Lost or stolen credit cards shall be reported to the City and to the credit card company immediately and not later than the first business day after discovery of the loss. Employees who fail to report lost or stolen credit cards may be held liable for any charges and may be subject to disciplinary action up to and including termination of employment.

9. Employees shall immediately surrender company credit cards: (1) upon demand by the City, (2) when there is no longer a business need for the card, and/or (3) upon termination of employment. Cancelled credit cards shall be returned immediately to the City and properly destroyed. Surrender or cancellation of a credit card does not discharge any responsibilities incurred up to and including the date of such action.

F. Investment Control Procedures

1. Subject to the approval of the City Council, funds may be drawn to be invested by the City. A copy of the resolution authorizing each investment transaction shall be maintained in the official records of the City, with a copy provided to the City Treasurer.

2. Any and all investment documents shall be kept in the custody of the City Treasurer or his/her designee. Investment documents shall be safeguarded in a fireproof cabinet or safe, and shall be stored separately from other accounting records.

3. Investments shall be made only in the name of the City, and shall be maintained in a custodian or trust account.

4. The City Treasurer shall record all investments in detail in an investment ledger, which shall reflect any and all interest earned, collected, and/or disbursed.

5. The City Treasurer or his/her designee shall reconcile the investment ledger on a monthly basis, and any discrepancies shall be reported to the City Administrator and the City Council to promptly investigate and resolve.

6. The City Treasurer or his/her designee shall maintain a maturity schedule, evidencing when investments will mature.

APPENDIX 2: PROCUREMENT POLICY AND PROCEDURES

[SEE ATTACHED ORDINANCE NO. ________]

SECTION 1-615: CONTRACTS AND PURCHASES; BIDDNG AND OTHER REQUIREMENTS; PROCUREMENT POLICY.

A. Except as provided in Neb. RS 18-412.01 for a contract with a public power district to operate, renew, replace, or add to the electric distribution, transmission, or generation system of the city, no contract for enlargement or general improvements, such as water extensions, sewers, public heating system, bridges, work on streets, or any other work or improvement when the cost of the enlargement or improvement is assessed to the property, costing over $30,000.00, shall be made unless it is first approved by the governing body.

B. Except as provided in Neb. RS 18-412.01, before the governing body makes any contract in excess of $30,000.00 for enlargement or general improvements, such as water extensions, sewers, public heating system, bridges, work on streets, or any other work or improvement when the cost of the enlargement or improvement is assessed to the property, an estimate of the cost shall be made by the Municipal Engineer and submitted to the governing body. In advertising for bids as provided in divisions (C) and (F) of this section, the governing body may publish the amount of the estimate.

C. Advertisements for bids shall be required for any contract costing over $30,000 entered into:

1. For enlargement or general improvements, such as water extensions, sewers, public heating system, bridges, work on streets, or any other work or improvement when the cost of the enlargement or improvement is assessed to the property; or

2. For the purchase of equipment used in the construction of the enlargement or general improvements.

D. Any purchase of equipment, materials, parts, or supplies for enlargement or general improvements estimated to be:

1. Greater than $30,000.00 shall be purchased via public bid;

2. Equal to or less than $30,000.00 but greater than $2,500.00 shall be purchased via a quote; and

3. Equal to or less than $2,500.00 shall not require a quote or public bid.

E. A municipal electric utility may enter into a contract for the enlargement or improvement of the electric system or for the purchase of equipment used for the enlargement or improvement without advertising for bids if the price is:

1. $30,000 or less;

2. $60,000 or less and the city electric utility has gross annual revenue from retail sales in excess of $1,000,000;

3. $90,000 or less and the city electric utility has gross annual revenue from retail sales in excess of $5,000,000; or

4. $120,000 or less and the city electric utility has gross annual revenue from retail sales in excess of $10,000,000.

F. The advertisement provided for in division (C) of this section shall be published at least seven days prior to the bid closing in a legal newspaper published in or of general circulation in the municipality, and if there is no legal newspaper published in or of general circulation in the municipality, then in some newspaper of general circulation published in the county in which the municipality is located, and if there is no legal newspaper of general circulation published in the county in which the municipality is located, then in a newspaper designated by the County Board having a general circulation within the county where bids are required, and if no newspaper is published in the municipality or county, or if no newspaper has general circulation in the county, then by posting a written or printed copy thereof in each of three public places in the municipality at least seven days prior to the bid closing. In case of a public emergency resulting from infectious or contagious diseases, destructive windstorms, floods, snow, war, or an exigency or pressing necessity or unforeseen need calling for immediate action or remedy to prevent a serious loss of or serious injury or damage to life, health, or property, estimates of costs and advertising for bids may be waived in the emergency ordinance authorized by Neb. RS 17-613 when adopted by a three-fourths vote of the governing body and entered of record.

G. If, after advertising for bids as provided in this section, the governing body receives fewer than two bids on a contract or if the bids received by the governing body contain a price which exceeds the estimated cost, the governing body may negotiate a contract in an attempt to complete the proposed enlargement or general improvements at a cost commensurate with the estimate given.

H. If the materials are of such a nature that, in the opinion of the manufacturer and with the concurrence of the governing body or Board of Public Works, no cost can be estimated until the materials have been manufactured or assembled to the specific qualifications of the city, the governing body or Board of Public Works may authorize the manufacture and assemblage of those materials and may thereafter approve the estimated cost expenditure when it is provided by the manufacturer. (Neb. RS 17-568.01).

I. Any bidding procedure may be waived by the governing body or Board of Public Works:

1. When materials or equipment are purchased at the same price and from the same seller as materials or equipment which have formerly been obtained pursuant to the state bidding procedure in Neb. RS 81-145 through 81-162; or

2. When the contract is negotiated directly with a sheltered workshop pursuant to Neb. RS 48-1503; or

3. When required to comply with any federal grant, loan, or program. (Neb. RS 17-568.02).

J. 1. Notwithstanding any other provisions of law or a home rule charter, a municipality which has established, by an interlocal agreement with any county, a joint purchasing division or agency may purchase personal property without competitive bidding if the price for the property has been established by the federal General Services Administration or the materiel division of the Department of Administrative Services.

2. For the purpose of this division (J), the following definitions shall apply unless the context clearly indicates or requires a different meaning.

PERSONAL PROPERTY. Includes but is not limited to supplies, materials, and equipment used by or furnished to any officer, office, department, institution, board, or other agency.

PURCHASING or PURCHASE. The obtaining of personal property by sale, lease, or other contractual means.

Council Member Jim Angell made a motion to adjourn at 7:38 p.m. Council Member Bruce Meysenburg seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Kevin Woita: Yea. Yea: 6, Nay: 0.

CERTIFICATION OF MINUTES
July 8, 2026

I, Lori Matchett, duly qualified and acting City Clerk for the City of David City, Nebraska, do hereby certify with regard to all proceedings of July 8, 2026; that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and available for public inspection at the office of the City Clerk; that such subjects were contained in said agenda for at least twenty-four hours prior to said meeting; that the minutes of the meeting of the City Council of the City of David City, Nebraska, were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; that all news media requesting notification concerning meetings of said body were provided with advance notification of the time and place of said meeting and the subjects to be discussed at said meeting.

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Lori Matchett, City Clerk