
City of Grand Island



Tuesday, November 7, 2017
Study Session Packet

City Council:

Linna Dee Donaldson
Michelle Fitzke
Chuck Haase
Julie Hehnke
Jeremy Jones
Vaughn Minton
Mitchell Nickerson
Mike Paulick
Roger Steele
Mark Stelk

Mayor:

Jeremy L. Jensen

City Administrator:

Marlan Ferguson

City Clerk:

RaNae Edwards

7:00 PM
Council Chambers - City Hall
100 East 1st Street

Call to Order

This is an open meeting of the Grand Island City Council. The City of Grand Island abides by the Open Meetings Act in conducting business. A copy of the Open Meetings Act is displayed in the back of this room as required by state law.

The City Council may vote to go into Closed Session on any agenda item as allowed by state law.

Invocation

Pledge of Allegiance

Roll Call

A - SUBMITTAL OF REQUESTS FOR FUTURE ITEMS

Individuals who have appropriate items for City Council consideration should complete the Request for Future Agenda Items form located at the Information Booth. If the issue can be handled administratively without Council action, notification will be provided. If the item is scheduled for a meeting or study session, notification of the date will be given.

B - RESERVE TIME TO SPEAK ON AGENDA ITEMS

This is an opportunity for individuals wishing to provide input on any of tonight's agenda items to reserve time to speak. Please come forward, state your name and address, and the Agenda topic on which you will be speaking.



City of Grand Island

Tuesday, November 7, 2017

Study Session

Item -1

OpenGov Presentation

Staff Contact: William Clingman

OpenGov & Grand Island

Jason Carian
(760) 880-8739
jcarian@opengov.com
OpenGov, Inc., 955 Charter Street, Redwood City, CA 94063



Executive Summary

1600+
GOVERNMENTS

48
STATES

\$10 trillion
ANALYZED

OpenGov is the leader in government performance management, with easy-to-use cloud software for better budgeting, improved operational intelligence, and comprehensive open data. OpenGov solutions give governments the right tools and relevant data for more informed decision-making and better outcomes for the public.

The **OpenGov Smart Government Cloud™** is the world's first integrated cloud-based solution for budgeting, reporting and operational intelligence, and open data. OpenGov transforms government financial and non-financial performance data — often confined to static documents and spreadsheets that are unreadable to non-financial professionals — into intuitive, interactive intelligence for both internal government employees and citizens. OpenGov is presenting the following solutions, all of which are integral components of the Smart Government Cloud™, to the City of Grand Island for consideration: OpenGov Budget Builder™, OpenGov Budget Book™ powered by wDesk.

OpenGov Budget Builder™ allows governments to strategize and budget more effectively by empowering key stakeholders across the organization to collaborate on budget proposals in one integrated solution. Instead of worrying about spreadsheets, emails, and conflicting versions of proposals, department heads and staff can easily share, modify, and approve online proposals - empowering them to focus on strategy rather than clerical work. OpenGov Budget Builder integrates seamlessly with OpenGov's management reporting solutions, enabling governments to make better data-driven decisions and share progress with elected officials and the public.

OpenGov Budget Book™ powered by Wdesk makes creating your budget document easier than ever. Delivered as Software-as-a-Service, OpenGov Budget Book™ powered by Wdesk is an online workspace to manage the document creation process. Collaborate, edit, and publish your budget book without the headache of conflicting versions, tedious manual updates, or recreating graphs and tables. Because it works with OpenGov Budget Builder™ - the definitive solution for smart, streamlined budgeting - your team will be able to build better budgets and allocate resources to your most important strategic projects.

The OpenGov ROI

- Improved **spending power**
 - Better budget decisions and process
 - Better visibility into current year and month budgets and actuals
 - Better insights from other governments around the world
 - Better financing terms
- Internal **efficiency**
 - Reduce staff interruptions
 - Streamline budget and comparisons processes
 - Improve internal and external collaboration
 - Automate data presentation & analysis
- Better citizen **engagement** and **transparency**
 - Engaging, interactive public reports
 - Ability to tell your whole story

Customers have told us they have achieved:

- 50% reduction in staff hours required to create the budget
- Finishing their budget a full month earlier than in prior years
- Freed up 1% or more of their budgets for re-allocation
- 180 hours per year reduction in time spent producing internal reports
- Tens of thousands of dollars saved in time and consulting fees to compute comparisons and benchmarks
- Millions of dollars saved due to better financing terms (bond ratings)
- 90% reduction in cost of maintaining external transparency sites
- 3x increase in online citizen engagement

The OpenGov Advantage

- Easy to use and understand, even for non-technical users
- Minimal training required
- Internal data analysis
- Web-based solution available anytime, anywhere (PC, tablet, smartphone).
- Visualize both financial and performance data
- Specialized for complex, multi-fund financial data
- Compatible with all financial systems
- Rapid deployment (launch within weeks)

About OpenGov

OpenGov is the leader in government performance management, with easy-to-use cloud software for better budgeting, improved operational intelligence, and comprehensive open data. OpenGov solutions give governments the right tools and relevant data for more informed decision-making and better outcomes for the public.

OpenGov bolsters governments' strategic efforts through every stage of the government management lifecycle. OpenGov helps governments build a strategic plan, report and analyze progress against the strategic plan, and effectively communicate this progress to the public. To achieve these objectives, OpenGov has created an inside-outside platform which allows all data, analysis, and reports to be kept purely personal, shared privately with internal government staff, or published widely for public consumption.

OpenGov's platform is the only internal management reporting and budgeting solution that understands and integrates complex, multi-fund financial data and non-financial performance data from multiple sources. OpenGov's software allows the user to effortlessly explore a government's data to uncover new insights. OpenGov is built upon government's unique financial structure (the Chart of Accounts) so the data displayed on OpenGov has the same structure as the government's financial system. This feature is unique to OpenGov and enables all stakeholders to collaborate within a single source of truth. OpenGov empowers governments to easily engage with their constituents, to benchmark their finances against similar and nearby governments, and to efficiently create and share internal reports, saving government staff countless hours.

OpenGov provides one solution for budgeting across the organization, optimizing internal and external reporting, and sharing performance measures or other datasets. Moreover, the OpenGov Network™ connects organizations and leverages data science to enable better decision-making through improved collaboration and benchmarking. Real-time data feeds of internal and externally available financial and performance data enable data-driven decision-making and display information in context (e.g., scaling data on a per capita basis) without requiring manual effort.

Government Partners

OpenGov currently serves over 1,600 governments ranging in size from large states and cities like the State of Missouri; Washington, DC; and Minneapolis; to mid-size cities and counties like Wright County, MN; Lawrence, KS; and Columbus, OH; and smaller cities including Blue Springs, MO; Lenexa, KS; and Grand Forks, ND.

In Nebraska, OpenGov recently partnered with the **City of Lincoln** to streamline their Budgeting and Reporting processes.



OpenGov is the leader in government performance management solutions

1600+
CUSTOMERS

48
STATES

\$10 Trillion+
ANALYZED



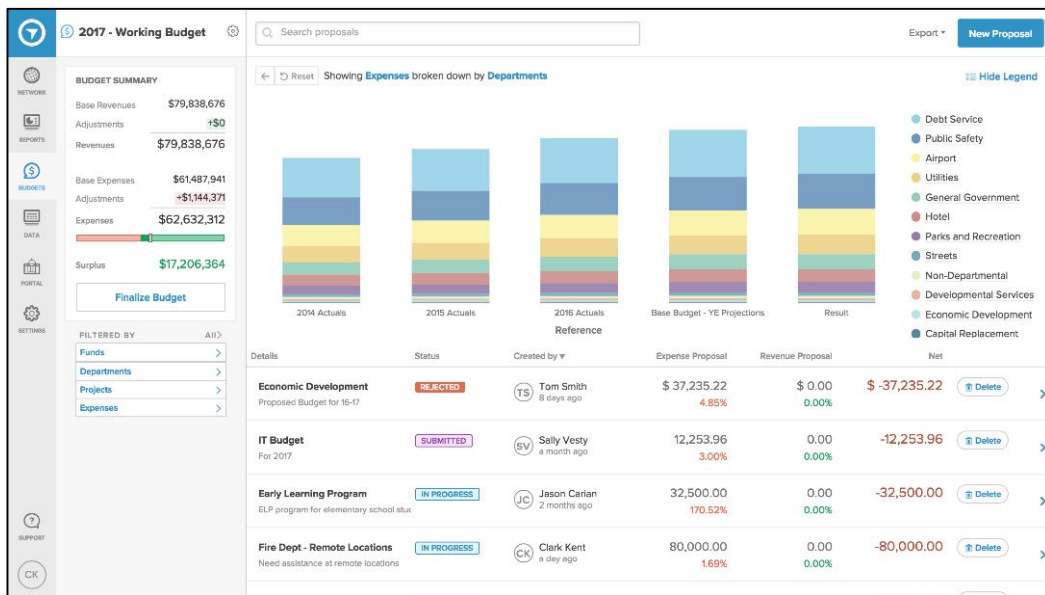
The OpenGov Solution

The Smart Government Cloud™

OpenGov's Smart Government Cloud™ is an integrated solution, composed of powerful applications built on the OpenGov Platform™, which powers the government management lifecycle. The following applications can be purchased together or separately, in any combination, depending on your needs:

OpenGov Budget Builder™

OpenGov Budget Builder™ is the definitive solution for smart, streamlined budgeting. OpenGov Budget Builder ensures a collaborative, coordinated budget process by offering a central place for your departments to submit proposals, budget teams to review submissions, and managers to present the budget to elected officials.

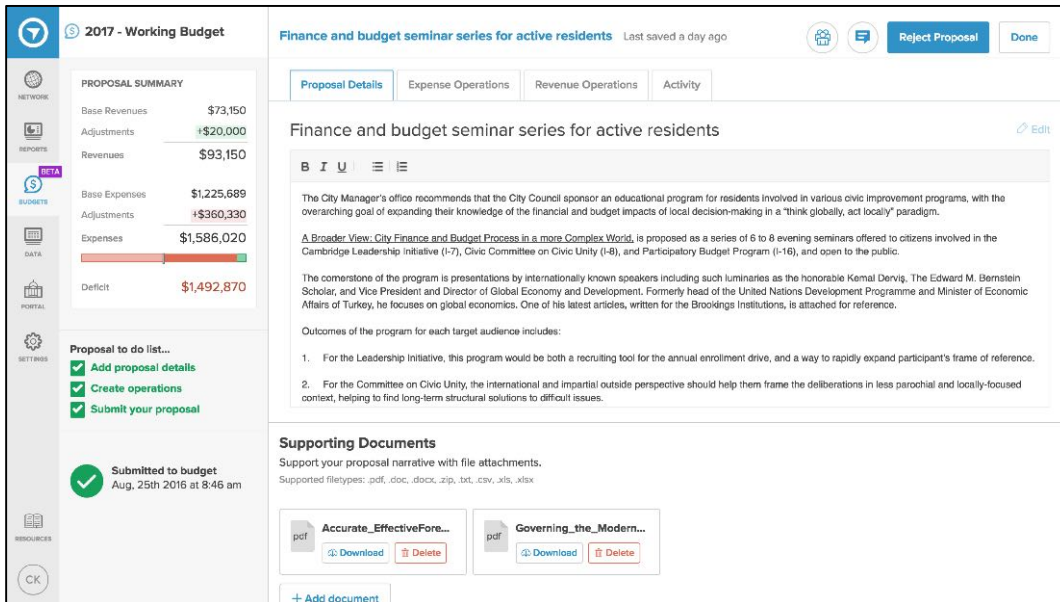


Collaborate More Effectively and Efficiently

Create one central and safe budget repository – OpenGov Budget Builder is the authoritative source for all stakeholders in the budget process, allowing them to record and track all comments, adjustments, approvals and rejections for budget proposals.

Enable everyone to see current numbers anytime, anywhere – Engage stakeholders throughout the budget process with real-time access and dynamic reporting when and where they need it.

Reduce confusion from email and Excel – Online commenting, automated notifications, and status reminders ensure key stakeholders meet deadlines, stay informed, and collaborate in context without the need for multiple email threads or conflicting spreadsheet versions.



The screenshot displays the OpenGov Budget Builder interface for the 2017 Working Budget. On the left, a sidebar contains navigation icons for Network, Reports, Budgets, Data, Portal, and Settings. The main content area is divided into two sections: 'PROPOSAL SUMMARY' and 'Proposal Details'.

PROPOSAL SUMMARY

Base Revenues	\$73,150
Adjustments	+\$20,000
Revenues	\$93,150
Base Expenses	\$1,225,689
Adjustments	+\$360,330
Expenses	\$1,586,020
Deficit	\$1,492,870

Proposal to do list...

- Add proposal details
- Create operations
- Submit your proposal

Submitted to budget
Aug. 25th 2016 at 8:46 am

Proposal Details for 'Finance and budget seminar series for active residents' (Last saved a day ago). The proposal text includes a recommendation from the City Manager's office to sponsor an educational program for residents, a broader view of the City Finance and Budget Process, and a list of speakers and outcomes. Supporting documents include 'Accurate_EffectiveFore...' and 'Governing_the_Modern...'. Buttons for 'Reject Proposal' and 'Done' are visible at the top right.

Improve Decision-Making

Enable deeper analysis – Identify trends and understand historical performance with financial and non-financial data in OpenGov Intelligence™. Automatically compare budget requests against previous year's' budgets and actuals.

Engage elected officials – Engage elected officials throughout the budget process with dynamic reporting, such as the Budget Milestones report. Increase the odds of elected official buy-in by having all your supporting documents in one easy-to-reference location. Show the impact of budget proposals and easily reference prior trends.

Generate reports with a click of the mouse – Easily generate reports and “slice and dice” across your chart of accounts with a click of a mouse and OpenGov’s multi-fund reporting capabilities to get the most insight into your current financials and the effects of new proposals.

Improve Outcomes with One Integrated Solution

OpenGov Budget Builder™ works seamlessly with OpenGov’s management reporting, operational intelligence, and transparency solutions. Instead of generating static spreadsheets and manually tabulating columns, instantly generate summary reports, then drill into those reports with the click of a button. OpenGov’s multi-fund reporting capabilities let you “slice and dice” across your chart of accounts to get the most insight into your current financials and the effect of new proposals. From breaking down information silos to getting better operational intelligence, engaging citizens, and improving the budget process, OpenGov is the integrated solution for improving the government management lifecycle.

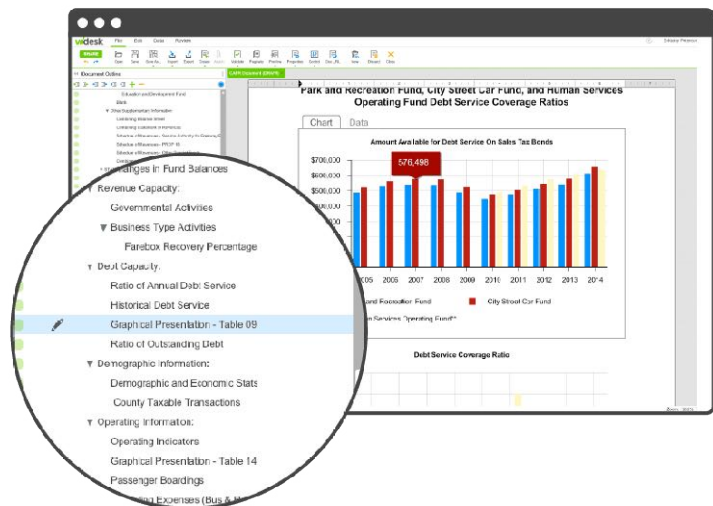
OpenGov Budget Book™ powered by Wdesk

OpenGov Budget Book™ powered by Wdesk makes creating your budget document easier than ever. Delivered as Software-as-a-Service, OpenGov Budget Book™ powered by Wdesk is an online workspace to manage the document creation process. Collaborate, edit, and publish your budget book without the headache of conflicting versions, tedious manual updates, or recreating graphs and tables. Because it works with OpenGov Budget Builder™ - the definitive solution for smart, streamlined budgeting - your team will be able to build better budgets and allocate resources to your most important strategic projects.

Collaborate More Effectively and Efficiently

Empower Stakeholders – OpenGov Budget Book™ powered by Wdesk empowers stakeholders from across the organization to contribute as needed on an easy-to-use, online platform, just like creating the budget itself in OpenGov Budget Builder™.

Comment in Context – Stakeholders, from analysts to department heads and more, can easily view and comment on the draft budget document in context, instead of over email or in multiple versions, fostering better communication and faster collaboration.

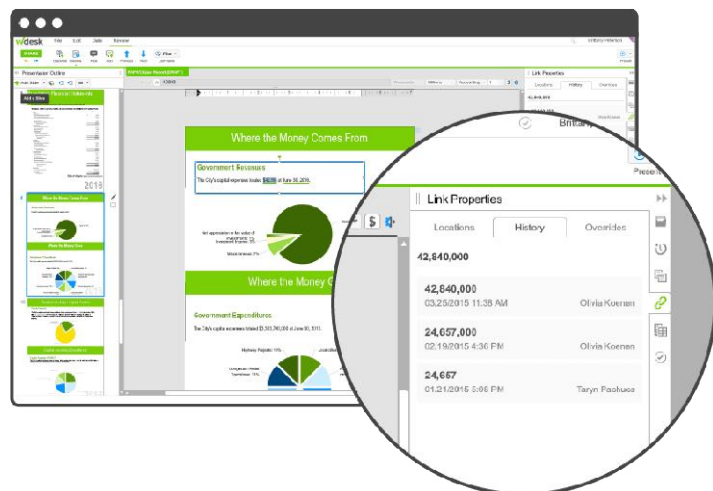


Reduce confusion from email and Excel – OpenGov Budget Book™ powered by Wdesk removes and automates manual work. OpenGov brings all your information together in one collaborative platform, eliminating the need for lengthy email exchanges and empowering you to analyze information at a higher level.

Focus on Strategy, Not Clerical Work

Control the Narrative – Enhance the written narrative and better communicate strategic goals, organizational priorities, decision-making processes by reallocating time spent on manual data updates.

Reallocate Time to High-Priority Projects – By streamlining the budget creation and document publishing process, OpenGov's end-to-end budgeting solution allows you to reallocate time to other high priority projects.



Create a Single Source of Budget Truth

One Collaborative, Definitive Document – Instead of maintaining multiple versions for multiple departments and manually merging changes, the entire team can iterate on one collaborative, definitive document.

	2013 Actual	2014 Estimated	2015 Recommended
3 Cash Flow From Financing Activities			
4 Receipts from customers	8,637	9,317	7,406
5 Payments to suppliers	(4,966)	(5,057)	(4,522)
6 Payments to employees	(3,715)	(3,951)	(3,523)
7 Interest on debt			
8 Interest on notes payable	(387)	(393)	(393)
9 Net cash provided (used) by financing activities			
10			
11 Cash Flow From Noncapital Financing Activities			
12 Operating income received	(263)	(263)	8,496
13			
14 Net cash provided (used) by operating financing activities			(5,059)
15			
16 Cash Flow From Capital Financing Activities			
17 Issuance of debt			
18 Payments on capital assets acquired through construction			
19 Acquisition and construction of capital assets			
20 Proceed from capital debt			(1,190)
21			
22 Net cash provided (used) by capital financing activities			(747)
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Maintain an Automatic Audit Trail and Versions – Edit, revise, and comment on one central document that evolves over time. Because all changes are saved online, you can always see or restore some or all content from older versions. Only authorized users can make changes, all of which are automatically logged.

Web-Based and Secure – Delivered as web-based Software-as-a-Service (“SaaS”), OpenGov Budget Book™ powered by Wdesk is always backed up and secure online, providing access to authorized users from anywhere at any time without worrying about local network security settings or maintaining on-premise hardware.

Build a Sustainable and Repeatable Process

Easily Configure Once, Receive Years of Benefits – We take care of creating the document template and equip your team with world-class support. Unique data linking gives you a framework for years of use, significant gains in productivity, and fewer headaches.

	Federal OFDA Number	Grants
1 U.S. Department of Transportation		
2		
3		
4 Federal Transit Center	20-000	CA-00-0100
5 Federal Transit - Capital Investment Grants	20-000	CA-00-0100
6 Federal Transit - Capital Investment Grants	20-000	CA-00-0100
7 Federal Transit - Capital Investment Grants	20-000	CA-00-0100
8 Federal Transit - Capital Investment Grants	20-000	CA-00-0100
9 Federal Transit - Capital Investment Grants	20-000	CA-00-0100
10 Federal Transit - Capital Investment Grants	20-000	CA-00-0100
11 Federal Transit - Capital Investment Grants	20-000	CA-00-0100
12 Federal Transit - Capital Investment Grants	20-000	CA-00-0100
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Preserve Institutional Knowledge – You don't lose institutional knowledge with staff turnover, and new staff are easier to train and integrate with all your information in one easy-to-use platform.

Our Expertise

Our Government Finance Solutions (GFS) team is composed of former Finance Directors, Budget Directors, and government CIOs to ensure successful product delivery, implementation, and long-term support for the City of Grand Island.

Experts in Government Finance and Budgeting



Mike McCann
Vice President,
Government Finance
Solutions

- Finance Director, Ukiah, CA
- Assistant Finance Director, Monterey, CA
- CFO at numerous startups and non-profits



Charlie Francis
Director, Government
Finance Solutions

- Director of Administrative Services and Treasurer, Sausalito, CA
- Finance Manager, Colma, CA
- CFO and Acting City Manager, Indian Wells, CA and Tracy, CA
- GFOA Budget Reviewer



Adam Stone, CPA
Solutions Engineering
Manager

- Controller, Greenwood, IN
- Financial Advisor, Stonepath Financial



Kent Hudson
Subject Matter Expert,
Enterprise Systems
Integrations

- Corporate Director of Strategic Projects, Tyler Technologies
- President, Tyler Public Safety, Tyler Technologies
- Finance Director & Assistant City Manager, Vernon, TX



Craig White
Government Finance
Technology Consultant

- Finance Director, Chesterfield, MO
- Audit Manager, RubinBrown, LLP

OpenGov's experienced experts in government finance and budgeting will help you streamline your budget process from planning through publication

CONFIDENTIAL

Lawrence, KS Builds Budget in OpenGov to Save Time and Streamline Process



AGENCY TYPE
City Government

POPULATION
95,000

ANNUAL BUDGET
\$189 Million

Lawrence, Kansas is a vibrant, educated community centered around the University of Kansas and Haskell Indian Nations University. The University of Kansas employs 11,000 people and educates 28,000 students, while Haskell Nations is the country's only inter-tribal Native American University, representing more than 150 tribes. These institutions, among other metropolitan amenities, provide the City with rich cultural and academic identity. Contending with a small and shrinking Finance Department, Lawrence's team sought a way to make its budget process more efficient.

Finance Department Struggles to Provide Increased Information with Limited Staff

Lawrence's Finance Director, Bryan Kidney, had experienced a few years of departmental transition and the loss of an Assistant Finance Director due to budget constraints. "We do a lot, but there are only so many of us to do it," he noted. "There are things we wanted to do, but quite honestly, we just didn't have the time or staff to do them."

Kidney knew automating some of his team's processes, especially budgeting, would help them do more with less. Therefore, they adopted OpenGov Budget Builder™. "We came across OpenGov and saw that it was going to allow us to do a lot of the things we wanted to," he said. For instance, the City's financial management system, which happened to include a budgeting application, had been driving Lawrence's budget process. However, it required multiple static spreadsheets and manual, time-consuming data manipulation. "Before OpenGov Budget Builder, we spent many, many nights of trying to crunch and verify numbers," Kidney explained. "If we made a change in one fund, it didn't roll up into the other summary reports, so we were spending a lot of time just putting data together."

"Before OpenGov Budget Builder, we spent many, many nights of trying to crunch and verify numbers."

BRYAN KIDNEY
Finance Director



Lawrence's shrinking finance team adopted OpenGov Budget Builder because they sought to make the budget process more efficient. (Image: iStock)

Implementing OpenGov to increase internal information access and save staff time was quick, easy, and a success with City staff. “I really appreciate how quickly we were able to get it up and going,” Kidney noted. “The install was quick, and we were up and running. It has been a hit in our organization.” Kidney also valued the ease of training the departments to use the platform, and the OpenGov team’s availability to respond to technical questions. “The OpenGov staff is very excited about being able to provide this tool quickly, efficiently, and cost-effectively. They are just passionate about getting good information out to the people,” he said.

Time Savings Realized with OpenGov

Before implementing OpenGov, Kidney and his team primarily used spreadsheets to develop the budget, share it with the public, and provide reports to elected officials. “Before OpenGov, we

were doing a lot of things manually, including trying to put graphs together. Anything we provided to the decision-makers had to be done in spreadsheets,” Kidney explained. “But since OpenGov, the entire graphic interface and the ability to drill down is completely automatic. It’s saving us a lot of time, and since we don’t have a lot of time, it’s very beneficial.”

“OpenGov has given us back our nights and weekends.”

BRYAN KIDNEY
Finance Director

Kidney noted that OpenGov alleviated significant stress on his team, many of whom have young families but stayed at the office until 10:00 pm or 11:00 pm each night during budget season. “OpenGov has given us back our nights and weekends,” Kidney said. “After OpenGov, there were weekends when I thought, ‘Oh, last time at

this year I was in the office trying to figure out why one number wasn't tying to another number.' The time saved is considerable."

OpenGov also allowed Kidney to focus on higher priority tasks, something critical to Lawrence because large debt issuances were occurring during the budget process. "I wear a lot of hats," Kidney noted. "The automation of OpenGov allowed me to focus on those things a finance director should be focused on, instead of spending time trying to make spreadsheets tie together."

Operational Efficiency Enhanced

Kidney credits OpenGov Budget Builder with creating new internal efficiencies for the City. Real-time access to budget figures has empowered department heads to edit and make changes on their own, something made simple through the product's user-friendly interface. "OpenGov is intuitive; it's easy," Kidney said. "It's easy to explain to departments because it's very visual. One of the biggest benefits for me is that departments are able to go in and see how we've changed their initial requests without having to get into my spreadsheets." The history OpenGov helps tell has proven instructive and useful for department heads, as they can easily track their requests and changes over time.

Likewise, OpenGov enabled Kidney and other staff members to present data to stakeholders more effectively than in the past. With the click of a button, staff can create visualizations that tell their story, while allowing them to be flexible with how to best to showcase their information. "If I were doing this in any other application," Kidney said, "it would be a major issue to create

graphs and then go back and change those graphs or change how I want to present something. But with Opengov, I can literally just go in and click to make a graph, and I automatically have consistency across all my departments." This flexibility allows Kidney to test different methods of communication and adopt one approach if it works better than the others.

"OpenGov is intuitive. It's easy."

BRYAN KIDNEY
Finance Director

With OpenGov, the City is able to run new reports that provide staff and officials alike the ability to conduct trend analysis. Elected officials, for example, can see total expenditures across all departments, which enables the staff to tell the story of why something might cost more over time. "It is very easy for us to show, for example, total expenditures across all departments as a graph. The governing body can actually take a look at it," he said.

Lawrence Leverages the OpenGov Network

Kidney says he benefits from the OpenGov Network, which provides access to reports governments make available to one another in OpenGov. It is full of unique examples of how other cities are successfully utilizing the platform. "It's fun to explore the Network and see what other communities are doing," Kidney said. "Very easily, you can see what other people in your state are doing and even pick up the phone and contact them. The idea is that it's not just me thinking about what I can do with data. It's

also a lot of people creating different reports and using OpenGov in ways I never would have thought of.” For example, Kidney discovered reports on police and fire calls in the OpenGov Network, which he is passing along to his fleet manager for consideration.

Lawrence has gained a reputation for being cutting-edge in how it leverages technology,

especially amid strained resources. “We’re a small department trying to provide a lot of information,” Kidney said. “I’m relying on technology. As other cities face budget cuts, I hope they look to us to see that if Lawrence can do this, they can, too.”



Using OpenGov Budget Builder saved the finance team time, giving them back their nights and weekends during budget season. (Image: Wikimedia Commons)

RESULTS

- ✓ **Significant Staff Time Saved.** Using OpenGov Budget Builder gave Lawrence’s finance team their nights and weekends back during budget season.
- ✓ **Finance Director Able to Focus on Strategic Priorities.** The time saved using OpenGov enabled the Finance Director to focus on critically important bond issuances that overlapped with the budget’s development.
- ✓ **History and Trends Help Tell the Story.** Department heads are able to see their budget requests and changes over time, and elected officials can examine expenditures across funds and spot relevant trends easily.



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City of Grand Island

Tuesday, November 7, 2017

Study Session

Item -2

Husker Harvest Days Project

Staff Contact: Marlan Ferguson

Husker Harvest Days, the World's Largest Totally Irrigated Working Farm Show is now 40 years old and is experiencing infrastructure issues, lot size issues and lack of modern facility issue. For several years Farm Progress has been discussing with the private companies, Agriculture Institute of Nebraska, City, County, Chamber and other entities their concern of losing the Show to another location or the show becoming a regional rather than a National/International Show. Farm Progress has identified 7 million dollars of infrastructure and modern upgrades that need to be completed. They have asked the City to contribute 2 million dollars of that from the Food and Beverage tax. The economic impact of this show is estimated to be 7.5 million annually. Although it is a three day show, exhibitors are in the community often times 2 weeks in advance and a week or more afterwards. Since it is a National Show the Corporate Headquarters of such companies as John Deere bring in equipment and personnel to handle the show and they are staying in the community for 2 to 3 weeks, thus the added impact.

Farm Progress is committed and ready to start on the upgrades as soon as they are assured of the City's participation. Since this area is outside of the City Limits it has been determined that the best legal process for the City to contribute funds would be for the City to approve a redevelopment plan for the project and enter into an Interlocal Agreement with the Community Redevelopment Authority to provide partial funding for the project. The attached memo from Jerry Janulewicz, details how and why this transfer can occur to fund private improvements within the redevelopment area.

As proposed the interlocal agreement would authorize the City to contribute up to \$200,000 per year for 10 years beginning in fiscal year 2019 to the CRA and the CRA would pay those funds to Farm Progress to cover up to \$2,000,000 of the costs of the proposed improvements at the site. The CRA would enter into a redevelopment contract with Farm Progress for a period of 20 years. Farm Progress will agree to continue to hold at least one 3 day farm show on the site for a 20 year period and the CRA will forgive \$100,000 of the \$2,000,000 investment for each year that a show is held. The CRA will hold a lien on the Farm Progress property at the Cornhusker Army Ammunition Plant to protect the City and the CRA in the event that the show is canceled prior to the 20 year term of the contract.

It is the intent of the City to fund this project over the 20 year period with the proceeds of the Food and Beverage Occupation Tax.

This Study Session will outline that interlocal agreement and the process the City Council needs to follow to contribute to this project.

MEMO

TO: File

FROM: Jerry Janulewicz, City Attorney

DATE: October 9, 2017

RE: Legal Authority to Expend City Funds to Support a Redevelopment Project
Located Beyond the Corporate Boundaries of the City

QUESTION: Whether legal authority exist to expend city funds in support a community redevelopment authority project located beyond the corporate boundaries of the city.

ANSWER: Nebraska Revised Statutes specifies two separate and distinct statutory basis for a community redevelopment authority and a city to undertake a redevelopment project located beyond the corporate boundaries of the municipality. Nebraska Revised Statutes § 18-2123 authorizes the acquisition and development of lands within three miles of the municipal boundaries when necessary or convenient to the proper clearance or redevelopment of a blighted and substandard area. And, Neb.Rev.Stat. § 18-2123.01 authorizes, under the conditions specified, a city to undertake a redevelopment project at the site of a former military base located beyond the municipal boundaries of the city.

Any city located within the area of operation of an authority may grant funds to an authority for the purpose of aiding such authority in carrying out any of its powers and functions under the provisions of Neb.Rev.Stat. §§ 18-2101 to 18-2144. To obtain funds for this purpose, the city may levy taxes and may issue and sell its bonds.

By statute, the powers and authorities granted to cities, villages and redevelopment authorities are to be liberally construed, and all incidental powers necessary to carry into effect such sections are hereby expressly granted to and conferred upon any such city or village or an authority.

DISCUSSION: The Community Development Act, Neb.Rev.Stat. §§ 18-2101, et seq., (the “Act”) provides full and complete power to cities to create community development

authorities and to exercise all powers provided by the Act. The Act “shall be full authority for the creation of a community redevelopment authority by a city or village, and for the exercise of the powers therein granted to a city or village and to such authority *Insofar as the provisions of sections 18-2101 to 18-2144 are inconsistent with the provisions of any other law or of any city charter, if any, the provisions of sections 18-2101 to 18-2144 shall be controlling.*”

Neb.Rev.Stat. §18-2144 (emphasis added). An authority is authorized “[t]o prepare or cause to be prepared and recommend redevelopment plans to the governing body of the city and to undertake and carry out redevelopment projects within its area of operation.” Neb.Rev.Stat. § 18-2107.

Moreover, the Legislature specifically provided: “[A]ll grants of power, authority, rights, or discretion to a city or village and to an authority created under the Community Development Law shall be liberally construed, and all incidental powers necessary to carry into effect such sections are hereby expressly granted to and conferred upon a city or village or an authority created pursuant to the Community Development Law.” Neb.Rev.Stat. §18-2153 (emphasis added).

Nebraska statutes provide two distinct scenarios for a community development authority and city to acquire, develop, and operate a redevelopment project beyond the corporate limits of the municipality. Nebraska Revised Statute § 18-2103(9) identifies the area of operation of a Community Redevelopment Authority as the “area within the corporate limits of the city *and such land outside the city* as may come within the purview of sections 18-2123 and 18-2123.01.”

Nebraska Revised Statute § 18-2123 provides for the acquisition and development of undeveloped vacant land located within a three mile radius of the municipal boundaries when such acquisition or development “is necessary or convenient to the proper clearance or redevelopment of one or more substandard or blighted areas within the city or is a necessary adjunct to the general community redevelopment program of the city”. The second extraterritorial area of operation is provided by Neb.Rev.Stat. § 18-2123.01, which authorizes a city to undertake a redevelopment project located outside the corporate limits of such city when:

- (a) The real property located outside the corporate limits of the city is a formerly used defense site;
- (b) The formerly used defense site is located within the same county as the city approving such redevelopment project;
- (c) The formerly used defense site is located within a sanitary and improvement district;
- (d) The governing body of the city approving such redevelopment project passes an ordinance stating such city’s intent to annex the formerly used defense site in the

future; and (e) The redevelopment project has been consented to by any city exercising extraterritorial jurisdiction over the formerly used defense site.

Thus, the areas of operation of a city and its community redevelopment authority include not only the area within the municipal boundaries, but may include such other areas as fit within the statutory framework of §§ 18-2123 or 18-2123.01. “[I]t is competent for the legislature to confer power upon a municipality to act beyond its boundaries in making improvements and in other ways promoting municipal objects.” § 37:10. *Improvements beyond corporate limits*, 13 McQuillin Mun. Corp. § 37:10 (3d ed.).

To finance a redevelopment project, a community development authority may “issue bonds, and provide security for loans or bonds; to establish a revolving loan fund, and to provide grants, loans, or other means of financing to public or private parties in order to accomplish the rehabilitation or redevelopment in accordance with a redevelopment plan.” Neb.Rev.Stat. § 18-2107(4). To assist in the financing of a redevelopment project, the Act authorizes public bodies, defined by Neb.Rev.Stat. § 18-2103(4) as any municipality, county, township, board, commission, authority, district, or other political subdivision or public body of the state in Nebraska, to provide financial and other assistance to a redevelopment authority:

In addition to any other provisions governing any public body set forth in sections 18-2101 to 18-2144 and 18-2147 to 18-2151, *for the purpose of aiding and cooperating in the planning, undertaking, or carrying out of a redevelopment project located within the area in which it is authorized to act, any public body may, upon such terms, with or without consideration, as it may determine: ... (6) incur the entire expense of any public improvements made by such public body in exercising the powers granted in this section; (7) do any and all things necessary or convenient to aid and cooperate in the planning or carrying out of a redevelopment plan; (8) lend, grant, or contribute funds to an authority; (9) employ any funds belonging to or within the control of such public body, including funds derived from the sale or furnishing of property, service, or facilities to an authority, in the purchase of the bonds or other obligations of an authority and, as the holder of such bonds or other obligations, exercise the rights connected therewith; and (10) enter into agreements, which may extend over any period, notwithstanding any provision or rule of law to the contrary, with an authority respecting action to be taken by such public body pursuant to any of the powers granted by the provisions of sections 18-2101 to 18-2144.*

Neb.Rev.Stat. § 18-2138.

Additionally, cities are authorized by Neb.Rev.Stat. §18-2140 to provide funds for aiding in the operation of the community redevelopment authority and to assist it in defraying its expenses: “The governing body of such city is hereby authorized, in its discretion, to appropriate from its general fund and to place at the disposal of the authority an amount sufficient to assist in defraying such expense. *Any city located within the area of operation of an authority may grant funds to an authority for the purpose of aiding such authority in carrying out any of its powers and functions under the provisions of sections 18-2101 to 18-2144. To obtain funds for this purpose, the city may levy taxes and may issue and sell its bonds.*” Neb.Rev.Stat. § 18-2140 (emphasis added). This statutory grant of authority is authorized by the Constitution of the State of Nebraska, which provides specific authority for a city to incur indebtedness, whether by issuing bonds, loans, notes, advance of money, or otherwise, for the purpose of rehabilitating, acquiring, or redeveloping substandard and blighted property in a redevelopment project. Neb. Const. art. VIII, § 12.

Financing a redevelopment project may accomplished through joint or cooperative exercise of powers and authorities by one or more local government entities. (“[A]ny local government may exercise any of its powers or perform any of its functions, including financing the same, jointly or in cooperation with any other governmental entity or entities.” Neb. Const. art. XV, § 18.)

It is clear, therefore, through the enactment of Laws 2013 LB 66 the Nebraska legislature provided to cities the grant of authority necessary to undertake a redevelopment project at the site of a former military base located beyond the municipal boundaries of the city. Such an area is included within the area of operation of a community redevelopment authority of such city. Cities and other public bodies are statutorily authorized to provide financial and other assistance to a community redevelopment authority to aid it in carrying out a redevelopment project within its area of operation. Moreover, as noted above, the State’s Constitution provides authority for cities to incur indebtedness for the purpose of rehabilitating, acquiring, or redeveloping substandard and blighted property in a redevelopment project.

**CITY OF GRAND ISLAND, NEBRASKA
AND
COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF GRAND
ISLAND, NEBRASKA
INTER-LOCAL COOPERATION AGREEMENT
FOR
HUSKER HARVEST DAYS REDEVELOPMENT PROJECT**

Pursuant to Neb. Rev. Stat., Chap. 13, Art. 8, this Inter-Local Cooperation Agreement is entered into by and between the City of Grand Island, Nebraska (“City”) and the Community Redevelopment Authority of the City of Grand Island, Nebraska (“Authority”), political subdivisions of the State of Nebraska, this ____ day of _____, 2017.

Whereas, Authority and City are parties to a Redevelopment Agreement with Farm Progress, Inc. (“Farm Progress”), for redevelopment of the Husker Harvest Days show site (the “show site”), a redevelopment project located at the site of a former military base and approved by City and Authority (the “Redevelopment Project”); and

Whereas, pursuant to the terms of a redevelopment agreement, Authority will provide to Farm Progress not more than \$2,000,000.00 for funding Authority’s pro-rata share of infrastructure improvements at the show site under terms as set forth in the Redevelopment Agreement; and

Whereas, in order to meet the financial commitments set forth in the Redevelopment Agreement, Authority may incur indebtedness in the form of issuance of bonds, issuance of a promissory note or notes, or participation in other debt instruments and obligations; and

Whereas, City desires to provide financial assistance to Authority to enable Authority to fulfill Authority’s financial commitments to the Redevelopment Project as set forth in a Redevelopment Agreement.

Now, therefore, City and Authority agree as follows:

1. **DURATION.** This Interlocal Agreement shall be contingent upon approval of a Redevelopment Agreement by and among City, Authority and Farm Progress, shall commence upon the effective date of such Redevelopment Agreement, and shall continue thereafter for a period of twenty (20) years unless sooner terminated by mutual agreement of City and Authority.

2. **SEPARATE LEGAL OR ADMINISTRATIVE ENTITY; DELEGATION.** There shall be no separate legal or administrative entity created by this Inter-Local Cooperation Agreement.
3. **PURPOSE.** The purpose of this Agreement is to provide financial assistance of the City to enable Authority to undertake the Redevelopment Project.
4. **MANNER OF FINANCING AND MAINTAINING A BUDGET.**
 - a. City shall provide to Authority City funds not to exceed \$2,000,000.00 to enable Authority to pay a two-sevenths (2/7) pro-rata share of infrastructure development cost for the Redevelopment Project as approved by Authority. Said funds shall be provided in 20 annual payments of \$100,000.00 commencing November 1, 2018 and each November 1 thereafter or such other amounts and upon such payment schedule as mutually agreed by City and Authority. Additionally, in the event Authority is required to incur debt to fund all or a part of its pro-rata share of Redevelopment Project costs and expenses (the “project debt”), City shall reimburse the Authority in such annual amounts as required to service the interest expense incurred by Authority with respect to project debt.
 - b. Notwithstanding anything herein to the contrary, if Authority receives, recovers or otherwise obtains reimbursement of all or a part of its pro-rata share of Redevelopment Project costs and expense from Farm Progress or any other party, Authority shall transfer, assign, and pay over such amounts to City to the extent such amounts, if any, exceed Authority’s outstanding project debt. This provision of this section 4.b. shall survive termination of this agreement.
 - c. City and Authority shall budget such amounts annually as necessary to fund this Interlocal Agreement.
5. **ADMINISTRATOR.** The Grand Island City Administrator and the Director of the Community Redevelopment Authority of the City of Grand Island shall serve as co-administrators for this cooperative undertaking.
6. **MANNER OF DISPOSING OF PROPERTY.** No real or personal property shall be jointly acquired by the parties as a result of this Interlocal Cooperation Agreement.

CITY OF GRAND ISLAND, NEBRASKA

Dated _____

By: _____

Jeremy L. Jensen, Mayor

Attest: _____

RaNae Edwards, City Clerk

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF GRAND
ISLAND, NEBRASKA

Dated _____

By: _____

Tom Gdowski, Its Chair

Attest: _____

Authority Secretary

DRAFT



City of Grand Island

Tuesday, November 7, 2017

Study Session

Item -3

Fire Station No. 4 Relocation/Emergency Management Center Land Lease Purchase

Staff Contact: Jon Rosenlund

Fire Station 4 Relocation/Emergency Management Center Land Lease Purchase.

At the October 10th City Council meeting a resolution was passed to allow for bids for a new 911 Center at the location of 13th and North Road. In a memo from Jon Rosenlund he discussed the new location and the potential of a relocated Fire Station #4 at that location as well. The location in question surveyed out to be 3.7 acres. The proposed location is easily serviced by City Utilities, can easily connect to the City Network at the nearby node location.

Menard, Inc. would like to expand their facility to include our existing Fire Station #4, which is located adjacent to the southwest corner of their property. They proposed an agreement whereby they would assist in us purchasing property or provide property for us and construct a new fire station to the specifications agreed to by both parties. The current location and facility has never been ideal for egress and ingress and was not located in the best location for response times. The facility was built in 1994. After review the Fire Department determined that the ideal location for a replacement would be near 13th and North Rd. This past spring a 20 acre tract of vacant land came up for sale at 13th and North Rd. The owner was not interested in selling the property in parcels. Ray O'Connor was interested in purchasing the property for a 1031 land exchange and would sale to the city as much of the property as we would want at the price he purchased it. As previously stated the new 911 center is anticipated to be built at that location.

Staff is also recommending retaining the right to purchase an additional approximately 5 acres adjacent to the 3.7+ acres for future city purpose.

We are now bringing forward the steps and processes needed to these projects at this study session in advance of the approval process scheduled for November 14th.

The following is an outline of the necessary actions:

REAL ESTATE SALE AND PURCHASE OUTLINE – FIRE STATION NO. 4 AND E-911 FACILITY

October 31, 2017

1. Proposed Sale of Fire Station Number 4, 3690 West State Street, to Menards:
 - a. Consideration of \$103,015.00 plus construction by Menard of a replacement fire station on land to be acquired by the City.
 - b. Closing contingent upon no adequate public remonstrance and City and Menard agreeing to the terms of a development agreement, to include the plans and specification for the new fire station and other improvements to be constructed by Menard on land acquired by the City.
 - c. A sale of the fire station is subject to statutory remonstrance period.
2. Land Purchase from Meadows Apartment Homes LLC.
 - a. Land located at SW corner of North Road and 13th Streets.

- b. Seller acquired land through an IRS Section 1031 exchange and must hold the land until June 12, 2018 in order to preserve favorable tax treatment of an earlier transaction.
 - c. The proposed lease is a short-term lease to June 30, 2018 of approximately 3.7 acres for \$1.00 rent. City will pay all expenses of maintenance, insurance and a proportionate share of real estate taxes during the lease term.
 - d. The 3.7 acre tract is to be divided into two lots, one for a new fire station the other for a new E-911 facility. The lease agreement allows for construction of the new city buildings during the lease term.
 - e. During the lease term, City may give notice that it is exercising an option to purchase the 3.7acre tract for \$27,500 per acre. Additionally, during the term of the lease the city may also exercise an option to purchase an additional tract of approximately 5 acres at \$27,500 per acre.
 - f. Acquisition of an interest in land requires a public hearing.
 - g. An appraisal is required if the consideration for land to be purchased by sale or lease-purchase agreement is \$100,000 or more. Because of their size, the consideration for each tract will exceed \$100,000, requiring appraisals. Mr. Jim Hinman, a certified general real estate appraiser, was retained to provide appraisals of both tracts.
3. Recommendations:
- a. It is recommended that a public hearing regarding acquisition of the land be held on November 14. In addition, at that meeting council should consider and adopt a resolution approving the land lease agreement and authorizing the purchase of the 3+acre tract by exercising the option to purchase prior to June 30, 2018
 - b. On November 14, Council should adopt an Ordinance approving the Purchase – Sale Agreement with Menard in order to start the remonstrance period.
 - c. If the Purchase – Sale Agreement is approved, the details of the development agreement will need prompt attention, as it will lay out the plans and specifications for the building and improvements to be constructed by Menard.
4. Subdivision/Infrastructure:
- a. The property will need to be subdivided and annexed into the City.
 - b. The water and sewer are available on North Road and 13th Street.
 - c. Public Works will address the traffic, drainage and intersection issues.

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (the "Agreement") is made and entered into by and between the City of Grand Island, Nebraska, a body corporate and politic and a political subdivision of the State of Nebraska, herein referred to as "Seller", and Menard, Inc., a Wisconsin corporation, with offices at 5101 Menard Drive, City of Eau Claire, State of Wisconsin 54703, herein referred to as "Purchaser" with reference to a certain parcel of land located in the City of Grand Island, County of Hall, and State of Nebraska, more fully described as:

Lot One in State Subdivision in the City of Grand Island, Hall County, Nebraska (the "Property"), as depicted on the attached Exhibit A.

In consideration of the mutual covenants herein set forth, the parties agree as follows:

1. **AGREEMENT TO SELL AND PURCHASE:** Seller covenants and agrees to sell, and Purchaser covenants and agrees to purchase the above described property, herein referred to as the "Property", together with all improvements situated thereon together with any and all rights, titles, powers, privileges, easements, licenses, rights-of-way, oil, gas or mineral rights and interests appurtenant to and which benefit the Property and the improvements and the purchase and conveyance contemplated herein will be contingent on and subject to the terms, covenants, conditions and contingencies herein.

2. **PERMITTED ENCUMBRANCES:** The sale of the Property is subject to the following encumbrances (herein referred to as the "Permitted Encumbrances"): building and zoning laws, county and municipal ordinances, state and federal regulations, easements, covenants and restrictions of record accepted in writing by Purchaser.

3. **CONTINGENCIES OF PURCHASER:** Provisions to the contrary herein notwithstanding, performance by the Purchaser is contingent upon satisfaction of all of the following conditions:

- (A) Purchaser obtaining all necessary zoning classifications and variances and the issuance of all necessary permits and approvals to allow construction and operation upon the Property of Purchaser's proposed development.

Seller hereby agrees to make available to Purchaser for Purchaser's review at no additional cost or expense to Purchaser any and all plats, maps, documents and other materials now in Seller's possession which may aid and assist Purchaser in obtaining all necessary zoning and other permits subject to and pursuant to this Agreement.

- (B) Purchaser satisfying itself that the Property has or can be provided with, at reasonable cost of installation, storm sewer or surface drainage (including retention ponds), sanitary sewer, water, electrical, telephone and gas service in sufficient capacities and quantities to provide for the proposed development of the Property by the Purchaser. It shall be at Purchaser's sole discretion, in good faith, as to whether the Property has or can have the above utilities in sufficient

capacities and quantities or whether said utilities can be provided to the Property at reasonable costs of installation.

- (C) Purchaser obtaining geotechnical reports, based upon soil borings and tests, which disclose soil conditions satisfactory to Purchaser for the proposed development of the Property.
- (D) Purchaser obtaining from appropriate authorities permission to erect and operate advertising and informational signs on the Property as Purchaser deems appropriate, the same to be to the satisfaction of Purchaser.
- (E) Purchaser obtaining, in accordance with the provisions of Section 8 herein, at Purchaser's cost and expense, current ALTA boundary and topographical surveys of the Property, which disclose conditions satisfactory to Purchaser for its development of the Property.
- (F) Purchaser inspecting the environmental condition of the Property prior to the Closing Date, including the right to conduct environmental, habitat, wetlands and archeological assessments and other studies on the Property, and finding the results of those studies acceptable. If Purchaser's inspection discloses conditions of Property, which, in Purchaser's sole discretion, are unacceptable to Purchaser, Purchaser may terminate this Purchase Agreement.
- (G) Seller obtaining agreements for the relocation, release, termination and/or extinguishment of such rights-of-way, easements, restrictions, and proposed easements across the Property, as disclosed by the title insurance report or surveys, which in Purchaser's sole opinion, must be relocated, released, modified, terminated and/or extinguished in order to permit Purchaser to develop the Property as a retail lumber and home improvement center. Provided, however, Seller may terminate this Agreement if the cost of obtaining agreements for the relocation, release, termination, and/or extinguishment of such rights-of-way, easements, restrictions, and proposed easements across the Property exceeds or will exceed \$500.00 and Purchaser has not agreed to pay for any excess costs over such \$500.00 amount.

Purchaser may, at its sole option, and at its own expense, enter into agreements to relocate or remove any existing utilities after the Closing Date, but Purchaser shall not be required or obligated to do so.

- (H) Purchaser inspecting the Property, including the right to conduct engineering and mechanical studies of the Property, and finding its condition, structure, amenities and systems acceptable. If Purchaser's inspection discloses conditions of the Property which are unacceptable to Purchaser, Purchaser may terminate this Purchase Agreement.
- (I) Purchaser, at its sole cost and expense, designing and creating mutually agreeable construction plans and specifications for the replacement fire station to be built upon the parcel of land that Seller chooses to replace the Property. The design of

the replacement fire station shall be substantially in accordance with the plan in Exhibit B. Seller may have such plans and specifications reviewed by an independent architect at its sole cost.

- (J) Purchaser and Seller entering into a mutually agreeable development agreement that captures the terms of the proposed development work identified in Section 16 herein.
- (K) Purchaser and Seller entering into the post-closing occupancy agreement substantially in the form of that attached to this Agreement as Exhibit C (the "Post Closing Occupancy Agreement").
- (L) Seller's compliance with the requirements of Neb.Rev.Stat. §16-202 providing for public notice of the proposed conveyance of the Property and completion of statutory notice without any petitions signed by sufficient number of registered voters objecting to the sale of the Property at the date of Closing.

The Contingencies enumerated above are for Purchaser's benefit only, and the non-occurrence of a state of facts sufficient to satisfy any of the Contingencies above may not be used or pleaded by Seller as a defense to the enforceability of this Agreement.

4. CONTINGENCIES OF SELLER. Provisions to the contrary herein notwithstanding, performance by Seller is contingent upon satisfaction of all of the following conditions:

- (A) Purchaser, at its sole cost and expense, designing and creating mutually agreeable construction plans and specifications for the replacement fire station to be built upon the parcel of land that Seller chooses to replace the Property. The design of the replacement fire station shall be substantially in accordance with the plan in Exhibit B. Seller may have such plans and specifications reviewed by an independent architect at its sole cost.
- (B) Purchaser and Seller entering into a mutually agreeable development agreement that captures the terms of the proposed development work identified in Section 15 herein.
- (C) Purchaser and Seller entering into the post-closing occupancy agreement substantially in the form of that attached to this Agreement as Exhibit C (the "Post Closing Occupancy Agreement").
- (D) Seller's compliance with the requirements of Neb.Rev.Stat. §16-202 providing for public notice of the proposed conveyance of the Property and completion of statutory notice without any petitions signed by sufficient number of registered voters objecting to the sale of the Property at the date of Closing.

The Contingencies enumerated above are for Seller's benefit only, and the non-occurrence of a state of facts sufficient to satisfy any of the Contingencies above may not be used or pleaded by Purchaser as a defense to the enforceability of this Agreement.

5. **FAILURE OF CONTINGENCIES:** The expiration of the contingencies listed in Section 3 and 4 shall be One Hundred Fifty (150) days after last execution of this Agreement or in the event the One Hundred Fiftieth (150th) day falls on a weekend or holiday the next business day thereafter (the “**Contingency Period**”). In the event any of the contingencies and conditions have not been met or in Purchaser’s or Seller’s opinion will not be met by the expiration of the Contingency Period or extensions thereof, Purchaser and Seller shall have the right and option to waive any contingency or condition, or Purchaser or Seller may declare this Agreement terminated and have the Earnest Money paid by Purchaser, along with any accrued interest, returned to Purchaser forthwith. If Purchaser or Seller exercises its option to declare this Agreement terminated and Purchaser receives a return of the Earnest Money paid by Purchaser, or if this Agreement otherwise becomes terminated, Purchaser and Seller shall have no further obligation or liability under this Agreement. In addition, Seller and Purchaser shall each be solely responsible for and shall hold the other harmless for any expenses, costs, damages, claims, lawsuits and judgments, including and not limited to expenses and attorneys fees, incurred by each of them respectively as a result of this Agreement.

Alternatively, in the event any of the contingencies have not been satisfied or waived by Purchaser and Seller as of the scheduled expiration of the Contingency Period, Purchaser shall have the right to extend the Contingency Period and Closing Date for two (2) thirty (30) day periods upon notice to the other party of its intent to so extend no later than the then expiration of the Contingency Period.

6. **DUE DILIGENCE:** Within fourteen (14) days following the date of last execution of this Agreement, Seller shall deliver to Purchaser true, correct and complete copies of the items concerning the Property listed below, to the extent they exist and are in Seller’s possession (the “**Due Diligence Items**”):

- (A) Any prior title evidence, such as a current abstract or title policy.
- (B) The most recent survey of the Property in Seller’s possession.
- (C) The written results, if any of environmental site assessments, engineering reports, soil boring test samples or other inspections done at or on the Property including testing and certification results from any on-site grading activities completed to date.
- (D) All permits issued by governmental authorities for the Property.
- (E) Copies of all crop or billboard leases, if applicable.
- (F) Copies of utility bills for the most recent 12 months for the Property.
- (G) Copies of all current maintenance service agreements, if any, relating to the Property.
- (H) All warranties covering the Property and its improvements.

7. **SELLER'S WARRANTIES:** Seller states, warrants, guarantees and represents as follows:

- (A) Subject to the requirements of Neb.Rev.Stat. §16-202 providing for public notice of the proposed conveyance of the Property and completion of statutory notice without any petitions signed by sufficient number of registered voters objecting to the sale of the Property at the date of Closing, Seller has and will have on the Closing Date good and marketable fee title to the Property, subject only to the Permitted Encumbrances.
- (B) Subject to the requirements of Neb.Rev.Stat. §16-202 providing for public notice of the proposed conveyance of the Property and completion of statutory notice without any petitions signed by sufficient number of registered voters objecting to the sale of the Property at the date of Closing, Seller has and will have on the Closing Date full right and authority to convey the Property, and in regard thereto to execute this Agreement and to execute and deliver all documents required of Seller for the consummation of this Agreement.
- (C) The persons signing this Agreement on behalf of Seller are duly authorized to do so and their signatures bind Seller in accordance with the terms of this Agreement.
- (D) The Property shall be free of tenancies and bill boards on the Closing Date other than the occupancy by the Seller under the Post Closing Occupancy Agreement.
- (E) No person, firm, corporation or entity has any option, right of first refusal or similar right to acquire the Property, or any part thereof, from Seller.
- (F) Seller has no knowledge of any condemnation proceedings having been instituted or threatened against the Property.
- (G) That Seller is not a “specially designated national and blocked person” on the most current list published by the U.S. Treasury Department Office of Foreign Asset Control; that Seller is not listed in the annex to, and is not otherwise subject to the provisions of, Executive Order No. 13224 (the “Executive Order”); and that Seller is not acting on behalf of any Person or entity that is listed in the annex to, or is otherwise subject to the provisions of the Executive Order.
- (H) Seller has received no notice of, nor has Seller any knowledge of, any violations of any federal, state, county or municipal laws, ordinances, orders, regulations or requirements affecting the Property.
- (I) Seller is not a foreign person within the meaning of Section 1445 of the Internal Revenue Code ("IRC"), i.e., Seller is not a nonresident alien, foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined in the IRC and Income Tax Regulations).

- (J) To the best of Seller's knowledge the Property has not at any time been used as a waste dump, nor has it been used for the manufacture, treatment, storage or disposal of hazardous waste, hazardous substances, petroleum, PCBs, pollutants, contaminants or materials of like import that cause a present or future hazard to the ground water or other parts of the environment, and that the Property is completely free of any and all latent and non-apparent hazards and characteristics which would impair the use of the Property for the Purchaser as contemplated herein, or would cause the Purchaser any liability to any person or persons, natural or corporate, or any governmental body.

The representations and warranties contained in this section shall be true and correct on the Closing Date and shall survive the Closing and continue in full force and effect notwithstanding the Closing and consummation of the transaction contemplated herein, and the obligation of the Purchaser to close this transaction is expressly conditioned upon said representations.

8. **SURVEYS:** Purchaser, at Purchaser's sole cost and expense, shall obtain its own boundary and topographic survey (the "Survey").

9. **COMPLIANCE WITH MUNICIPAL OR STATE REGULATIONS:** All violations of law, ordinances or orders of state, county and municipal agencies affecting the Property at the date hereof shall be cured by Seller before the Closing Date, and all notices and warnings of such violation shall be complied with by Seller before that time, and the Property shall be conveyed free of all such notices and warnings. Seller hereby authorizes Purchaser to make and/or have made searches for such violations.

10. **PURCHASE PRICE:** The consideration due from Purchaser to Seller for the Property shall be ONE HUNDRED THREE THOUSAND FIFTEEN AND NO/100 DOLLARS (\$103,015.00) cash upon closing and such additional consideration as set forth in paragraph 16 below (the "Purchase Price").

11. **EARNEST MONEY:** The sum of One Thousand Dollars (\$1,000.00), the same representing "Earnest Money", will be paid into an interest-bearing escrow account to be established by the Purchaser's title insurance company within ten (10) business days after last execution of this Agreement.

In the event this Agreement is consummated, the Earnest Money, plus interest, shall be applied to and credited against the Purchase Price on the Closing Date or returned to Purchaser at Purchaser's election with the remaining balance to be paid in cash at that time. Notwithstanding the preceding, Purchaser may elect to receive at the Closing a refund of all Earnest Money paid, upon payment to Seller of an equal amount from Purchaser's §1031 account. If this Agreement terminates for failure of satisfaction of a contingency, all Earnest Money, plus interest, shall be returned promptly to Purchaser.

12. **REAL ESTATE TAXES, ASSESSMENTS AND TRANSFER FEES:** Seller hereby warrants that there are no real and personal property taxes associated with the Property, as it is owned by a public entity. Seller shall indemnify Purchaser for any taxes or assessments

levied against the Property prior to the Closing Date. Purchaser shall be responsible for paying all taxes levied on the Property on the Closing Date and for future dates.

Seller shall be responsible for payments arising from recapture agreements or fees against the Property existing on the Closing Date whether or not arising from Purchaser's development of the Property.

Seller shall pay by separate check or credit against the Purchase Price all state, county, and city transfer taxes, deed taxes, rezoning fees, annexation fees, park fees, impact fees, green acres tax, recaptures and/or deed stamps due any governmental agency resulting from the transfer of the Property by Seller to Purchaser or change in zoning or use.

13. **EVIDENCE OF TITLE:** Purchaser shall obtain a commitment for title insurance, including copies of all Schedule B documents, with extended coverage in the amount of the Purchase Price set out herein, naming the Purchaser as the insured, as its interest may appear (the "**Commitment**"), written by Grand Island Abstract, Escrow & Title Co., 704 W. 3rd Street, Grand Island, NE 68801 (the "**Title Company**").

Within seven (7) days of approval of this Agreement by Seller's City Council Seller will deliver to Purchaser any prior title evidence it may have, such as a current abstract or title policy, to expedite further examination of title. Purchaser shall after receipt of the last to arrive of the Commitment, the Survey, and legible copies of all Schedule B documents provide to Seller copies of the Commitment, Survey and all Schedule B documents and shall advise Seller in writing of any objections it has to the state of title to the Property shown in the Survey or Commitment. Seller shall have sixty (60) days from the date of Purchaser's notice of such objections to make a good faith effort to cure such objections and to furnish a later report showing the objections cured or removed. If such objections cannot be cured within sixty (60) days after the date of Purchaser's notice of such objection, Purchaser may; (i) declare this Agreement null and void, and in such event receive a refund from Seller of all Earnest Monies paid, plus interest, and neither party shall have any further obligation or liability under this agreement, (ii) at its election, take the title as it then is (with a right to deduct from the Purchase Price for liens or encumbrances of a definite or ascertainable amount), (iii) maintain its objections to the items uncured and extend Seller's time to cure; or (iv) attempt to cure itself. Purchaser retains the right to update title, object to any new items and have the same remedies mentioned above through the Closing Date.

On the Closing Date, when title is transferred to Purchaser, Seller shall cause to be delivered to Purchaser an owner's policy with extended coverage containing a Gap Endorsement, a Survey Endorsement, an Access Endorsement, a Same Land Endorsement, a Restriction, Encroachment, Mineral Endorsement, Contiguity Endorsement, and a PIN Endorsement, guaranteeing Seller's title to be in the condition required by this Agreement. All costs relating to the issuance of the title policy, including, but not limited to, title search and examination fees, policy premiums and the cost for any required endorsements shall be paid for by Purchaser.

14. **POSSESSION:** Subject to the Post Closing Occupancy Agreement, legal possession of the Property shall be delivered to Purchaser on the Closing Date, except as herein provided. On the Closing Date the Property shall be free of trash, debris and refuse free. Purchaser or its agent shall be permitted upon the Property prior to Closing for soil testing,

environmental and/or inspections, surveying or other investigations or functions relating to its purchase of the Property. Purchaser agrees to indemnify and hold Seller harmless from any and all loss, claim, action, demand or liability which may arise against the Seller or the Property by virtue of any of Purchaser's actions pursuant to this Agreement. Notwithstanding the foregoing, Purchaser shall not indemnify or defend Seller against any loss, claim, action, demand, liability, or expense arising out of, or having to do with, the results of Purchaser's inspections, testing or determinations. Upon completion of Purchaser's investigations and tests, Purchaser shall restore the Property as reasonably possible to the same condition as it existed before Purchaser's entry upon the Property.

15. **CLOSINGS:** Unless otherwise agreed to by the parties, this transaction shall be closed at the offices of the Title Company insuring the Property. The "**Closing**" of the transaction contemplated hereby shall be held on the expiration of the Contingency Period ("**Closing Date**"). Closing may be held prior to such time upon mutual agreement of the parties. Closing costs and escrow fees, if any, charged by the Title Company to close the transaction, shall be divided equally between the parties.

Seller acknowledges that Purchaser may be providing funds by way of a cashier's check, and that the Title Company may require said check to clear its bank in order for the funds to become available for disbursement. In the event an extension is warranted for delays in Closing or disbursement caused by Title Company, the Closing Date will be automatically extended without having to amend this Agreement, said extension to be one business day after said delay in Closing or disbursement caused by the Title Company has been resolved. Possession of the Property shall be delivered simultaneously with the disbursement of Seller's net proceeds.

At Closing, Seller shall deliver or cause to be delivered to Purchaser each of the following items:

- (A) A Warranty Deed, in recordable form, duly executed and acknowledged by Seller, conveying title to the Property to Purchaser, free and clear of all liens, taxes, restrictions, tenancies, occupancies and encumbrances of every kind and description except:
 - 1) Permitted Encumbrances specified in Section 2 herein;
 - 2) General real estate taxes and assessments which are a lien but which are not due and payable on the Closing Date, and special assessments caused by Purchaser's activities or improvements;
- (B) The title policy in the form specified in Section 13 herein;
- (C) Such evidence or documents as may be reasonably required by the Purchaser or the Title Company evidencing the status and capacity of Seller and the authority of the person or persons who are executing the various documents on behalf of Seller in connection with the sale of the Property;
- (D) A certification in a form to be provided or approved by the Purchaser, signed by Seller under penalties of perjury, containing the following:

- 1) Seller's U.S. Taxpayer Identification Number;
- 2) The home address of Seller (or the business address of Seller if Seller is not an individual); and,
- 3) A statement that Seller is not a foreign person within the meaning of Section 1445 of the IRC i.e., Seller is not a nonresident alien, foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined in the IRC and Income Tax Regulations).

In the event that Seller fails to deliver such Certification at Closing or Seller delivers such Certification but the Purchaser has actual knowledge that such Certification is false or the Purchaser receives notice that the Certification is false from any agent of the Purchaser or Seller, the Purchaser shall be entitled to withhold from the Purchase Price a sum equal to ten percent (10%) of the total amount which otherwise would have been realized by Seller from such sale, which sum will be paid by the Purchaser to the United States Treasury pursuant to the requirements of Section 1445 of the IRC and the regulations promulgated thereunder.

- (E) Development Agreement described in Section 16
- (F) An affidavit of title warranting that no outstanding mechanic's lien rights exist, that the Property is not subject to any unrecorded interest or encumbrances, adverse claims, possession or occupancies and is not subject to any leases, oral or written, and that all assessments, utility charges and taxes have been paid to the Closing Date.
- (G) Closing Prorations:
 - (i) All adjustments shall be made as of midnight of the day prior to the Closing Date and shall be in accordance with the customs in respect of title closing recommended by the Title Company;
- (H) Post-Closing Occupancy Agreement, if applicable.
- (I) Copies of all utility bills for the Property.
- (J) All additional documents and instruments as in the reasonable opinion of the Purchaser's counsel or the Title Company are necessary to the proper consummation of this transaction.

Unless explicitly stated in this Agreement to the contrary, Seller shall be responsible for all costs related to the production and delivery of the required closing documents. Seller and Purchaser shall exchange draft copies of all proposed closing documents at least five (5) business days prior to the scheduled Closing Date. If such documents are not received in a timely manner either party may extend the Closing Date accordingly.

16. **PURCHASER'S DEVELOPMENT OBLIGATIONS:** Contingent on Seller obtaining or identifying replacement property by the Closing Date, Purchaser hereby covenants and agrees, as additional consideration for the completion of the transaction contemplated in this Agreement, to construct for Seller a new fire station substantially in accordance with the proposed fire station layout attached hereto as Exhibit C. Seller, at its sole cost, shall deliver to Purchaser a geotechnical report, Phase I Environmental Study, and an ALTA and topographical survey of the replacement property prior to Purchaser beginning construction of the fire station. Purchaser will design and construct or cause to be constructed, using Purchaser materials and supplies, the fire station including but not limited to the building, paved drives, and parking areas in substantial conformance with (i) development and building plans approved by Seller and Purchaser; and (ii) the design and construction specifications approved by Seller and Purchaser. Purchaser shall be solely responsible for all charges, fees and expense in relation to the construction of the improvements including materials, labor, architect fees (excepting those fees to review the Purchaser created plans if Seller chooses to have such plans reviewed), utilities, site preparation, and landscaping. Purchaser shall have 2 years from the Closing Date to complete such construction. Seller hereby grants to Purchaser a temporary construction easement over such property until such time as the construction is completed. Seller shall also obtain for Purchaser all necessary permits or approvals to complete the construction of the fire station. Upon Purchaser's completion of the fire station, Purchaser shall provide Seller with a 1 year warranty for the completed work. Purchaser shall solely be responsible for completion of the fire station on the replacement property. Any additional work required as part of the construction of the new fire station (including but not limited to expansion of public rights of way, off site utilities, etc.) shall be completed at the sole cost of the Seller. If the transaction contemplated herein fails to Close, Purchaser's obligation to construct the fire station shall be terminated and no further action shall be required by Purchaser. The terms of Purchaser's obligations shall be further spelled out in a development agreement between Seller and Purchaser to be entered into at Closing (the "Development Agreement").

17. **REAL ESTATE BROKERS AND BROKERAGE COMMISSION:** Seller and Purchaser each hereby represent and warrant to the other that this Purchase and Sale Agreement is made and entered into as a result of direct negotiations between parties hereto without the aid or assistance in any fashion of any broker or other agent and each of the parties hereby represents and warrants to the other that they have entered into no agreement or made any undertaking of any kind or character whatsoever as a result of which any claim could properly be brought against the other for any commission, finder's fee or other form of compensation of a similar character as a result of this transaction. Each party hereby agrees to indemnify and hold the other harmless as a result of any misrepresentation or breach of the warranty contained in this section.

18. **SURVIVAL OF COVENANTS:** Any representation, warranty, covenant or agreement herein of either party to this Agreement whether to be performed before or after the Closing Date shall not be deemed to be merged into or waived by the instruments of closing, but shall expressly survive the Closing and shall be binding upon the party obligated thereby.

19. **PARTIAL INVALIDITY:** If any provisions or portions of this Agreement, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such provision, or portion

thereof, to any other persons or circumstances shall be valid and enforceable to the fullest extent permitted by law.

20. **NOTICE:** Any notice, demand, request or other communication which may or shall be given or served by Seller to or on the Purchaser, or by the Purchaser to or on Seller, shall be deemed to have been given or served on the date the same is deposited in the United States Mail, standard, registered or certified, return receipt requested, postage prepaid, sent by electronic transmission or given to a nationally recognized overnight courier service for next business day delivery and addressed as follows:

If to Seller:	City of Grand Island Attn: Mayor 100 East First Street P.O. Box 1968 Grand Island, NE 68802 Phone: (308) 385-5444 Fax: Email:
If to the Purchaser:	Menard, Inc. Attn: Properties Division 5101 Menard Drive Eau Claire, WI 54703 Phone: (715) 876-2532 Fax: (715) 876-5998 Email: properties@menard-inc.com

The above addresses may be changed at any time by the parties by notice given in the manner provided above.

Seller and Purchaser agree that electronically reproduced signatures such as by facsimile transmission or email are valid for execution or amendment of this Agreement and that electronic transmission/facsimile is an authorized form of notice as that term is used in this Agreement.

21. **AGREEMENT BINDING:** This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, personal representatives, successors and assigns. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same instrument.

22. **CHOICE OF LAWS AND SUBMISSION TO JURISDICTION:** This Agreement shall be deemed to have been made in Hall County, Nebraska, and shall be construed in accordance with the laws of the State of Nebraska. All actions or proceedings relating, directly or indirectly, to this Agreement, whether sounding in contract or tort, shall be litigated in a court of competent jurisdiction for Hall County, Nebraska. All parties to this Agreement hereby subject themselves to the jurisdiction of the District Court of Hall County Nebraska.

23. **LIQUIDATED DAMAGES:** If Purchaser wrongfully fails to complete the Closing as provided in this Agreement, Seller, at its sole and exclusive remedy, may retain the Earnest Money paid under Section 10 hereof as liquidated damages. Seller has agreed to this liquidated damage provision because of the difficulty of ascertaining Seller's actual damages given the uncertainties of the real estate market, the fact that Seller retains ownership of the Property, fluctuating property values and differences of opinion with respect to such matters. If Seller fails to complete the Closing as provided in this Agreement or otherwise commits a material breach of this Agreement, Purchaser shall be entitled to the prompt return of all Earnest Money and may seek all remedies available at law or in equity including specific performance.

24. **HEADINGS:** The section titles are for convenience only and do not define, limit or construe the contents of such paragraphs.

25. **DATE:** This Agreement shall be dated and effective and binding as of the date of the last execution.

26. **CONSTRUCTION:** Both parties have contributed to the drafting of this Agreement. In the event of a controversy, dispute or contest over the meaning, interpretation, validity or enforceability of this Agreement or any of its terms or conditions, there shall be no inference, presumption or conclusion drawn whatsoever against either party by virtue of that party having drafted this Agreement or any portion thereof.

27. **TAX-DEFERRED EXCHANGE:** Seller acknowledges that Purchaser may elect to receive the Property in connection with the completion of a tax-deferred exchange under Section 1031 of the Internal Revenue Code of 1986. Seller hereby agrees to take such steps as Purchaser may reasonably require, at no cost to Seller, in order to complete the tax-deferred exchange. Therefore, to the extent possible, the provisions of this section shall be interpreted consistently with this intent.

Purchaser may, on or before the Closing Date, assign its rights under this Agreement to a "qualified intermediary", as defined in Treasury Regulation 1.1031(i)-1(g)(4) (the "Accommodator"). Each party agrees to cooperate with the other party and the Accommodator in arranging the exchange. Each party shall execute any and all documents reasonably requested by the other party and the Accommodator to facilitate the exchange as a tax-deferred exchange under Section 1031 of the Code and the Treasury Regulations effective thereunder at the time of the Closing including but not limited to any appropriate amendments to this Agreement and any appropriate escrow instructions; provided, however, that no such document shall adversely affect a party in any respect or change any of the economic terms and conditions of the transaction with respect to Purchaser.

Seller acknowledges that Seller is not relying on any representations of Purchaser or Purchaser's counsel with respect to the federal, state or local income tax treatment of Seller in connection with this transaction. The obligations of the parties under this section shall survive the Closing and the delivery of the deed.

28. **EMINENT DOMAIN:** If prior to the Closing Date, Seller acquires knowledge of any pending or threatened action, suit or proceeding to condemn or take all or any part of the

property under the power of eminent domain, then Seller shall immediately give notice thereof to Purchaser. Upon receipt of such notice Purchaser, at Purchaser's option shall have the right to:

- (A) Terminate this Agreement as to the Property subject to the action or proceeding, whereupon the Purchase Price shall be reduced accordingly; or
- (B) Terminate this Agreement as to the entire Property, whereupon the Earnest Money shall be paid to Purchaser and all parties shall thereupon be relieved of all further liability hereunder.

If Purchaser does not exercise its right to terminate then Purchaser shall be entitled to all of the condemnation proceeds which would have been due Seller, and the parties shall proceed with the Closing otherwise in accordance with, and subject to, the terms hereof.

29. **CASUALTY:** If prior to the Closing Date the Property or any portion thereof, shall be damaged or destroyed by reason of fire, storm, accident or other casualty, then Seller shall immediately give notice thereof to Purchaser. Upon receipt of such notice Purchaser, at Purchaser's option, shall have the right to:

- (A) Terminate this Agreement as to such portion of the Property damaged by the casualty, whereupon the Purchase Price shall be reduced accordingly; or
- (B) Terminate as to the entire Property, whereupon the Earnest Money shall be paid to Purchaser and all parties shall thereupon be relieved of all further liability hereunder.

If Purchaser does not exercise its right to terminate then Purchaser shall be entitled to all of the insurance proceeds which would have been due Seller and Seller will credit Purchase at Closing with an amount equal to the deductible under the applicable insurance policy and any amounts reasonably determined by Purchaser to constitute the difference between the amount of the insurance proceeds, and deductible, and the cost of reconstruction.

30. **OPERATION OF THE PREMISES:** During the period between the date hereof and the Closing Date, Seller shall:

- (A) Comply with the material terms, conditions, and provisions of all liens, leases, mortgages, agreements, insurance policies and other contractual arrangements relating to the Property, make all payments due thereunder and suffer no default therein;
- (B) Without written approval of Purchaser, neither negotiate nor enter into any new contract nor modify any existing contract affecting the use or operation of the Property which cannot be terminated without charge, cost, penalty or premium on or before the Closing Date;
- (C) Operate, manage and maintain the Property in the usual and customary manner for a municipal fire station;

- (D) Not, without Purchaser's prior written consent, enter into, amend or terminate any lease, nor institute any proceeding at law or in equity to enforce any lease;
- (E) Not return to any tenants, directly or indirectly, any security deposits except as required by lease, upon the termination of occupancy; and
- (F) Not market the Property to third parties

31. **COUNTERPARTS; MODIFICATION:** This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same instrument. The electronic transmission of any signed original counterpart of this Agreement shall be deemed to be the delivery of an original counterpart of this Agreement. This Agreement cannot be changed orally, and no executory agreement shall be effective to waive, change, modify or discharge it in whole or in part unless such executory agreement is in writing and is signed by the parties against whom enforcement of any waiver, change, modification or discharge is sought. To aid in the execution of amendments to this Agreement (but not any closing documents), the parties hereby each authorize and empower its attorney employed by such law firm or corporation to execute and deliver any amendments to this Agreement on their respective behalf and (when so executed by their attorney) the amendment shall be binding upon and enforceable against the party represented. Notwithstanding the foregoing, either party may insist upon the execution (or re-execution) of any amendment by the other party itself (and not its attorney) and each party agrees to accommodate such a request.

32. **ENTIRE AGREEMENT:** This Agreement, including the exhibits hereto, constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of the parties in connection therewith. No covenant, representation, or condition not expressed in this Agreement shall be binding upon the parties hereto or shall affect or be effective to interpret, change, or restrict the provisions of this Agreement.

[Signature to Appear on Following Page(s)]

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

EXECUTED ON:

This ____ day of _____, 2017

SELLER: CITY OF GRAND ISLAND

By: _____
Jeremy L. Jensen
Mayor

EXECUTED ON:

This ____ day of _____, 2017

PURCHASER: MENARD, INC.

by: _____
Theron J. Berg
Real Estate Manager

THIS INSTRUMENT DRAFTED BY:

Josh Melder
Corporate Counsel
5101 Menard Drive
Eau Claire, WI 54703
Phone: (715) 876-2309
Fax: (715) 876-5998

Exhibit A

Property



Exhibit B

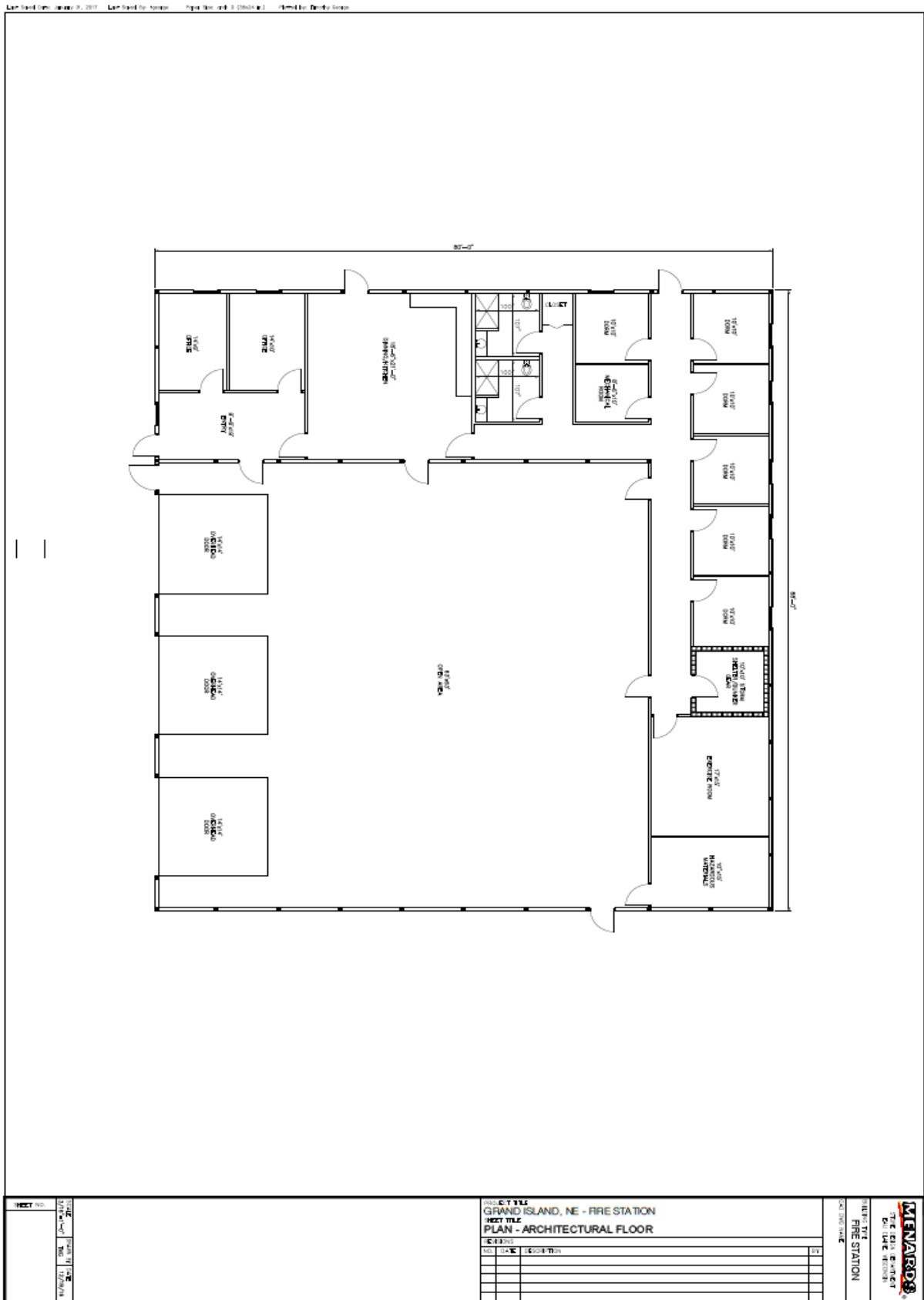


Exhibit C

POST CLOSING AGREEMENT

This Post-Closing Agreement (“Agreement”) entered into by and between **the City of Grand Island** hereinafter referred to as (“Seller”), and **Menard, Inc.** hereinafter referred to as (“Purchaser”).

RECITALS

WHEREAS, on _____, 20__ (“Closing Date”) the parties completed the sale of land located at 2003 Ebony Lane, Grand Island, NE (the “Property”) according to the terms of the Purchase and Sale Agreement between City and Purchaser effectively dated _____, 20__, as amended (“Purchase Agreement”).

WHEREAS, as of the Closing Date, Seller needs additional time after the Closing Date to allow for the construction of the new fire station and to fully remove all personal property and themselves from the Property.

WHEREAS, in exchange for Purchaser’s willingness to allow Seller to stay at the Property post-closing, the parties now desire to enter into this Agreement subject to the terms and conditions set forth herein.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by both parties hereto, Seller and Purchaser hereby agree as follows:

1. Recitals. The Recitals hereinabove are true and correct and incorporated herein.
2. Capitalized Terms. All capitalized terms used herein and not otherwise defined herein shall have the same meaning ascribed thereto in the Purchase Agreement.
3. Post-Occupancy. The Seller shall have the right to remain at the Property until 45 days, after Purchaser’s completion of its construction of the new fire station referenced in the Development Agreement between the Parties under the following conditions:
 - a) Seller shall be responsible for any and all costs of continuing occupancy including all real estate taxes, utilities, or other costs of any nature. Seller shall maintain through the term of this Agreement, liability insurance, at-risk insurance and personal property insurance.
 - b) Purchaser shall have no obligation to repair and maintain the premises prior to and during Seller’s occupancy and Seller shall maintain the premises at current levels except for the portion to be used by Purchaser.
 - c) Seller shall remove all personal property by the date specified herein. On the date Seller vacates the Property, the Property shall be free of refuse,

trash and debris and the Improvements shall be in a “broom clean” condition

- d) In the event Seller fails to vacate the premises on or before the date set forth herein, Purchaser shall be entitled to payment for any costs or damages including attorney fees relating to the removal of Seller, its tenants and Seller’s and tenant’s property as required under this Agreement.
- e) At the completion of this Agreement, Seller shall turn over, to Purchaser, all keys, garage door openers, security codes, and all other items that allow access to the premises.

4. Damages. If Seller fails to complete their obligations under this Agreement, Purchaser shall be allowed to collect actual damages, including attorney’s fees, incurred in rectifying such failure from Seller.

5. Indemnity. Seller shall indemnify, defend and hold harmless Purchaser from and against any and all judgments, actions, liens, loss, damages, penalties, fines, liabilities, expenses (including attorneys’ fees) and claims in connection with any activity performed under this Agreement by or at the instance of Seller.

6. Facsimile. Any facsimile, electronic, telecopy or other reproduction of this Agreement may be executed by the parties and shall be considered valid, binding and effective for all purposes. At the request of any party, the parties hereto agree to execute an original of this Agreement as well as any facsimile, email, electronic, telecopy or other reproduction hereof.

7. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, all of which together shall constitute one instrument.

8. Effective Date. This Agreement shall become effective as of the date of final execution.

[Signatures to Appear on Following Pages]

IN WITNESS WHEREOF, the party hereto has executed this instrument.

EXECUTED ON:

SELLER: City of Grand Island

This ____ day of _____, 20__

By: _____
Name: Jeremy L. Jensen
Its: Mayor

EXECUTED ON:

PURCHASER: Menard, Inc.

This ____ day of _____, 20__

By: _____
Name: Theron J. Berg
Its: Real Estate Manager

Discussion Draft 10-21-17

GROUND LEASE WITH OPTION TO PURCHASE

THIS GROUND LEASE WITH OPTION TO PURCHASE (“Lease”), made as of the day of November ___, 2017, between The Meadows Apartment Homes, L.L.C., a Nebraska limited liability company (hereinafter called “Landlord”), and the City of Grand Island, a body politic and corporate and a political subdivision of the State of Nebraska (hereinafter called (“Tenant”).

WITNESSETH:

Article I. The Demise

Section 1.01 The Demise.

Landlord hereby demises and leases to Tenant the real property located in the City of City of Grand Island, County of Hall, Nebraska, known and described as follows:

A TRACT OF LAND COMPRISING A PART OF THE NORTH HALF OF THE NORTHEAST QUARTER (N1/2 NE1/4) OF SECTION FOURTEEN (14), TOWNSHIP ELEVEN (11) NORTH, RANGE TEN (10) WEST OF THE 6TH P.M., IN HALL COUNTY, NEBRASKA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID NORTH HALF OF THE NORTHEAST QUARTER (N1/2 NE1/4); THENCE ON AN ASSUMED BEARING OF S01°24'11"E, SOUTH ALONG THE EAST LINE OF SAID N1/2 NE1/4, A DISTANCE OF 492.04 FEET, TO THE NORTHEAST CORNER OF LOT 2, HANOVER SECOND SUBDIVISION; THENCE S88°36'51"W, WEST ALONG THE NORTH LINE OF HANOVER SECOND SUBDIVISION, A DISTANCE OF 330.07 FEET, TO THE NORTHWEST CORNER OF LOT 2, HANOVER SECOND SUBDIVISION; THENCE N01°23'27"W A DISTANCE OF 496.86 FEET TO A POINT ON THE NORTH LINE OF SAID N1/2 NE1/4; THENCE N89°27'02"E, EAST ALONG THE NORTH LINE OF SAID N1/2 NE1/4, A DISTANCE OF 330.00 FEET, TO THE TO THE POINT OF BEGINNING.

SAID TRACT CONTAINS A CALCULATED AREA OF 163,176.08 SQUARE FEET OR 3.746 ACRES MORE OR LESS OF WHICH 0.598 ACRES ARE COUNTY ROAD RIGHT-OF-WAY.

(hereinafter called the “Land”), subject to the matters and things set forth herein.

Section 1.02 Subdivision. To facilitate effectuation of Tenant’s options of purchase as hereinafter set forth, Tenant shall cause a Subdivision Plat to be prepared and submitted for

approval, at Tenant's sole cost and expense in respect to the following described parcel of real estate:

A tract of land comprising a part of the North Half of the Northeast Quarter (N1/2NE1/4) of Section Fourteen (14), Township Eleven (11) North, Range Ten (10) West of the 6th P.M., in Hall County, Nebraska, more particularly described as follows: Beginning at the northeast corner of said North Half of the Northeast Quarter (N1/2NE1/4); thence running southerly along the east line of said North Half of the Northeast Quarter (N1/2NE1/4), on an Assumed Bearing of S 00° 00' 00" E, a distance of Four Hundred Ninety Two (492.00) feet, to the northeast corner of Hanover Subdivision; thence running S 90° 00' 00" W, along the north line of Hanover Subdivision, a distance of Three Hundred Thirty (330.00) feet, to the northwest corner of Hanover Subdivision; thence running S 00° 00' 00" E, along the west line of Hanover Subdivision, a distance of Three Hundred Ninety Six (396.00) feet, to the southwest corner of Hanover Subdivision; thence running S 90° 00' 00" E, along the south line of Hanover Subdivision, a distance of Three Hundred Thirty (330.00) feet, to the southeast corner of Hanover Subdivision, and to a point on the east line of said North Half of the Northeast Quarter (N1/2NE1/4); thence running S 00° 00' 00" W, along the east line of said North Half of the Northeast Quarter (N1/2NE1/4), a distance of Four Hundred Twenty Five and Twenty Hundredths (425.20) feet, to the southeast corner of said North Half of the Northeast Quarter (N1/2NE1/4); thence running N 89° 22' 25" W, along the south line of said North Half of the Northeast Quarter (N1/2NE1/4), a distance of Seven Hundred Sixty Two and Forty Four Hundredths (762.44) feet; thence running N 00° 00' 00" E, a distance of One Thousand Three Hundred Sixteen and Eighteen Hundredths (1316.18) feet, to a point on the north line of said North Half of the Northeast Quarter (N1/2NE1/4); thence running S 89° 08' 58" E, along the north line of said North Half of the Northeast Quarter (N1/2NE1/4), a distance of Seven Hundred Sixty Two and Forty Eight Hundredths (762.48) feet to the point of beginning;

for the purpose of creating four (4) lots with access to existing public streets that shall consist of the Land, platted as two (2) lots, Tract "A" as identified in Section 25.02, and the balance of the real estate as a separate parcel remaining for such use as Landlord may hereafter determine.

Although such subdivision shall be subject to prior approval, Landlord agrees to execute such Plat and Subdivision Agreement as required and otherwise cooperate with Tenant in whatever way may be reasonably necessary to obtain subdivision approval.

TO HAVE AND TO HOLD the property above described for a term, commencing on the ___ day of _____, 2017, and ending on the 30th day of June, 2018, unless sooner terminated as hereinafter provided (hereinafter called the "Term").

Article II. Building Defined.

Section 2.01 The term “Building” as used in this Lease shall mean the buildings and improvements, including all foundations, structures, landscaping, sidewalks, curbs, driveways, parking facilities, and fixtures, to be hereafter located upon the Land and any additions thereto or replacements thereof.

Section 2.02 Building to Become the Property of Landlord. So long as this Lease remains in force, any Building constructed by Tenant on the Land shall be owned in fee simple by Tenant (Tenant to stand seized of the title for the purposes herein set forth) but upon the termination of this Lease without Tenant having given notice of the exercise of the option to purchase the Land prior to the expiration of the term of this Lease the Buildings shall become the property of Landlord in fee simple free and clear of all encumbrances, excepting only the lien of taxes, if any, assessed but not yet due and payable (for which Tenant shall remain obligated to pay to the extent that the same are allocable to the period prior to the termination of this Lease).

Section 2.03 Tenant’s Covenant to Perform. This Lease is made upon the foregoing and the following covenants and conditions, each of which Tenant agrees to perform, irrespective of whether the particular provision is in the form of a covenant, an agreement, a condition, a direction, or otherwise.

Article III. Rent

Section 3.01 Amount of Rent. Tenant covenants and agrees to pay to Landlord the sum of One and No/100 Dollars (\$1.00) as rent for the Land demised for the term specified by this Lease, such rent being payable in its entirety upon the date of the commencement of such term.

Section 3.02 Place of Payment. Tenant shall pay all such rent to Landlord in lawful money of the United States at such place as Landlord shall from time to time designate by notice to Tenant.

Section 3.03 Rent to Be Without Deduction, Setoff, or Counterclaim. This Lease shall be deemed and construed to be a net Lease, and Landlord shall receive all rent and other payments

hereunder to be made by Tenant free from any charges, assessments, Impositions (as defined in Section 4.01 hereof), expenses, or deductions of any nature whatsoever. Landlord shall not be called upon to make any expenditure for the maintenance, repair, or preservation of the Building or Land or any portion thereof.

Article IV. Payment of Taxes, Assessments, and Other Impositions

Section 4.01 Payment of Impositions. Tenant agrees to pay or cause to be paid as additional rent, before any fine, penalty, interest, or cost is added thereto for the nonpayment thereof, all real estate taxes and other ad valorem taxes on tangible property assessments, water rates and charges, and other governmental charges, general and special, ordinary and extraordinary, unforeseen as well as foreseen, of any kind and nature whatsoever, including but not limited to assessments for public improvements or benefits (all of which taxes, and contributions in lieu of taxes, assessments, water rates or charges, levies and other governmental charges levied or assessed against Landlord, Tenant, or the Land or Building are herein referred to as “Impositions”), which are assessed, levied, confirmed, imposed, or become a lien upon the Land or the Building or which become payable during the Term of this Lease, except as otherwise provided for in this Article IV.

Section 4.02 If by law any such Imposition is payable, or may at the option of the taxpayer be paid, in installments (whether or not interest shall accrue on the unpaid balance of such Imposition), then Tenant shall pay the same (and any accrued interest on the unpaid balance of such Imposition) in the amount of such installments as the same respectively become due and before any fine, penalty, interest, or cost is added thereto for the nonpayment of any such installment and interest. Any Imposition relating to a fiscal period of the taxing authority, a part of which period is included within the Term of this Lease and a part of which is included in a period of time prior to the commencement of the term of this Lease or after the termination of this Lease, shall (whether or not such Imposition shall be assessed, levied, confirmed, imposed or become a lien upon the Land or upon the Building or both, or shall become payable during the Term of this Lease) be adjusted as between Landlord and Tenant at the time of the commencement of this Lease, and, again, as of the termination of this Lease, so that Landlord

shall pay that proportion of such Imposition allocable that part of the fiscal period included in the period of time before commencement and after the termination of this Lease to Tenant, and Tenant shall pay the remainder thereof. Notwithstanding the provisions in this Section 4.02, in the event that Tenant shall exercise its option to purchase the Land, Tenant shall be solely responsible for any Imposition after the termination of this Lease.

Section 4.03 With respect to any Imposition for public improvements or benefits that by law is payable in installments, Landlord shall pay the installments thereof which become due and payable prior to the commencement of the term of this Lease or subsequent to the termination of this Lease and Tenant shall pay those installments which become due and payable during the Term of this Lease. Tenant further agrees to pay all real estate taxes herein defined as Impositions upon the Building and the Land attributable to that portion thereof allocable to the term of this Lease, with the Landlord remaining responsible for the payment of those taxes allocable to any time prior to the commencement of the term of this Lease and subsequent to the date that such Lease terminates. Notwithstanding the provisions in this Section 4.03, in the event that Tenant shall exercise its option to purchase the Land, Tenant shall be solely responsible for any Imposition after the termination of this Lease.

Section 4.04 Pro-Rata Division of Impositions. In the event any Imposition, including real estate taxes and special assessments, is levied upon the whole of Landlord's land and not separately upon the Land leased hereunder, Tenant shall pay its proportionate share of the Imposition attributable to that portion thereof allocable to the term of this Lease, with the Landlord remaining responsible for the payment of those taxes allocable to any time prior to the commencement of the term of this Lease and subsequent to the date that such Lease terminates. Notwithstanding the provisions in this Section 4.04, in the event that Tenant shall exercise its option to purchase the Land, Tenant shall be solely responsible for any Imposition after the termination of this Lease.

Section 4.05 Right to Contest Impositions. Tenant shall have the right to contest the amount or validity of any Imposition upon the Land, the Building, or any part thereof by appropriate legal proceedings, but this shall not be construed in any way as modifying Tenant's covenant to pay

such Imposition at the time and in the manner as in this Article. Landlord agrees to cooperate reasonably with Tenant in any such contest but without expense to Landlord. If Tenant shall not be in default under this Lease, Tenant shall be entitled to any refund of any Imposition and penalties or interest thereon which relate to the Land and Building and have been paid by or on behalf of Tenant, or which have been paid by Landlord and for which Landlord has been fully reimbursed.

Article V. Insurance

Section 5.01 Insurance on Building. Tenant shall, at Tenant's sole cost and expense but for the mutual benefit of Landlord and Tenant, maintain the following insurance:

- (a) Fire and extended coverage insurance on the Building, in an amount that shall be sufficient to cover the full replacement value thereof, protecting against loss or damage by (i) fire and lightning, (ii) the risks commonly included within the term "extended coverage" (including but not limited to wind, storm, hail, explosion, riot, riot attending a strike, civil commotion, aircraft, vehicles, and smoke), and (iii) vandalism and malicious mischief, all such terms as used in insurance policies from time to time issued by insurance companies licensed to do business by the State of Nebraska. Such policy or policies shall include coverage for all increases in the cost of construction or repair of the Building caused by the enforcement of any law or ordinance regulating, prohibiting, or restricting the repair or reconstruction of the Building and all costs of demolition of any undamaged portion of the Building and the value of that undamaged portion and the replacement cost of the undamaged and damaged portion.
- (b) In lieu of the above insurance coverage, Tenant may obtain "All Risk" coverage, provided only that such coverage is at least as large in amount and as broad in coverage as the foregoing and that the form of the coverage is first approved in writing by Landlord.

Section 5.02 Other Insurance to Be Carried. Tenant shall also, at Tenant's sole cost and expense but for the mutual benefit of Landlord and Tenant, maintain comprehensive general public liability and property damage insurance, protecting and indemnifying Landlord and its

officers, agents, and employees; Tenant; and others designated by Landlord, against any and all claims (including all costs and expenses of defending against the same) for bodily injury, sickness, disease, or death, or for damage or injury to or destruction of property (including loss of the use thereof) arising out of the ownership, maintenance, or use of the Building or the Land. The limits of such insurance shall be not less than \$2,000,000 in respect of bodily injury, sickness, disease, or death resulting from any one occurrence; and \$2,000,000 in respect of damage or injury to or destruction of property from any one occurrence; and an excess “umbrella” policy (providing insurance in respect of the risks above described for liability in excess of the limits specified above for such risks). The limits of the excess “umbrella” policy required hereby shall not be less than a combined single limit of \$5,000,000.

Section 5.03 Landlord as Additional Insured and Proof of Insurance. Any insurance policies required to be carried pursuant to this Article V shall name Landlord as an additional insured. A certificate evidencing the issuance of such policy or policies, together with evidence of the payment of premiums, shall be delivered to Landlord before the commencement of the Term of this Lease. Not less than ten (10) days prior to the expiration of any such policy or policies, evidence of the renewal of such policy or policies, or a new certificate, together with evidence of the payment of premiums for the renewal period or new policy, as the case may be, shall be delivered to Landlord. All such insurance shall contain an agreement by the insurance company that the policy or policies will not be cancelled or the coverage changed without ten (10) days’ prior written notice to Landlord.

Article VI. Use of the Land and Building

Section 6.01 No Representations by Landlord—No Repairs. Tenant acknowledges that it has examined the Land and knows the condition thereof and accepts such Land in its present condition and without any representations or warranties of any kind or nature whatsoever by Landlord as to such Land’s condition or as to the use or occupancy that may be made thereof. Effective upon the commencement of the Term of this Lease, Tenant assumes the sole responsibility for the condition, operation, maintenance, and management of the Land and Building, and Landlord shall not be required at any time to furnish any facilities or services or to

make any repairs, replacements, changes (structural or otherwise), additions, or alterations to the Land, the Building, or any other property of any kind demised by this Lease.

Section 6.02 Compliance with Law. Tenant shall throughout the Term of this Lease, at Tenant's sole expense, promptly comply with all laws and ordinances and the orders, rules, regulations, and requirements of all federal, state, and municipal governments and appropriate departments, commissions, boards, and officers thereof (whether or not the same require structural repairs or alterations) that may be applicable from time to time to the Land and the Building. Tenant shall likewise observe and comply with the requirements of all policies of public liability, fire and other types of insurance at any time in force with respect to the Building.

Article VII. Repairs, Maintenance and Improvements

Section 7.01 Repair of Building. Tenant shall throughout the Term of this Lease, at Tenant's sole expense, maintain the Building that Tenant intends to construct upon the Land in good condition and repair. Tenant shall promptly, at Tenant's own expense, make to and on such Building all necessary repairs, renewals, and replacements, interior and exterior, structural and nonstructural, whether made necessary or caused by fire or other cause or by ordinary wear and tear. Nothing contained in this Lease shall impose on Landlord the obligation to make any repairs or expend any monies for the maintenance of the Land or Building or any improvement located thereon or the renewal, replacement, or repair of the Building or any part thereof except for such repairs caused by the negligence of Landlord or Landlord's employees.

Section 7.02 Removal of Dangerous Conditions. Tenant shall during the Term of this Lease, at Tenant's sole expense, do all things necessary to remove any dangerous condition from time to time existing on the Land, including (without limiting the generality of the foregoing) promptly taking any appropriate measures to prevent or repair any erosion, collapse, or other unstable condition of the Land.

Article VIII. Landlord's Right to Perform Tenant's Covenants; Reimbursement of Landlord for Amounts So Expended

Section 8.01 Performance of Tenant's Covenants to Pay Money. Tenant covenants that if it shall at any time fail to pay any Impositions pursuant to the provisions of Article IV hereof; or shall fail to take out, pay for, maintain, or deliver any of the insurance policies pursuant to Article V hereof; or shall fail to make any other payment (other than rent) due hereunder, and such failure shall continue for sixty (60) days after written notice to Tenant, then Landlord may, but shall not be obligated to, and without further notice to or demand upon Tenant, pay any such Imposition, effect any such insurance coverage and pay premiums therefor, or make any other payment in such manner and to such extent as Landlord may deem desirable.

Section 8.02 Landlord's Right to Cure Tenant's Defaults. If there shall be an event of default involving the failure of Tenant to keep the Building in good condition and repair in accordance with the provisions of this Lease, to make any necessary renewals or replacements or to remove any dangerous condition in accordance with the requirements of this Lease, or to take any other action required by the terms of this Lease, then Landlord shall have the right, but shall not be required, to make good any such default of Tenant. Nothing herein shall imply any duty upon the part of Landlord to do any such work that Tenant is required to perform under any provision of this Lease. Landlord may, during the progress of any such work elected to be performed by Landlord on the Land or the Building, enter with contractors, agents, and servants and keep and store all necessary materials, tools, and equipment upon the Land and in the Building or any part thereof.

Section 8.03 Reimbursement of Landlord. All sums advanced by Landlord pursuant to the provisions of Sections 8.01 and 8.02 hereof shall be deemed additional rent and shall be payable by Tenant to Landlord. Such reimbursement shall be made on demand or, at the option of Landlord, may be added to any rent then due or thereafter becoming due under this Lease, as the case may be, and Tenant covenants to pay any such sum or sums and Landlord shall have (in addition to any other right or remedy) the same rights and remedies in the event of the

nonpayment thereof by Tenant as in the case of default by Tenant in the payment of any installment of rent as provided herein.

Article IX. New Buildings and Changes and Alterations

Section 9.01 Construction of the Building. Tenant may erect and construct upon the Land its fire station and emergency center, including all drives; parking areas; sewer, water, and electric connections; and all necessary and desirable fixtures. The Building so constructed shall not occupy any land other than the Land demised by this Lease.

Section 9.02 Approval by Landlord. Prior to the commencement of the construction of the Building or any of the work to be performed by Tenant as described in Article X hereof, Tenant shall obtain the written approval of Landlord to the final plans and specifications. Such approval shall not be withheld unreasonably.

Section 9.03 Procurement of Permits. No construction of any part of the Building nor any of the work to be performed by Tenant as described in this Article IX shall be undertaken until Tenant shall have procured and paid for, so far as the same may be required from time to time, all municipal and other governmental permits and authorizations of the various municipal departments and governmental subdivisions having jurisdiction.

Section 9.04 Control of Construction.

- (a) All work to be performed by Tenant or on Tenant's behalf shall be done promptly and in a good workmanlike manner substantially in accordance with the approved Plans and Specifications and in compliance with the building and zoning laws of the City of Grand Island.
- (b) The cost of all work performed by Tenant shall be paid promptly so that the Land and the Building shall at all times be free of liens for labor and materials supplied to Tenant.

Article X. Damage or Destruction

Section 10.01 Repair and Replacement of Building after Damage. In the event of damage by fire or otherwise to any machinery, fixtures, or equipment that are a part of the Building, Tenant shall, within three (3) months after such damage, and as much sooner as is reasonably possible, at Tenant's sole expense (but using along with Tenant's own funds such insurance proceeds as may be available for that purpose) either repair or replace such machinery, fixtures, or equipment. In the event of damage by fire or otherwise to the Building, Tenant shall, within twelve (12) months after such damage, and as much sooner as is reasonably possible, at Tenant's sole expense (but using along with Tenant's own funds such insurance proceeds as may be available for that purpose), either repair and restore the Building as completely as possible to the condition it was in immediately prior to such damage or, if Tenant so elects, replace the Building (including all machinery, fixtures and equipment situated therein) with a building of the same general size and character as the damaged building. In either event, the repairing, restoring, or replacement shall be done in conformity with and subject to the provisions of Article IX applicable to the construction of the Building on the Land.

Section 10.02 Payment for Construction after Damage or Destruction. All insurance proceeds recovered by Landlord or Tenant on account of damage or destruction, less the costs, if any, for such recovery (including reasonable counsel fees), shall be applied to the payment of the cost of the repairing, restoring, removing, or replacing the Building.

Section 10.03 Unused Insurance Proceeds and Deposits. In the event any proceeds of insurance or sums deposited with the Landlord in connection with any restoration or rebuilding of the Building shall remain in the hands of Landlord after completion of such restoration or rebuilding, and if Tenant shall not be in default under this Lease in respect of any matter or thing, then such remaining funds shall be paid to Tenant.

Article XI. Mechanics' Liens

Section 11.01 Discharge of Mechanics' Liens. Tenant shall not suffer or permit any mechanics' liens to be filed against the title to the Land, nor against Tenant's interest in the Land, nor against the Building or parking facilities by reason of work, labor, services, or materials supplied or claimed to have been supplied to Tenant. If any such mechanics' lien shall at any time be filed against the Land, the Building, or the parking facilities, or any part thereof, Tenant shall cause the same to be discharged of record within thirty (30) days after the date Tenant has knowledge of such filing. If Tenant shall fail to discharge such mechanics' lien within such period, then in addition to any other right or remedy Landlord may, but shall not be obligated to, discharge the same either by paying the amount claimed to be due or by procuring the discharge of such lien by deposit in court or bonding, and in such event Tenant shall be entitled, if it so elects, to compel the prosecution of an action for the foreclosure of such mechanics' lien by the lienor and to pay the amount of the judgment, if any, in favor of the lienor with interest, costs, and allowances. Tenant shall not be required to pay or discharge any such mechanics' lien so long as Tenant shall give notice in writing to Landlord of its intention to contest the validity of such lien and shall in good faith proceed to contest the same by appropriate proceedings.

Article XII. Covenants Against Waste and Inspection

Section 12.01 Waste. Tenant covenants not to do or suffer any demolition, waste or damage, disfigurement, or injury to the Land or the Building.

Section 12.02 Inspection of Building. Tenant shall permit the authorized representatives of Landlord to enter upon the Land and the Building or any part thereof at all times during usual business hours for the purpose of making reasonable inspections of the same.

Article XIII. Public Utility Charges

Section 13.01 Payment of Public Utility Charges. Tenant shall pay or cause to be paid all charges for gas, electricity, light, heat, power, or telephone or other communication service used, rendered, or supplied upon or in connection with the Land and the Building and also any charges or expenses in connection with any alterations, additions, installations, or changes required or desired in connection with the supplying or using of such utilities or services or substitutes therefor throughout the Term of this Lease.

Article XIV. Indemnification of Landlord

Section 14.01 General Indemnification of Landlord. Tenant agrees to protect, defend, indemnify, and save harmless Landlord and its officers, agents, and employees against and from any and all claims by or on behalf of any person, firm, or corporation arising from the conduct of the Tenant or its employees, agents, and representatives, or from any work or thing whatsoever done in or about the Building or on the Land or in or on the parking facilities. Tenant also agrees to protect, defend, indemnify, and save Landlord harmless against and from any and all claims arising during the Term of this Lease from any condition of such Building and Land.

Article XV. Condemnation

Section 15.01 Separate Determination of Condemnation Awards. In the event that all or any part of the Land, Building, or any leasehold or other interest in the Land shall be taken or damaged or if any part of the Building or the Land is taken or damaged by the exercise of the power of eminent domain, then (whether or not this Lease shall terminate by operation of law upon such exercise of the power of eminent domain) the amount of damages resulting to Landlord and Tenant, respectively, and to their respective interests in and to the Land and Building and in, to, and in connection with this Lease, by reason of such exercise of the power of eminent domain, shall be separately determined and computed by the court having jurisdiction, and separate awards and judgments with respect to such damages to Landlord and Tenant, respectively, and to each of their respective interests, shall be made and entered. In the event that such court shall make a single award without separately determining the respective interests of Landlord and Tenant, and if Landlord and Tenant shall not agree in writing as to their respective

portions of such award within twenty (20) days after the date of the final determination by such court of the amount thereof, Landlord and Tenant agree to submit the matter to such court on stipulation for the purpose of a judgment determinative of their respective shares.

Section 15.02 Effect of Taking on Rent. In the event that all of the Land and the Building shall be taken by the exercise of the power of eminent domain or by agreement between Landlord, Tenant, and those authorized to exercise such power or if this Lease is terminated by operation of law as a result of the exercise of such power of eminent domain, then all rent, Impositions, and other sum or sums of money and other charges provided to be paid by Tenant and related to particular periods of time shall be apportioned and paid to the date of such taking. Unless all of the Land and Building are taken by the exercise of the power of eminent domain or unless this Lease is terminated by agreement or by operation of law as a result of the exercise of such power of eminent domain, this Lease shall continue in full force and effect.

Section 15.03 Taking Temporary. In the event that all or any part of the Building and the Land shall be taken by the exercise of the power of eminent domain for governmental occupancy for a temporary period, this Lease shall not terminate and Tenant shall continue to perform and observe all of its obligations hereunder (including the obligation to pay rent as provided throughout this Lease) as though such temporary taking had not occurred except only to the extent that it may be prevented from so doing by the terms of the order of the authority that made the taking. In the event the taking for governmental occupancy is for a period entirely within the Term of this Lease, then Tenant shall be entitled to receive the entire amount of any award made for such taking, whether paid by way of damages, rent, or otherwise. If the period of governmental occupancy extends beyond the termination of this Lease, the amount of such award, after payment to Landlord therefrom of the estimated cost of restoration of the Building, shall be apportioned between Landlord and Tenant as of the date of such termination. The amount of any award payable to Tenant in either case, on account of the taking of all or any part of the Building, shall be apportioned on an annual basis during the period within the Term of this Lease to which the award is applicable. In the event of any such temporary taking for governmental occupancy, and if the court shall make a single award without separately determining the amount of the award applicable to the taking of the interest of Landlord in this

Lease and in the Building, and if Landlord and Tenant shall not agree in writing as to the proportion of such award so applicable to Landlord, then Landlord and Tenant agree to submit the matter to such court on stipulation for the purpose of a judgment determinative of such interest of Landlord.

Section 15.04 Tenant covenants that if the termination of any such governmental occupancy occurs prior to the termination of the Term of this Lease, Tenant at its sole cost and expense will restore the Building as nearly as may be reasonably possible to the condition the same was in prior to such taking.

Article XVI. Default Provisions

Section 16.01 Events of Default. The following events are hereby defined as “Events of Default”:

- (a) The failure of Tenant to pay any installment of rent, or any other payments or deposits of money as herein provided or required, when due;
- (b) The failure of Tenant to perform any of the other covenants, conditions and agreements of this Lease on the part of Tenant to be performed and the continuance of such failure for a period of sixty (60) days after notice in writing thereof from Landlord to Tenant (which notice shall specify the respects in which Landlord contends that Tenant has failed to perform any of such covenants, conditions, and agreements).

Section 16.02 Remedies in Event of Default. If any one or more Events of Default occur, the Landlord may treat each such default as a breach of this Lease and thereupon by serving written notice on Tenant, Landlord may elect, in addition to any other remedies provided by law or in equity, one or more of the following remedies:

- (a) If an Event of Default occurs after the execution of this Lease and prior to the commencement of the construction of the Building, the parties hereby agree that this Lease shall terminate forthwith;
- (b) If an Event of Default occurs after commencement of construction of the Building, and prior to the completion of Building, Landlord shall have the right to carry out and

complete the construction of the Building, and all sums so expended by the Landlord shall be immediately payable by Tenant to the Landlord upon demand. In so completing such construction, the Landlord may depart from the plans and specifications for such Building, provided, however, that the Landlord shall not be entitled to recover from Tenant an amount in excess of the amount that would have been payable by the Tenant had the Building been completed in accordance with the plans and specifications referred to in Article IX;

- (c) If an Event of Default occurs after completion of the Building in accordance with Article IX, Landlord may terminate this Lease and the Term created hereby, in which event Landlord may forthwith repossess the Land and Building utilizing a forcible entry and detainer action or other available legal proceeding in the event that Tenant shall fail to voluntarily vacate and surrender the Land and Building to Landlord.

Section 16.03 Waivers to Be in Writing. The receipt of rent by Landlord, with knowledge of any breach of this Lease by Tenant or of any default on the part of Tenant in the observance or performance of any of the conditions, agreements, or covenants of this Lease, shall not be deemed to be a waiver of any provision of this Lease. No failure on the part of Landlord to enforce any covenant or provision herein contained, nor any waiver of any right thereunder by Landlord, unless in writing, shall discharge or invalidate such covenant or provision or affect the right of Landlord to enforce the same in the event of any subsequent breach or default. No covenant or condition of this Lease shall be deemed to have been waived by Landlord unless such waiver be in writing, signed by Landlord or Landlord's agent duly authorized in writing. Consent of Landlord to any act or matter must be in writing and shall apply only with respect to the particular act or matter to which such consent is given and shall not relieve Tenant from the obligation, wherever required under this Lease, to obtain the consent of Landlord to any other act or matter. The receipt by Landlord of any rent or any other sum of money or any other consideration hereunder paid by Tenant after the termination, in any manner, of the Term herein demised, shall not reinstate, continue, or extend the Term herein demised, unless so agreed to in writing and signed by Landlord.

Article XVII. Invalidity of Particular Provisions

Section 17.01 Invalidity of Provisions. If any provisions of this Lease or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Article XVIII. Quiet Enjoyment

Section 18.01 Quiet Enjoyment. Landlord agrees that Tenant, upon paying the rent and all Impositions and other charges herein provided for and performing all of the covenants and conditions of this Lease, shall lawfully and quietly occupy the Land during the Term of this Lease without hindrance or molestation by Landlord or any persons claiming under Landlord.

Article XIX. Landlord's Title

Section 19.01 Title Paramount. Landlord shall have title to the Land and the remainder or residual interest in the Building paramount to all others.

Section 19.02 Tenant Not to Encumber Landlord's Interest. Tenant shall have no right or power to and shall not in any way encumber the title of Landlord in and to the Land or the remainder or residual interest in the Building. The fee simple estate of Landlord in the Land and the interest of Landlord in the Building shall not be in any way subject to any claim by way of lien or otherwise, whether claimed by operation of law or by virtue of any express or implied lease or contract or other instrument made by Tenant, and any claim to a lien or otherwise upon the Land or in the Building arising from any act or omission of Tenant shall accrue only against the leasehold estate of Tenant in the Land and Tenant's interest in the Building and shall in all respects be subject to the paramount rights of Landlord in the Land and the remainder or residual interest in the Building.

Article XX. Limitation of Liability

Section 20.01 Liability after Ouster of Tenant. In no case shall Landlord be liable under any express or implied covenant of this Lease for any damages whatsoever for Tenant's ouster by a third party.

Article XXI. Estoppel Certificates, Subordination, and Attornment

Section 21.01 Estoppel Certificates. Landlord and Tenant each agree at any time and from time to time, so long as this Lease shall remain in effect, upon not less than ten (10) days' prior written request by the other party, to execute, acknowledge, and deliver to the other party a statement in writing certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified, stating the modifications) and the dates to which the rent and other charges have been paid in advance, if any, and stating whether any default under the terms of this Lease is known by, or any notice of default has been served by, the party giving the certificate, it being intended that any such statement delivered pursuant to this Article may be relied upon by any prospective Tenant of Landlord's fee simple interest in the Land or of Landlord's remainder interest in the Building or any mortgagee or assignee of any mortgage upon the fee of the Land or upon Landlord's remainder interest in the Building, as the case may be.

Section 21.02 Certification of Completion. If the Building has been constructed in accordance with Article IX and is acceptable to Landlord, then Landlord shall so certify within thirty (30) days after a written request by Tenant.

Section 21.03 Subordination. Tenant agrees that this Lease shall be subordinate to any mortgages or trust deeds that may hereafter be placed upon the Land and to any and all advances to be made thereunder, and to the interest thereon, and to all renewals, replacements, and extensions thereof; provided that the mortgagee or trustee thereunder shall agree to recognize Tenant's rights hereunder as long as Tenant is not in default hereunder. Tenant further agrees

that upon notification by Landlord to Tenant, this Lease shall be or become prior to any mortgages or trust deeds that may heretofore or hereafter be placed on the Land. Tenant shall execute and deliver a Subordination, Non-disturbance and Attornment Agreement or, failing to do so within ten (10) days after demand in writing, does hereby make, constitute, and irrevocably appoint Landlord as its attorney-in-fact and in its name, place, and stead so to do.

Section 21.04 Attornment. Tenant shall, upon demand, in the event of the sale or assignment of Landlord's interest in the Land or remainder interest in the Building: or in the event that any proceedings are brought for the foreclosure thereof; or in the event of an exercise of power of sale under any mortgage, trust deed, or other financing instrument made by Landlord covering the Land, attorn in writing to the purchaser upon any such foreclosure or sale and recognize such purchaser as the Landlord under this Lease.

Article XXII. Assignment and Sublease

Section 22.01 Assignment and Sublease. Tenant shall not assign this Lease, or any interest therein, and shall not sublet the Building or Land or any part thereof, or any right or privilege appurtenant thereto, or suffer any other person or entity to occupy or use the Building, Land or any part thereof without Landlord's prior written consent, which consent may be arbitrarily withheld.

Article XXIII. Remedies Cumulative

Section 23.01 Remedies Cumulative. No remedy herein or otherwise conferred upon or reserved to Landlord shall be considered exclusive of any other remedy, but the same shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute; and every power and remedy given by this Lease to Landlord may be exercised from time to time and as often as occasion may arise or as may be deemed expedient by Landlord. No delay or omission of Landlord to exercise any right or power arising from any default shall impair any such right or power, nor shall it be construed to be a waiver of any such default or any acquiescence therein.

Section 23.02 Waiver of Remedies Not to Be Inferred. No waiver of any breach of any of the covenants or conditions of this Lease shall be construed to be a waiver of any other breach or to be a waiver of, acquiescence in, or consent to any further or succeeding breach of the same or similar covenant or condition.

Section 23.03 Right to Terminate Not Waived. Neither the rights herein given to receive, sue for, or distrain for any rent, monies, or other payments, or to enforce any of the terms of this Lease, or to prevent the breach or nonobservance thereof, nor the exercise of any such right or of any other right or remedy shall in any way impair or toll the right or power of Landlord to terminate the Term herein granted and to terminate this Lease because of any event of default hereunder.

Article XXIV. Holding Over

Section 24.01 Rights Upon Holding Over. Provided Tenant does not exercise its option to purchase the Land during the Lease term, upon termination of this Lease by lapse of time, Tenant shall yield up immediate possession of the Land and the Building to Landlord. Likewise, upon termination of this Lease by reason of an Event of Default or otherwise, Tenant will at once surrender possession of the Land and Building to Landlord and remove all of Tenant's personal effects and property therefrom.

Article XXV. Option To Purchase

Section 25.01 Option to Purchase Land. Landlord hereby gives and grants to Tenant the exclusive right and option during the Term of this Lease to purchase the Land for the cash price of ONE HUNDRED THREE THOUSAND FIFTEEN AND NO/100 DOLLARS (\$103,015.00). As a credit to said purchase price there shall be deducted the rent paid by Tenant to Landlord during the Term of the Lease. In the event Tenant elects to exercise the option, Tenant shall deliver notice thereof in writing to Landlord during the Lease Term.

Section 25.02 Option to Purchase Additional Tract. Conditioned upon Tenant having exercised its option to purchase the Land, Landlord further gives and grants to Tenant the exclusive right and option (which must be exercised in the same manner as the exercise of the option in respect to the Land) at any time within Five (5) years following the date of the commencement of the term of this Lease, for a cash price of ONE HUNDRED THIRTY-SIX THOUSAND FOUR HUNDRED EIGHTY-TWO AND 50/100 DOLLARS (\$136,482.50) the following additional tract, hereinafter referred to as "Tract A":

A TRACT OF LAND LOCATED IN PART OF THE NORTH HALF OF THE NORTHEAST QUARTER (N1/2 NE1/4) OF SECTION FOURTEEN (14), TOWNSHIP ELEVEN (11) NORTH, RANGE TEN (10) WEST OF THE 6TH P.M., HALL COUNTY, NEBRASKA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID NORTH HALF OF THE NORTHEAST QUARTER (N1/2 NE1/4); THENCE ON AN ASSUMED BEARING OF S89°27'02"W, WEST ALONG THE NORTH LINE OF SAID N1/2 NE1/4, A DISTANCE OF 330.00 FEET, TO THE TO THE POINT OF BEGINNING; THENCE S01°23'27"E A DISTANCE OF 496.86 FEET, TO THE NORTHWEST CORNER OF LOT 2, HANOVER SECOND SUBDIVISION; THENCE S88°36'51"W A DISTANCE OF 432.30 FEET, TO A POINT ON THE EAST LINE OF LOT 1, BLOCK 2, NEUMANN SECOND SUBDIVISION; THENCE N01°24'29"W, NORTH ALONG SAID EAST LINE OF LOT 1, BLOCK 2, NEUMANN SECOND SUBDIVISION, A DISTANCE OF 503.17 FEET, TO A POINT ON THE NORTH LINE OF SAID N1/2 NE1/4; THENCE N89°27'02"E, EAST ALONG THE NORTH LINE OF SAID N1/2 NE1/4, A DISTANCE OF 432.49 FEET, TO THE TO THE POINT OF BEGINNING.

SAID TRACT CONTAINS A CALCULATED AREA OF 216,191.54 SQUARE FEET OR 4.963 ACRES MORE OR LESS OF WHICH 0.328 ACRES ARE ROAD RIGHT-OF-WAY.

Section 25.03 Condition for Exercise of Options. The right to exercise the options hereinbefore set forth is conditioned upon the favorable performance by the Tenant of all of the covenants, conditions, and agreements required to be performed by it under this Lease, and the payment by the Tenant of all basic rent, additional rent, and other special payments as provided in this Lease to the Closing Date (hereafter defined).

Article XXVI. Sale Conditions And Closing

Section 26.01 Purchase Price. The balance of the Purchase Price, subject only to credits as provided herein, shall be payable in cash or certified funds at the time of closing.

Section 26.02 Closing Date. The closing upon exercise of the purchase option shall be on or before thirty (30) days after the date of the notice of the election to exercise, which is herein called the "Closing Date", unless otherwise agreed by the parties hereto in writing.

Section 26.03 Continuing Effect of Lease. In the event that Tenant shall give Landlord notice of the exercise of the option to purchase, this underlying Lease shall continue until the Closing Date, and, in the event a monthly payment for rent under the terms of the Lease shall be due and payable prior to the Closing Date, such rent shall be prorated to the Closing Date.

Section 26.04 Deed.

- (a) The property shall be conveyed to Tenant by warranty deed conveying marketable title to the Land, free from all liens, encumbrances, encroachments, restrictions, or conditions against or on the property attributable to any date prior to the commencement of the term of this Lease and not approved or allowed by Tenant, and free from Landlord's remainder or residual interest in the Building.
- (b) Definition of Marketable Title. "Marketable title," for purposes of this Section, shall mean such title as will be insured by a reputable title insurance company doing business in the State of Nebraska at regular rates and showing no exceptions to title except those that shall be approved by Tenant prior to or at closing.

Section 26.05 Evidence of Title. No later than ten (10) days prior to the Closing Date, Landlord shall furnish to Tenant a title insurance commitment issued by a reputable title insurance company authorized to transact business within the State of Nebraska, which shall show marketable title to the Land to be vested in the Landlord, subject only to easements and restrictions of record.

Section 26.06 Objection to Title. Should any defects be indicated by such commitment for title insurance, then Tenant shall deliver to Landlord, no later than five (5) days prior to the Closing Date, a copy of an attorney's opinion showing such defects; and Landlord, after written notice thereof, shall endeavor to correct the same to Tenant's satisfaction within a reasonable period of time from the date Landlord receives a copy of such opinion.

Section 26.07 Procedure for Closing.

- (a) Closing of the purchase shall take place at Grand Island Abstract, Escrow & Title Company.
- (b) All special assessments levied by local or state authority against the Land prior to the Closing Date, whether payable before or after the closing, in installments or otherwise, shall be paid in full by Landlord at the closing, except to the extent they shall have been the obligation of the Tenant pursuant to the terms of the Lease. The title company settlement fee and all costs relating to title insurance, recording, and surveys shall be borne by Tenant. Landlord shall prepare the Deed at its expense. Each party shall bear the expense of its own counsel.
- (c) By reason of conveyance to Tenant as a Nebraska municipal corporation, conveyance of the Land and Tract A will be exempt from the imposition of any documentary stamp tax.

Section 26.08 Condition of the Land. Tenant, having caused the same to be constructed, is fully aware of the condition of the Building and all other improvements construction upon the Land since the date of the commencement of the Term of this Lease and has made a personal inspection and investigation of the Land and Tract A, if applicable. In that regard, Tenant acknowledges and agrees that neither Landlord nor any agent of the Landlord has made any representations or warranties of condition to Tenant other than as specifically set forth hereafter concerning environmental representations and that all such real estate is being conveyed in its "As Is" condition.

Section 26.09 Environmental Representations. Expressly limited in scope to the period during which the Landlord has owned and maintained possession of the Land and Tract A, Landlord makes the following environmental representations to the Tenant:

- (a) Landlord is unaware of any action, either threatened or commenced, by any governmental agency arising out of an alleged violation of any environmental law or regulation on or affecting the Land or Tract A.
- (b) No governmental agency has notified the Landlord of any violation of any environmental law or regulation on the Land or Tract A.
- (c) Landlord is unaware of any civil action, either threatened or commenced, arising out of any alleged environmental mishap occurring on the Land or Tract A.
- (d) Landlord is unaware of any environmental mishap on the Land or Tract A.
- (e) Landlord is unaware of the presence of any hazardous waste or hazardous substance on the Land or Tract A.
- (f) The past and present uses made by or at the direction of the Landlord in respect to the Land and Tract A do not violate any relevant federal, state, or local environmental laws or regulations related to hazardous substances.

Section 26.10 Default. In the event the Tenant shall fail to consummate the closing of the transaction after giving notice of exercise of the purchase option for any reason other than provided herein, the Landlord may utilize such legal and equitable remedies as are available to the Landlord by reason of such failure. Should the Landlord fail to consummate the closing of this transaction after Tenant's exercise of its purchase option rights, the Tenant shall be entitled to utilize such legal and equitable remedies as are available to the Tenant by reason of such failure.

Section 26.11 Broker. Landlord and Tenant each represent to each other that each has done nothing that would entitle any brokers to any claims for commissions in connection with or as a result of the transaction. Landlord and Tenant each agree to hold harmless and indemnify the other against any claims for brokerage commissions arising from its alleged acts, including reasonable attorney's fees and disbursements incurred in defense of such claims that are

inconsistent with their respective representations set forth in this Section 26.11 and any attorney's fees and costs in conjunction with enforcing this provision.

Discussion Draft

Article XXVII. Modification

Section 27.01 Modification. None of the covenants, terms, or conditions of this Lease to be kept and performed by either party to this Lease shall in any manner be waived, modified, changed, or abandoned except by a written instrument duly signed, acknowledged, and delivered by the other party to this Lease.

Article XXVIII. Conveyance by Tenant to Landlord

Section 28.01 Conveyance by Tenant to Landlord. Provided Tenant has not exercised Tenant's option to purchase the Land during the Lease Term, effective upon the termination of this Lease, whether by passage of time or otherwise, Tenant, in consideration of the granting of this Lease by Landlord to Tenant, hereby grants and conveys the Building unto Landlord and Landlord's legal representatives and assigns forever, such conveyance to be free and clear of all encumbrances except easements of record and liens consented to by Tenant.

Article XXIX. Notices

Section 29.01 Manner of Mailing Notices. In every case where under any of the provisions of this Lease or if, in the opinion of either Landlord or Tenant, or otherwise, it shall or may become necessary or desirable to make or give any declaration or notice of any kind, it shall be sufficient if a copy of any such declaration or notice is sent by registered or certified mail, postage prepaid, properly addressed to Landlord as follows:

or to Tenant (as the case may be) as follows:

City Administrator
City of Grand Island
PO Box 1968
Grand Island, NE 68802

Copy to:

City Attorney
City of Grand Island
PO Box 1968
Grand Island, NE 68802

or to such other address as either party may designate in writing from time to time.

Section 29.02 Sufficiency of Service. Service of any demand or notice as in this Article provided shall be sufficient for all purposes.

Section 29.03 When Notice Deemed Given. Whenever a notice is required by this Lease to be given by any party hereto to the other party, the notice shall be considered as having been given on the day on which the notice was placed in the mail as provided by this Article.

Article XXX. Miscellaneous

Section 30.01 Singular, Plural and Gender. Any word contained in the text of this Lease shall be read as the singular or the plural and as the masculine, feminine, or neuter gender as may be applicable in the particular context.

Section 30.02 Captions. The captions of this Lease and the index preceding it are for convenience and reference only and in no way define, limit, or describe the scope or intent of this Lease nor in any way affect this Lease.

Section 30.03 Conditions and Covenants. All of the provisions of this Lease shall be deemed and construed to be “conditions” as well as “covenants,” as though the words specifically expressing or importing covenants and conditions were used in each separate provision hereof.

Section 30.04 Entire Agreement. This Lease contains the entire agreement between the parties.

Section 30.05 Essence of Time. The Landlord and the Tenant each agree that time is an essential element of this Lease.

Section 30.06 Applicable Law. This Lease shall be construed and enforced in accordance with the laws of the State of Nebraska.

Section 30.07 Counterparts. This Lease may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 30.08 Effect of Electronic Signatures. Any executed counterpart signature page containing faxed signatures and/or electronically-imaged signatures, such as .pdf files, shall constitute original signatures to this Lease and shall be admissible as evidence of the document and the signer's execution.

Section 30.09 Binding Effect. This Lease has been duly authorized by required actions taken by the Landlord and the Tenant prior to the date its execution by their duly-designated representatives and shall be binding upon and inure to the benefit of each party hereto and their successors and assigns.

IN WITNESS WHEREOF, the undersigned have executed this Ground Lease with Purchase Option effective as of the date first noted above.

THE MEADOWS APARTMENT HOMES,
L.L.C., a Nebraska Limited Liability Company
"Landlord"

By _____
Raymond J. O'Connor, President

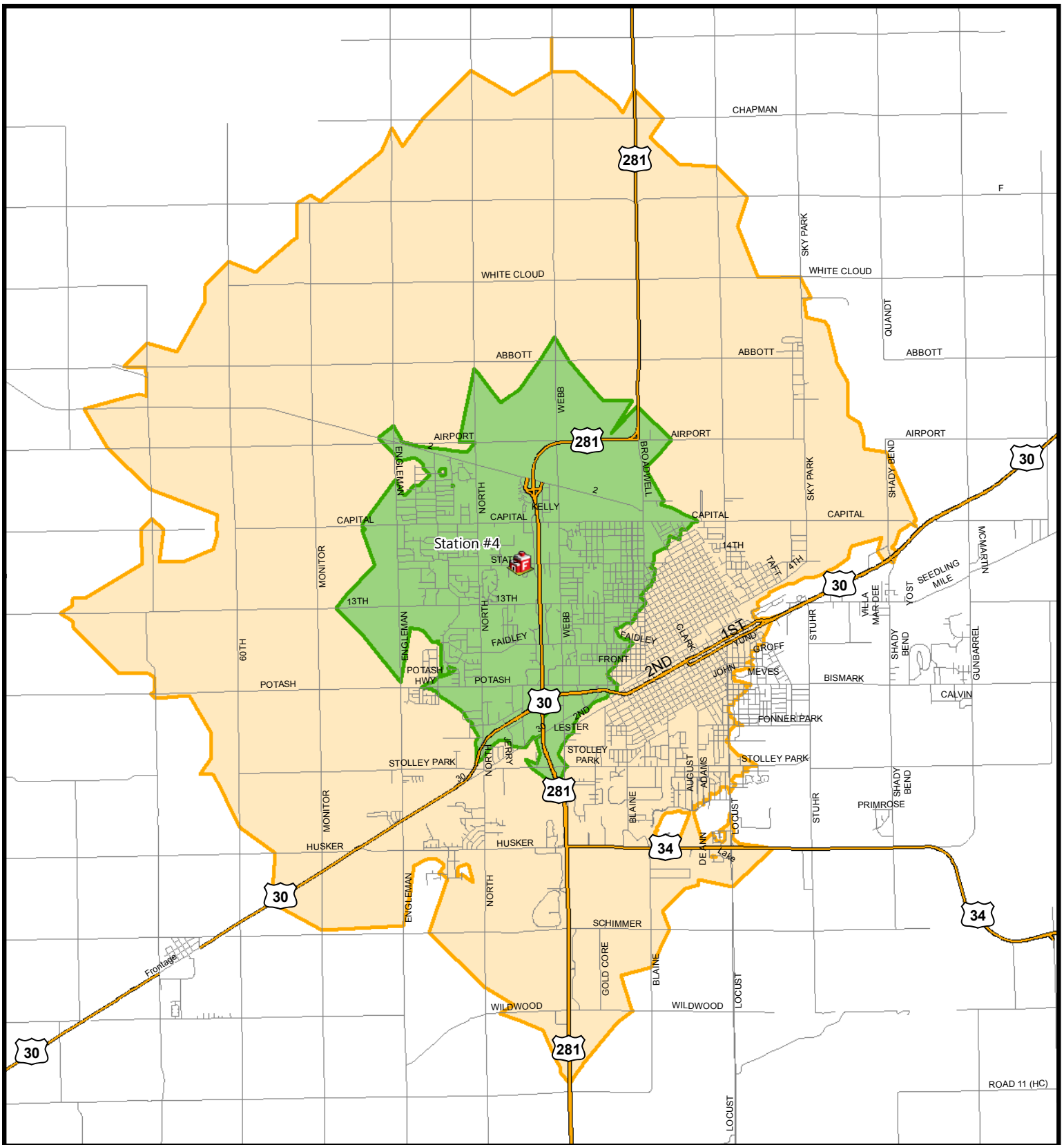
CITY OF GRAND ISLAND, NEBRASKA, a
Nebraska Municipal Corporation, "Tenant"

By _____
Jeremy Jensen, Mayor

Attest:

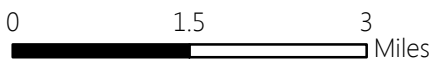
RaNae Edwards, City Clerk

Discussion Draft



Fire Station Coverage Area

4 & 8 Minute Coverage Areas
Current Station #4



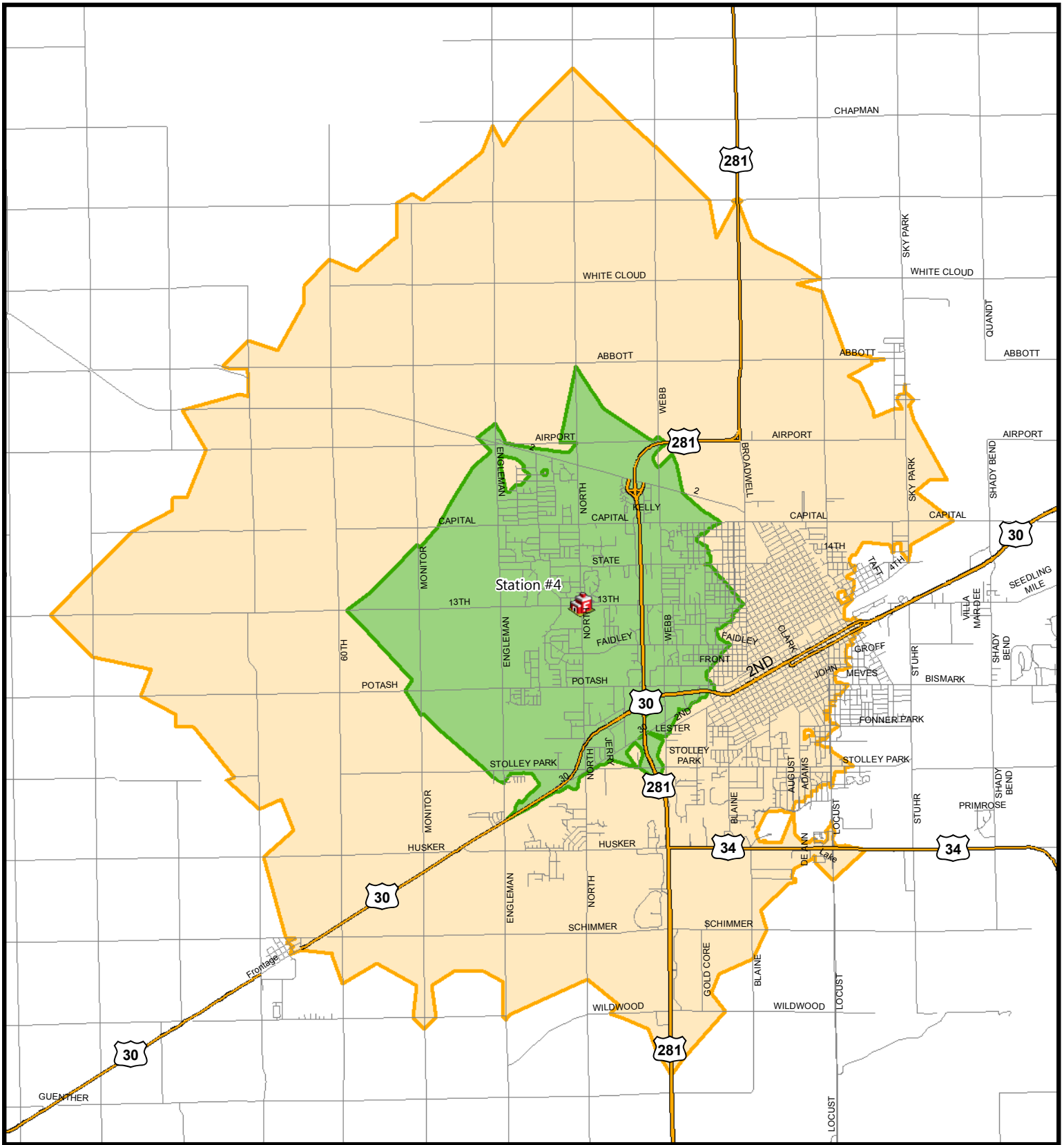
Map created by Nick Nolte on 10/10/2017

City addresses within response area
 <= 4 Minutes: 7,306
 <= 8 Minutes: 19,786

Map Legend

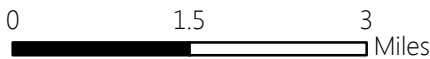
- 4-Minute Response Area
- 8-Minute Response Area

Coverage Areas based on drive time analysis along roadways at the posted speed limits.



Fire Station Coverage Area

4 & 8 Minute Coverage Areas
Proposed Station #4



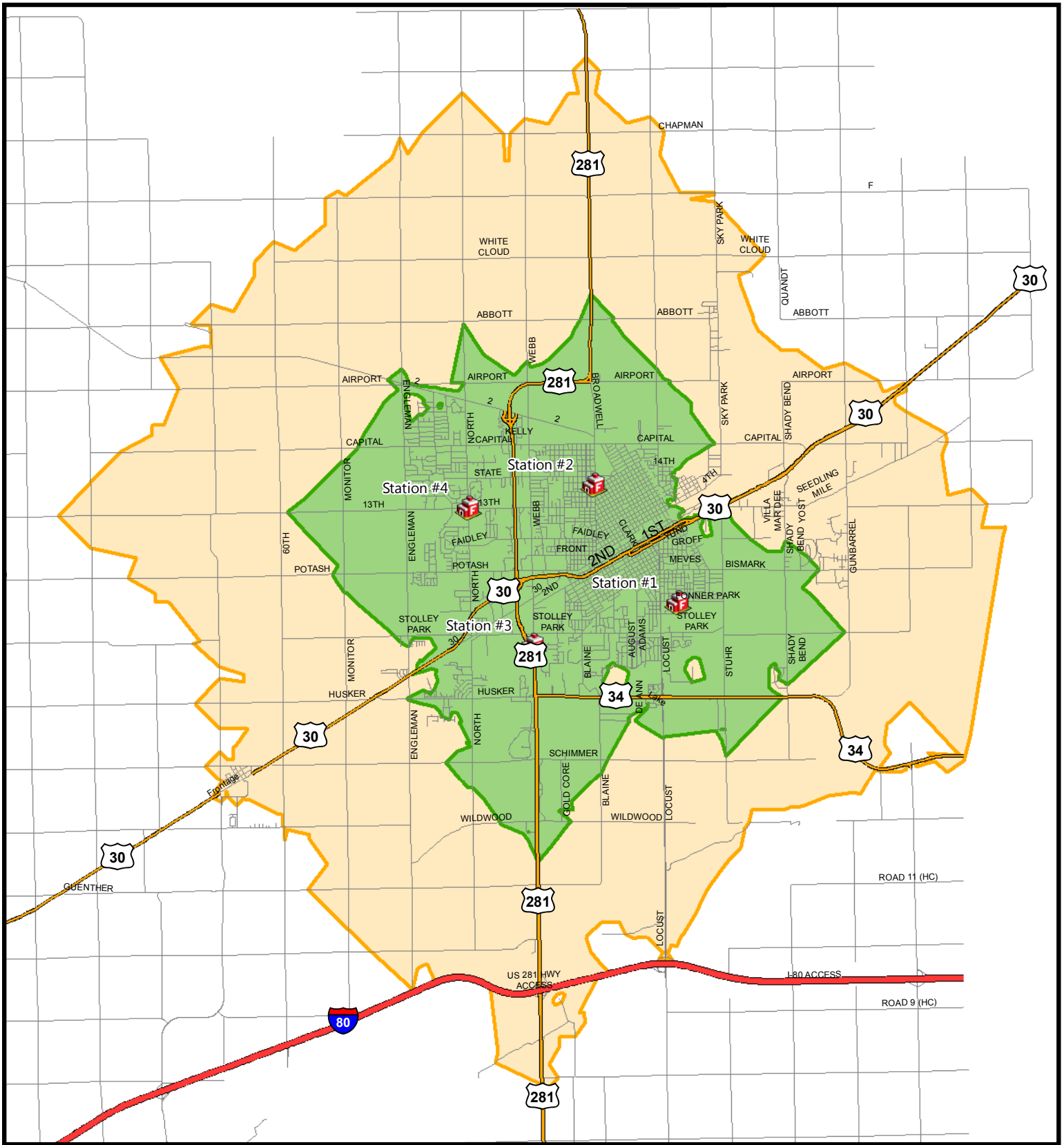
Map created by Nick Nolte on 10/10/2017

City addresses within response area
 <= 4 Minutes: 6,631
 <= 8 Minutes: 19,078

Map Legend

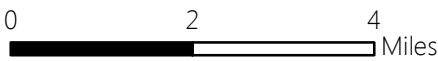
- 4-Minute Response Area
- 8-Minute Response Area

Coverage Areas based on drive time analysis along roadways at the posted speed limits.



Fire Station Coverage Area

4 & 8 Minute Coverage Areas
All Stations with Proposed Station #4



Map created by Nick Nolte on 10/10/2017

City addresses within response area
 <= 4 Minutes: 20,928
 <= 8 Minutes: 22,160

Map Legend

- 4-Minute Response Area
- 8-Minute Response Area

Coverage Areas based on drive time analysis along roadways at the posted speed limits.



City of Grand Island

Tuesday, November 7, 2017

Study Session

Item -4

Update on North Road and 13th Street Improvements; Project No. 2018-P-1

Staff Contact: John Collins

Council Agenda Memo

From: John Collins PE, Public Works Director

Meeting: November 7, 2017

Subject: Update on North Road and 13th Street Improvements;
Project No. 2018-P-1

Presenter(s): John Collins PE, Public Works Director

Background

Roadway improvements along 13th Street from Moores Creek to North Road, as well as intersection improvements at 13th Street and North Road are planned. Public Works Engineering staff is proposing a three lane curb and gutter roadway section with associated sidewalk and other miscellaneous improvements. This project also will get much needed drainage improvements to the 13th and North Road intersection which do not exist today.

On August 22, 2017, via Resolution No. 2017-236, City Council approved an agreement with Alfred Benesch & Company of Lincoln, Nebraska in the amount of \$15,000.00 for 13th Street Roadway Improvements; Project No. 2018-P-1. This agreement accounted for design concepts for the proposed three lane curb and gutter roadway section with associated sidewalk and other miscellaneous improvements, such as drainage.

On October 10, 2017, via Resolution No. 2017-278, City Council approved Amendment No. 1 to include geotechnical sampling and reporting, Right-of-Way and easement acquisition assistance, and final design services for the 13th Street Roadway Improvements; Project No. 2018-P-1. Amendment No. 1 allowed for these additional services in the amount of \$141,281.25, resulting in a revised agreement total of \$156,281.25.

Discussion

The North Road and 13th Street Improvements will support both the relocation of Fire Station 4 and the Emergency Center by providing improved traffic flow and drainage for the area. A sketch is provided to show the planned improvements.

Conclusion

This item is presented to the City Council in a Study Session to allow for any questions to be answered and to create a greater understanding of the issue at hand.