

CITY COUNCIL PROCEEDINGS

March 23, 2022

The City Council of the City of David City, Nebraska, met in open public session at 7:00 p.m. in the meeting room of the City Office at 557 N. 4th Street, David City, Nebraska. The Public had been advised of the meeting by publication of notice in The Banner Press on March 17, 2022, and an affidavit of the publisher is on file in the office of the City Clerk. The Mayor and members of the City Council acknowledged advance notice of the meeting by signing the Agenda which is a part of these minutes. The advance notice to the Public, Mayor, and Council members conveyed the availability of the agenda, which was kept continuously current in the office of the City Clerk and was available for public inspection on the City's website. No new items were added to the agenda during the twenty-four hours immediately prior to the opening of the Council meeting.

Present for the meeting were: Mayor Alan Zavodny, Council members Pat Meysenburg, Tom Kobus, Bruce Meysenburg, Jessica Miller, Kevin Woita, City Attorney Pro-Tem Tim Wollmer, and City Clerk-Treasurer Tami Comte. Council member John Vandenberg was absent.

Also present for the meeting were: Electric Supervisor Pat Hoeft, Power Plant Supervisor John Smaus, Water Supervisor Aaron Gustin, Roger Helgoth, Special Projects Coordinator Dana Trowbridge, Deputy Clerk Lori Matchett, and David Ziska with Olsson and Sheriff Tom Dion.

The meeting opened with the Pledge of Allegiance.

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

Council member Pat Meysenburg made a motion to approve the minutes of the March 9, 2022, City Council meeting as presented. Council Member Bruce Meysenburg seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Absent, Kevin Woita: Yea
Yea: 5, Nay: 0, Absent: 1

Council member Bruce Meysenburg made a motion to allow Arps Red-E-Mix to remove the concrete in the Astro Building parking lot at 6th and Nebraska Central Railroad at no cost to the City since no bids were received. Council Member Pat Meysenburg seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Absent, Kevin Woita: Abstain (Without Conflict)
Yea: 4, Nay: 0, Absent: 1, Abstain (Without Conflict): 1

Mayor Zavodny stated that the next item on the agenda was consideration/discussion of designating the expenditure of the ARPA funds.

Mayor Zavodny said, "I'm just going to throw out that we do have a little more time before our timeline is up. A lot of the legislature today was dedicated to ARPA and what they want to do as far as the State. I would say for us, if we're going to designate something, we have the sales tax that can address the water and I think that we have some projects that we can fund through 2030 using that half cent that was I think LB 357 that allowed us to do the extra half cent and we designated that to water but that doesn't qualify for sewer so what I would recommend is, we did slipline the whole north half of town and I think the best use of our ARPA money, whether or not that will be an adequate amount, we'll just have to find the money to do the rest of it, but I think that would be the best use of that ARPA money and we should designate it for that purpose. That is one person's opinion and that's why we're having the discussion. You have to make sure that it is a project that is qualified."

City Clerk/Interim Administrator Tami Comte said, "The slip lining would be qualified under 5.5 Clean Water: Other Sewer Infrastructure."

Mayor Zavodny said, "That's part of the reason that I know we're not going to be facing a claw-back, as they call it, that you can't use it for that and then they want their money back."

Council member Kevin Woita said, "Do we know how much are we getting?"

City Clerk/Interim Administrator Tami Comte said, "We are getting around \$502,000."

Council member Bruce Meysenburg said, "Does anyone know how much that project is going to run?"

City Clerk/Interim Administrator Tami Comte said, "I looked it up and the 2018-2019 Midlands Contracting slip lining project for the north side was \$853,782. So, it probably won't cover it and who knows what it will be with the prices the way they are now."

Council member Kevin Woita said, "We'll be lucky to cover half."

Water Supervisor Aaron Gustin said, "The engineers estimate was 1.2 million to 1.5 million and that was several months ago."

Mayor Zavodny said, "Well, that will be about \$400,000 more than we spent on the north side. There are certainly some worthwhile things that could be considered around town, but I think that if we're going to prioritize then getting that sewer done is important. We have suspicions, you always find things that you don't expect. I know we do have areas, we found them in the north. We will probably find areas where they won't be able to slipline, where we have to dig that up and put new sewer in."

Council member Kevin Woita said, "So, we don't need to make a decision at this moment?"

Mayor Zavodny said, "We're getting to the point where we probably need to start because there's some time that it takes to bid it and get the project going. What we did, and I'm sure that it was way before you joined the Council, we put it out there for anybody in the public and said if they have ideas, please come to us. To me, this is something that I know we're going to do, and it seems like if we're going to prioritize, this is pretty high up there."

City Clerk/Interim Administrator Tami Comte said, "We have to have the funds obligated by December 31, 2024, and they have to be spent by December 31, 2026."

Council member Kevin Woita said, "What's our next step then? Do we advertise for bids?"

Mayor Zavodny said, "Well, you've got a couple options. Tonight, you can designate that we're going to spend our ARPA money on the sewer, slip lining and probably replacement. We should probably consider it that way."

City Clerk/Interim Administrator Tami Comte said, "The first report is due by April 30, 2022, but if we don't want to decide, I can just say that we have not obligated the funds yet."

Mayor Zavodny said, "I don't want to assume that that priority is our biggest one. I think it is, but I'm only one person and I don't even get a vote on it. I know that is something that we're going to do."

Council member Kevin Woita said, "That gives us \$500,000 to spend somewhere else. If slip lining the sewers needs to be done in the next couple of years, it's only smart to use that."

Council member Bruce Meysenburg said, "It makes sense."

Mayor Zavodny said, "I think the sooner we start, the better just because we have that time. First of all, the costs just keep going up but it's not going to get any cheaper and actually getting some of the materials that we need and getting contractors lined up, I'm hearing daily, almost, how hard it is to get windows and put in windows. Those kinds of things. We've talked about transformers being twelve to eighteen months out and some of them more."

Electric Supervisor Pat Hoeft introduced himself and said, "One hundred twenty-two weeks now."

Special Projects Coordinator Dana Trowbridge introduced himself and said, "I was hoping that we might slow this process down a little bit and make a scoring mechanism and balance the different projects against a scoring mechanism. One of the scoring criteria would be the priority in today's world. What does it do for the people of David City? What does it return in years two through five? Is there a return or do we spend our money and it's gone? There are things that will give us a return."

Water Supervisor Aaron Gustin introduced himself and said, "Covering our regulatory permits, if we recall back about six to eight months, the slip lining was directly mentioned in the letter from the EPA as needing to be taken care of. So, that's something to think about as well."

Mayor Zavodny said, "The legislature today talked about some communities that are going to R.O. for their water systems and some are smaller communities. I think they mentioned eight hundred and those small towns don't have the revenue to tackle a huge water treatment plant. They are having problems with their wells. They have big nitrate problems as well. I think that's something that maybe we don't do tonight. Maybe between now and the next meeting or the meeting after, we figure out where we should go with this money, and we should entertain other ideas if they are out there. At this point, as far as discussion, we don't have to do a consideration, we'll just move it to a future agenda item, and we've had our discussion. Sooner rather than later we'll need to commit to something to get the ball rolling."

Council member Bruce Meysenburg said, "I understand what Skip is talking about. It doesn't change the fact that we're going to spend this money anyway, so it would open up the fund's other places. It's kind of six of one and half a dozen of the other."

Mayor Zavodny said, "I think that the one thing that would be helpful with that is if there is a priority out there that we haven't thought of, then bring it to us. It's going to be harder to find a bigger one than that, especially given our regulatory issues. We should consider it."

City Clerk/Interim Administrator Tami Comte said, "If anybody is interested, this book is the Treasury Department's Final Rule that goes into effect on April 1st. If anyone is interested in reading that, I have it in my office. It's everything that you would want to know about ARPA."

Mayor Zavodny said, "Are there any other projects that we should at least consider?"

Council member Kevin Woita said, "Skip, what projects are you saying that we could get a return on?"

Special Projects Coordinator Dana Trowbridge said, "Housing. If you invest \$250,000, and we happen to get it approved, that will turn into a million dollars. That's all our money. We build houses, we sell houses and at the end of the day we turn \$250,000 that we found on the ground into a million dollars that we have in an account to spend over and over again. That, to me, makes a helluva lot more sense than spending it and being done."

Mayor Zavodny said, "I think that's a good suggestion. My concern would be that EPA is going to start doling out fines and if we're going to save a ton of money on those kinds of things, we should probably look at that and figure out where we're at on that. I think they're going to get there, but today the legislature had a hard time with housing. They are fighting over even including it in the budget. I think they are going to get there, but as of right now, it's got a bit of a rocky path before we have a final appropriations budget and the ARPA budget. That's your legislative update for the day. Some people don't think that government should be involved in housing. We'll see where that lands."

Mayor Zavodny declared the public hearing open at 7:15 p.m. to consider the adoption of a One-Year and Six-Year Street Improvement Program for the City of David City, Nebraska.

David Ziska, representing Olsson, introduced himself and said, "In accordance with the Nebraska Board of Classifications and Standards, every village and city in the state that receives highway allocation money is required to hold a public hearing to afford the general public the opportunity to come before the Council and examine some of the potential or priority projects for the community's roads and streets. Most of the projects that we have in the one-year and the six-year involve mostly the replacement of either asphalt or gravel streets with concrete streets. Again, the allocation that I believe David City received last year was in the neighborhood of \$415,000 and, again, as part of that process of receiving those funds for your roads and streets is the public hearing and some of the other reporting that is required. Really this is just an opportunity for anybody from the general public to come and see and ask questions as they wish on some of the streets that the City is considering."

Mayor Zavodny said, "Can you update us? I know there's been a lot of work surveying and doing some testing on "O" Street. What does that look like from where that is in the process?"

David Ziska, representing Olsson, said, "The project is out for bids right now on "O" Street from about 4th to 12th Street. We will open bids next Friday."

Mayor Zavodny said, "No surprises? I know they talked about the compaction and that kind of thing."

David Ziska, representing Olsson, said, "The soils there are very poor and really not suitable for pavement support. We looked at a couple of options as far as either amending the soils with some sort of a cement dust or other additive, as compared to the cost of just taking some of it out and hauling in some better fill dirt and it sounds like we have ample volume or amount of dirt that we can get in talking with Chris it will be far less expensive to do that, so I think that's what we're going to end up doing because for a good portion of that road bed we're taking out about eighteen inches of the material that is there."

Mayor Zavodny said, "I like far less expensive, but I also need assurance that it will work."

David Ziska, representing Olsson, said, "It will work. The material that we bring in for the new base, we'll test it and check its properties and make sure that it is suitable. It will be a better solution."

Mayor Zavodny said, "We know about that project, and we have a couple of others that Chris has talked to us about where there is almost no asphalt left and some smaller expenses."

David Ziska, representing Olsson, said, "I think that we have a lot of those on the one-year which are kind of shorter-term projects and then the six-year which is further out and has a lot more different projects around town. I think for the most part, those are going to be remove and replace. Take out the asphalt that is there and just put it back in, instead of trying to patch and do general repair."

Mayor Zavodny said, "When we consider those, some of you will probably still be on the Council, as far as drainage and those kinds of considerations, going from basically ground that soaks in rain and turns into mud, the drainage is taken into consideration?"

David Ziska, representing Olsson, said, "Yes, always."

Mayor Zavodny said, "So, when in the process does that happen? Getting water away is a challenge here and if you've lived here long enough, some of the dips that we have you don't know if you're coming out the other side or not."

David Ziska, representing Olsson, said, "Certainly that would be a very high priority in any of these projects and that's not just what are we paving, it's what are we doing with the water that is coming off of it. I guess it would just depend on which ones you want to tackle first and adjust them at that time. Also, maybe we do this project here, but can we make a long-term improvement that might benefit some of these others later."

Mayor Zavodny said, "I think we really need to think out the outlying years and work a drainage plan for those. When it rains hard here, we're pretty flat. Before we did downtown, we had water up to tail pipes on the west side of R & B's and we want to avoid that."

David Ziska, representing Olsson, said, “You were talking about the ARPA money, and some of the money might be used doing a drainage study and try to identify where we want to take water from different parts of town and identify that now and try to have a roadmap of drainage. We’ve done that in some communities both with storm drainage and overall water system, but a drainage study would be well-spent money just to kind of look at the whole pie rather than just little parts of it.”

Hearing not further comment, Mayor Zavodny declared the public hearing closed at 7:22 p.m.

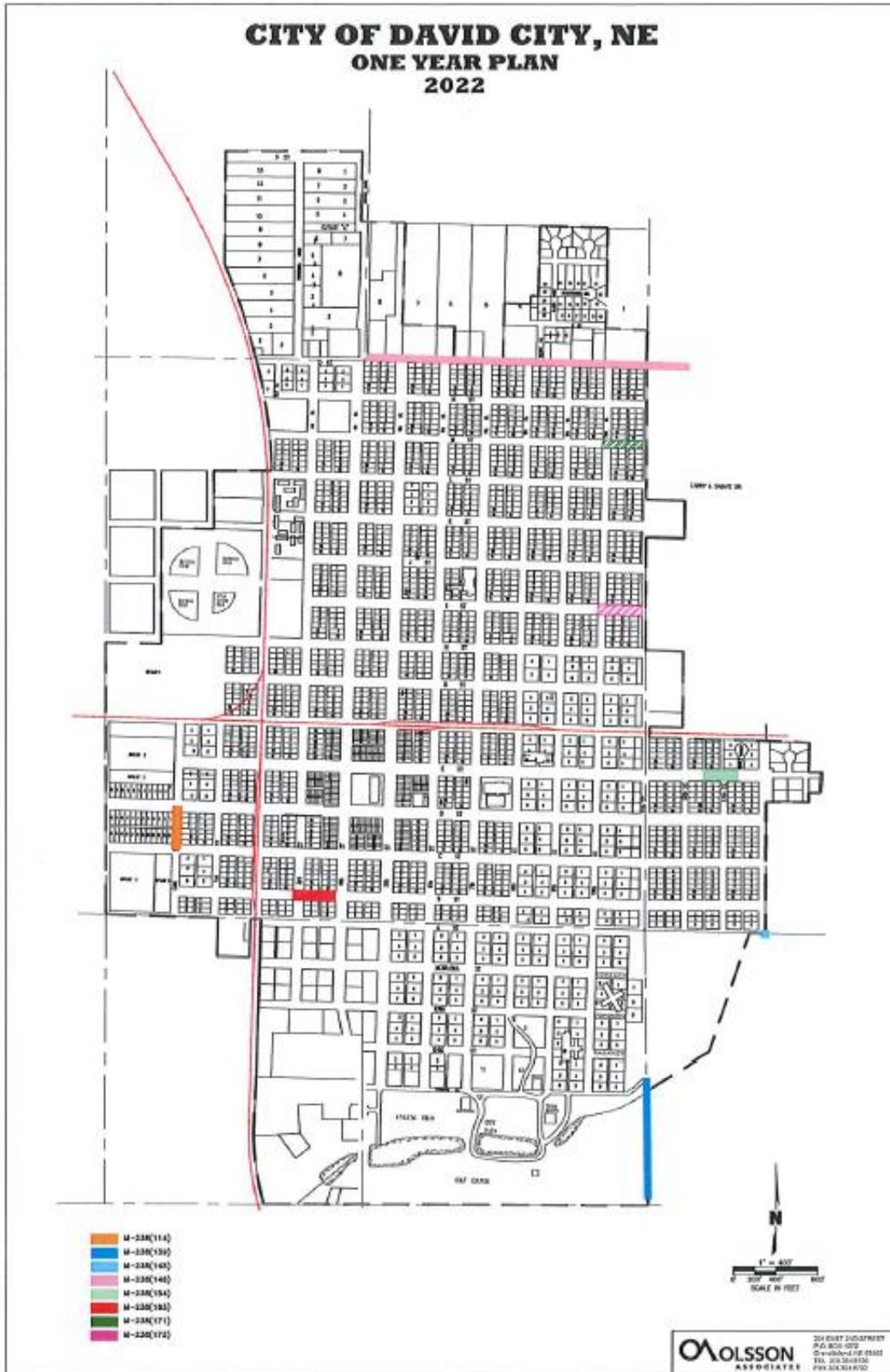
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One and Six Year Plan Summary

City/Village: David City
 Year: 2022

| Plan Year | Project No. | Location | Description | Estimated Cost |
|--------------|-------------|---|---|------------------------|
| One | M-238-114 | Oak Street from "C" St. to "D" St. | Exlst. asphalt street to 27' wide 6" concrete street. | \$ 120,000.00 |
| One | M-238-139 | 11th St. from Kansas St. to Cemetery | Exist. gravel street to 27' wide 6" concrete street (NIC bridge) | \$ 306,000.00 |
| One | M-238-145 | "A" St. culvert-bridge structure near the East Corporate Limits | Existing bituminous street with asphalt overlay | \$ 129,000.00 |
| One | M-238-146 | "O" St. from 4th St. to 12th St. | Existing asphalt street to 27' wide 8" concrete street. See 6/19 Estimate | \$ 1,164,000.00 |
| One | M-238-154 | "E" St. from 12th St. to 14th St. | Existing asphalt street to 27' wide 6" concrete street | \$ 263,000.00 |
| One | M-238-163 | "B" St. from 3rd St. to 4th St. | Existing asphalt street to 27' wide 6" concrete street | \$ 102,000.00 |
| One | M-238-171 | "M" Street from 10th to 11th Street | Existing asphalt street to 28' wide 6" concrete street | \$ 77,000.00 |
| One | M-238-172 | "I" Street from 10th to 11th Street | Existing asphalt street to 28' wide 6" concrete street | \$ 104,000.00 |
| Six | M-238-122 | "H" St. from BNRR to County Road M | Existing gravel street to 27' wide 6" concrete street | \$ 471,000.00 |
| Six | M-238-125 | 5th St. from Kansas St. to Park Trail | Existing gravel street to 27' wide 6" concrete street | \$ 181,000.00 |
| Six | M-238-126 | 10th St. from Kansas St. to Iowa St. | Existing gravel road to 27' wide 6" concrete street | \$ 246,000.00 |
| Six | M-238-129 | "K" St. from 7th St. to 8th St. | Existing asphalt street to 28' wide 6" concrete street | \$ 99,000.00 |
| Six | M-238-137 | "B" St. from 9th St. to 10th St. | Existing asphalt street to 27' wide 6" concrete street | \$ 99,000.00 |
| Six | M-238-138 | "H" St. from 3rd St. to BNRR | Existing asphalt road to 27' wide 8" concrete street | \$ 99,000.00 |
| Six | M-238-148 | 11th St. from "O" St. to "H" St. | Existing asphalt street to 32' wide 8" concrete street | \$ 1,507,000.00 |
| Six | M-238-149 | "A" St. from BNRR to County Road 'M' | Existing asphalt street to 27' wide 8" concrete street | \$ 593,000.00 |
| Six | M-238-151 | 11th St. from "H" St. to "A" St. | Existing asphalt street to 32' wide 8" concrete street | \$ 1,492,000.00 |
| Six | M-238-157 | "J" St. from 6th St. to 9th St. | Existing asphalt street to 27' wide 6" concrete street | \$ 455,000.00 |
| Six | M-238-167 | "M" Road from "A" St. to "C" St. | Existing asphalt street to 27' wide 6" concrete street | \$ 232,000.00 |
| Six | M-238-168 | "G" St. from 3rd St. to 4th St. | Existing asphalt street to 24' wide 6" concrete street | \$ 93,000.00 |
| Six | M-238-169 | "C" St. from 10th St. to 10th St. | Existing asphalt street to 24' wide 6" concrete street | \$ 148,000.00 |
| Six | M-238-170 | 12th St. from "C" St. to "D" St. | Existing asphalt street to 24' wide 6" concrete street | \$ 113,000.00 |
| Six | M-238-173 | Kansas Street from 4th to 11th Street | Existing asphalt street to 28' wide 6" concrete street | \$ 1,013,000.00 |
| Total | | | | \$ 9,106,000.00 |





Council member Bruce Meysenburg made a motion to pass and adopt Resolution No. 3-2022 accepting the One and Six-Year Street Plan Improvements. Council Member Pat Meysenburg seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Absent, Kevin Woita: Abstain (Without Conflict)
Yea: 4, Nay: 0, Absent: 1, Abstain (Without Conflict): 1

RESOLUTION NO. 3 - 2022

WHEREAS, The City of David City, Nebraska, has conducted a Public Hearing on March 23, 2022, in accordance with the requirements of the Board of Public Roads Classifications and Standards.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA, that the One Year and Six Year Street Improvement Plans for Streets, as presented at the public hearing, are unanimously accepted and the City Clerk/Interim Administrator is hereby instructed to forward a certified copy of this resolution to the Board of Public Roads Classification and Standards of the State of Nebraska.

PASSED AND APPROVED this 23rd day of March, 2022.

Mayor Alan Zavodny

City Clerk Tami L. Comte

Mayor Zavodny stated that the next item on the agenda was consideration of change order #1 for Novak Construction for the new City Office at 490 E Street.

Council member Kevin Woita said, "I stopped in to see Tony (Novak) this morning to see how things were going and if they were having any problems and he walked me through a few of the Fire Marshal recommendations that are big changes on the plans. A lot of it involved the safe doors and what to do with them, if we have to chain them open or weld them or what we were going to do. The big main one he attempted to lift, and he got it off of the hinges but didn't know what to do with it after that. It's estimated to be anywhere from four to eight thousand pounds. We started looking at it and somebody told him that it was made out of stainless-steel. I think there are some stainless-steel parts in there, but I don't know if the whole thing is. Stainless-steel is running right at a salvage of ninety-eight cents per pound. I think, after some examination, that it can be disassembled. I think it will come apart fairly easily but you're dealing with some pretty heavy items. We could turn that in for salvage and recoup some money. I talked to CMI, and they said that they would take it if it was stainless-steel. They'll take anything as long as it doesn't have concrete in it."

Mayor Zavodny said, "That was going to be my question."

Council member Kevin Woita said, "The way it looks to me, unless the eight-inch piece would have concrete in it, I don't know. If it is, you can still salvage the mechanical parts out of it and if you get a thousand pounds that's a thousand dollars, rather than leaving a thousand dollars hanging on a hinge? I have some resources. I'd be willing to volunteer my time if it is okay with the Council to go ahead and start removing some of this."

Mayor Zavodny said, "I think you started to address my first concern is getting a thousand dollars, which could be much more if it's four thousand pounds, but is it going to cost us three thousand dollars to get it out of there? That's my concern."

Council member Kevin Woita said, "I think that the tools that are available to me and with my resources, I think that we can do it at possibly no cost."

Mayor Zavodny said, "The sooner we can do that the better. I've been through there and we were hoping that we could appease the Fire Marshal with some sprinklers and that kind of thing but that ended up probably not saving us any money. Looking at that door, that is nothing but a headache for us. I think they say that if it closes you have an hour's worth of air. It's a liability problem. Looking at it, I don't even know how to start to tackle that thing. It's massive."

Council member Kevin Woita said, "We took a couple bolts out of it. I think once we start taking it apart, it's going to come apart. My question is also, if the mechanical parts of it locking are gone, how can it be locked? I don't want to start an argument with the Fire Marshal but he's demanding a lot of things that I think there are a lot simpler solutions than a bunch of fire walls."

Mayor Zavodny said, "The thing that I know is that we will lose that argument."

Council member Kevin Woita said, "Yes, I realize that."

Mayor Zavodny said, "It just seems like once that involvement happens, for one it's very expensive and the other thing that you want to make sure that you don't have is moving goal posts because you do all of these things and say that this is going to cost us twenty thousand dollars and now all of a sudden you have to do much more, windows, ceilings with fire rated drywall and all of those kinds of things. That doubles quickly. Final walk through you end having to do more and that kind of thing. I guess, to me I would be perfectly okay with you going and evaluating it some more and I don't think it hurts us at all for you to try it and see how far you get. You may come back and say 'Oh, my' and you don't have equipment big enough to get this thing out."

Council member Kevin Woita said, "Tami was there this afternoon, and she came up with another idea, too. Maybe the combination of both would eliminate some of the extra cost that is going to happen down the road."

Mayor Zavodny said, "We have very limited options. It was built for a specific purpose. There is no revenue source there. I think if we can get it out of there and get any money back then that just helps us more. If we can every divulge ourselves of these few properties that we got as part of this whole thing that would be helpful too."

Council member Kevin Woita said, "I'll see what I can do."

Mayor Zavodny said, "Okay. We appreciate that."

Council member Pat Meysenburg made a motion to table change order #1 for Novak Construction for the new City Office at 490 E Street. Council Member Kevin Woita seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Absent, Kevin Woita: Yea
Yea: 5, Nay: 0, Absent: 1

Mayor Zavodny stated that the next item on the agenda was consideration of an agreement for municipal airport use with Frontier Cooperative.

City Clerk/Interim Administrator Tami Comte said, "They are trying to get a permanent solution worked out at the airport but for now this is the best that we can do."

Mayor Zavodny said, "As far as the process, they'll have to make it part of our Airport Layout Plan and work through Eric to get that part of a permanent solution. They have a lot of hoops to jump through to do this as I recall. They have containment pads that go with this. It's not a small thing. It's a commitment. I'm confident that they will do that properly."

Council member Bruce Meysenburg made a motion to approve the agreement with Frontier Cooperative for Municipal Airport Use. Council Member Pat Meysenburg seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Absent, Kevin Woita: Yea
Yea: 5, Nay: 0, Absent: 1

AGREEMENT FOR MUNICIPAL AIRPORT USE

This Agreement for Municipal Airport Use, hereinafter referenced as "Agreement", is made and entered into between the CITY OF DAVID CITY, NEBRASKA, a Nebraska Municipal Corporation, hereinafter referenced as "DAVID CITY" and the FRONTIER COOPERATIVE, A Nebraska Cooperative Association, hereinafter referenced as "COOP".

WHEREAS, DAVID CITY owns, maintains and operates the David City Municipal Airport; and,

WHEREAS, COOP desires to utilize the David City Municipal Airport for the 2022 crop dusting season to conduct a spraying operation, including tying down (parking) COOP-owned airplanes and flying in and out of the David City Municipal Airport as needed; and

WHEREAS, the purpose of this Agreement is to establish responsibilities, authorities, and constraints mutually agreeable to the parties hereto including, but not necessarily limited to the following:

- (A) Establish COOP to be responsible for any damage to the airport in the tie down area where they will set up their temporary spraying operation;
- (B) Establish COOP to be responsible for the damages and any clean-up associated with any chemical spills occurring as a result of COOP's temporary spraying operation;
- (C) Provide terms of fee setting and collection of fee;
- (D) Provide limitations for the said temporary spraying operation; and
- (E) Provide for other factors important to the parties hereto.

NOW, THEREFORE, IN CONSIDERATION OF THE TERMS AND CONDITIONS STATED HEREIN, which the parties agree to be valuable consideration, the parties agree as follows, to-wit:

I

DURATION

This Agreement shall commence on the date of execution of this Agreement and shall end on August 31, 2022.

II

FEE

COOP will pay a total usage fee of ONE THOUSAND FIVE HUNDRED DOLLARS AND NO CENTS (\$1,500.00) for the term of this Agreement. The total usage fee shall be paid by COOP to DAVID CITY in lump sum upon execution of this Agreement.

III

TYPE OF USE

COOP agrees that the David City Municipal Airport will be used for a temporary spraying operation throughout the 2022 crop dusting season.

IV

LAWS AND ORDINANCES

COOP agrees to execute and fulfill all State, County, Federal, and/or City Ordinances or acts applicable to the David City Municipal Airport for the purposes for which the David City Municipal Airport is being used, AND all requirements of any Federal, State, County or City Board of Health, sanitary and Sheriff's Department for the correction, prevention and abatement of nuisances in, upon and/or connected with COOP's use of said airport.

V

INDEMNIFICATION

COOP shall defend, indemnify, and hold DAVID CITY and its agents, officers, and employees harmless from and against any and all claims, suits, demands, actions, liabilities, losses, damages, judgments, or fines arising by reason of injury or death of any person, or damage to any property, including all reasonable costs for investigation and defense thereof (including, but not limited to, attorney fees, court costs, investigator fees, and expert fees) of any nature whatsoever arising out of COOP's activities on the David City Municipal Airport grounds or in its use or occupancy of the David City Municipal Airport regardless of where the injury, death, or damage may occur, except to the extent that such injury, death, or damage is caused by the willful misconduct of DAVID CITY. DAVID CITY shall give COOP reasonable notice of, and an opportunity to defend against, any such claims or actions. Notwithstanding the above indemnification, COOP shall give DAVID CITY reasonable notice of any matter covered herein and shall forward to DAVID CITY a copy of every demand, notice, summons, or other process received in any claim or legal proceeding covered hereby.

VI

RESPONSIBILITY FOR CHEMICAL SPILLS

In addition to the indemnification provided for in Paragraph V above, COOP hereby accepts full responsibility for any and all cleanup as a result of any hazardous and non-hazardous chemicals spilled in connection with COOP's use of the David City Municipal Airport. COOP agrees to provide emergency response, cleanup and disposal services of hazardous material and/or non-hazardous material spilled in connection with COOP's use of the David City Municipal Airport. COOP shall abide by all applicable Federal, State, County and/or City Ordinances or acts in the response, cleanup and disposal of hazardous and/or non-hazardous material spilled in connect with COOP's use of the David City Municipal Airport.

VII

COMMUNICATIONS WITH OTHER USERS

COOP agrees to utilize radio controls at all times and communicate with other users of the David City Municipal Airport, including, but not necessarily limited to, Roth Aerial and Storm Aeronautics, throughout the duration of this Agreement.

VIII

INSURANCE

COOP shall at all times carry the necessary insurance coverage to protect DAVID CITY or its assigns, from any claims for damages that might arise during COOP's use of the David City Municipal Airport in the following particulars, to-wit:

- (A) To protect DAVID CITY, its agents, officers and employees against liability or loss expense of whatever kind arising in any way out of, in connection with, or resulting from COOP's activities on or use of the David City Municipal Airport, COOP shall procure and maintain, at its sole expense and during the full term of the Agreement, insurance as hereinafter enumerated.
- (B) COOP shall submit to DAVID CITY at the time COOP executes this Agreement, a Certificate of Insurance, in form satisfactory to DAVID CITY, evidencing that satisfactory coverage of the type and limits set forth herein are in effect. Policies providing such coverage shall contain provisions that no cancellation or material changes in the policies shall become effective except on 30 days advance written notice thereof to DAVID CITY.
- (C) All insurance coverage shall be placed with insurers authorized to do business in the State of Nebraska and must be placed with an insurer that has an AM Best's rating of no less than A: VII, unless specific approval has otherwise been granted by DAVID CITY.

IX

AMENDMENTS TO AGREEMENT

Amendments to the original Agreement may be made and modifications made upon mutual agreement and consent by the parties hereto.

X

BINDING EFFECT

This Agreement shall be binding upon the heirs, successors, assigns, and personal representatives of the parties hereto.

XI

EFFECTIVE DATE

This Agreement shall become effective upon execution by all parties.

XII

TERMINATION

Upon termination of this Agreement, improvements of any permanent nature, such as buildings, shrubbery, trees, etcetera, shall remain upon said David City Municipal Airport and become the property of DAVID CITY.

IN WITNESS WHEREOF, DAVID CITY and COOP have hereunto set their hands the date and year hereinafter written by each.

DAVID CITY:

COOP:

By: _____
ALAN ZAVODNY,
Mayor

By: _____

By: _____
TAMI COMTE,
City Clerk
(Seal)

State of Nebraska)
) ss.
County of _____)

The foregoing instrument was acknowledged before me on _____, 2022 by ALAN ZAVODNY, Mayor, and TAMI COMTE, City Clerk, of the City of David City Nebraska, a Nebraska Municipal Corporation, on behalf of DAVID CITY.

Notary Public

State of Nebraska)
) ss.
County of _____)

The foregoing instrument was acknowledged before me on _____, 2022 by _____, as _____ of Frontier Coop, a Nebraska Cooperative Association, on behalf of the COOP.

Notary Public

Mayor Zavodny stated that the next item on the agenda was consideration of waiving the penalty on the electric portion of the utility bill for St. Josph's Villa.

Mayor Zavodny said, "If we do this it has to be done by Ordinance."

Council member Pat Meysenburg said, "Has it ever been done before?"

Mayor Zavodny said, "No. Herein lies the problem. You are going down a very slippery slope once you start to do this. I feel for them. It's a big dollar amount that somehow got overlooked."

Council member Jessica Miller said, "It's a can of worms."

Mayor Zavodny said, "It's a huge can of worms."

City Clerk/Interim Administrator Tami Comte said, "We have had the hospital ask. We have had Henningsen Foods ask and we have always told them 'No'. Once you start, where do you stop?"

Mayor Zavodny said, "I think we just need to be aware of the potential ramifications of starting this type of practice. There's a part, I'm sure, of all of us that would love to take care of this and not make it an issue, but then other people will ask why they didn't get that consideration and then moving forward people will say that we set a precedent."

Council member Pat Meysenburg made a motion to deny the request of St. Joseph's Villa to waive the penalty on the electric bill. Council Member Kevin Woita seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Absent, Kevin Woita: Yea
Yea: 5, Nay: 0, Absent: 1

Mayor Zavodny stated that the next item on the agenda was consideration of approving the purchase agreement with R.F.H., LLC for airport property in the amount of \$449,470.00 and authorizing the mayor to sign.

Mayor Zavodny said, "Welcome Roger, I see that you are here. Part of the purchase agreement is an allowance for a couple pieces of personal property to be addressed which is a duck blind and a storage unit so throughout this there have been some back and forth and other requests. We're at this point right now. There are a couple points that I think need to be at least brought to your attention and emphasized before we look at this. There is a contract with FSA and there is a lease with a tenant that we should at least make part of the consideration. Roger, I'd like to give you the opportunity if you want to say anything."

Roger Helgoth, R.F.H., LLC introduced himself and said, "It's been a long arduous process for our family the way it went down. We went through the process of negotiations with Stacey Kroeger with Midwest Right-Of-Way, who did noble work. She was the go-between person between the City and us and worked diligently to come up with something that was palatable to us and I think palatable to the City. At this point we just hope that we can move forward and get this approved and we would be out of there within thirty days as prescribed in the agreement. That's about all I can say right now. Thank you for the opportunity to speak."

Mayor Zavodny said, "One of the things that I also want to make you aware of is that we have initiated the process of getting an appraisal because that is required of us. So, if we authorize me to sign, we'll make sure that we have our l's dotted and our t's crossed as far as making this transaction happen. Do you remember did she settle on that closing date for sure?"

Roger Helgoth, R.F.H., LLC said, "In the final document it says that the closing will be before October 1st but her hope, that she conveyed to us was that we could get the closing moved up far earlier than that. We are agreeable to that. We think we can probably execute the closing probably right after June 1st or June 15th, so that would be our target."

Mayor Zavodny said, "We appreciate your efforts. I know it's been tough on both ends to get it done and I think that everybody has been really good about doing this as cordially as could be. It's always hard to go through this process. We have agreed on the dollar amount and once we get our l's dotted and t's crossed, and I feel comfortable that we are in a good place you are authorizing me to sign that."

Council member Bruce Meysenburg made a motion to approve the purchase agreement with R.F.H., LLC for airport property in the amount of \$449,470 and authorized the mayor to sign contingent upon the lawful provisions being met. Council Member Pat Meysenburg seconded the motion. The motion carried.

Tom Kobus: Nay, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Absent, Kevin Woita: Yea, Mayor Alan Zavodny: Yea
Yea: 5, Nay: 1, Absent: 1

Council member Bruce Meysenburg asked to get some feedback on how the proceedings went.

PURCHASE AGREEMENT — REAL ESTATE

March 16, 2022

This Purchase Agreement made and entered into by and between R.F.H., LLC, a Nebraska Limited Liability Company, hereinafter referred to as "SELLER" and the CITY of DAVID CITY, NEBRASKA, hereinafter referred to as "BUYER".

Now, therefore, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the parties hereby agree as follows:

1. Sale. That SELLER hereby agrees to sell to BUYER on the terms and conditions set forth hereinafter, the following described property:

South Half of the Southwest Quarter (S 1/2 SW 1/4) of Section Thirty-Two (32), Township Fifteen (15) North, Range Three (3) East of the 6th P.M., Butler County, Nebraska, LESS the real estate conveyed to the City of David City, Nebraska, by Warranty Deed recorded in Book 08, Page 870, in Film Book #08-870; records of Butler County, Nebraska

2. Purchase Price and Terms of Payment. The purchase price for the aforesaid real estate and easements being sold by SELLER is in the sum of FOUR HUNDRED FORTY-NINE THOUSAND, FOUR HUNDRED SEVENTY and NO/100 DOLLARS (\$449,470.00). The sum of NINETEEN THOUSAND, FOUR HUNDRED SEVENTY and NO/100 DOLLARS (\$19,470.00) shall be advanced by BUYER to SELLER, within thirty (30) days of BUYER's acceptance of this Agreement, to allow SELLER to remove the duck blind and storage unit as set forth in Section 11(e) below, and shall be credited against the purchase price. The balance of the purchase price in the sum of FOUR HUNDRED THIRTY THOUSAND and NO/100 DOLLARS (\$430,000.00) shall be paid in cash or certified funds at the time of closing and upon verification that the duck blind and storage unit have been moved from the acquisition site.

3. Closing Date. The closing date shall be on or before October 1, 2022, or sooner as the parties may agree.

4. Title Insurance. BUYER shall provide SELLER with a commitment for title insurance, issued through a licensed and registered title insurance company in the State of Nebraska, showing good and marketable title in SELLER, and the policy of title insurance shall be issued by said title insurance company on its standard form, with such printed exceptions as appear on the form and any further exceptions and encumbrances as are acceptable to BUYER. BUYER agrees to furnish SELLER a written notice showing defects, if any, in the title to the above-described property on or before the date of closing. SELLER, after written notice of defects is given, shall endeavor to have the same cured to the reasonable satisfaction of BUYER within a reasonable time thereafter, and if said defects are not so cured within a reasonable amount of time, then BUYER may terminate this Agreement. BUYER agrees to pay the cost of title insurance premium.

5. Warranty Deed. Upon payment by the BUYER to SELLER of the purchase price of the real estate purchased, SELLER shall cause to be conveyed to BUYER marketable fee simple title to said real estate described hereinabove, by general Warranty Deed free and clear of all liens and encumbrances.

6. General Real Estate Taxes. Real estate taxes for 2021 and prior years shall be paid by SELLER. Real estate taxes for 2022, if any, shall be prorated to the date of closing. (Basis for the proration shall be the most recent real estate tax statement.) The BUYER shall pay all general real estate taxes from the closing date, and all subsequent taxes. The SELLER shall pay all real estate taxes and special assessments, if any, owing for prior calendar years and shall also pay and be responsible for all recapture of greenbelt taxes.

7. Possession. SELLER shall have exclusive possession of the above-described real estate until date of closing. Any risk of loss to the property shall be borne by the SELLER until title has been conveyed to BUYER. In the event prior to closing the structures on said real estate are materially damaged by fire, explosion or any other cause, BUYER shall have the right to terminate this Agreement.

BUYER shall assume all risk of loss from and after date of closing.

8. Specific Performance. It is understood and agreed that both parties retain their right to bring action for a specific performance of the terms of this Agreement in the event the other party is in default in carrying out their obligations under this Agreement.

9. Conveyance of Title. It is understood and agreed that this Agreement shall in no manner be construed to convey title to said property or to give any right to take possession thereof.

10. Environmental Affidavit. SELLER represents that he/she has no knowledge of any adverse environmental conditions which affect the real estate, the value thereof or liability in connection therewith, except such environmental conditions as have been fully disclosed in writing to BUYER by SELLER. SELLER shall provide an Affidavit at closing, affirming the statement made in the prior sentence as of the date of closing, directed to BUYER. If SELLER is unable to provide such an Affidavit at closing because of facts discovered or made known to SELLER after the date of this Agreement, BUYER may elect, in BUYER'S sole discretion, to either (i) accept the real estate based upon such Affidavit as SELLER can provide based on the facts then known, or, (ii) terminate this Agreement in which event all sums paid to SELLER pursuant to this Agreement shall be returned to BUYER within five (5) business days and neither party shall have any further obligation or liability to the other.

11. Representations and Warranties of Seller. SELLER represents and warrants to BUYER as follows:

- (a) Brokers. SELLER has not entered into any contract, arrangement or understanding with any person or firm which may result in the obligation of BUYER to pay any finder's fees, brokerage fee or agent's commission or other like payment in connection with the negotiations leading to this Agreement or the consummation of the transactions contemplated hereby, and SELLER is not aware of any claim or basis for any claim for payment of any finder's fees, brokerage fee or agent's commission or other like payment in connection with the negotiations leading to this Agreement or the consummation of the transactions contemplated hereby.
- (b) Leasehold Interest. Except that certain Cash Rent Farm Lease, dated November 3, 2021, between SELLER and tenant Max Miriovsky (the "Farm Lease"), SELLER has not entered into any contract, lease, arrangement, or understanding, whether verbal or written, which in any way encumbers, restricts or subjects the subject property to any claim for a leasehold interest. SELLER affirmatively states that all other leasehold interests have been terminated or will be terminated prior to date of closing.
- (c) Contracts. Except Landowner Agreement #NE-64850-20-02 and CFDA #15,631 between SELLER and the United States Department of Agriculture (USDA) Butler-Polk County Farm Services Agency (the "Conservation Contract"), there are no service contracts or other contracts affecting the subject real estate. SELLER shall use its best efforts to terminate the Conservation Contract, effective at the end of the current federal fiscal year, and shall take any actions or provide any further documentation BUYER or USDA may reasonably require therefor. This provision shall survive closing.
- (d) Hazardous Material. No hazardous or toxic material, substance, pollutant, contaminant, waste, asbestos or petroleum product has been released into the environment, discharged, placed or disposed of, at, or near, or on the subject real estate. The subject real estate has not been used at any time by any person as a landfill or waste disposal site. No claims, litigation, administrative proceedings, are pending or threatened and no judgments or orders have been entered relating to any hazardous substance, hazardous waste, discharge, emission or other form of

pollution relating in any way to the subject real estate. No hazardous substance or hazardous waste, as defined by the Resource Conservation Recovery Act, as amended, 42 USC §6901 et seq, or the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 USC §6901 et seq, have been generated, manufactured, refined, transported, treated, stored, handled or disposed of, on, at or near the subject real estate.

- (e) Removal of Personal Property. For independent consideration comprising a portion of the purchase price in the sum of TWENTY-SEVEN THOUSAND AND NO/100 DOLLARS (\$27,000.00), SELLER shall, before the closing date, remove the duck blind and storage container on the subject real estate, at SELLER'S sole risk and expense.

12. Assignment of Leases and Contracts. At or prior to closing, SELLER shall deliver to BUYER and escrow closing agent a duly executed assignment of leases and contracts assigning the Farm Lease and, if applicable, the Conservation Contract, in form and content acceptable to BUYER and escrow closing agent.

13. Farm Lease and Conservation Contract Proceeds. SELLER shall receive, as SELLER'S sole property, all paid and unpaid rent under the Farm Lease for the current lease year ending December 31, 2022, and all paid and unpaid installments under the Conservation Contract for the current federal fiscal year ending October 1, 2022, regardless of when SELLER receives said sums.

14. Inspection and Testing. At any time after the date of this Agreement, BUYER and its employees and agents shall have the right to enter upon the subject real estate and perform such tests and inspections as it deems necessary to determine suitability of the subject property for its intended use. BUYER shall restore the subject property to the original condition if such tests alter the grade, compaction or vegetation. If, in BUYER'S sole discretion, the subject real estate is unsuitable for BUYER'S intended use, then BUYER may terminate this Agreement by written notice to SELLER on or before the closing date.

15. Other Terms of Agreement.

- (a) BUYER shall pay all documentary stamp tax incurred as a result of the sale to the extent that they are not exempt.
- (b) The parties agree and understand that the real estate transaction shall be performed by an escrow closing agent. The cost of the escrow closing agent shall be paid by the BUYER.
- (c) This Agreement shall be governed by and construed in accordance with the laws of the State of Nebraska.
- (d) The cost of a survey, if any, shall be borne by the BUYER.
- (e) All terms, conditions, representations and warranties contained in this Agreement shall survive the execution hereof and the closing hereunder, including but not limited to the execution and delivery of any deed related to the subject real estate to be conveyed hereunder and shall not merge into any deed.

16. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties, their heirs, or representatives.

17. Dismissal of Cause of Action. Within ten (10) days after closing, BUYER shall dismiss with prejudice its cause of action against SELLER in Case No. CI 20-76 in the District Court of Butler County, Nebraska (the "Lawsuit"). In contemplation of the parties' mutual agreement to BUYER'S dismissal of the Lawsuit with prejudice as a condition of this Agreement, the parties hereby agree to forever release and discharge the other party, and that party's respective representatives, officers, directors, employees, agents, attorneys, affiliates, heirs, and assigns from any claim, demand, suit, cause of action, damages, or other liability of any sort, whether known or unknown, which relates to the matters at issue in the Lawsuit or which could have been raised by

either party in the Lawsuit. David City will not pursue a permanent injunction prior to closing unless there is a material change in the circumstances or there is a good-faith basis to do so based upon actions of SELLER.

18. Tax-Deferred Exchange. SELLER and BUYER shall have the right, by notice to the other party, to assign the legal interests in this Agreement to a qualified tax-deferred exchange intermediary to effect an exchange of real property in accordance with the provisions of the I.R.C. Sections 1031 or 1033, as applicable. Each party shall reasonably cooperate with the other for such election, however no party shall incur any additional costs, liabilities or delays in connection with the other party's election.

SELLER:

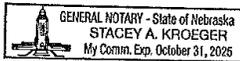
R.F.H., LLC, a Nebraska limited liability company

By: Roger M. Helgoth
Name: Roger M. Helgoth
Title: President

Carol Mae Manning
Carol Mae Manning

STATE OF NEBRASKA)
) ss:
COUNTY OF Douglas)

The foregoing instrument was acknowledged before me on March 16, 2022, by Roger Helgoth, President and Carol Mae Manning, Secretary the authorized representative of R.F.H., LLC, a Nebraska limited liability company.



Stacey A. Kroeger
Notary Public

BUYER:

CITY OF DAVID CITY, NEBRASKA

By: _____
Name:
Title:

STATE OF NEBRASKA)
) ss:
COUNTY OF BUTLER)

The foregoing instrument was acknowledged before me on _____, 2022, by _____

Notary Public

Mayor Zavodny stated that the next item on the agenda was consideration of appointing Aaron Gustin as Interim Wastewater Supervisor.

Mayor Zavodny asked Water Supervisor Aaron Gustin if he had a plan.

Water Supervisor Aaron Gustin said, "I do. There is a plan and, of course, with the City everything takes time. I do have a plan. Briefly, actually, I discussed it with Jessica a couple of weeks back with a few amendments to this plan. I had also discussed it with you (Mayor Zavodny), and we can discuss it further, unless we get a more than qualified applicant. Currently, I have been spearheading communication with DEE and EPA for the past year and a half, two years. I'm basically back to doing the job and also Water Supervisor, all I'm asking for is the title."

Mayor Zavodny said, "Testing and everything has gone well?"

Water Supervisor Aaron Gustin said, "Yes. It was in my last report. We're looking relatively good with the basin discharge. I don't know if Joanna was able to look into if we have any agreements with the farmers?"

City Attorney Pro-Tem Tim Wollmer stated that he would ask City Attorney Joanna Uden where she was at with that.

Mayor Zavodny said, "You've heard that at least we're working on a more long-term solution but tonight what we need to do is to appoint Aaron as Interim Wastewater Supervisor."

Council member Jessica Miller made a motion to appoint Aaron Gustin as Interim Wastewater Supervisor. Council Member Pat Meysenburg seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Absent, Kevin Woita: Yea
Yea: 5, Nay: 0, Absent: 1

Mayor Zavodny stated that the next agenda item was consideration of hiring Olsson to design the water/wastewater building for equipment storage at 6th Street and Nebraska Central Railroad.

Council member Kevin Woita said, "Do we have to go to this extent? I don't want to use the words 'it's only a shop' but we're getting pretty in depth here with soil samples and drilling and...."

Council member Tom Kobus said, "We're using all of our fees up on engineers."

Mayor Zavodny said, "That might be my most frustrating thing in this job over my eleven years. If you were building it or if I was building it, we wouldn't have to do all this. What we run into is, I've had people chew by butt even when I'm right, when the deck fell off at Par IV and they wanted to just put another deck up because it was 'just a deck'. Everybody knows how to put up a deck. Well, obviously, everybody doesn't. When our shelter blew over in the park and it was on pivot points, 'it's just a shelter', why do we need to engineer it? It frustrates the crap out of me."

Council member Jessica Miller said, "It's City owned so it's a big liability for the City."

Council member Tom Kobus said, "If you get B-D Construction, they have their own engineers."

Mayor Zavodny asked City Attorney Pro-Tem Tim Wollmer what his opinion was on whether a City building needed to be engineered or not.

City Attorney Pro-Tem Tim Wollmer said, "I think you made some pretty good points with regard to the contracting issue."

Water Supervisor Aaron Gustin said, "The cost estimate from B-D's was \$700,000."

Mayor Zavodny said, "In other cases, to get apples to apples comparisons to spec things out you have to say that you are using this material."

Council member Kevin Woita said, "I understand the engineering aspect of it."

Mayor Zavodny said, "It's a lot of money for what we're getting."

Council member Tom Kobus said, "We spend a third of our costs on engineering fees. I think for a City of our size that we need to do something different. B-D guarantee's their work. They've been around for a long time. I don't know how many buildings they've put up."

Mayor Zavodny said, "I agree with everything that everybody said but I also know that when something goes wrong, they go after the deep pockets first, which would be the City."

Special Projects Coordinator Dana Trowbridge said, "I have two comments. How's that process working with our wastewater mess? Not well. The second one is a comment. The last big building that we did was an airport hangar. It was pretty much a cookie cutter, out of the box hangar and we spent almost a million dollars on that project. One hundred and seventy-eight thousand dollars of it was engineering on a building that most of us could put together by ourselves. That's how ridiculous it gets."

Mayor Zavodny said, "I guess I've never asked this question of LARM, but maybe it would be worth asking our insurance carrier for some guidance on this as well."

Discussion followed.

Special Projects Coordinator Dana Trowbridge said, "Can you bid a design build process? We want fifteen hundred square feet when we're done. Here's what we want, and you give us a design build and we'll pick what we like between the two of them on a bid basis."

Mayor Zavodny said, "That raises a valid question, I think, because if you don't have bid specs, you can go cheap and you can tell when construction is done cheap. They use the cheapest materials, and they might cut some corners."

Water Supervisor Aaron Gustin said, "Unless the Council wanted to stick with like Astro or Behlen buildings, the pre-engineered buildings and just seek those options that are design build options? But then, you are alienating local contractors, too. But if you want it design build, here's your price, it's going through B-D's or one of the construction outfits that do just that."

Roger Helgoth introduced himself and said, "I was on the board of Engineers and Architects for fifteen years and I think you are getting into a category where John Wilbeck is the Executive Director of that. I think that he would come out and spend a little time walking you through the engineer/architect act because that really governs what you're talking about. Public works buildings, things that the cities do, I think there is a public works exemption and I think it's about a hundred and thirty thousand dollars. If you put in a block of water main, you have to have it sealed by an engineer. Nebraska does allow 'design build'. They didn't for a long time, they only allowed it for transportation projects, and the University of Nebraska did most of their buildings with design build but very clearly when you put out a 'design build' advertisement, you have to hire a criteria developer, which means that it's an engineer or an architect that defines the building or whatever you are going to build along with the materials and some of the key specifications and that becomes part of the selection of the design build team. The design build team has to have architects and all of the other engineers as part of the team and then they would work together to do it within that price that you had established, the budget. A lot of times the design build team will get to a twenty percent complete of drawings and they will have to render to the client a guaranteed price not to exceed. Which means that they will do it for xx thousand of dollars based on the thirty percent level of documents. So, the problem is you say, 'it's just a shelter', but you had a complication with a shelter. In Beatrice, Nebraska, some bricks fell off of a little outdoor picnic shelter and killed somebody."

Mayor Zavodny said, "That was in Wilber had the hollow blocks."

Roger Helgoth said, "Maybe it was Wilber. But anyway, there's always the issue of public health and safety. The engineer and the architect are on the hook for assuring that the design is in compliance with the health and safety issues. I'm just saying that John Wilbeck is a government employee with the Board of Engineers and Architects, and he would be a good one to bring out, maybe not the whole Council, but he could spend time with you and walk through the process of the regulations."

Mayor Zavodny said, "Could you get his contact information to Tami? I think that would be worthwhile."

Roger Helgoth said, "Yes. I'll forward an email."

Mayor Zavodny said, "At this point, we have a construction window that we're going to want to look at here, but we probably have a little time. I would recommend tabling this item."

Council member Bruce Meysenburg made a motion to table hiring Olsson to design the water/wastewater building for equipment storage at 6th Street and Nebraska Central Railroad. Council Member Jessica Miller seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Absent, Kevin Woita: Yea
Yea: 5, Nay: 0, Absent: 1



**SCOPE OF SERVICES
CITY OF DAVID CITY WATER DEPARTMENT SHOP BUILDING
Site Development
David City, Nebraska**

This exhibit is hereby attached to and made a part of the Letter Agreement for Professional Services dated March 7, 2022, between the City of David City, NE ("Client") and Olsson, Inc. ("Olsson") providing for professional services. Olsson's Scope of Services for the Agreement is indicated below.

PROJECT DESCRIPTION AND LOCATION

Project will be located at: City of David City Water Department site, David City, NE

Project Description: This project will include site civil design services for a new site development in David City, Nebraska. Project will include topographic & boundary survey, geotechnical soil borings, soils evaluation report, structural engineering, water/sewer service connection drawings, architectural design services, and civil engineering for the subject property.

SCOPE OF SERVICES

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

1.0 Civil Site Design Services \$27,525.00 Lump Sum Fee

- 1.1 Olsson shall have a project initiation meeting in David City, NE (at the Client's option) to discuss project specifics and prerequisites. Specific project personnel will be identified, and channels of communication will be established. Contractual matters will be addressed as required.
- 1.2 Prepare a site topographic and boundary survey for the area of the proposed shop building. Topographic survey to include existing visible features, marked underground utilities, existing contours, etc. Nebraska One-Call will be notified. Existing property pins, if in place, will be located.
- 1.3 Provide structural engineering services to include structural drawings with a floor plan; a foundation plan; a mezzanine plan (loft storage); elevation of all four walls; miscellaneous sections and details; sheet specifications that include building design code and loads; shop drawing review; and general consultation during the bid stage and construction stage.
- 1.4 Prepare an erosion control plan, stormwater pollution prevention plan (SWPPP), and submit NOI permit application. All installation, monitoring, maintenance, and reporting for the SWPPP shall be by others.
- 1.5 Provide water and sanitary sewer service connection drawings. This assumes municipal utilities exist nearby and are accessible. This proposal does not include design to extend said utilities to the building site.

- 1.6 Provide architectural design services for the office, restroom, and compressor room and to evaluate life/safety issues. Olsson structural team to coordinate its work with the architect.
- 1.7 Prepare a site grading plan for the proposed building. Client is to provide a site layout indicating building footprint, parking areas, walks, landscaped areas, etc. Olsson is not responsible for generating any site concept layouts.
- 1.8 Any review fees or permit fees for authorities having jurisdiction are the responsibility of the Client.
- 1.9 Conduct soil borings and prepare a geotechnical soil evaluation report. See attached geotechnical scope.

Summary of Fees:

| | |
|--|----------------------------|
| Topographic/Boundary Survey | \$4,000.00 Lump Sum |
| Soil Borings/Geotechnical Soils Report | \$5,650.00 Lump Sum |
| Structural Engineering Services | \$5,000.00 Lump Sum |
| Architectural Design Services | \$3,000.00 Lump Sum |
| Civil Design Drawings | <u>\$9,875.00 Lump Sum</u> |

Total Fees this Agreement **\$27,525.00 Lump Sum**

Not included as part of this agreement, but can be added as additional services under separate agreement or amendment:

- a. Site conceptual drawings (e.g., Initial placement of buildings, parking, drives, landscaping, lighting, sidewalks, etc.).
- b. Mechanical, electrical, or power design services.
- c. Gas design services.
- d. Site lighting or building lighting design.
- e. Bid phase services.
- f. Construction phase services (e.g., Staking, testing, inspections, observation, construction administration, site visits, record drawings, etc.).
- g. Re-platting, re-zoning, or subdivision creation.
- h. Environmental permitting (e.g., Wetland delineations, floodplain, map revisions, Corps of Engineers permits, MS4 calculations/report, etc.).
- i. Building permit submittals or fees.
- j. Additional revisions and resubmittals beyond those mentioned above.

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

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

GEOTECHNICAL SCOPE OF SERVICES (SUPPLEMENT TO CIVIL SCOPE OF SERVICES)

PROJECT DESCRIPTION AND LOCATION

Project will be located: Approximately 350 feet southwest of North 6th Street and G Street
in David City, Nebraska.

Project Description: David City Shop Building

Project Background:

We understand that this project comprises the construction of a single-story, slab-on-grade structure with an approximate plan area of 6,000 square feet. We anticipate the structure will generally be pre-engineered metal building (PEMB) construction with maximum column and continuous wall loads on the order of 85 kips and 2 kips per lineal foot, respectively.

Upon reviewing soil logs in the area, we estimate that the subsoil profile will likely consist of native clays. Based on our evaluation of the expected conditions, the proposed boring depths will provide sufficient delineation of the subsurface strata to prepare our recommendations.

SCOPE OF SERVICES

Olsson will provide the following services (Scope of Services) to Client for the Project:

Phase 100 – Geotechnical Exploration

Task 101 – Drilling Services

1. Coordination and General Notes

- a. Olsson will contact Diggers Hotline of Nebraska to locate underground utilities. To ensure the safety of the crew on site, Owner must inform Olsson of the location of all private utilities and private utility service connections. The cost of locating private utility lines and private service connections through private locating services and/or hydro-excavation is the Owner's responsibility. Olsson is not responsible or liable for damage to any private utilities or private service connections. If requested, Olsson can coordinate private locating or hydro-excavation services for an additional fee.
- b. All boring locations must be readily accessible. Any fees resulting from the use of mud-matting or clearing operations to achieve access to boring locations is Owner's responsibility and not included in this scope of work. Olsson will not perform field work until access to boring locations is satisfactory to Olsson.
- c. Drilling equipment may cause disturbance to natural surroundings including but not limited to soil indentations, concrete cracking, and damage to underground sprinkler systems. Olsson will not be liable or responsible for any site disturbance that may occur as a result of bringing equipment on site. The Owner accepts full responsibility for site disturbance.

2. Field Exploration

- a. We propose to use a truck-mounted drill rig to complete the following soil test borings for the geotechnical exploration:
 - Two (2) soil test borings to a depth of 20 feet each; and
 - One (1) bulk sample.

The soil borings will be advanced to the depths proposed, or to refusal, whichever is shallower. This proposal is based on a total drilling footage of 40 linear feet.

- b. Soils will be sampled in general accordance with ASTM D1586 and ASTM D1587.
- c. We will obtain groundwater levels in the test borings at the time of drilling and upon completion of the drilling operations.
- d. After obtaining groundwater level readings, we will backfill the borings with soil cuttings.

Task 102 – Geotechnical Services

1. Laboratory Services

As soil conditions dictate, laboratory testing may include visual soil classification (ASTM D2488), unconfined compression tests (ASTM D2166), thin-walled tube density tests (ASTM D7263), moisture content tests (ASTM D2216), Atterberg limit tests (ASTM D4318), and one-dimensional consolidation tests (ASTM D2435).

2. Engineering Analysis and Report Preparation

Olsson will perform engineering analyses and provide conclusions and recommendations regarding the following:

- a. Maximum allowable soil bearing pressures and estimates of maximum total and differential settlement for design of shallow foundations. Shallow foundation recommendations will include minimum footing sizes and the required frost depth or other minimum bearing depth. Remedial measures, such as over-excavation, surcharge, or ground improvement, will also be addressed, if needed.
- b. Lift thickness, moisture control, and compaction criteria for backfill and structural fill. OSHA standards for soil excavation criteria will be included or referenced.
- c. Seismic soil site classification per ASCE 7 and IBC.
- d. Anticipated groundwater concerns, along with recommendations for addressing these concerns during construction, if required.
- e. Shrink/swell characteristics of the on-site soils and the potential for reuse of on-site soils as structural fill.
- f. Preparation of subgrade soils supporting concrete floor slabs, including an estimate of the modulus of subgrade reaction based on laboratory test results.
- g. Foundation and slab-on-grade drainage requirements.
- h. Lateral earth pressure values for restrained and/or unrestrained foundation/retaining walls, including passive pressures and sliding friction values to resist sliding.

We will present our conclusions and recommendations in a written report that will include a map of boring locations, soil boring logs, and a summary of laboratory tests.

FEE ESTIMATE AND CLOSURE

Task 101 - The fee for Drilling Services listed above will be invoiced on a lump sum basis of \$1,650.00.

Task 102 - The fee for the Geotechnical Report and Laboratory Services listed above will be invoiced on a lump sum basis of \$4,000.00.

TOTAL COST OF DRILLING AND GEOTECHNICAL REPORT SERVICES: \$5,650.00

Olsson is committed to providing quality service to its clients, commensurate with their wants, needs and desired level of risk. If a portion of this proposal does not meet your needs, or if those needs have changed, Olsson stands ready to consider appropriate modifications, subject to the standards of care to which we adhere as professionals. If you have any questions or concerns, please call Dallas Schroeder at 308-398-2996 (office). We look forward to hearing from you and working with you on this project.

G:\Grand Island\Admin\PROPOSAL\DavidCity\DavidCityWaterShopBuildingGEOTECHFEEES030822.docx



Mayor Zavodny stated that the next item on the agenda was consideration of Ordinance No. 1382 Interim City Administrator pay.

Mayor Zavodny said, "In the past we wouldn't have an Administrator and we'd say 'Joan, you're taking on extra duties and we'll throw a little bit of extra money at you' and that probably wasn't exactly the right way to approach that. We're trying to correct that this evening and go through Ordinance. That's why this is presented to you in the manner it is."

Council member Tom Kobus said, "I'm all for that but does she feel like she knows what her responsibilities really are?"

City Clerk/Interim Administrator Tami Comte said, "I'm finding out more and more every day. I get more phone calls and emails. I'm taking the meetings and I didn't come up with this. Jessica called me and asked me a bunch of questions and she did some math."

Council member Jessica Miller said, "I still think that you're selling yourself short. She didn't feel right by taking any more and I told her no less than this amount."

Mayor Zavodny said, "It doesn't seem to be an unreasonable amount and when we've talked about it and her answer out of hand was 'no' and then she reconsidered that. Based on what I've seen, she's been trying to work through all of the issues at the new office and she has sat in on every meeting that we've had with AGP and with other things going on around town. We have a lot going on."

Council member Tom Kobus said, "Is she going to put off what she should be doing?"

Council member Jessica Miller said, "You have Lori who has been stepping up and helping you."

City Clerk/Interim Administrator Tami Comte said, "I'm not making Lori do everything, but I'm teaching Lori how to do things. Lori is doing payroll this month so she can learn how to do that. I've been trying to get to the salary survey, and I haven't had time to do that."

Council member Jessica Miller said, "I think you're juggling just fine. Hopefully, we get some bites here. Hopefully with everything that is going to be happening, people will start looking and that's optimistically speaking."

City Clerk/Interim Administrator Tami Comte said, "I hope so, too."

Council member Bruce Meysenburg said, "I'm not too confident."

City Clerk/Interim Administrator Tami Comte said, "Fremont has been looking for a while and they are in the same boat. Fremont is a lot bigger than we are."

Council member Kevin Woita said, "I saw that there are quite a few other cities that are looking for administrators."

Council member Jessica Miller said, "For the time being I think that this is reasonable and if it gets to be too much, they can always entertain an idea to hire another office lady for you."

Mayor Zavodny said, "Let's be honest, this is a stop-gap measure. Look at how long we looked before, and we've had candidates that see the size of us, and they want bigger. So, it's going to take the right person who wants a small town. I would say that when I listen to what is happening throughout Nebraska with a lot of communities that are just wondering if they are going to be able to hold on and are losing populations, especially the further that you go west there is a population drain. We should consider ourselves fortunate that we are in the position that we are in. Now, it can go south very quickly and the thing that they talked about today is that we need people in the community who will step up and have leadership to get us to where we need to make the decisions to keep us as viable as we've been. It's a fragile existence."

Council member Bruce Meysenburg introduced Ordinance No. 1382. Mayor Zavodny read Ordinance No. 1382 by title. Council member Bruce Meysenburg made a motion to suspend the statutory rule requiring an Ordinance to be read on three separate days. Council Member Jessica Miller seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Absent, Kevin Woita: Yea
Yea: 5, Nay: 0, Absent: 1

Council member Bruce Meysenburg made a motion to pass and adopt Ordinance No. 1382 on third and final reading to set the pay for the Interim City Administrator. Council Member Jessica Miller seconded the motion. The motion carried.

Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Absent, Kevin Woita: Yea
Yea: 5, Nay: 0, Absent: 1

ORDINANCE NO. 1382

AN ORDINANCE OF THE CITY OF DAVID CITY, NEBRASKA TO SET THE PAY FOR THE INTERIM CITY ADMINISTRATOR; REPEAL ALL ORDINANCES OR PORTIONS OF ANY ORDINANCE IN CONFLICT THEREWITH; PROVIDE AN EFFECTIVE DATE; AND PROVIDE FOR PUBLICATION OF THE ORDINANCE IN PAMPHLET FORM.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA:

SECTION 1. The Mayor and City Council of David City, Nebraska, do hereby establish and fix the salary for the Interim City Administrator Tami Comte at **City Clerk base pay plus \$150.00 per month**, after the passage of this ordinance.

SECTION 2. Any and all ordinances, or sections thereof, passed and approved prior to the passage, approval and publication or posting of this ordinance, and in conflict with its provisions, is hereby repealed.

SECTION 3. This ordinance shall be published in pamphlet form and shall be in full force and effect beginning on March 9, 2022.

PASSED AND APPROVED this 23rd day of March, 2022.

Mayor Alan Zavodny

City Clerk Tami Comte

Mayor Zavodny stated that the next agenda item was discussion concerning dogs running at large.

Mayor Zavodny said, "I had this put on here because a citizen approached me about this. I know that I've been public in my declaration of war on crowing chickens but I'm also going to talk to you about dogs a little bit. It seems like we have a lot of dogs and we're going to talk about a balance here, they are big, and they are running around from yard to yard and running around town and people are posting that this dog is here, and this dog is there. My concern is that every dog owner will tell you that their dog has never bitten anyone. But there are children riding bikes and what happens if we have a bad outcome? Like anything else we have some ordinances and there has been discussion about how many dogs you can have and how many cats people can have and how this gets managed. I've thrown it out there for a short discussion and I asked for this to be put on the agenda because this is a public safety issue. There is an argument to be made and we have our ordinance."

Council member Jessica Miller said, "I think it needs to be made public knowledge of what the ordinances are because with people moving into town and I have new neighbors and they don't know that their dogs are supposed to be on a leash. Not everybody is going to look up to see what all the ordinances are."

Council member Pat Meysenburg said, "I think a bigger issue is people having more than three animals in their house."

City Clerk/Interim Administrator Tami Comte said, "The one that had the issue has four dogs but one of them is sixteen years old."

Council member Pat Meysenburg said, "Doesn't the ordinance say that you can only have three animals?"

City Clerk/Interim Administrator Tami Comte said, "Yes, but if they had them at the time the ordinance was passed, they were grandfathered."

Mayor Zavodny said, "If they had that number. Getting a puppy once you have three dogs...."

City Clerk/Interim Administrator Tami Comte said, "Right. Lori, is this in our brochure?"

Deputy City Clerk Lori Matchett said, "Yes, it is."

City Clerk/Interim Administrator Tami Comte said, "We hand everybody a 'Welcome to David City' brochure when they sign up for service. We try to give them all of the pertinent information. If they read it, they should know."

Mayor Zavodny said, "Well, here's what I want to say about this. I think our ordinance, and I've read it several times, at our Interim City Administrator's suggestion, it covers what we need to have covered but it's not working. Here's where I'm going to give a little bit of a pass to the Sheriff's department, and yes, they would be the enforcement part of it, but I also see that they do take animals to the veterinarian and is this the best use of that time? Because they would be doing that an awful lot. You're not going to dedicate a trained law enforcement officer to be on dog patrol all of the time. It's responsible owners and how do we have dogs wandering all over the town? The owner would probably be liable, but what if some little child gets bitten or knocked off their bike and gets hurt or hits their head? I think that if we don't do anything else with this agenda item tonight, that we raise awareness to be responsible for your dog or cat."

Council member Bruce Meysenburg said, "How many dogs are actually licensed?"

City Clerk/Interim Administrator Tami Comte said, "The dogs in question were not licensed until one of the deputy sheriffs went and talked to this person and she also came in and got a permit to put up a fence, she licensed her dogs and she's paying the vet bill for the dog that was attacked."

Council member Tom Kobus said, "I think that most people would be responsible for their animals it's just that they don't get pushed to do it."

Mayor Zavodny said, "I don't think it matters what size it is. Little ones like to bite, and they are almost worse than the big ones. Sheriff, do you have an opinion on this? Is this a complaint that you hear fairly often?"

Sheriff Tom Dion said, "It is a complaint that we hear quite often. We do take them down to Bar-S when we catch them, and a citation is issued."

City Clerk/Interim Administrator Tami Comte said, "Then they have to get a license before the dog is released."

Sheriff Tom Dion said, "Right. They have to get a license and a vaccination."

City Clerk/Interim Administrator Tami Comte said, "That is State law. We require them to show us proof of vaccination before we issue a license. Like I said, that is State Statute."

Mayor Zavodny said, "I've read your report and I've seen 'Dog at Large' on it a couple of times. Do you have any idea how many you round up in a month?"

Sheriff Tom Dion said, "It varies. I'll be honest with you. A lot of times when we go out to look for them, they will be back in their yard and then we can't do anything. We have contact with the owner and sometimes they have the underground fence but sometimes the dogs will go through that. The incident that we're talking about tonight, I do know about that one. I've seen those dogs out quite often and they are normally out with the owners. It was just an incident that they saw a target. It was very unfortunate."

Mayor Zavodny said, "For that incident. There's some where they said that they saw them at Northside and then the next sighting they are at the park. So, they are just running willy-nilly around. We're just discussing. There's no action that we're going to take. Raising awareness is important."

Special Projects Coordinator Dana Trowbridge said, "What is the average fine? What is the fine for your dog running loose? Obviously, it's not much of a deterrent. If we had an 'oh, my god' penalty, it would probably catch their attention so they wouldn't want to do it again."

Mayor Zavodny said, "That was a thought that I had."

Sheriff Tom Dion said, "Actually, the fine is progressive. I don't have it front of me."

City Clerk/Interim Administrator Tami Comte said, "We did just raise the fines."

Mayor Zavodny said, "We did it to be a deterrent. It's something that we may want to look at if it continues to be a big problem. I think that we need to be aware that is something going on so my last nine month, I guess, chickens and now dogs are on my list of things that we need to make sure that we take a look at."

Council member Bruce Meysenburg said, "If we could keep them from barking it would be a good thing too."

Mayor Zavodny stated that the next item on the agenda was consideration of approving the quote for repairs to the number six engine at the power plant.

Power Plant Supervisor John Smaus introduced himself and said, "I gave Tami a list of priorities as far as repairs and this was number one on the list. It's going to be the most expensive."

City Clerk/Interim Administrator Tami Comte said, "That was with the budget, I believe."

Power Plant Supervisor John Smaus said, "Yes. I got an email today from Cat and they said that they were having problems finding the parts. The connecting rod bearing shows none world-wide."

Council member Tom Kobus said, "How do you know that's all that's wrong with it once you tear into it?"

Power Plant Supervisor John Smaus said, "We don't. The tech came out and we scoped it and we checked all of the cylinders, and this was the only one that had scarring on it. Everything else internally looked good. Until we get the head off, we won't know what else could be wrong."

Mayor Zavodny said, "For my part, I would say when John called all I could think was the worst, but this was relatively good news and what I said was that if we are going to spend this money, we need to bring it before the Council to discuss. This is part of our ability to keep our NPPD payment at the level that it's at by keeping these running. I told him that I just don't ever see us replacing these ever. It would be cost prohibitive, and you never get your return on your investment. We keep them and run them as long as we can to keep in compliance with our NPPD agreement and if we take it off and find out that there's a hundred thousand of repairs

and then getting the parts, I told John in our discussion that my concern is those older engines because those parts may not exist. We may not be able to repair them at some point.”

Council member Tom Kobus said, “Do you need that motor?”

Power Plant Supervisor John Smaus said, “If we don’t have that one it is one point six megawatts off of the capacity, so yes, we’d be docked. The batteries on there are batteries that we currently have on all of the engines are eight years old. Cat recommendations are three years. I thought two thousand dollars was a pretty good price. I was thinking that they might be four or five hundred dollars a piece.”

Mayor Zavodny said, “We’re on bonus time on those. So, they can’t find it world-wide, did they give you any idea? What is our solution?”

Power Plant Supervisor John Smaus said, “He’s going to get back to me next week. There are some other parts that are three to four weeks out, the solar pack and stuff like that. There was a reseal on the coolant pipe and as long as they bring the parts I plan on doing that one. That’s another nine hundred dollars and you can knock off the bill. This is a very popular engine, so it really surprised me that it wasn’t available.”

Council member Kevin Woita said, “It probably wasn’t available right at the moment.”

Mayor Zavodny said, “Manufacturing needs to catch up? Is that what I’m hearing? So, we’re guessing that they had a stock of them and maybe production shut down for x amount of time and they sold everything?”

Power Plant Supervisor John Smaus said, “I haven’t talked to them about what the issue is but I’m going to call them tomorrow and figure out some details and hopefully get some answers.”

Mayor Zavodny said, “To me, for this dollar amount, it’s worth the gamble. If it ends up costing more and it’s cost prohibitive, then we take our reduction.”

Power Plant Supervisor John Smaus said, “I think it needs to be done and I strongly suggest that we spend the money to do it and I’m willing to do it. I know that number five had some substantial work done a while back. I’m not sure when. Pat, do you know?”

Electric Supervisor Pat Hoefft said, “I think it was 1998 or around there.”

Mayor Zavodny said, “Do you want to talk to them about the fuel line leak and some of the smaller items?”

Power Plant Supervisor John Smaus said, “There’s some smaller stuff that I’m still working on like pumps and stuff that need to be rebuilt that I’m still working on. I’m in the process of going through those but those are the original pumps and so it’s kind of hard to find parts for them. Those have been leaking for who know how long. Once you get into it the corrosion on them is pretty substantial so the further in you get, the worse it gets.”

Council member Tom Kobus said, “How are the old engines holding up?”

Power Plant Supervisor John Smaus said, "They purr like kittens. They're quiet and they run good. We don't have too many issues with them."

Mayor Zavodny said, "When something goes wrong with the old ones our issue will be finding parts for them. Thank you for everything that you've done."

Council member Kevin Woita made a motion to approve the quote for repairs to the #6 engine at the power plant. Council Member Bruce Meysenburg seconded the motion. The motion carried.

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

Yea: 5, Nay: 0, Absent: 1

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Steve Altstadt
Power Systems PSSR
 Cell: 402-763-7208
 Email: stevealtstadt@nmcpower.com



Desk: 402-891-7639
 Fax: 402-891-7730

Customer: David City
 _____ QUOTE NUMBER SA2152 **Date:** 18-Mar-22

Contact: John Smaus 402-367-3138 power01@windstream.net

We are pleased to submit the following estimate for your consideration.

| | | | |
|-------------------------|-------------------|----------------------------|-----------|
| Make CATERPILLAR | Model 3516 | Serial No. 25Z04929 | #9 |
|-------------------------|-------------------|----------------------------|-----------|

RE: Repair Scored Cylinder

NMC proposes repairing the scored cylinder. NMC will lock out/ tag out the generator set. The engine cooling system will be drained and kept for reuse. NMC remove the cylinder head to gain access to the cylinder liner and piston. NMC will remove a side cover of the engine to gain access to the crankshaft and connecting rod. NMC will replace the cylinder pack with a new connecting rod bearing and piston cooling jet. NMC will use new gaskets and seals and reinstall the existing cylinder head. A new injector will be installed with new seals and bolt. Once everything is replaced, NMC will add the engine coolant back to the system and verify the repair and that there are no leaks. NMC will perform a full overhead valve adjustment.

RE: Reseal Coolant Pipe

NMC proposes resealing a coolant pipe that is between a cylinder head and coolant manifold with new oring seals on a different engine. The engine coolant will be drained down and the pipe removed. The existing coolant will be added back to the system.

RE: Batteries

NMC will provide (6) size 8D CAT maintenance free batteries to the customer.

Optional: Replace Cylinder Head Assembly

Once the head is removed, we will know if the cylinder head needs replaced.

| | |
|--|--------------|
| Repair Scored Cylinder | \$ 12,465.00 |
| Reseal Coolant Pipe | \$ 902.00 |
| Batteries | \$ 2,024.04 |
| Optional: Replace Cylinder Head Assembly | \$ 1,357.38 |
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| | |

GRAND TOTAL: \$16,748.42

This estimate is based on visual inspection, it is only an estimate. Additional repair work resulting in incremental charges will not be performed without prior customer approval. All repairs are subject to State and Federal taxes, plus freight charges for non stock parts. Applicable taxes not included. Labor rates quoted are for normal business hours Monday through Friday.

| | |
|----------------------------|--|
| ACCEPTED BY _____ | THIS ESTIMATE IS VALID UNTIL 17-Apr-22 |
| TITLE _____ | |
| DATE: _____ P.O. NO. _____ | |
| | Steve Altstadt NMC POWER SYSTEMS |

Council member Pat Meysenburg made a motion to adjourn. Council Member Kevin Woita seconded the motion. The motion carried.
Tom Kobus: Yea, Bruce Meysenburg: Yea, Pat Meysenburg: Yea, Jessica Miller: Yea, John Vandenberg: Absent, Kevin Woita: Yea
Yea: 5, Nay: 0, Absent: 1

CERTIFICATION OF MINUTES

March 23, 2022

I, Tami Comte, duly qualified and acting City Clerk for the City of David City, Nebraska, do hereby certify with regard to all proceedings of March 23, 2022; that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and available for public inspection at the office of the City Clerk; that such subjects were contained in said agenda for at least twenty-four hours prior to said meeting; that the minutes of the meeting of the City Council of the City of David City, Nebraska, were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; that all news media requesting notification concerning meetings of said body were provided with advance notification of the time and place of said meeting and the subjects to be discussed at said meeting.

Tami Comte, City Clerk