
City of Grand Island



Tuesday, May 26, 2009

Council Session Packet

City Council:

**Larry Carney
Scott Dugan
John Gericke
Peg Gilbert
Chuck Haase
Robert Meyer
Mitchell Nickerson
Bob Niemann
Kirk Ramsey
Jose Zapata**

Mayor:

Margaret Hornady

City Administrator:

Jeff Pederson

City Clerk:

RaNae Edwards

7:00:00 PM

**Council Chambers - City Hall
100 East First 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.

MAYOR COMMUNICATION

This is an opportunity for the Mayor to comment on current events, activities, and issues of interest to the community.



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item E1

Public Hearing Concerning Acquisition of Utility Easement - East Side of Broadwell Avenue from 8th Street South to the Alley, West of Jefferson School - School Dist. #2

Staff Contact: Gary R. Mader

Council Agenda Memo

From: Robert H. Smith, Asst. Utilities Director

Meeting: May 26, 2009

Subject: Acquisition of Utility Easement – East side of Broadwell Avenue from 8th Street south to the Alley, west of Jefferson School - Hall County School District No. 2

Item #'s: E-1 & G-4

Presenter(s): Gary R. Mader, Utilities Director

Background

Nebraska State Law requires that acquisition of property must be approved by City Council. The Utilities Department needs to acquire an easement relative to the property of Hall County School District No. 2, located on the east side of Broadwell Avenue from 8th Street south to the Alley, west of Jefferson School, in the City Of Grand Island, Hall County, in order to have access to install, upgrade, maintain, and repair power appurtenances, including lines and transformers.

Discussion

This easement will be used to relocate secondary underground electric lines to facilitate the clearing of Jefferson School property. The current line is overhead and follows the vacated Jefferson Street and alley. The overhead line will be removed. Underground secondary will be placed in the new easement.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

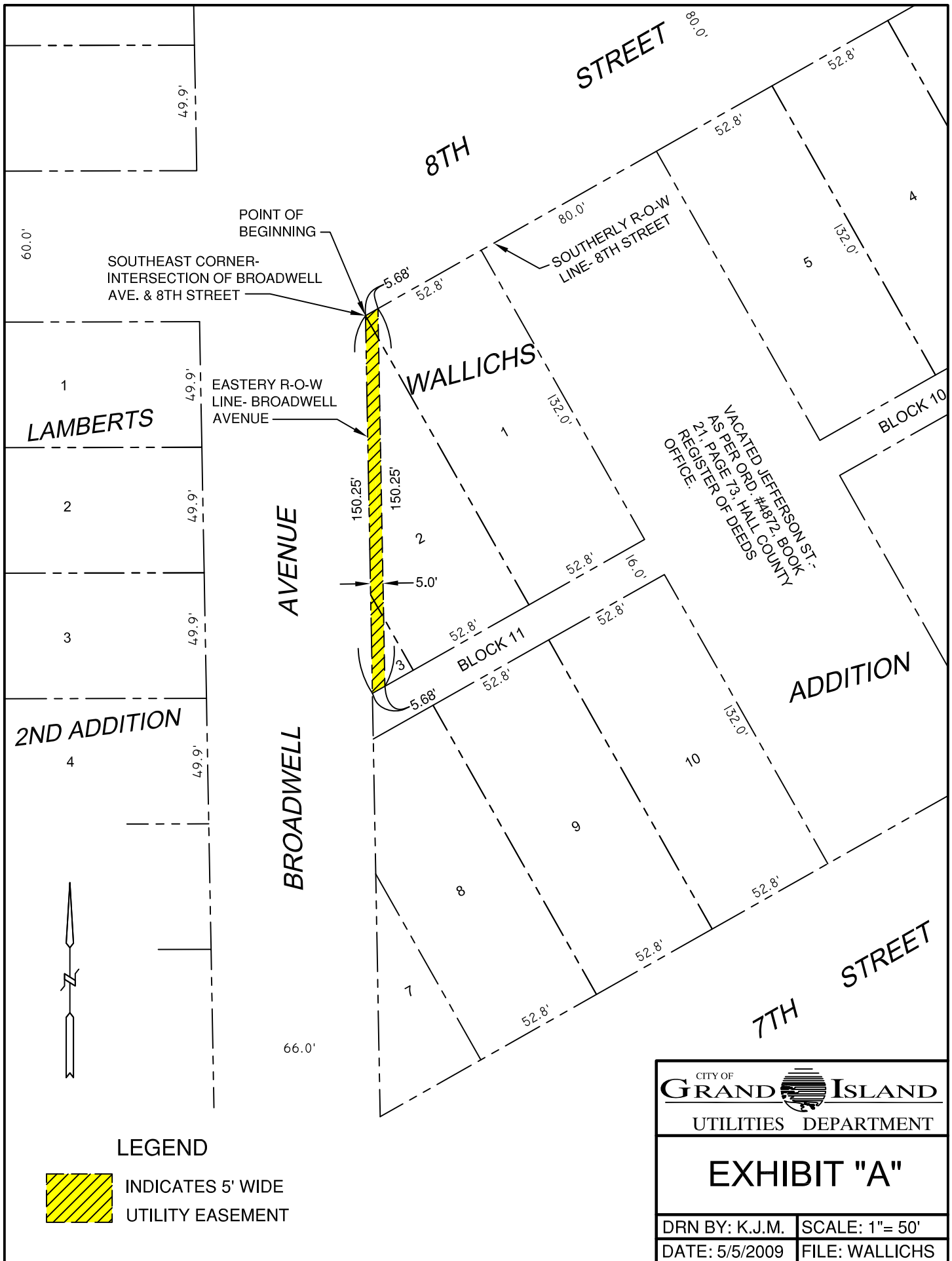
1. Make a motion to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the resolution for the acquisition of the easement for one dollar (\$1.00).

Sample Motion

Move to approve acquisition of the Utility Easement.





City of Grand Island

Tuesday, May 26, 2009

Council Session

Item E2

**Public Hearing Concerning Change of Zoning for Land Located at
3059 St. Paul Road from M2 Heavy Manufacturing to LLR Large
Lot Residential**

Staff Contact: Chad Nabity

Council Agenda Memo

From: Regional Planning Commission

Meeting: May 26, 2009

Subject: Rezone request for 3059 St Paul Rd, from M2 to LLR.
(C-14-2009GI)

Item #'s: E-2 & F-5

Presenter(s): Chad Nabity AICP, Regional Planning Director

Background

Concerning rezone request of 3059 St Paul Rd. from M2 to LLR. Rezoning of land proposed for changing located south of Airport Road and north of Capital Ave. in the 2-mile extraterritorial jurisdiction of the City of Grand Island.

Discussion

At the regular meeting of the Regional Planning Commission, held May 6th, 2009, the above item was considered following a public hearing

Attached you will find the Planning Directors report to the Planning Commission on this item with a summary of the changes.

Trish Akerly spoke in favor of the rezone request.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the rezone request as presented
2. Modify the rezone request to meet the wishes of the Council
3. Postpone the issue

Recommendation

A motion was made by Heineman, seconded by Bredthauer, to approve the rezone request of 3059 St Paul Rd., as presented; finding that this request is consistent with the

City's Comprehensive Plan. A roll call vote was taken and the motion passed with members present voting in favor. (Aguilar, O'Neill, Ruge, Hayes, Reynolds, Heineman, Bredthauer).

Sample Motion

Move to approve the rezone request for 3059 St Paul Road.

Agenda Item # 4

PLANNING DIRECTOR RECOMMENDATION TO REGIONAL PLANNING

COMMISSION:

May 6, 2009

SUBJECT: *Zoning Change (C-14-2009GI)*

PROPOSAL: To rezone approximately 5.84 acres of land south of Airport Road and east of St. Paul Road from M2 Heavy Manufacturing to LLR Large Lot Residential. The property is being used for residential purposes and has been since at least 1920. The owners would like to insure that they can rebuild if the house is destroyed for any reason.

OVERVIEW:

Site Analysis

Current zoning designation:

M2 – Heavy Manufacturing

Permitted and conditional uses:

M2 –Heavy Manufacturing - A wide variety of warehousing, storage, manufacturing and industrial uses and no residential uses. Storage wholesale and retail sale of grain/seed and agricultural chemicals permitted. Minimum lot size of 6000 square feet with 65% coverage.

Comprehensive Plan Designation:

Designated for future development as a low to medium density residential.

Existing land uses.

Single Family Residence

Proposed Zoning Designation

LLR -- Agricultural uses, recreational uses and residential uses at a density of 2 dwelling units per acre with 25% coverage.

Adjacent Properties Analysis

Current zoning designations:

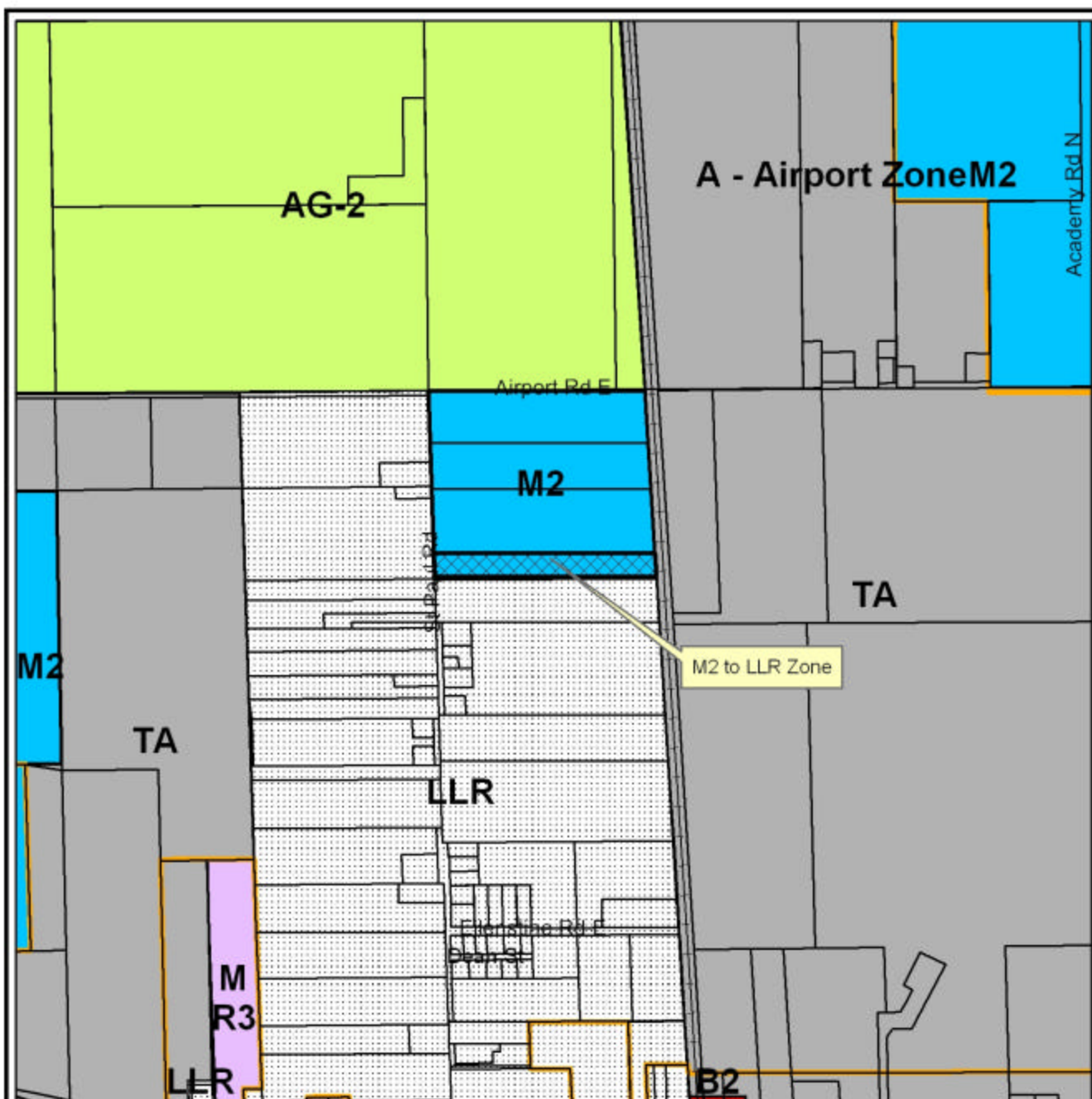
North: M2- Heavy Manufacturing

East: TA- Transitional Agriculture,

South and West: LLR-Large Lot Residential

Permitted and conditional uses:

TA Agricultural uses including: raising of livestock, but not confined feeding, raising crops, greenhouses and nurseries and residential uses up to a density of 1 unit per 20 acres. Minimum lot size 20 acres. **LLR** -- Agricultural uses, recreational uses and residential uses at a density of 2 dwelling units per acre with 25% coverage. **M2** –Heavy Manufacturing - A wide variety of warehousing, storage, manufacturing and industrial uses and no residential uses. Storage wholesale and retail sale of grain/seed and agricultural chemicals permitted. Minimum lot size of 6000 square feet with 65% coverage.



Requested Zoning



Scale : NONE
C-14-2009GI



-  From M2 : Heavy Manufacturing Zone
-  to LLR Large Lot Residential Zone



PLANNING COMMISSION
CITY OF TAMPA, FLORIDA
1000 N. GORRISON STREET, TAMPA, FLORIDA 33604



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item E3

**Public Hearing Concerning Change of Zoning for Land Located at
1403 Adams Street from M2 Heavy Manufacturing to R3 Medium
Density Residential**

Staff Contact: Chad Nabity

Council Agenda Memo

From: Regional Planning Commission

Meeting: May 26, 2009

Subject: Rezone request for 1403 Adams St., from M2 to R3. (C-15-2009GI)

Item #'s: E-3 & F-6

Presenter(s): Chad Nabity AICP, Regional Planning Director

Background

Concerning rezone request of 1403 Adams St from M2 to R3. Rezoning of land proposed for changing located north of Stolley Park Rd., and south of Fonner Park Road., in the City of Grand Island.

Discussion

At the regular meeting of the Regional Planning Commission, held May 6th, 2009, the above item was considered following a public hearing

Attached you will find the Planning Directors report to the Planning Commission on this item with a summary of the changes.

No members of the public spoke in favor or opposed to the rezone request.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the rezone request as presented
2. Modify the rezone request to meet the wishes of the Council
3. Table the issue

Recommendation

A motion was made by Ruge, seconded by Hayes to approve the rezone request of 1403 Adams St., as presented; finding that this requests conforms to the City's Comprehensive

Plan. A roll call vote was taken and the motion passed with 7 members present, 6 voting in favor. (Aguilar, Ruge, Hayes, Reynolds, Bredthauer, Heineman) and 1 member voting no (O'Neill).

Sample Motion

Move to approve the rezone request for 1403 Adams Street.

Agenda Item # 5

PLANNING DIRECTOR RECOMMENDATION TO REGIONAL PLANNING

COMMISSION:

May 6, 2009

SUBJECT: *Zoning Change (C-15-2009GI)*

PROPOSAL: To rezone approximately 3.135 acres of land south of Fonner Park Road and east of Adams Street from M2 Heavy Manufacturing to R3 Medium Density Residential. This property is currently vacant. The applicant has an option to purchase this property contingent on rezoning. He intends to build apartments at this location.

OVERVIEW:

Site Analysis

Current zoning designation:

M2 – Heavy Manufacturing

Permitted and conditional uses:

M2 –Heavy Manufacturing - A wide variety of warehousing, storage, manufacturing and industrial uses and no residential uses. Storage wholesale and retail sale of grain/seed and agricultural chemicals permitted. Minimum lot size of 6000 square feet with 65% coverage.

Comprehensive Plan Designation:

Designated for future development as a low to medium density residential.

Existing land uses.

Vacant

Proposed Zoning Designation

R3 — Medium Density Residential, Residential uses at a density of 14 dwelling units per acre with 50% coverage, non-profit uses, recreational uses and agricultural uses.

Adjacent Properties Analysis

Current zoning designations:

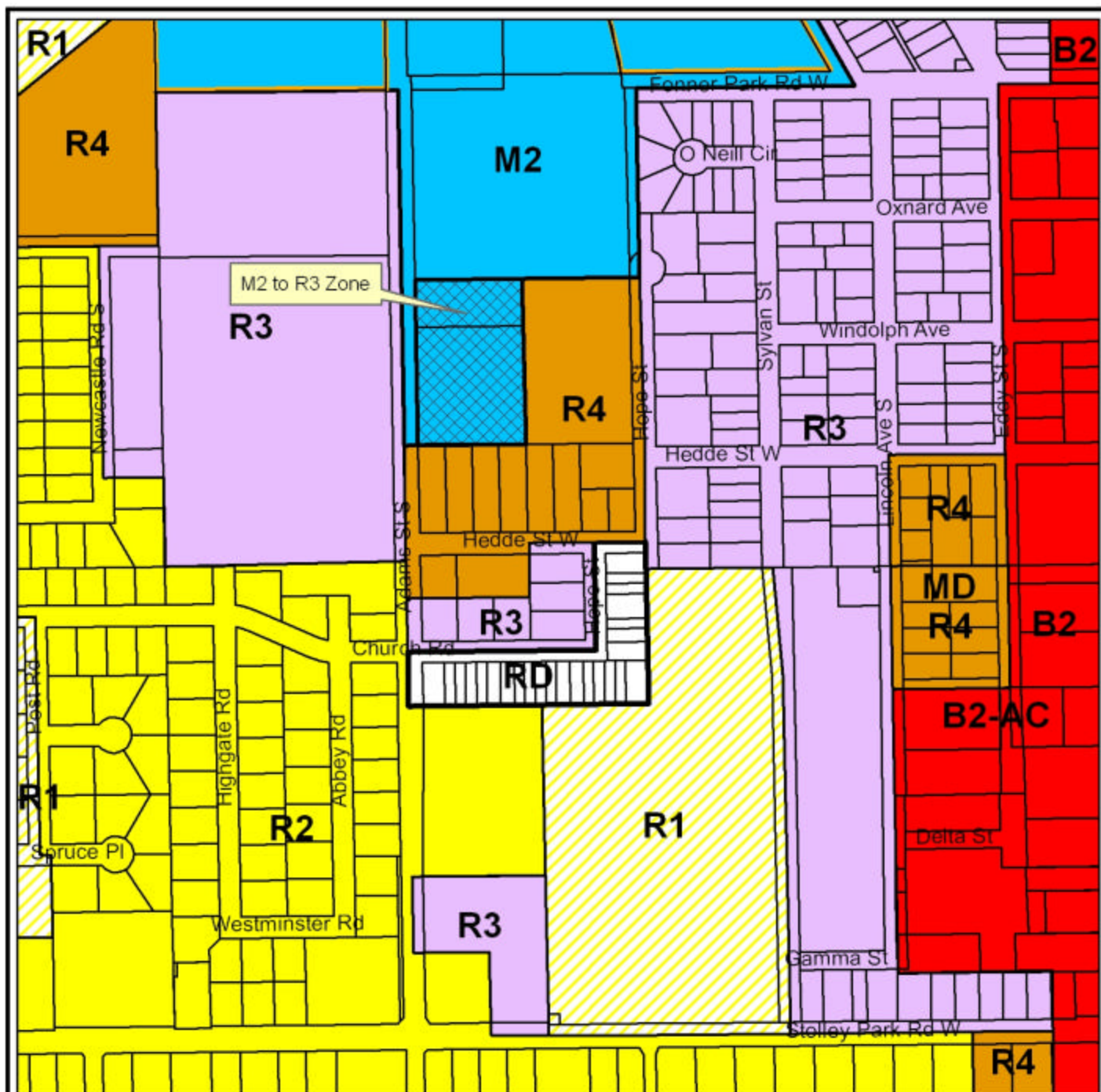
North: M2- Heavy Manufacturing

South and East: R4- High Density Residential,

West: R3-Medium Density Residential

Permitted and conditional uses:

M2 –Heavy Manufacturing - A wide variety of warehousing, storage, manufacturing and industrial uses and no residential uses. Storage wholesale and retail sale of grain/seed and agricultural chemicals permitted. Minimum lot size of 6000 square feet with 65% coverage. **R3** — Medium Density Residential, Residential uses at a density of 14 dwelling units per acre with 50% coverage, non-profit uses, recreational uses and agricultural uses. **R4** — High Density Residential, Residential uses at a density of 42 dwelling units per acre with 60% coverage, non-profit uses, recreational uses and agricultural uses.



Requested Zoning



Scale : NONE

C-15-2009GI



From M2 : Heavy Manufacturing Zone



to R3 Medium Density Residential Zone



THE TOWN OF BRIDGEVILLE
10000 Bridgeville Road, Bridgeville, PA 19008
610-381-1234



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item E4

**Public Hearing Concerning Changes to the Grand Island City
Code Section 36-173 Relative to Setback and Separation or Buffer
Requirements for Towers**

Staff Contact: Chad Nabity

Council Agenda Memo

From: Regional Planning Commission

Meeting: May 26, 2009

Subject: Text Amendment of Zoning Ordinance (C-16-2009GI)

Item #'s: E-4 & F-7

Presenter(s): Chad Nabity AICP, Regional Planning Director

Background

Concerning amendments to the Zoning Ordinance for the City of Grand Island and its 2 mile extra-territorial jurisdiction. Amendments to be considered pertain to the Communication Towers §36-173 Setbacks and Separation or Buffer Requirements (C-16-2009GI)

Discussion

The following proposed amendment to section 36.70 Section B of the Grand Island City Code, was considered by the Regional Planning Commission at the May 6, 2009 meeting following a public hearing. A copy of the recommendation from the Planning Director to the Planning Commission is attached.

At the public hearing, Nabity explained Mr. Buettner was requesting a change in code for the tower he would be locating near the detention cell that the city owns. Conditional use permit would still be needed; this would allow City Council to make the final decision.

§36-173. Setbacks and Separation or Buffer Requirements

(A) All towers up to fifty (50) feet in height shall be set back on all sides a distance equal to the underlying setback requirement in the applicable zoning district. Towers in excess of fifty (50) feet in height shall be set back one additional foot for each foot of tower height in excess of fifty (50) feet except where such setback is from property owned, controlled and/or maintained the City and the City Council finds in granting the permit that reducing such additional setback will not cause harm to the intended use of the public property. The height of a tower shall be measured from the grade at the foot of the base pad to the top of any telecommunications facilities or antennas attached thereto. Setback

requirements shall be measured from the base of the tower to the property line of the tract of land on which it is located.

(B) Towers exceeding one hundred (100) feet in height may not be located in any residential zoned district and must be separated from all residential zoned land and occupied structures other than those utilized by the tower owner, by a minimum of two hundred (200) feet or one hundred percent (100%) of the height of the proposed tower, whichever is greater.

(C) Towers of one hundred (100) feet or less in height may be located in residential zoned districts provided said tower is separated from any residential structure, school, church, and/or occupied structures other than those utilized by the tower owner, by a minimum of one hundred percent (100%) of the height of proposed tower.

(D) Towers must meet the following minimum separation requirements from other towers:

(1) Monopole tower structures shall be separated from all other towers, whether monopole, self-supporting lattice, or guyed, by a minimum of seven hundred fifty (750) feet.

(2) Self-supporting lattice or guyed towers shall be separated from all other self-supporting or guyed towers by a minimum of one thousand five hundred (1,500) feet.

Mr. Buettner spoke in favor of the proposed change. No other members of the public spoke regarding this change. Planning Commission discussed whether it is fair to allow people to “use” city property in this way. Only those people with property adjacent to city property or city controlled property will be eligible for this exception.

Planning Commission discussed the differences in language between both versions of the proposed changes. They asked and it was confirmed that either version of the changes would allow Mr. Buettner to request that council make an exception for his proposed tower. This would also impact other properties near detention cells and drainage structures in the City.

Questions were asked if Council could grant an exception for Mr. Buettner’s tower near Highway 30 and then deny a similar request near another cell such as the Riley Cell on Stolley Park Road and Blaine. Nabity explained that this change gives Council the ability to consider the request; it does not require that they make the exception. Council should be able to justify the difference between waiving the setback next to a rough cell with very limited public access and a park like cell with lots of accessible street frontage.

Following some additional discussion a motion was made by Reynolds and seconded by Ruge, to recommend the approval of the above Text Amendment (the version recommended by staff as opposed to the version originally requested by Mr. Buettner) as presented. A roll call vote was taken and the motion passed with 7 members present all voting in favor (Aguilar, O’Neill, Ruge, Hayes, Bredthauer, Heineman and Reynolds).

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the proposed changes as presented.

Sample Motion

Move to approve as recommended.

Agenda Item #6

PLANNING DIRECTOR RECOMMENDATION TO REGIONAL PLANNING COMMISSION:

May 6, 2009

SUBJECT:

Concerning amendments to the Zoning Ordinance for the City of Grand Island and its 2 mile extra-territorial jurisdiction. Amendments to be considered pertain to the Communication Towers §36-173 Setbacks and Separation or Buffer Requirements (C-16-2009GI)

PROPOSAL:

The changes proposed here were requested by Patrick Buettner of Grand Island, Nebraska. All areas with changes are highlighted. Additions are *Italicized and underlined* and deletions are in ~~strike out~~.

§36-173. Setbacks and Separation or Buffer Requirements

(A) All towers up to fifty (50) feet in height shall be set back on all sides a distance equal to the underlying setback requirement in the applicable zoning district. Towers in excess of fifty (50) feet in height shall be set back one additional foot for each foot of tower height in excess of fifty (50) feet *except where such setback is from property owned by a government entity and the City Council finds in granting the permit that reducing such additional setback will not cause harm to the intended use of the public property.* The height of a tower shall be measured from the grade at the foot of the base pad to the top of any telecommunications facilities or antennas attached thereto. Setback requirements shall be measured from the base of the tower to the property line of the tract of land on which it is located.

(B) Towers exceeding one hundred (100) feet in height may not be located in any residential zoned district and must be separated from all residential zoned land and occupied structures other than those utilized by the tower owner, by a minimum of two hundred (200) feet or one hundred percent (100%) of the height of the proposed tower, whichever is greater.

(C) Towers of one hundred (100) feet or less in height may be located in residential zoned districts provided said tower is separated from any residential structure, school, church, and/or occupied structures other than those utilized by the tower owner, by a minimum of one hundred percent (100%) of the height of proposed tower.

(D) Towers must meet the following minimum separation requirements from other towers:

- (1) Monopole tower structures shall be separated from all other towers, whether monopole, self-supporting lattice, or guyed, by a minimum of seven hundred fifty (750) feet.
- (2) Self-supporting lattice or guyed towers shall be separated from all other self-supporting or guyed towers by a minimum of one thousand five hundred (1,500) feet.

OVERVIEW:

The proposed changes would give the City Council flexibility in determining the appropriate setbacks for a tower when the property the tower is on is bounded by public property. Property owned by a government entity could include a: city, state, federal, natural resource district, fair board and/or public school district among others. The types of property could include: detention cells, road right of way, parks, schools, fair grounds, drainage way or projects, lakes etc...

In the particular case that Mr. Buettner is interested in the tower would about a detention cell on state owned property that is maintained by the City.

Another option for amending these regulations would be to change the regulations as shown below:

§36-173. Setbacks and Separation or Buffer Requirements

(A) All towers up to fifty (50) feet in height shall be set back on all sides a distance equal to the underlying setback requirement in the applicable zoning district. Towers in excess of fifty (50) feet in height shall be set back one additional foot for each foot of tower height in excess of fifty (50) feet except where such setback is from property owned, controlled and/or maintained the City and the City Council finds in granting the permit that reducing such additional setback will not cause harm to the intended use of the public property.

The height of a tower shall be measured from the grade at the foot of the base pad to the top of any telecommunications facilities or antennas attached thereto. Setback requirements shall be measured from the base of the tower to the property line of the tract of land on which it is located.

(B) Towers exceeding one hundred (100) feet in height may not be located in any residential zoned district and must be separated from all residential zoned land and occupied structures other than those utilized by the tower owner, by a minimum of two hundred (200) feet or one hundred percent (100%) of the height of the proposed tower, whichever is greater.

(C) Towers of one hundred (100) feet or less in height may be located in residential zoned districts provided said tower is separated from any residential structure, school, church, and/or occupied structures other than those utilized by the tower owner, by a minimum of one hundred percent (100%) of the height of proposed tower.

(D) Towers must meet the following minimum separation requirements from other towers:

(1) Monopole tower structures shall be separated from all other towers, whether monopole, self-supporting lattice, or guyed, by a minimum of seven hundred fifty (750) feet.

(2) Self-supporting lattice or guyed towers shall be separated from all other self-supporting or guyed towers by a minimum of one thousand five hundred (1,500) feet.

This change would only allow the City Council to reduce the required setbacks when the City has some interest in the property that will allow the exemption.

The regulations as they are currently written do not permit Council to reduce the required setback under any circumstances. A 190 foot tower is required to be placed 145 feet from a side property line in the M2 zoning district (M2 side yard setback is 5 feet. One foot setback for every foot over 50 feet in height. $190 - 50 = 145$). These setbacks from a side property line are required by the current regulations regardless of the adjoining use. In some cases, such as: very large rights-of-way, lakes, detention cells and other drainage structures it may be reasonable to lower the requirement on a case by case basis. The changes as proposed both by Mr. Buettner and by planning staff would let Council take the specific circumstances of either government owned or City owned controlled or maintained property into consideration while granting the permit and reduces the required setback.

RECOMMENDATION:

That the Regional Planning Commission recommends that the Grand Island City Council **approve** the changes to the Grand Island Zoning Ordinance as suggested by staff.

_____ Chad Nabity AICP, Planning Director



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item E5

**Public Hearing on Acquisition by Lease-Purchase of Building to
Serve as a Recreational Facility and State Fair Activities.**

Staff Contact: Jeff Pederson

Council Agenda Memo

From: Jeff Pederson, City Administrator

Meeting: May 26, 2009

Subject: Public hearing on Acquisition by lease-Purchase of Building to Serve as a Recreational Facility and State Fair Activities.

Item #'s: E-5

Presenter(s): Jeff Pederson, City Administrator

Background

This is a public hear on an ordinance providing for the purchase and leasing of a building and related improvements to serve as a recreational facility for the City of Grand Island, authorizing execution and delivery of a lease-purchase agreement with Wells Fargo Brokerage Services, LLC relating to the construction and acquisition of said facility; authorizing execution and delivery of a related ground lease and escrow agreement; approving the forms of documents with respect to said lease-purchase agreement, ground lease and escrow agreement; providing for the approval of an appraisal and providing for the publishing of this ordinance.

Discussion

Language has been changed to grant Fonner Park access to the parking that will be paved as part of the Project.



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item F1

**#9214 - Consideration of Annexation of Property Located South of
Case New Holland and West of Highway 281 (Final Reading)**

Staff Contact: Chad Nabity

Council Agenda Memo

From: Regional Planning Commission

Meeting: May 26, 2009

Subject: Annexation

Item #'s: F1

Presenter(s): Chad Nabity AICP, Regional Planning Director

Background

Annexation of land, located in the SE ¼ of the NE ¼ of 25-11-10 (south of Case New Holland and west of U.S. Highway 281) into the Grand Island City Limits see the attached map. Case New Holland, owner of this property, petitioned Council to consider annexation of this property. City Council has already approved a request to rezone the property from TA Transitional Agriculture to M1 Light Manufacturing.

Discussion

On March 4, 2009 the Hall County Regional Planning Commission held a public hearing before considering this matter.

No members of the public testified at the hearing held by the Regional Planning Commission.

This property is adjacent to and contiguous with the Grand Island City Limits. It is entirely surrounded by the City Limits.

Water is available to the property. Sewer is available to the property. This property is within the Grand Island Utilities Electrical Service District. This property is within the Grand Island School District. Annexing this property **will not** impact the two mile extraterritorial jurisdiction of Grand Island.

On April 28, 2009 Council held a public hearing concerning this annexation. No members of the public spoke at the hearing. Council passed the ordinance to annex on the first and second reading. This will be the third and final reading of the ordinance.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand.
The Council may:

1. Approve the annexation as presented
2. Modify the annexation to meet the wishes of the Council
3. Postpone the issue

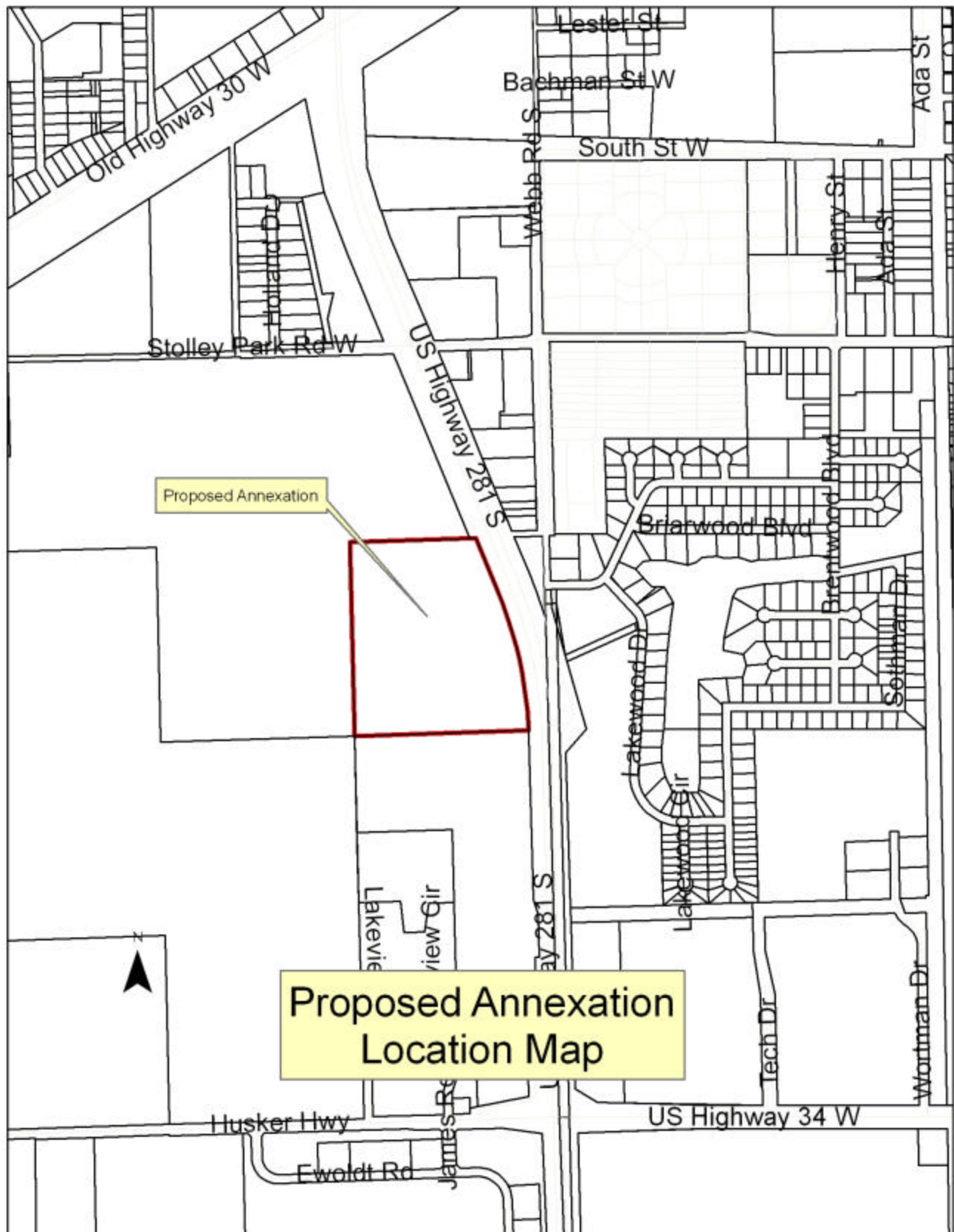
Recommendation

A motion was made by Haskins, and seconded by Aguilar to recommend approval of the Annexation as it meets the City Comprehensive Plan.

A roll call vote was taken and the motion passed with 7 member's present voting favor (Aguilar, Amick, Ruge, Hayes, Haskins, Bredthauer, Snodgrass).

Sample Motion

Move to approve the annexation as requested.



* This Space Reserved For Register of Deeds *

ORDINANCE NO. 9214

An ordinance to extend the boundaries and include within the corporate limits of, and to annex into the City of Grand Island, Nebraska, a tract of land West of U.S. Highway 281 in the Southeast Quarter of the Northeast Quarter (SE1/4NE1/4) of Section Twenty-five (25) in Township Eleven (11) North, Range Ten (10) West of the 6th P.M. in Hall County, Nebraska as more particularly described hereinafter and as shown on Exhibit "A" attached hereto; to provide service benefits thereto; to repeal any ordinance or resolutions or parts of thereof in conflict herewith; to provide for publication in pamphlet form; and to provide the effective date of this ordinance.

WHEREAS, after public hearing on March 4, 2009, the Regional Planning Commission recommended the approval of annexing into the City of Grand Island, the following tract of land in Hall County, Nebraska:

A tract of land located in part of the Southeast Quarter of the Northeast Quarter (SE1/4NE1/4) of Section Twenty-five (25), Township Eleven (11), North, Range Ten (10) West of the 6th p.m., in Hall County, Nebraska, except a certain tract more particularly described in quit claim deed recorded to the State of Nebraska in book 141, page 258, and except a certain tract more particularly described in appraiser's report recorded in book 9, page 67, and more particularly described as follows:

Approved as to Form	<input type="checkbox"/> _____
May 21, 2009	<input type="checkbox"/> City Attorney

ORDINANCE NO. 9214 (Cont.)

Commencing at the east quarter corner of Section 25-T11N-R10W; thence on an assumed bearing of S88°08'57"W upon and along the south line of the SE1/4NE1/4 a distance of 132.51 feet to the northeast corner of Lot 2, Pedcor Second Subdivision, an addition to the City of Grand Island, Nebraska, said point also being the westerly right-of-way (ROW) line of US Highway #281 and the point of beginning; thence S88°09'55"W upon and along the south line of said SE1/4NE1/4, said line also being the north line of said Lot 2 a distance of 1189.55 feet to the southwest corner of said SE1/4NE1/4, said point also being the northwest corner of said Lot 2; thence N01°24'18"W upon and along the west line of said SE1/4, NE1/4 a distance of 1322.52 feet to the northwest corner of said SE1/4NE1/4; thence N88°18'32"E upon and along the north line of said SE1/4NE1/4 a distance of 860.86 feet to said westerly row line of US Highway #281; thence S21°57'28"E along and upon said west row line a distance of 398.06 feet to a point of curvature; thence upon and along said westerly row line around a curve in a clockwise direction having a delta angle 20°00'15", an arc length 968.79 feet, a radius 2774.79, a chord bearing S12°42'30"E with a chord distance of 963.87 feet to the point of beginning. Said tract contains a calculated area of 1,412,514.37 square feet or 32.427 acres more or less

WHEREAS, after public hearing on April 28, 2009, the City Council of the City of Grand Island found and determined that such annexation be approved; and

WHEREAS, on April 28, 2009, the City Council of the City of Grand Island approved such annexation on first reading.

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

SECTION 1. It is hereby found and determined that:

(A) The above-described tracts of land are urban or suburban in character, and that the subject properties are contiguous or adjacent to the corporate limits of said City.

(B) The subject lands will receive the material benefits and advantages currently provided to land within the City's corporate limits including, but not limited to police, fire, emergency services, street maintenance, and utilities services upon annexation to the City of Grand Island, Nebraska, and that City electric, water and sanitary sewer service is available, or will be made available, as provided by law.

ORDINANCE NO. 9214 (Cont.)

(C) The various zoning classifications of the land shown on the Official Zoning Map of the City of Grand Island, Nebraska, are hereby confirmed and that the extraterritorial zoning jurisdiction is extended as allowed by law.

(D) There is unity of interest in the use of the said tract of land, lots, tracts, highways and streets (lands) with the use of land in the City, and the community convenience and welfare and in the interests of the said City will be enhanced through incorporating the subject land within the corporate limits of the City of Grand Island.

(E) The plan for extending City services adopted by the City Council by the passage and approval of Resolution No. 2009-58 is hereby approved and ratified as amended.

SECTION 2. The boundaries of the City of Grand Island, Nebraska, be and are hereby extended to include within the corporate limits of the said City the contiguous and adjacent tract of land located within the boundaries described above.

SECTION 3. The subject tract of land is hereby annexed to the City of Grand Island, Hall County, Nebraska, and said land and the persons thereon shall thereafter be subject to all rules, regulations, ordinances, taxes and all other burdens and benefits of other persons and territory included within the City of Grand Island, Nebraska.

SECTION 4. The owners of the land so brought within the corporate limits of the City of Grand Island, Nebraska, are hereby compelled to continue with the streets, alleys, easements, and public rights-of-way that are presently platted and laid out in and through said real estate in conformity with and continuous with the streets, alleys, easements and public rights-of-way of the City.

SECTION 5. That a certified copy of this Ordinance shall be recorded in the office of the Register of Deeds of Hall County, Nebraska and indexed against the tracts of land.

ORDINANCE NO. 9214 (Cont.)

SECTION 6. Upon taking effect of this Ordinance, the services of said City shall be furnished to the lands and persons thereon as provided by law, in accordance with the Plan for Extension of City Services adopted herein.

SECTION 7. That all ordinances and resolutions or parts thereof in conflict herewith are hereby repealed.

SECTION 8. This ordinance shall be in full force and effect from and after its passage, approval and publication, in pamphlet form, as provided by law.

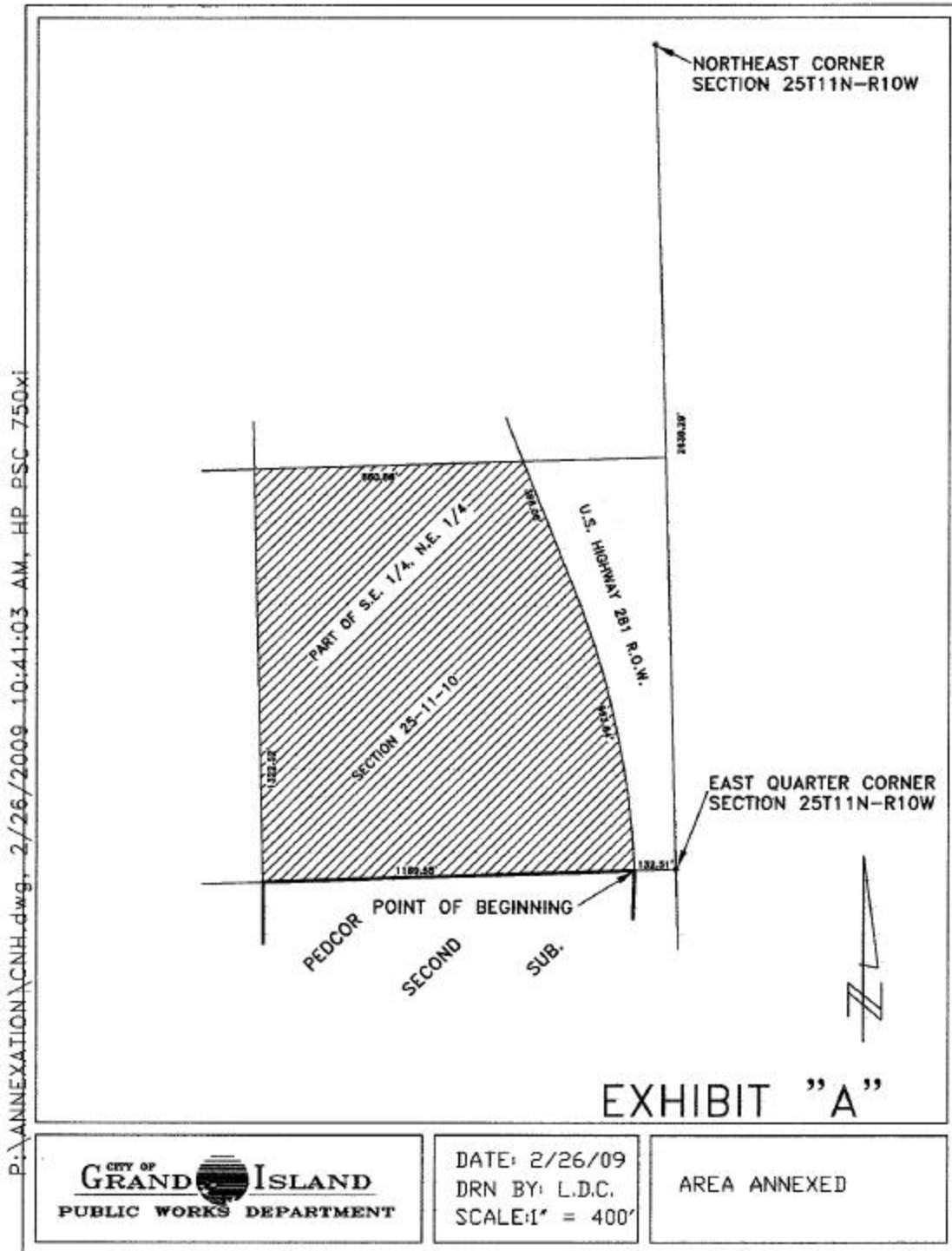
Enacted: May 12, 2009.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk

ORDINANCE NO. 9214 (Cont.)





City of Grand Island

Tuesday, May 26, 2009

Council Session

Item F2

#9215 - Consideration of Lease-Purchase Agreement, Ground Lease and Escrow Agreement for Building and Related Improvements to Serve as a Recreational Facility for State Fair Activities (Final Reading)

Staff Contact: Jeff Pederson

Council Agenda Memo

Memo Update: May 26, 2009 City Council Meeting This Ordinance is now on Third Reading and Final Passage and Adoption. A Public Hearing on the Ground Lease will be conducted earlier in the meeting. Language in the Lease Purchase Agreement has been changed to have payment requests brought before the City Council. Additionally, Attachments to the Lease Purchase Agreement and the Escrow Agreement have been completed.

From: Jeff Pederson, City Administrator

Meeting: May 12, 2009

Subject: Lease-Purchase Agreement, Ground Lease and Escrow Agreement for Building and Related Improvements to Serve as a Recreational Facility for State Fair Activities

Item #'s: F-2

Presenter(s): Jeff Pederson, City Administrator

Background

The City Council has heretofore taken action intended to facilitate the contribution of the sum of \$5 million towards the relocation of the Nebraska State Fair to Grand Island. That action includes the passage on September 9, 2008 of Ordinance No. 9189 implementing an occupation tax upon the sale of prepared food and non-alcoholic beverages. With the collection of the occupation tax to occur over a period of time, it becomes necessary to institute some form of borrowing in order to meet the requirements of LB 1116 that the \$5 million be available for State Fair construction at the Fonner Park site.

Discussion

Council's first of reading of this ordinance was held April 28, 2009. Council's first reading of the ordinance produced discussion and recommendations on the draft of the ground lease with Fonner Park. Subsequent negotiation meetings have achieved a revision to the draft ground lease which I believe is favorable to both parties.

Notable adjustments within the attached draft Ground Lease Agreement for the second ordinance reading are:

- Section 3 **Use**
- Section 5 **Rent**
- Section 8 **Assignment and Subletting**

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

Approve the Agreements.

Sample Motion

Move to approve Ordinance No. 9215 authorizing the Lease-Purchase Agreement, Ground Lease and Escrow Agreement and authorize execution.

GROUND LEASE

THIS GROUND LEASE ("Lease") is made and entered into July 1, 2009, by and between HALL COUNTY LIVESTOCK IMPROVEMENT ASSOCIATION, a Nebraska nonprofit corporation ("Fonner Park"); WELLS FARGO BROKERAGE SERVICES, L.L.C. (Wells Fargo); and CITY OF GRAND ISLAND, NEBRASKA, a city of the first class of the State of Nebraska ("City");

WHEREAS, the City and Fonner Park have determined that Wells Fargo and the City should have title to a multi-purpose recreational exposition building and associated infrastructure improvements (the "Building"); and

WHEREAS, the City and Wells Fargo Brokerage Services, LLC ("Wells Fargo") have entered into a Lease Purchase Agreement dated July 1, 2009 ("Lease Purchase Agreement") regarding the Building.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the parties do hereby agree and contract as follows:

1. **Certain Definitions.** For purposes of this Lease, the following terms are defined:

(a) "Leased Premises" shall mean that certain real property located in Hall County, Nebraska, which has been identified by Fonner Park based upon the plans and specifications approved and provided by the Nebraska State Fair Board. The Leased Premises are deemed by the parties hereto to be suitable to construct the Building and are located outside the restricted security envelope required of Fonner by the State Racing Commission, so as to be usable throughout each year. The location of the Leased Premises are generally shown on Exhibit "A" attached hereto and made a part hereof, which shall be located within the property legally described on attached Exhibit "C". As part of this Lease, Wells Fargo and the City are hereby granted during the term of the Lease proper ingress and egress on, over and across the land of Fonner Park for access and suitable parking, as is necessary for proper utilization of the Building. Such land of Fonner Park is defined in Exhibit "B" hereto attached and incorporated herein.

(b) "Building" shall mean the building, structures, fixtures and improvements constructed or installed upon the Leased Premises and related infrastructure improvements serving the Building.

Certain other defined terms shall have the respective meanings assigned to them elsewhere in this Lease.

2. **Demise and Term.** Fonner Park hereby leases and rents to Wells Fargo and the City, and Wells Fargo and the City hereby lease and rent from Fonner Park, the Leased Premises for the period commencing with the date of delivery hereof and ending on December 31, 2060 (the "Term"). Thereafter, the Term shall automatically continue for five (5) year successive terms unless terminated by either party upon ninety (90) days written notice prior to the end of the expiring term. The leasehold interest of Wells Fargo hereunder shall be assigned and transferred in full to City

upon the City's fulfillment of all of its obligations under the Lease Purchase Agreement with Wells Fargo.

3. **Use.** The Leased Premises shall be used for the construction and operation of the Building to be used by the City for public purposes, including, without limitation, for use as a recreational facility, for any city organizational function and also for State Fair purposes, if and when appropriate, and for any other suitable use as determined by the City. Upon mutual agreement of the parties, the City may also use the Building for any sanctioned Nebraska School Athletic Activities Association or collegiate athletic event, or for any trade show, banquet, professional entertainment or convention. Such agreement from Fonner Park shall not be unreasonably withheld. Fonner Park reserves the right to use the Leased Premises excluding the Building concurrently with the City.

4. **Building.** The Building on the Leased Premises shall be designed in accordance with plans and specifications provided by the Nebraska State Fair Board, with due consideration to be provided to the City to allow for the Building to be used for any of the City's purposes. This Lease shall apply solely to the Building and the Leased Premises (as defined in Exhibit A hereto) and to access and parking on, over and across the part of the land used for parking or driveway purposes described on Exhibit B hereto. All necessary utilities that will be needed for the Building are to be furnished out of the funds to be collected and utilized for the relocation of the Nebraska State Fair, which project is being administered by the Nebraska State Fair Board and Fonner Park. The costs and expenses of any of these utility lines shall be paid for with the relocation funds and not from the separate funds of Fonner Park. The City shall have the right at its cost, as and to the extent that it determines appropriate, to install utilities for the Building, on, over and across the real estate defined in Exhibit "B" hereto attached.

5. **Rent.** City shall pay to Fonner Park as gross rent ("Rent") for the Term hereof the sum of One Thousand and No/100 Dollars (\$1,000.00) per year, first payable upon the certificate of occupancy being provided for the facility to the City and then payable on the same day of each year thereafter for the balance of the lease term and any extension thereof.

6. **Maintenance and Repair.** The maintenance, repairs and replacements of the Building and interior and the Leased Premises shall be the responsibility of the City. The maintenance, repairs and replacement of surrounding property as described on Exhibit "C" hereto attached and incorporated herein shall also be the responsibility of the City, including, but not limited to, maintenance of suitable parking, all sidewalks, landscape, and exterior lighting not attached to the Building, for access, parking and green space areas.

7. **Insurance and Casualty.** During the Terms of this Lease, the City shall, at its own expense, insure the Leased Premises and the Building against loss or damage by fire and extended perils coverage in an amount not less than the full replacement value thereof, with such insurance to be under policies issued by responsible insurers authorized to do business in the State of Nebraska. The insurance policy shall name Wells Fargo, the City and Fonner Park as insured as their respective interests may appear, but so long as the City is not in default of this Lease, any loss shall be adjusted by and paid to Wells Fargo and the City. Upon occurrence of any damage covered by the foregoing property insurance, the City shall repair, replace or reconstruct the Building. The parties agree that if the available proceeds of the property insurance are insufficient to fully restore

the Building to the condition existing prior to the loss, the City shall provide funds for restoration beyond the funds available from such insurance if it so chooses. If the City chooses not to restore, the Lease can be terminated if at such time the City has legal title to the Building. The other provisions of this Lease shall apply as to any such disposition and surrender.

8. **Assignment and Subletting.** Except as may be provided in the Lease Purchase Agreement, City may not assign this Lease or sublet, in whole or in part, the Leased Premises, by operation of law or otherwise without the consent of Fonner Park. The City shall have the right to contract for the use of the Building as it determines appropriate, consistent with the other terms of this Lease. The City has the right to charge admission fees, user fees, and to enter into usage agreements for its purposes for the Building.

9. **No Subordination.** Upon the prior written consent of Fonner Park, the City shall have the right to grant a mortgage or deed of trust upon the leasehold interest evidenced hereby subject to and upon the condition that the mortgagee or beneficiary shall execute an acknowledgment in form acceptable to Fonner Park acknowledging and agreeing that: (a) any such mortgage or deed of trust shall be junior and inferior in all respects to the interest of Fonner Park in the Leased Premises, (b) upon any foreclosure, such mortgagee or beneficiary shall be subject to the terms and conditions of this Lease, and (c) the expiration or termination of this Lease shall terminate any mortgage or deed of trust and such mortgagee or beneficiary shall cause the mortgage or deed of trust to be released and reconveyed upon any such termination. Fonner Park agrees that it will provide written notice of any default by City to the holder of any mortgage or deed of trust of which it has knowledge.

10. **Limitation on Termination as Against Wells Fargo/Disposition of Property.** This Lease shall not terminate until the City has acquired full legal title to the Building from Wells Fargo. Upon termination of this Lease, or any extension thereof, the Leased Premises shall remain the property of Fonner Park. The Building and any other structures or improvements or appurtenances of the City that have been constructed or installed shall remain the property of the City. Fonner Park, upon termination of this Lease, may purchase the City's interest in the Building, other structures or appurtenances for the Fair Market Value of the same. "Fair Market Value" shall mean the value of such interests, as determined by agreement of the parties or by a board of three (3) independent licensed appraisers chosen jointly by the parties. The City's interest may be purchased as determined by state or federal law or by agreement of the parties. If Fonner Park elects not to purchase the Building, structures and appurtenances on the Leased Premises, the City agrees to remove all buildings, structures and appurtenances on the Leased Premises at the City's cost, subject to any remonstrance requirements under applicable law.

11. **Default.** In the event City shall fail to observe and perform the terms and provisions of this Lease, and such failure continues for a period of thirty (30) days after written notice from Fonner Park to City and Wells Fargo (provided, in the event the nature of such failure reasonably requires more than thirty (30) days to cure, such thirty (30) day period shall be extended for as long as it is reasonably necessary provided City commences to cure such failure within such thirty (30) day period and thereafter diligently pursues the same to completion), then Fonner Park may terminate this Lease, City shall forfeit all rights, titles and interests in and to the Leased Premises and City shall remove the Building within ninety (90) days of such termination and shall immediately vacate the Leased Premises except for purposes of removing the Building. Wells

Fargo as owner of the Building, shall have the right to cure any default of the City so long as Wells Fargo has legal title to the Building.

12. **Surrender.** City shall, upon termination of this Lease, whether by lapse of time or otherwise, peaceably and promptly surrender the Leased Premises, shall forfeit all rights, titles and interests in and to the Leased Premises and City shall remove the Building within ninety (90) days of such termination and shall immediately vacate the Leased Premises except for purposes of removing the Building. If City remains in possession after the termination of this Lease, without a written lease duly executed by the parties, City shall be deemed a tenant at will.

13. **Notices.** All notices, demands, requests, approvals, consents, offers, statements, and other instruments of communication required or permitted to be given pursuant to the provisions of this Lease, shall be in writing and shall be deemed to have been given when delivered in person, by Federal Express or other 24-hour delivery service, or three (3) business days after being deposited in the United States mail by certified mail, return receipt requested, postage prepaid, addressed to the other party at its address hereinbelow set forth:

City of Grand Island
Attn: Mayor
P.O. Box 1968
100 East First Street
Grand Island, NE 68802-1968
mayor@grand-island.com

Hall County Livestock Improvement Association
Attn: Registered Agent
P.O. Box 490
700 East Stolley Park Road
Grand Island, NE 68802-0490
fonnerpark@aol.com

Wells Fargo Brokerage Services, LLC
608 Second Avenue South – 9th Floor
MAC: 9303-105
Minneapolis, MN 55479

For the purposes of this paragraph, any party may substitute its address by giving fifteen (15) days notice to the other party in the manner provided above.

14. **Recordation.** Fonner Park, the City and Wells Fargo each agree to execute and record a short form notice of this Lease.

15. **Entire Agreement.** This Lease constitutes the entire agreement between Fonner Park, Wells Fargo and the City regarding the subject matter hereof and supersedes all oral statements and prior writings relating thereto. Except for those set forth in this Lease, no representations, warranties or agreements have been made by Fonner Park, Wells Fargo or the City, to the other with respect to this Lease, or the obligations of Fonner Park, Wells Fargo or the City in connection therewith. The normal rule of construction that any ambiguities be resolved against the drafting party shall not apply to the interpretation of this Lease or any exhibits or amendments hereto.

16. **Binding Effect.** This Lease shall run with the land and be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns.

The parties hereto hereby acknowledge that the proposed transfer of the State Fair from Lancaster County to Hall County has been authorized by LB 1116 as enacted by the Second Session (2008) of the One Hundredth Legislature of the State of Nebraska ("LB 1116") and that there is currently pending in the District Court of Lancaster County, Nebraska, the case of Roger Yant, et al. vs. The City of Grand Island, et al. (Case No. CI08-4964) (the "Pending Litigation"); that the City and Fonner Park are parties to the Pending Litigation; that no temporary restraining order, preliminary injunction, permanent injunction or other order restricting action by the City or Fonner Park has been entered or is expected to be entered prior to the time (the "Anticipated Commitment Time") when execution and delivery of this Lease are expected to be required in order for construction to be timely completed; that the City's authority to enter into this Lease for the benefit of the citizens of Grand Island, independent of the provisions of LB 1116, is not questioned or challenged in the Pending Litigation; that the Pending Litigation will not likely be finally resolved before the Anticipated Commitment Time; and the parties hereto have determined to proceed with entering into this Lease without respect of the validity of LB 1116 and in order to serve the general governmental purpose of obtaining a recreational facility for the benefit of the City and its citizens. Each of the parties hereto irrevocably waives any right to claim invalidity or seek other equitable or legal relief based upon the doctrine of commercial frustration.

17. **Authority.** Fonner Park, Wells Fargo and the City each acknowledge and represent that it has the right, power and authority to enter into this Lease and bind itself hereto through the party set forth as signatory for the party below.

18. **Indemnification.** Nothing in this Lease shall be construed as an indemnification by Fonner Park or the City of the other for liabilities of a party or third persons for property loss or damage or death or personal injury arising out of and during the performance of this lease. Any liabilities or claims for property loss or damage or for death or personal injury by a party or its agents, employees, contractors or assigns or by third persons, arising out of and during the performance of this Lease shall be determined according to applicable law including but not limited to the Political Subdivision and State Tort Claims Act.

19. **Governing Law.** This Lease shall be governed by and construed in accordance with the laws of the State of Nebraska.

20. **Effective Date.** This Lease has been dated for convenience of reference as shown on the initial page hereof.

ATTEST:

CITY OF GRAND ISLAND, NEBRASKA

RaNae Edwards, City Clerk

By: _____
Margaret Hornady, Mayor

APPROVED AS TO FORM:

Dale M. Shotkoski, City Attorney

ATTEST:

WELLS FARGO BROKERAGE SERVICES, L.L.C.

By: _____

ATTEST:

HALL COUNTY LIVESTOCK
IMPROVEMENT ASSOCIATION

Charles Bosselman, Secretary

By: _____
Larry Toner, President

STATE OF NEBRASKA)
)SS:
COUNTY OF HALL)

The foregoing instrument was acknowledged before me by Margaret Hornady, Mayor of the City of Grand Island, Nebraska, a city of the first class of the State of Nebraska, on behalf of such city.

Witness my hand and notarial seal this _____ day of _____, 2009.

Notary Public

STATE OF NEBRASKA)
)SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me by _____,
_____ of Wells Fargo Brokerage Services, L.L.C., on behalf of such limited liability
company.

Witness my hand and notarial seal this _____ day of _____, 2009.

Notary Public

STATE OF NEBRASKA)
)SS:
COUNTY OF HALL)

The foregoing instrument was acknowledged before me by Larry Toner, President of Hall County Livestock Improvement Association, a Nebraska nonprofit corporation, on behalf of such corporation.

Witness my hand and notarial seal this _____ day of _____, 2009.

Notary Public



Exhibit "A"

200900538

SITE AND TRACT OF LAND OWNED BY FONNER PARK:

TRACT 1:

THE WEST ONE-HALF OF THE SOUTHEAST QUARTER (W1/2SE1/4) OF SECTION TWENTY-TWO (22), IN TOWNSHIP ELEVEN (11) NORTH, RANGE NINE (9) WEST OF THE 6TH P.M. IN HALL COUNTY, NEBRASKA; AND

TRACT 2:

THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER (NE1/4SW1/4) OF SECTION TWENTY-TWO (22), TOWNSHIP ELEVEN (11) NORTH, RANGE NINE (9) WEST OF THE 6TH P.M. IN HALL COUNTY, NEBRASKA; AND

TRACT 3:

THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER (SE1/4SW1/4) OF SECTION TWENTY-TWO (22), TOWNSHIP ELEVEN (11) NORTH, RANGE NINE (9) WEST OF THE 6TH P.M. IN HALL COUNTY, NEBRASKA; AND

THAT PART OF THE FRACTIONAL EAST HALF OF THE SOUTHEAST QUARTER (E1/2SE1/4) OF SECTION TWENTY TWO (22), TOWNSHIP ELEVEN (11) NORTH, RANGE NINE (9), WEST OF THE 6TH P.M., IN HALL COUNTY, NEBRASKA MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE EAST AND WEST HALF SECTION LINE OF SAID SECTION TWENTY-TWO (22), 40 FEET WEST OF THE EAST QUARTER CORNER OF SAID SECTION TWENTY-TWO (22), THENCE SOUTH AND PARALLEL TO THE EAST SECTION LINE OF SAID SECTION A DISTANCE OF 2108 FEET; THENCE IN A SOUTHWESTERLY DIRECTION AT AN ANGLE OF 65° 13' TO THE RIGHT A DISTANCE OF 1100 FEET, TO A POINT 40 FEET NORTH OF THE SOUTH SECTION LINE OF SAID SECTION, THENCE WEST AND PARALLEL TO THE SOUTH SECTION LINE OF SAID SECTION A DISTANCE OF 297 FEET, THENCE NORTH ON THE WEST LINE OF THE EAST HALF OF THE SOUTHEAST QUARTER, (E1/2SE1/4) A DISTANCE OF 2600 FEET, THENCE EAST ON THE HALF SECTION LINE A DISTANCE OF 1280 FEET TO THE POINT OF BEGINNING, LESS ANY CONVEYANCES HERETOFORE MADE BY PARTY OF THE FIRST PART AND SUBSEQUENT TO OCTOBER 31, 1960 AND SUBJECT TO ALL EASEMENTS, GRANTS OF RIGHT-OF-WAY, AND RESTRICTIONS OF RECORD; AND

TRACT 4:

TRACT OF LAND COMPRISING A PART OF THE WEST HALF OF THE SOUTHWEST QUARTER (W1/2SW1/4) OF SECTION TWENTY TWO (22), TOWNSHIP ELEVEN (11) NORTH, RANGE NINE (9) WEST OF THE 6TH P.M. IN GRAND ISLAND, HALL COUNTY, NEBRASKA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID WEST HALF OF THE SOUTHWEST QUARTER (W1/2SW1/4) THENCE WESTERLY ALONG THE SOUTH LINE OF SAID SECTION TWENTY TWO (22), A DISTANCE OF FOUR HUNDRED FIFTY NINE AND TWENTY THREE HUNDREDTHS (459.23) FEET TO THE SOUTHEAST CORNER OF FONNER SECOND SUBDIVISION; THENCE DEFLECTING RIGHT, $96^{\circ}16'30''$, AND RUNNING NORTHEASTERLY ALONG THE EASTERLY LINE OF SAID FONNER SECOND SUBDIVISION, A DISTANCE OF TWO HUNDRED FORTY ONE AND THIRTY FOUR HUNDREDTHS (241.34) FEET; THENCE, DEFLECTING LEFT AT $06^{\circ}45'34''$ AND RUNNING NORTHERLY ALONG THE EASTERLY LINE OF SAID FONNER SECOND SUBDIVISION A DISTANCE OF ONE THOUSAND TWO HUNDRED THIRTY NINE AND TWENTY EIGHT HUNDREDTHS (1,239.28) FEET TO THE NORTHEAST CORNER OF SAID FONNER SECOND SUBDIVISION; THENCE DEFLECTING LEFT $89^{\circ}31'32''$ AND RUNNING WESTERLY ALONG THE NORTHERLY LINE OF SAID FONNER SECOND SUBDIVISION, A DISTANCE OF EIGHT HUNDRED FORTY NINE AND THIRTY SEVEN HUNDREDTHS (849.37) FEET TO THE NORTHWEST CORNER OF LOT ONE (1), FONNER SECOND SUBDIVISION; THENCE NORTHERLY ALONG THE EAST LINE OF LOCUST STREET, A DISTANCE OF EIGHTY SIX AND THREE HUNDREDTHS (86.03) FEET; THENCE DEFLECTING RIGHT $90^{\circ}46'13''$ AND RUNNING EASTERLY, A DISTANCE OF FOUR AND FIVE TENTHS (4.5) FEET; THENCE DEFLECTING LEFT $90^{\circ}46'13''$ AND RUNNING NORTHERLY, A DISTANCE OF SIX (6.0) FEET; THENCE DEFLECTING LEFT $89^{\circ}13'47''$ AND RUNNING WESTERLY, A DISTANCE OF FOUR AND FIVE TENTHS (4.5) FEET TO THE EAST LINE OF SAID LOCUST STREET; THENCE NORTHERLY ALONG SAID EAST LINE OF LOCUST STREET, A DISTANCE OF TWO HUNDRED TWENTY FIVE AND SEVENTY FIVE HUNDREDTH (225.75) FEET TO THE SOUTH LINE OF JANISCH SUBDIVISION; THENCE EASTERLY ALONG THE SOUTH LINE OF SAID JANISCH SUBDIVISION, A DISTANCE OF THREE HUNDRED NINETEEN AND SIXTY SEVEN HUNDREDTHS (319.67) FEET TO THE SOUTHEAST CORNER OF SAID JANISCH SUBDIVISION; THENCE NORTHERLY ALONG THE EAST LINE OF SAID JANISCH SUBDIVISION A DISTANCE OF THREE HUNDRED TWENTY AND THIRTY EIGHT HUNDREDTHS (320.38) FEET TO THE NORTHEAST CORNER OF SAID JANISCH SUBDIVISION; THENCE EASTERLY ALONG THE SOUTH LINE OF FONNER THIRD SUBDIVISION, A DISTANCE OF TWO HUNDRED NINETY NINE AND FIFTY THREE HUNDREDTHS (299.53) FEET TO THE SOUTHEAST CORNER OF SAID FONNER THIRD SUBDIVISION; THENCE, NORTHERLY ALONG THE

EAST LINE OF SAID FONNER THIRD SUBDIVISION, A DISTANCE OF FOUR HUNDRED FORTY AND FOUR HUNDREDTHS (440.04) FEET TO THE NORTHEAST CORNER OF SAID FONNER THIRD SUBDIVISION; THENCE EASTERLY ALONG THE SOUTH RIGHT-OF-WAY LINE OF FONNER PARK ROAD, A DISTANCE OF SIX HUNDRED SIXTY ONE AND EIGHT HUNDREDTHS (661.08) FEET TO THE EAST LINE OF SAID WEST HALF OF THE SOUTHWEST QUARTER (W1/2SW1/4); THENCE SOUTHERLY ALONG THE EAST LINE OF SAID WEST HALF OF THE SOUTHWEST QUARTER (W1/2SW1/4), A DISTANCE OF TWO THOUSAND FIVE HUNDRED FIFTY AND FIVE TENTHS (2,550.5) FEET TO THE PLACE OF BEGINNING AND CONTAINING 37.727 ACRES MORE LESS; AND

TRACT 5:

PLAT OF A TRACT OF LAND COMPRISING A PART OF THE SOUTHEAST QUARTER (SE $\frac{1}{4}$) OF SECTION TWENTY-TWO (22), TOWNSHIP ELEVEN (11) NORTH, RANGE NINE (9) WEST OF THE 6TH P.M., IN HALL COUNTY, NEBRASKA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SOUTHEAST QUARTER (SE $\frac{1}{4}$); THENCE SOUTHERLY ALONG THE EAST LINE OF SAID SECTION TWENTY-TWO (22), A DISTANCE OF ONE THOUSAND NINE HUNDRED SIXTY-FIVE (1,965.0) FEET; THENCE DEFLECTING RIGHT 89°54' AND RUNNING WESTERLY A DISTANCE OF TWO HUNDRED FIFTY-THREE AND EIGHTY-EIGHT HUNDREDTHS (253.88) FEET, TO THE ACTUAL PLACE OF BEGINNING; THENCE CONTINUING WESTERLY ALONG THE LAST DESCRIBED COURSE, A DISTANCE OF ONE HUNDRED TWO (102.0) FEET; THENCE DEFLECTING RIGHT 90°00' AND RUNNING NORTHERLY, A DISTANCE OF NINETY-SIX (96.0) FEET; THENCE DEFLECTING RIGHT 90°00' AND RUNNING EASTERLY A DISTANCE OF ONE HUNDRED TWO (102.0) FEET; THENCE DEFLECTING RIGHT 90°00' AND RUNNING SOUTHERLY, A DISTANCE OF NINETY-SIX (96.0) FEET TO THE ACTUAL PLACE OF BEGINNING AND CONTAINING 0.225 ACRES MORE OR LESS,

EXCLUDING FROM THE FOREGOING TRACTS ANY PORTION THEREOF CONVEYED TO THE CITY OF GRAND ISLAND NEBRASKA FOR PUBLIC ROADS AND PUBLIC UTILITIES AND FURTHER EXCLUDING THEREFROM ALL OF THE FOLLOWING TRACTS:

EXCLUDED TRACT 1:

A TRACT OF LAND IN THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER (SW1/4SE1/4) OF SECTION TWENTY-TWO (22), TOWNSHIP ELEVEN (11) NORTH RANGE NINE (9) WEST OF THE 6TH P.M., HALL COUNTY, NEBRASKA CONVEYED TO THE CITY OF GRAND ISLAND, NEBRASKA BY

200900538

WARRANTY DEED RECORDED OCTOBER 29, 1974 WITH THE HALL COUNTY REGISTER OF DEEDS IN BOOK 176, PAGES 385-86 AND DESCRIBED AS THE SOUTH NINETY-THREE AND NO HUNDREDTHS (93.00) FEET OF SAID SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER (SE $\frac{1}{4}$ SW $\frac{1}{4}$) SAID TRACT CONTAINING 2.82 ACRES, MORE OR LESS, OF WHICH 1.00 ACRE, MORE OR LESS, IS AN EXISTING ROAD OR STREET RIGHT-OF-WAY, AND 0.04 ACRE, MORE OR LESS, IS AN EXISTING SANITARY SEWER EASEMENT, AND 0.01 ACRE, MORE OR LESS, IS AN EXISTING PERPETUAL EASEMENT, ALL AS SHOWN ON THE REVISED PLAT DATED SEPTEMBER 18, 1974, MARKED EXHIBIT "A", ATTACHED THERETO AND INCORPORATED THEREIN BY REFERENCE; AND

EXCLUDED TRACT 2:

A TRACT OF LAND LOCATED IN THE SOUTHWEST QUARTER (SW $\frac{1}{4}$) OF SECTION TWENTY-TWO (22), TOWNSHIP ELEVEN (11) NORTH, RANGE NINE (9) WEST OF THE 6TH P.M., HALL COUNTY, NEBRASKA, CONVEYED TO THE CITY OF GRAND ISLAND, NEBRASKA BY CORPORATION QUITCLAIM DEED RECORDED FEBRUARY 28, 1992 WITH THE HALL COUNTY REGISTER OF DEEDS AS DOCUMENT NO. 92-101566 AND MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF THE WEST HALF OF THE SOUTHWEST QUARTER (W $\frac{1}{2}$ SW $\frac{1}{4}$) OF SAID SECTION TWENTY-TWO (22); THENCE ON AN ASSUMED BEARING OF NO 00°00'00" E ALONG THE EAST LINE OF SAID WEST HALF OF THE SOUTHWEST QUARTER (W $\frac{1}{2}$ SW $\frac{1}{4}$) A DISTANCE OF 1791.80 FEET TO THE POINT OF BEGINNING; THENCE N 89°16'23" W A DISTANCE OF 951.32 FEET TO A POINT 10.00 FEET EAST OF THE SOUTHEAST CORNER OF JANISCH SUBDIVISION; THENCE N 00°01'49" E ALONG A LINE 10.00 FEET EAST AND PARALLEL TO THE EAST LINE OF SAID JANISCH SUBDIVISION A DISTANCE OF 319.80 FEET TO A POINT 10.00 FEET EAST OF THE NORTHEAST CORNER OF JANISCH SUBDIVISION; THENCE S 89°13'06" E ALONG THE SOUTH LINE OF FONNER THIRD SUBDIVISION A DISTANCE OF 289.82 FEET TO THE SOUTHEAST CORNER OF FONNER THIRD SUBDIVISION; THENCE N 00°01'59" E ALONG THE EAST LINE OF SAID FONNER THIRD SUBDIVISION A DISTANCE OF 440.06 FEET TO THE NORTHEAST CORNER OF FONNER THIRD SUBDIVISION; THENCE S 89°12'56" E ALONG THE SOUTH RIGHT-OF-WAY LINE OF FONNER PARK ROAD A DISTANCE OF 661.09 FEET TO THE EAST LINE OF SAID WEST HALF OF THE SOUTHWEST QUARTER (W $\frac{1}{2}$ SW $\frac{1}{4}$); THENCE CONTINUING S 89°12'56" E ALONG THE SOUTH RIGHT-OF-WAY LINE OF FONNER PARK ROAD A DISTANCE OF 20.00 FEET TO THE CENTER OF EXISTING 20.00 FOOT WIDE UTILITY EASEMENT; THENCE S 00°00'00" W ALONG THE CENTERLINE OF SAID 20.00 FOOT WIDE UTILITY EASEMENT A DISTANCE OF 758.90 FEET TO A POINT ON THE CENTER LINE OF SAID 20.00 FOOT WIDE UTILITY EASEMENT; THENCE

N 89°16'23" W A DISTANCE OF 20.00 FEET TO THE POINT OF BEGINNING; SAID TRACT CONTAINS 14.00 ACRES, MORE OR LESS, ALL CORNERS OF SAID TRACT HAVING BEEN MARKED WITH PERMANENT IRON MONUMENTS, SUBJECT TO UNPAID SPECIAL ASSESSMENTS, COVENANTS, RESTRICTIONS AND EASEMENTS OF RECORD; AND

EXCLUDED TRACT 3:

A TRACT OF LAND LOCATED IN THE SOUTHWEST QUARTER (SW¼) OF SECTION TWENTY-TWO (22), TOWNSHIP ELEVEN (11) NORTH, RANGE NINE (9) WEST OF THE 6TH P.M., HALL COUNTY, NEBRASKA CONVEYED TO NIELS C. MCDERMOTT AND VIRGINIA A. MCDERMOTT IN A JOINT TENANCY QUITCLAIM DEED RECORDED JULY 6, 1992 WITH THE HALL COUNTY REGISTER OF DEEDS AS DOCUMENT NO. 92-105896 AND MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST (NE) CORNER OF LOT 1, FONNER SUBDIVISION, AN ADDITION TO THE CITY OF GRAND ISLAND, NEBRASKA; THENCE ON AN ASSUMED BEARING OF S 89°13'06" E ALONG THE NORTH LINE OF THE FORMER LOT 2, JANISCH SUBDIVISION A DISTANCE OF 120.12 FEET TO THE POINT OF BEGINNING, THENCE CONTINUING S 89°13'06" E A DISTANCE OF 10.00 FEET; THENCE S 00°01'49" W A DISTANCE OF 319.80 FEET; THENCE N 89°16'23" W A DISTANCE OF 10.00 FEET; THENCE N 00°01'49" E A DISTANCE OF 319.81 FEET TO THE POINT OF BEGINNING; AND

EXCLUDED TRACT 4:

A TRACT OF LAND BEING PART OF THE SOUTHWEST QUARTER (SW¼) OF SECTION 22, TOWNSHIP 11 NORTH, RANGE 9 WEST OF THE 6TH P.M., HALL COUNTY, NEBRASKA, CONVEYED TO THE CITY OF GRAND ISLAND BY WARRANTY DEED RECORDED DECEMBER 23, 2003 WITH THE HALL COUNTY REGISTER OF DEEDS AS INSTRUMENT NO. 200316338 AND IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE SW¼ OF SAID SECTION 22, THENCE ON AN ASSUMED BEARING OF S01°06'27"E ALONG THE WEST LINE OF SAID SW¼ A DISTANCE OF 840.48 FEET; THENCE N88°53'33"E AND PERPENDICULAR TO SAID WEST LINE A DISTANCE OF 40.04 FEET TO A POINT BEING THE INTERSECTION OF THE EAST RIGHT-OF-WAY (R.O.W.) LINE OF SOUTH LOCUST STREET AND THE NORTHWEST CORNER OF A TRACT OF LAND RECORDED AS EXHIBIT "A", DOCUMENT NUMBER 87-106012, FILED OCTOBER 13, 1987, HALL COUNTY REGISTER OF DEEDS, SAID POINT ALSO BEING THE POINT OF BEGINNING; THENCE N89°37'37"E ALONG THE NORTH LINE OF SAID TRACT OF LAND A DISTANCE OF 4.96 FEET; THENCE S01°11'50"E A DISTANCE OF 318.62 FEET TO A POINT ON THE SOUTH

LINE OF SAID TRACT OF LAND; THENCE S89°21'14"W ALONG SAID SOUTH LINE A DISTANCE OF 5.41 FEET TO A POINT BEING THE SOUTHWEST CORNER OF SAID TRACT OF LAND, SAID POINT ALSO ON THE WEST R.O.W. LINE OF SOUTH LOCUST STREET; THENCE UPON AND ALONG SAID WEST R.O.W. LINE N01°07'03"W A DISTANCE OF 86.27 FEET; THENCE N89°39'10"E A DISTANCE OF 4.50 FEET; THENCE N01°07'03"W A DISTANCE OF 6.01 FEET; THENCE S89°39'10"W A DISTANCE OF 4.50 FEET; THENCE N01°07'03"W A DISTANCE OF 226.36 FEET TO THE POINT OF BEGINNING. SAID TRACT CONTAINS A CALCULATED AREA OF 1,624.8 SQUARE FEET OR 0.0373 ACRES MORE OR LESS; AND

EXCLUDED TRACT 5:

A TRACT OF LAND CONVEYED TO FONNER PARK EXPOSITION AND EVENTS CENTER, INC. BY CORPORATION WARRANTY DEED RECORDED DECEMBER 10, 2004 WITH THE HALL COUNTY REGISTER OF DEEDS AS INSTRUMENT NO. 200411887 AND DESCRIBED AS LOT ONE (1), HEARTLAND EVENT CENTER FIRST SUBDIVISION TO THE CITY OF GRAND ISLAND, HALL COUNTY, NEBRASKA; AND

EXCLUDED TRACT 6:

A TRACT OF LAND COMPRISING A PART OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER (NE $\frac{1}{4}$ SW $\frac{1}{4}$), OF SECTION TWENTY TWO (22), TOWNSHIP ELEVEN (11) NORTH, RANGE NINE (9) WEST OF THE 6TH P.M., IN THE CITY OF GRAND ISLAND, HALL COUNTY, NEBRASKA, CONVEYED TO THE CITY OF GRAND ISLAND, NEBRASKA BY QUITCLAIM DEED RECORDED JULY 29, 2005 WITH THE HALL COUNTY REGISTER OF DEEDS AS INSTRUMENT NO. 200507324 AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID NORTHEAST QUARTER OF THE SOUTHWEST QUARTER (NE $\frac{1}{4}$ SW $\frac{1}{4}$); THENCE RUNNING EASTERLY ALONG THE NORTH LINE OF SAID NORTHEAST QUARTER OF THE SOUTHWEST QUARTER (NE $\frac{1}{4}$ SW $\frac{1}{4}$), ON AN ASSUMED BEARING OF S88°37'00"E, A DISTANCE OF TWENTY AND TWENTY NINE HUNDREDTHS (20.29) FEET; THENCE RUNNING S00°38'28"W, A DISTANCE OF SEVENTY NINE AND THIRTY THREE HUNDREDTHS (79.33) FEET, TO THE ACTUAL POINT OF BEGINNING; THENCE RUNNING S88°32'21"E, A DISTANCE OF FIVE HUNDRED AND TWO HUNDREDTHS (500.02) FEET; TO A POINT EIGHTY (80.00) FEET SOUTH OF THE NORTH LINE OF SAID NORTHEAST QUARTER OF THE SOUTHWEST QUARTER (NE $\frac{1}{4}$ SW $\frac{1}{4}$); THENCE RUNNING S00°38'28"W, A DISTANCE OF EIGHT HUNDRED EIGHTY ONE AND TWO HUNDREDTHS (881.02) FEET; THENCE RUNNING N88°43'43"W, A DISTANCE OF FIVE HUNDRED (500.00) FEET; THENCE RUNNING N00°38'28"E, A DISTANCE OF

200900538

EIGHT HUNDRED EIGHTY TWO AND SIXTY TWO HUNDREDTHS (882.68)
FEET, TO THE ACTUAL POINT OF BEGINNING AND CONTAINING 10.12
ACRES MORE OR LESS.

3316-2/224058

Exhibit "B"

7

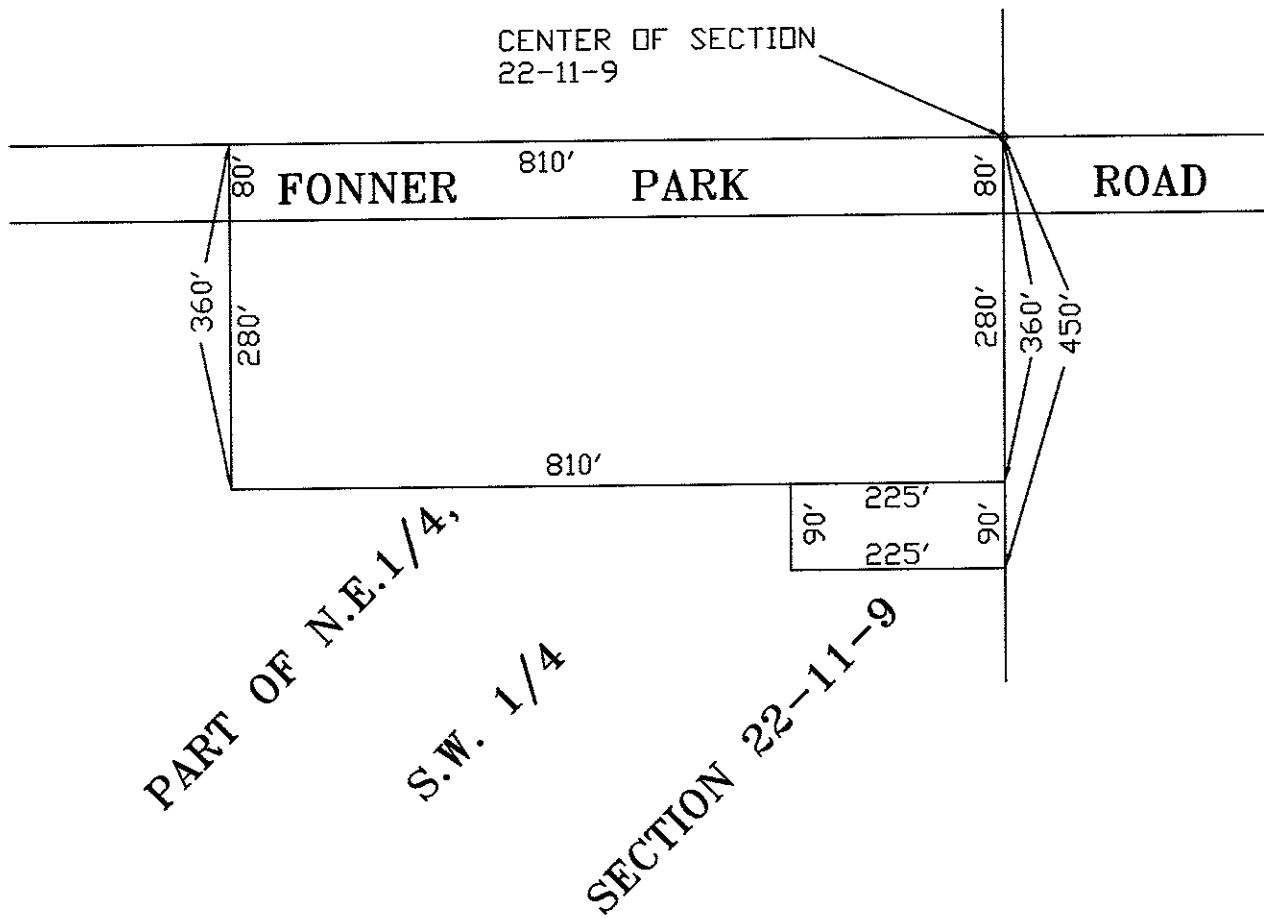


EXHIBIT "C"

Revised Presentation Draft

LEASE-PURCHASE AGREEMENT

Between

WELLS FARGO BROKERAGE SERVICES, LLC

As Lessor

and the

The City of Grand Island, Nebraska

As Lessee

Dated as of the first day of July, 2009

LESSOR'S ORIGINAL

THIS LEASE-PURCHASE AGREEMENT dated as of the first day of July, 2009 (the Lease), by and between WELLS FARGO BROKERAGE SERVICES, LLC, as lessor (Lessor), whose address is 608 Second Avenue South – 10th Floor; MAC: N9303-105, Minneapolis, MN 55479, Attention Public Finance, and the City of Grand Island, Nebraska, as lessee (Lessee) whose address is P.O. Box 1968, 100 East First Street, Grand Island, Nebraska 68802-1968.

WITNESSETH:

WHEREAS, Lessee is authorized under the terms of Section 13-304, R.R.S. Neb. 2007 to acquire, hold, improve and operate a recreational facility and to acquire such property by entering into lease-purchase agreement under Section 19-2421, R.R.S. Neb. 2007; and

WHEREAS, Lessee, Lessor and Hall County Livestock Improvement Association (the "Association") have entered into a Ground Lease dated as of July 1, 2009 (the Ground Lease), whereby the Association has leased to Lessor and Lessee certain land described therein and as set forth on Exhibit A hereto (the Land); and

WHEREAS, Lessor has agreed to acquire and construct on the Land certain improvements constituting a building and related improvements on the Land (the "Improvements") to Lessee, pursuant to this Lease in accordance with Lessee's requirements and specifications; and

WHEREAS, Lessee has determined that it is necessary and desirable for it to obtain lease-purchase financing under this Lease for the construction and acquisition of such Improvements upon the Land;

NOW THEREFORE, in the joint and mutual exercise of their powers, and in consideration of the mutual covenants herein contained, the parties hereto recite and agree as follows:

ARTICLE I

DEFINITIONS AND EXHIBITS

Section 1.1. Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Lease, have the meanings herein specified.

Closing Date: The date upon which the amount specified in Section 2.3 is deposited with the Escrow Agent.

Escrow Agent: Wells Fargo Bank, National Association, acting as escrow agent, pursuant to the terms and conditions of the Escrow Agreement, or any successor appointed and so acting under the terms of the Escrow Agreement.

Escrow Agreement: The Escrow Agreement dated as of the date hereof, by and between the Escrow Agent, Lessee, and Lessor and any replacement thereof or supplement thereto.

Fiscal Year: The twelve month fiscal period of Lessee which commences on October 1 in every year and ends on the following September 30.

Ground Lease: The Ground Lease dated as of the date hereof, by and between the Association, Lessor and Lessee, whereby the Association has leased the Land to Lessee and Lessor.

Independent Counsel: An attorney duly admitted to the practice of law before the highest court of the State who is not a full-time employee of Lessor or Lessee.

Improvements: The improvements described on Exhibit A hereto, and all repairs, replacements, substitutions and modifications thereto.

Interest: The portion of any Rental Payment designated as and comprising interest as shown in the attached Exhibit B.

Land: The land described on Exhibit A hereto.

Net Proceeds: Any insurance proceeds or condemnation award, paid with respect to the Project, remaining after payment therefrom of all expenses incurred in the collection thereof.

Payment Date: The date upon which any Rental Payment is due and payable as provided in Exhibit B.

Permitted Encumbrances: As of any particular time: (i) liens for taxes and assessments not then delinquent, or which Lessee may, pursuant to provisions of Section 7.3 hereof, permit to remain unpaid, (ii) this Lease and the Ground Lease and amendments to either thereof, (iii) Lessor's interest in the Project, and (iv) any construction, mechanic's, laborer's,

materialmen's, supplier's or vendor's lien or right not filed or perfected in the manner prescribed by law which Lessee may, pursuant to Article VIII hereof, permit to remain unpaid.

Principal: The portion of any Rental Payment designated as principal in the attached Exhibit B.

Project: The interest of Lessor in the Land under the Ground Lease and the Improvements.

Purchase Option Price: With respect to the Project, as of the Payment Dates specified in the attached Exhibit B, the amount so designated and set forth opposite such date.

Rental Payment(s): The payment due from Lessee to Lessor on each Payment Date during the Term of this Lease, as shown on Exhibit B. The term Rental Payments refers to some or all of the multiple payments due from Lessee to Lessor during the term of this Lease.

State: The State of Nebraska.

State and Federal Law or Laws: The Constitution and any law of the State and any rule or regulation of any agency or political subdivision of the State; and any law of the United States, and any rule or regulation of any federal agency.

Term of this Lease or Lease Term: The period during which this Lease is in effect as specified in Section 4.1.

Certain other terms used in this Lease are defined in parentheses elsewhere in this Lease.

Section 1.2. Exhibits.

The following Exhibits are attached to and by reference made a part of this Lease:

Exhibit A: A description of the Land and Improvements subject to this Lease.

Exhibit B: A schedule indicating the date and amount of each Rental Payment coming due during the Lease Term, the amount of each Rental Payment comprising Principal and Interest, and the price at which Lessee may exercise its option to purchase Lessor's interest in the Project in accordance with Article X.

Exhibit C: A certificate of officers of Lessee as to certain matters relating to the Lease, the Ground Lease and the Escrow Agreement.

Exhibit D: A form of opinion of counsel to Lessee.

ARTICLE II

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1. Representations, Covenants and Warranties of Lessee. Lessee represents, covenants and warrants as follows:

(a) Lessee is a duly formed and validly existing political subdivision of the State, governed by the Constitution and laws of the State.

(b) Lessee is authorized under the Constitution and laws of the State (specifically Section 19-2421, R.R.S. Neb. 1997, referred to herein as the Act) to enter into this Lease and the Escrow Agreement and the transactions contemplated thereby, and to perform all of its obligations thereunder.

(c) The officers of Lessee executing this Lease, the Ground Lease and the Escrow Agreement have been duly authorized to execute and deliver such documents under the terms and provisions of an ordinance of Lessee's governing body, or by other appropriate official action.

(d) In authorizing and executing this Lease, Lessee has complied with all public bidding and other State and Federal Laws applicable to this Lease and the acquisition of the Improvements by Lessee.

(e) Lessee will not pledge, mortgage or assign this Lease, or its duties and obligations hereunder to any other person, firm or corporation except as provided under the terms of this Lease.

(f) Lessee will use the Project during the Lease Term only to perform essential governmental functions or governmental and proprietary functions.

(g) Lessee will take no action that would cause the Interest portion of the Rental Payments to become includable in gross income of the recipient for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code") and Treasury Regulations promulgated thereunder (the "Regulations"), and Lessee will take and will cause its officers, employees and agents to take all affirmative actions legally within its power necessary to ensure that the Interest portion of the Rental Payments does not become includable in gross income of the recipient for federal income tax purposes under the Code and Regulations.

(h) Lessee has funds available and properly appropriated or subject to appropriation to pay Rental Payments until the end of the current Fiscal Year and under the terms of the Act the Lessee is (i) authorized to acquire title to the Improvements, (ii) the term of this Lease is not restricted to a single year and (iii) this Lease may provide for the purchase of the Improvements in installment payments.

(i) Lessee will execute and deliver on the Closing Date a certificate substantially in the form of Exhibit C hereto, and Lessee will cause its legal counsel to provide a legal opinion to Lessor substantially in the form of Exhibit D hereto, dated as of the Closing Date.

Section 2.2. Representations, Covenants and Warranties of Lessor. Lessor represents, covenants and warrants as follows:

(a) Lessor is a limited liability company duly organized, existing and in good standing; has power to enter into this Lease, the Ground Lease and the Escrow Agreement; is possessed of full power to own and hold real and personal property, and to lease the same; and has duly authorized the execution and delivery of this Lease, the Ground Lease and the Escrow Agreement.

(b) Neither the execution and delivery of this Lease, the Ground Lease and the Escrow Agreement, nor the fulfillment of or compliance with the terms and conditions thereof, nor the consummation of the transactions contemplated thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which Lessor is now a party or by which Lessor is bound, constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of Lessor, or upon the Project except Permitted Encumbrances.

Section 2.3. Deposit of Funds. Upon execution and delivery of this Lease and the Ground Lease, Lessor shall deposit the sum of \$5,000,000 into escrow pursuant to the terms and conditions of the Escrow Agreement which amount shall be disbursed by the Escrow Agent in payment of the costs of the Improvements in accordance with this Lease and the Escrow Agreement.

ARTICLE III

LEASE OF PROJECT

Section 3.1. Lease. (a) Lessor hereby leases the Improvements (as and when constructed and acquired under the terms of this Lease and as paid for from amounts deposited by Lessor under the Escrow Agreement) to Lessee, and Lessee hereby leases the Improvements from Lessor, upon the terms and conditions set forth in this Lease. Lessee hereby confirms the rights of Lessor to construct, acquire, own and operate the Improvements as set forth in the Ground Lease. Such rights are hereby acknowledged to include full access and use by Lessor for the location, construction, acquisition, installation, operation and maintenance of the Improvements. The Improvements as financed pursuant hereto are hereby acknowledged to be the separate property of the Lessor, subject to the rights provided for Lessee under the terms of this Lease.

(b) Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, upon and subject to the terms and conditions hereinafter set forth, the Improvements, as and to the extent constructed and acquired under the terms of this Lease. Lessor shall lease the Improvements to Lessee (as and to the extent constructed or acquired) for a term beginning on date hereof and ending on _____, 20____. Until payment in full of all Rental Payments due hereunder the Improvements shall remain the property of the Lessor and shall not become a part of the real estate described on Exhibit A hereto attached. Upon the final payment of all rental obligations under this Lease the Improvements shall be conveyed to Lessee by the Lessor by quitclaim deed and bill of sale to be executed and delivered by Lessor upon the written request of Lessee.

(c) Lessor and Lessee agree that, as and to the extent that this Lease may be regarded as relating to goods, goods which may become fixtures, fixtures, furniture or equipment, this Lease shall constitute a "finance lease" within the meaning of such term as used in Article 2A of the Nebraska Uniform Commercial Code. In such connection Lessee acknowledges (a) that neither Lessor nor the Escrow Agent has selected, manufactured or supplied any goods constituting the Improvements, (b) that Lessor is acquiring the Improvements in connection with this Lease and (c) that Lessee has received a copy of the contract with the contractor constructing the Improvements prior to the execution of this Lease. Lessee further acknowledges that Lessee has been informed in writing before the execution of this Lease that Lessee is entitled under said Article 2A to the promises and warranties provided by such contractor and any other person supplying the Improvements or items incorporated therein and that Lessee may communicate with any such person and obtain a complete and accurate statement of any such promises and warranties, including any disclaimers and limitations of them or of remedies.

Section 3.2. Possession and Enjoyment. Lessor hereby covenants to provide Lessee during the Term of this Lease with the quiet use and enjoyment of the Project, and Lessee shall during the Term of this Lease peaceably and quietly have and hold and enjoy the Project, without suit, trouble or hindrance from Lessor, except as expressly set forth in this Lease. Lessor will, at the request of Lessee and at Lessee's cost, join in any legal action in which Lessee asserts its right to such possession and enjoyment to the extent Lessor lawfully may do so.

Section 3.3. Lessor Access to Project. Lessee agrees that Lessor shall have the right at all reasonable times to examine and inspect the Project. Lessee further agrees that Lessor shall have such rights of access to the Project as may be reasonably necessary to cause the proper maintenance of the Project in the event of failure by Lessee to perform its obligations hereunder.

ARTICLE IV

TERM OF LEASE

Section 4.1. Lease Term. This Lease shall be in effect for a Term commencing upon its date of execution and ending as provided in Section 4.4.

Section 4.2. Agreement Concerning Rental Payments. Lessee covenants that the Rental Payments do not exceed any limitation imposed by law. Until all Rental Payments have been made in full, Lessee covenants and agrees to make and continue to make for so long as permitted by law an annual levy on the taxable property within its geographical area pursuant to Section 16-702, R.R.S. Neb. 2007, which will be sufficient, along with any other funds available for the purpose, specifically including amounts collected from sales taxes imposed under the Local Option Revenue Act (Sections 77-27,142 to 77-27,148, R.R.S. Neb. 2003, as amended) and any occupation taxes designated for such purpose, to enable Lessee to make all of the Rental Payments and to perform all other obligations of Lessee under this Lease and to take all action required to provide funds to make the Rental Payments and perform such obligations as herein required. Lessee covenants and agrees that throughout the term of this Lease it will observe all budget, tax and spending limitations now or hereafter imposed by law in such a manner that a sufficient portion of its tax levy or other monies shall be lawfully available to make all the Rental Payments and perform all other obligations of Lessee hereunder. Lessee agrees that commencing with its budget for the next-ensuing fiscal year it will include amounts sufficient to make the Rental Payments as the same fall due in its annual budget and appropriations. Lessee covenants and agrees that it shall neither take any action nor omit to take such action which such action or omission would have the affect of causing the interest portion of the Rental Payments due under the terms of this Lease and identified as such herein to be no longer excludable from gross income under the Internal Revenue Code of 1986, as amended, (the Code).

Section 4.3. Intent to Continue Lease Term; Appropriations. As authorized under the terms of Section 19-2421, R.R.S. Neb. 2007, Lessee hereby obligates itself to continue this Lease for its entire Term and to pay all Rental Payments specified in Exhibit B, as the installment payments related to the purchase of the Improvements. The officer of Lessee responsible for budget preparation will include in the budget request for each Fiscal Year the Rental Payments to become due in such Fiscal Year, and will use all reasonable and lawful means available to secure the appropriation of money for such Fiscal Year sufficient to pay the Rental Payments coming due therein.

Section 4.4. Termination of Lease Term. The Term of this Lease will terminate upon the occurrence of the first of the following events:

(a) the exercise by Lessee of its option to purchase Lessor's interest in the Project pursuant to Article X;

(c) a default by Lessee and Lessor's election to terminate this Lease pursuant to Article XII; or

(d) the payment by Lessee of all Rental Payments and other amounts authorized or required to be paid by Lessee hereunder.

ARTICLE V

RENTAL PAYMENTS

Section 5.1. Rental Payments. Lessee agrees to pay Rental Payments during the Term of this Lease, in the amounts and on the dates specified in Exhibit B. All Rental Payments shall be paid to Lessor at its offices at the address specified in the first paragraph of this Lease, or to such other person or entity to which Lessor has assigned such Rental Payments as specified in Article XI, at such place as such assignee may from time to time designate by written notice to Lessee. Lessee shall pay the Rental Payments exclusively from moneys legally available therefor, in lawful money of the United States of America, to Lessor or, in the event of assignment of the right to receive Rental Payments by Lessor, to its assignee. Interest shall accrue from the time of the deposit into escrow of funds by the Lessor.

Section 5.2. Current Expense. The obligations of Lessee under this Lease, including its obligation to pay the Rental Payments due with respect to the Project, in any Fiscal Year for which this Lease is in effect and shall constitute a current expense of Lessee for such Fiscal Year.

Section 5.3. Interest Component. A portion of each Rental Payment is paid as and represents the payment of Interest. Exhibit B sets forth the Interest component of each Rental Payment.

Section 5.4. Rental Payments to be Unconditional. In accordance with the terms of the Act, the obligation of the Lessee to make Rental Payments shall be binding upon the Lessee from year to year. The obligation of Lessee to make Rental Payments or any other payments required hereunder shall be absolute and unconditional in all events. Notwithstanding any dispute between Lessee and Lessor or any other person, Lessee shall make all Rental Payments and other payments required hereunder when due and shall not withhold any Rental Payment or other payment pending final resolution of such dispute nor shall Lessee assert any right of set-off or counterclaim against its obligation to make such Rental Payments or other payments required under this Lease. Lessee's obligation to make Rental Payments or other payments during the Lease Term shall not be abated through accident or unforeseen circumstances (including, without limitation, the occurrence of any environmental liability). However, nothing herein shall be construed to release Lessor from the performance of its obligations hereunder; and if Lessor should fail to perform any such obligation, Lessee may institute such legal action against Lessor as Lessee may deem necessary to compel the performance of such obligation or to recover damages therefor.

ARTICLE VI

INSURANCE AND NEGLIGENCE

Section 6.1. Liability Insurance. Upon receipt of possession of the Project, Lessee shall take such measures as may be necessary to insure that any liability for injuries to or death of any person or damage to or loss of property arising out of or in any way relating to the condition or the operation of the Project or any part thereof, is covered by a blanket or other general liability insurance policy maintained by Lessee. The Net Proceeds of all such insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which any Net Proceeds may be paid.

Section 6.2. Property Insurance. Lessee shall have and assume the risk of loss with respect to the Project. Lessee shall procure and maintain continuously in effect during the Term of this Lease, all-risk insurance, subject only to the standard exclusions contained in the policy, in such amount as will be at least sufficient so that a claim may be made for the full replacement cost of any part of the Project damaged or destroyed and to pay the applicable Purchase Option Price of the Project. Such insurance may be provided by a rider to an existing policy or under a separate policy. Such insurance may be written with customary deductible amounts and need not cover land and building foundations. The Net Proceeds of insurance required by this Section shall be applied to the prompt repair, restoration or replacement of the Project, or to the purchase of the Project, as provided in Section 6.6. Any Net Proceeds not needed for those purposes shall be paid to Lessee.

Section 6.3. Worker's Compensation Insurance. If required by State law, Lessee shall carry worker's compensation insurance covering all employees on, in, near or about the Project, and upon request, shall furnish to Lessor certificates evidencing such coverage throughout the Term of this Lease.

Section 6.4. Requirements For All Insurance. All insurance policies (or riders) required by this Article shall be taken out and maintained with responsible insurance companies organized under the laws of one of the states of the United States and qualified to do business in the State; and shall contain a provision that the insurer shall not cancel or revise coverage thereunder without giving written notice to the insured parties at least ten (10) days before the cancellation or revision becomes effective. All insurance policies or riders required by Sections 6.1 and 6.2 shall name Lessee and Lessor as insured parties, and any insurance policy or rider required by Section 6.3 shall name Lessee as insured party. Lessee shall deposit with Lessor policies (and riders) evidencing any such insurance procured by it, or a certificate or certificates of the respective insurers stating that such insurance is in full force and effect. Before the expiration of any such policy (or rider), Lessee shall furnish to Lessor evidence that the policy has been renewed or replaced by another policy conforming to the provisions of this Article, unless such insurance is no longer obtainable in which event Lessee shall notify Lessor of this fact.

Section 6.5. Lessee's Negligence. Lessee assumes all risks and liabilities, whether or not covered by insurance, for loss or damage to the Project and for injury to or death

of any person or damage to any property, whether such injury or death be with respect to agents or employees of Lessee or of third parties, and whether such property damage be to Lessee's property or the property of others, which is proximately caused by the negligent conduct of Lessee, its officers, employees and agents. Lessee hereby assumes responsibility for and agrees to reimburse Lessor for all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorney's fees, to the extent permitted by law) of whatsoever kind and nature, imposed on, incurred by or asserted against Lessor that in any way relate to or arise out of a claim, suit or proceeding based in whole or in part upon the negligent conduct of Lessee, its officers, employees and agents, to the maximum extent permitted by law.

Section 6.6. Damage to or Destruction of Project. If all or any part of the Project is lost, stolen, destroyed or damaged beyond repair, Lessee shall as soon as practicable after such event replace the same at Lessee's sole cost and expense with property of equal or greater value to the Project immediately prior to the time of the loss occurrence, such replacement to be subject to Lessor's reasonable approval, whereupon such replacement shall be substituted in this Lease by appropriate endorsement. The Net Proceeds of all insurance payable with respect to the Project shall be available to Lessee and shall be used to discharge Lessee's obligation under this Section. Until all obligations of the Lessee to make Rental Payments under this Lease have been satisfied in full, the Lessee shall make restoration and repair of the Project in such manner as will prevent any termination of the Ground Lease.

ARTICLE VII

OTHER OBLIGATIONS OF LESSEE

Section 7.1. Use; Permits. Lessee shall exercise due care in the use, operation and maintenance of the Project, and shall not use, operate or maintain the Project improperly, carelessly, in violation of any State and Federal Law or for a purpose or in a manner contrary to that contemplated by this Lease. Lessee shall obtain all permits and licenses necessary for the installation, operation, possession and use of the Project. Lessee shall comply with all State and Federal Laws applicable to the installation, use, possession and operation of the Project, and if compliance with any such State and Federal Law requires changes or additions to be made to the Project, such changes or additions shall be made by Lessee at its expense.

Section 7.2. Maintenance of Project by Lessee. Lessee shall, at its own expense, maintain, preserve and keep the Project in good repair, working order and condition, and shall from time to time make all repairs and replacements necessary to keep the Project in such condition. Lessor shall have no responsibility for any of these repairs or replacements.

Section 7.3. Taxes, Other Governmental Charges and Utility Charges. Except as expressly limited by this Section, Lessee shall pay all taxes and other charges of any kind which are at any time lawfully assessed or levied against or with respect to the Project, the Rental Payments or any part thereof, or which become due during the Term of this Lease, whether assessed against Lessee or Lessor. Lessee shall also pay when due all gas, water, steam, electricity, heat, power, telephone, and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Project, and all special assessments and charges lawfully made by any governmental body for public improvements that may be secured by a lien on the Project; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as are required to be paid during the Term of this Lease as and when the same become due. Lessee shall not be required to pay any federal, state or local income, inheritance, estate, succession, transfer, gift, franchise, gross receipts, profit, excess profit, capital stock, corporate, or other similar tax payable by Lessor, its successors or assigns, unless such tax is made in lieu of or as a substitute for any tax, assessment or charge which is the obligation of Lessee under this Section.

Lessee may, at its own expense and in its own name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments, utility or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless Lessor shall notify Lessee that, in the opinion of Independent Counsel, by nonpayment of any such items the interest of Lessor in the Project will be materially endangered or the Project or any part thereof will be subject to loss or forfeiture, in which event Lessee shall promptly pay such taxes, assessments, utility or other charges or provide Lessor with full security against any loss which may result from nonpayment, in form satisfactory to Lessor.

Section 7.4. Advances. If Lessee shall fail to perform any of its obligations under this Article or the Ground Lease, Lessor may, but shall not be obligated to, take such action as may be necessary to cure such failure, including the advancement of money, and Lessee shall be obligated to repay all such advances on demand, with interest at the rate of 12% per annum or the maximum rate permitted by law, whichever is less, from the date of the advance to the date of repayment.

ARTICLE VIII

TITLE

Section 8.1. Title. During the Term of this Lease, legal title to the Improvements and any and all repairs, replacements, substitutions and modifications thereto shall be in Lessor. Legal title to the Land shall remain in the Association, subject to the Lessor's and the Lessee's interests under the Ground Lease. Upon the payment by Lessee of all Rental Payments as indicated in Exhibit B, or the exercise by Lessee of its option to purchase the Project pursuant to Article X, full and unencumbered legal title to the Project shall pass to Lessee, and Lessor shall have no further interest therein; and Lessor shall execute and deliver to Lessee such documents as Lessee may request to evidence the passage of legal title to the Project to Lessee and the termination of Lessor's interest therein. Nothing herein shall require Lessor to remove any lien, charge or encumbrance upon legal title to the Project not arising through Lessor.

Section 8.2. Liens. During the Term of this Lease, Lessee shall not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Project, other than the respective rights of Lessor and Lessee as herein provided and Permitted Encumbrances. Except as expressly provided in Section 7.3 and this Article, Lessee shall promptly, at its own expense, take such action as may be necessary duly to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim if the same shall arise at any time. Lessee shall reimburse Lessor for any expense incurred by Lessor in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

Section 8.3. Installation of Lessee's Equipment. Lessee may at any time and from time to time, in its sole discretion and at its own expense, install items of equipment in or upon the Project, which items shall be identified by tags or other symbols affixed thereto as property of Lessee. All such items so identified shall remain the sole property of Lessee, in which Lessor shall have no interest, and may be modified or removed by Lessee at any time provided that Lessee shall repair and restore any and all damage to the Project resulting from the installation, modification or removal of any such items. Nothing in this Lease shall prevent Lessee from purchasing items to be installed pursuant to this Section under a conditional sale or lease with option to purchase contract, or subject to a vendor's lien or security agreement, as security for the unpaid portion of the purchase price thereof, provided that no such lien or security interest shall attach to any part of the Project.

Section 8.4. Modification of Project. Lessee shall, at its own expense, have the right to make repairs to the Project, and to make repairs, replacements, substitutions and modifications to all or any of the parts thereof. All such work and any part or component used or installed to make a repair or as a replacement, substitution or modification, shall thereafter comprise part of the Project and be subject to the provisions of this Lease. Such work shall not in any way damage the Project or cause it to be used for purposes other than those authorized under the provisions of State and Federal Law or those contemplated by this Lease; and the Project, upon completion of any such work, shall be of a value which is not less than the value of the Project immediately prior to the commencement of such work. Any property for which a

replacement or substitution is made pursuant to this Section may be disposed of by Lessee in such manner and on such terms as are determined by Lessee. Lessee will not permit any construction, mechanic's or other lien to be established or remain against the Project for labor or materials furnished in connection with any repair, addition, modification or improvement made by Lessee pursuant to this Section; provided that if any such lien is established and Lessee shall first notify Lessor of Lessee's intention to do so, Lessee may in good faith contest any lien filed or established against the Project, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom unless Lessor shall notify Lessee that, in the opinion of Independent Counsel, by nonpayment of any such item the interest of Lessor in the Project will be materially endangered or the Project or any part thereof will be subject to loss or forfeiture, in which event Lessee shall promptly pay and cause to be satisfied and discharged all such unpaid items or provide Lessor with full security against any such loss or forfeiture, in form satisfactory to Lessor. Lessor will cooperate fully with Lessee in any such contest, upon the request and at the expense of Lessee.

Section 8.5. Management Contract. Lessee shall have the right to contract for management services with respect to the Project in its discretion so long as the effect and operation under such contract does not affect the tax-exempt status of the interest component of the Rental Payments.

ARTICLE IX

WARRANTIES

Section 9.1. Selection, Design and Construction of Improvements. The Improvements have been or will be selected, designed and constructed by or on behalf of Lessee, and Lessor shall have no responsibility in connection with the selection, design or construction of the Improvements or their suitability for the use intended by Lessee. In connection with any contracting for the construction or acquisition of the Improvements, Lessor hereby appoints Lessee as its agent to make any such contract, with the express understanding that all items of property so obtained shall be and become the property of the Lessor in accordance with the terms of this Lease.

Section 9.2. Maintenance of Project. Lessor shall have no obligation to test, inspect, service or maintain the Project under any circumstances, but such actions shall be the obligation of Lessee.

Section 9.3. Contractor's Warranties. Lessor hereby assigns to Lessee for and during the Term of this Lease, all of its interest in all contractor's warranties and guarantees, if any, express or implied, issued on or applicable to the Improvements or any portion thereof, and Lessor hereby authorizes Lessee to obtain the customary services furnished in connection with such warranties and guarantees at Lessee's expense.

Section 9.4. Patent Infringement. Lessor hereby assigns to Lessee for and during the Term of this Lease all of its interest in patent indemnity protection provided by any contractor with respect to the Improvements. Such assignment of patent indemnity protection by Lessor to Lessee shall constitute the entire liability of Lessor for any patent infringement by Improvements furnished pursuant to this Lease.

Section 9.5. Disclaimer of Warranties. THE IMPROVEMENTS ARE AND ARE TO BE DELIVERED AS IS, AND LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY LESSEE OF THE IMPROVEMENTS, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE IMPROVEMENTS.

ARTICLE X

OPTION TO PURCHASE

Section 10.1. When Available. Lessee shall have the option to purchase Lessor's interest in the Project on the Payment Dates for the Purchase Option Prices as set forth in Exhibit B, but only if Lessee is not in default under this Lease, and only in the manner provided in this Article.

Section 10.2. Exercise of Option. Lessee shall give notice to Lessor of its intention to exercise its option not less than sixty (60) days prior to the Payment Date on which the option is to be exercised and shall deposit with Lessor on the date of exercise an amount equal to all Rental Payments and any other amounts then due or past due (including the Rental Payment due on such Payment Date) and the Purchase Option Price. The closing shall be on the applicable Payment Date at such office as shall be designated by Lessor.

Section 10.3. Release of Lessor's Interest. Upon exercise of the Purchase Option by Lessee, Lessor shall convey or release to Lessee, all of its right, title and/or interest in and to the Project by delivering to Lessee such documents as Lessee deems necessary for this purpose.

ARTICLE XI

ASSIGNMENT, SUBLEASING, MORTGAGING AND SELLING

Section 11.1. Assignment by Lessor. Lessor shall not assign its obligations under this Lease, and no purported assignment thereof shall be effective. All of Lessor's rights, title and/or interest in and to this Lease, the Rental Payments and other amounts due hereunder and the Project may be assigned and reassigned in whole or in part to one or more assignees or subassignees by Lessor, but only upon the written consent of Lessee. Lessee shall pay all Rental Payments due hereunder to or at the direction of Lessor or the assignee named in the most recent assignment, if any. During the Lease Term Lessee shall keep a complete and accurate record of all such assignments, if any. Transfer of the Lessor's rights under this Lease shall be made only upon presentation of the Lessor's original of this Lease to the Lessee's Treasurer for notation of assignment and transfer on such original. Lessee hereby consents to the assignment by Lessor by participation agreement or otherwise of all of Lessor's rights, title and/or interest in and to this Lease, the Rental Payments and other amounts due hereunder and the Project to Wells Fargo Bank, National Association.

Section 11.2. Assignment and Subleasing by Lessee. Neither this Lease nor Lessee's interest in the Project may be assigned by Lessee without the written consent of Lessor. However, the Project may be subleased by Lessee, in whole or in part, without the consent of Lessor, subject, however, to each of the following conditions:

- (i) This Lease and the obligation of Lessee to make Rental Payments hereunder, shall remain obligations of Lessee.
- (ii) The sublessee shall assume the obligations of Lessee hereunder to the extent of the interest subleased.
- (iii) Lessee shall, within ten (10) days after the delivery thereof, furnish or cause to be furnished to Lessor a true and complete copy of such sublease.
- (iv) No sublease by Lessee shall cause the Project to be used for a purpose other than a governmental function authorized under the provisions of the Constitution and laws of the State.
- (v) No sublease shall, in the opinion of nationally recognized bond counsel reasonably acceptable to Lessor, cause the Interest component of the Rental Payments due with respect to the Project to become includable in gross income of the recipient for federal income tax purposes.

Section 11.3. Restriction on Mortgage or Sale of Project by Lessee. Except as provided in Section 11.2, Lessee will not mortgage, sell, assign, transfer or convey the Project or any portion thereof during the Term of this Lease, without the written consent of Lessor and upon the furnishing to Lessor and Lessee of an opinion of nationally recognized bond counsel reasonably acceptable to Lessor to the effect that such mortgage, sale, assignment, transfer or conveyance shall not cause the Interest component of the Rental Payments to become includable

in gross income of the recipient for federal income tax purposes. Lessee may make such contracts for the use of the Project with the Nebraska State Fair Board as Lessee shall deem appropriate so long as (a) such contract shall not cause the Interest component of the Rental Payments due with respect to the Project to become includable in gross income of the recipient for federal income tax purposes and (b) Lessee shall, within ten (10) days after the delivery thereof, furnish or cause to be furnished to Lessor a true and complete copy of such contract.

ARTICLE XII

EVENTS OF DEFAULT AND REMEDIES

Section 12.1. Events of Default Defined. The following shall be “events of default” under this Lease and the terms “events of default” and “default” shall mean, whenever they are used in this Lease, any one or more of the following events:

(i) Failure by Lessee to pay any Rental Payment or other payment required to be paid under this Lease at the time specified herein and the continuation of said failure for a period of ten (10) business days after telephonic or telegraphic notice given by Lessor that the payment referred to in such notice has not been received, such telephonic or telegraphic notice to be subsequently confirmed in writing, or after written notice.

(ii) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in Clause (i) of this Section, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected.

(iii) The filing by Lessee of a voluntary petition in bankruptcy, or failure by Lessee promptly to lift any execution, garnishment or attachment of such consequence as would impair the ability of Lessee to carry on its governmental or proprietary function or adjudication of Lessee as a bankrupt, or assignment by Lessee for the benefit of creditors, or the entry by Lessee into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to Lessee in any proceedings instituted under the provisions of the Federal Bankruptcy Statute, as amended, or under any similar acts which may hereafter be enacted.

The provisions of this Section 12.1 and Section 12.2 are subject to the following limitation: if by reason of force majeure Lessee is unable in whole or in part to carry out its obligations under this Lease, other than its obligation to pay Rental Payments with respect thereto which shall be paid when due notwithstanding the provisions of this paragraph, Lessee shall not be deemed in default during the continuance of such inability. The term “force majeure” as used herein shall mean, without limitation, the following: acts of God; strikes, lockouts or other labor disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or the State or their respective departments, agencies or officials, or any civil or military authority; insurrections; riots; landslides; earthquakes; fires; storms; droughts; floods; explosions; breakage or accident to machinery, transmission pipes or canals; or any other cause

or event not reasonably within the control of Lessee and not resulting from its negligence. Lessee agrees, however, to remedy with all reasonable dispatch the cause or causes preventing Lessee from carrying out its obligations under this Lease; provided that the settlement of strikes, lockouts and other labor disturbances shall be entirely within the discretion of Lessee and Lessee shall not be required to make settlement of strikes, lockouts and other labor disturbances by acceding to the demands of the opposing party or parties when such course is in the judgment of Lessee unfavorable to Lessee.

Section 12.2. Remedies on Default. Whenever any event of default referred to in Section 12.1 hereof shall have happened and be continuing with respect to the Project, Lessor shall have the right, at its option and without any further demand or notice, to take one or any combination of the following remedial steps:

(i) Lessor, with or without terminating this Lease, may declare all Rental Payments due or to become due during the Fiscal Year in effect when the default occurs to be immediately due and payable by Lessee, whereupon such Rental Payments shall be immediately due and payable.

(ii) Lessor, with or without terminating this Lease, may repossess the Project by giving Lessee written notice to surrender the Project to Lessor for the remaining term of the Ground Lease, whereupon Lessee shall do so in the manner provided in Section 12.3. If the Project or any portion of it has been destroyed or damaged beyond repair, Lessee shall pay the applicable Purchase Option Price of the Project, as set forth in Exhibit B (less credit for Net Proceeds), to Lessor. Notwithstanding the fact that Lessor has taken possession of the Project, Lessee shall continue to be responsible for the Rental Payments due during the Fiscal Year then in effect. If this Lease has not been terminated, Lessor shall return possession of the Project to Lessee at Lessee's expense when the event of default is cured.

(iii) If Lessor terminates this Lease and takes possession of the Project, Lessor shall thereafter use its best efforts to sell or lease its interest in the Project or any portion thereof in a commercially reasonable manner in accordance with applicable State laws. Lessor shall apply the proceeds of such sale or lease to pay the following items in the following order: (a) all costs incurred in securing possession of the Project; (b) all expenses incurred in completing the sale or lease; (c) the applicable Purchase Option Price of the Project; and (d) the balance of any Rental Payments owed by Lessee during the Fiscal Year then in effect. Any sale proceeds remaining after the requirements of Clauses (a), (b), (c) and (d) have been shall be the property of Lessee.

(iv) If the proceeds of sale or lease of the Project are not sufficient to pay the balance of any Rental Payments owed by Lessee during the Fiscal Year then in effect, Lessor may take any other remedy available at law or in equity to require Lessee to perform any of its obligations hereunder and to enforce the Ground Lease and Lessee's compliance with the terms of the Ground Lease.

Section 12.3. Surrender of Project. Upon the expiration or termination of this Lease prior to the payment of all Rental Payments in accordance with Exhibit B, Lessee shall surrender the Project to Lessor in the condition, repair, appearance and working order required in Section 7.2. If Lessee refuses to surrender the Project in the manner designated, Lessor may repossess the Project and charge to Lessee the costs of such repossession or pursue any remedy described in Section 12.2.

Section 12.4. No Remedy Exclusive. No remedy conferred upon or reserved to Lessor by this Article is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof but any such right and power may be exercised from time to time and as often as may be deemed expedient by Lessor or its assignee.

ARTICLE XIII

ADMINISTRATIVE PROVISIONS

Section 13.1. Notices. All notices, certificates, legal opinions or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or deposited in the United States mail in registered form with postage fully prepaid to the addresses specified on the first page hereof; provided that Lessor and Lessee, by notice given hereunder, may designate different addresses to which subsequent notices, certificates, legal opinions or other communications will be sent.

Section 13.2. Financial Information. During the Term of this Lease, Lessee annually will provide Lessor with current financial statements, budgets, proof of appropriation for the ensuing Fiscal Year and such other financial information relating to the ability of Lessee to continue this Lease as may be requested by Lessor or its assignee.

Section 13.3. Binding Effect. This Lease shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 13.4. Severability. In the event any provision of this Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 13.5. Amendments, Changes and Modifications. This Lease may be amended or any of its terms modified only by written document duly authorized, executed and delivered by Lessor and Lessee.

Section 13.6. Captions. The captions or headings in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any provision, Article, Section or Clause of this Lease.

Section 13.7. Further Assurances and Corrective Instruments. Lessor and Lessee agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project hereby leased or intended so to be, or for otherwise carrying out the expressed intention of this Lease.

Section 13.8. Execution in Counterparts. This Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 13.9. Applicable Law. This Lease shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, Lessor has caused this Lease to be executed in its corporate name by its duly authorized officer; and Lessee has caused this Lease to be executed in its name by its duly authorized officers, as of the date first above written.

WELLS FARGO BROKERAGE SERVICES, LLC,
as Lessor

By _____
Its _____

CITY OF GRAND ISLAND, NEBRASKA
as Lessee

By _____
Its Mayor

ATTEST:

By _____
Its City Clerk

SIGNATURE PAGE TO LEASE-PURCHASE AGREEMENT
DATED AS OF _____, 20__

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2009 by _____, agent on behalf of Wells Fargo Brokerage Services, LLC, a limited liability company.

Notary Public
My Commission Expires: _____

(SEAL)

STATE OF NEBRASKA)
) ss.
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this _____ day of _____, 2009, by _____, Mayor of the City of Grand Island, Nebraska, on behalf of said city.

Notary Public
My Commission Expires: _____

(SEAL)

EXHIBIT A

LAND

IMPROVEMENTS

EXHIBIT B

SCHEDULE OF RENTAL PAYMENTS

Payment <u>Date</u>	Rental <u>Payment</u>	<u>Interest</u>	<u>Principal</u>	Purchase <u>Option Price</u>
------------------------	--------------------------	-----------------	------------------	---------------------------------

Costs Funded \$5,062,500.00	Payment Rate 4.25%	14 Payments 2 per year 4.250% Rate	Level Payment \$421,860.11 Fctr=.083330	Closing Fees \$0.00	Average Life 3.92 years 47.1 months
		Commencement: Jul 1, 2009			
		Closing Date: Jul 1, 2009			

Pmt	Total Payment Due	Interest Payment Due	Principal Payment Due	After Payment Principal Balance	After Payment Termination Value	Payment Due Date
	\$0.00		\$0.00	\$5,062,500.00		Jul 1, 2009
1	\$421,860.11	\$107,578.13	\$314,281.99	\$4,748,218.01	\$4,748,218.01	Jan 1, 2010
2	\$421,860.11	\$100,899.63	\$320,960.48	\$4,427,257.53	\$4,427,257.53	Jul 1, 2010
3	\$421,860.11	\$94,079.22	\$327,780.89	\$4,099,476.65	\$4,099,476.65	Jan 1, 2011
4	\$421,860.11	\$87,113.88	\$334,746.23	\$3,764,730.41	\$3,764,730.41	Jul 1, 2011
5	\$421,860.11	\$80,000.52	\$341,859.59	\$3,422,870.82	\$3,422,870.82	Jan 1, 2012
6	\$421,860.11	\$72,736.00	\$349,124.11	\$3,073,746.72	\$3,073,746.72	Jul 1, 2012
7	\$421,860.11	\$65,317.12	\$356,542.99	\$2,717,203.72	\$2,717,203.72	Jan 1, 2013
8	\$421,860.11	\$57,740.58	\$364,119.53	\$2,353,084.19	\$2,353,084.19	Jul 1, 2013
9	\$421,860.11	\$50,003.04	\$371,857.07	\$1,981,227.12	\$1,981,227.12	Jan 1, 2014
10	\$421,860.11	\$42,101.08	\$379,759.04	\$1,601,468.08	\$1,601,468.08	Jul 1, 2014
11	\$421,860.11	\$34,031.20	\$387,828.91	\$1,213,639.17	\$1,213,639.17	Jan 1, 2015
12	\$421,860.11	\$25,789.83	\$396,070.28	\$817,568.89	\$817,568.89	Jul 1, 2015
13	\$421,860.11	\$17,373.34	\$404,486.77	\$413,082.12	\$413,082.12	Jan 1, 2016
14	\$421,860.11	\$8,777.99	\$413,082.12	\$0.00	\$1.00	Jul 1, 2016

Please Note:

The sum of all principal payments differs from total principal by due to even-cent rounding. This exhibit is a draft only and may not reflect final terms.

Wells Fargo Public Finance (WFPPF) bankers are registered representatives of Wells Fargo Brokerage Services, LLC, or Wells Fargo Institutional Securities, LLC, brokerage affiliates of Wells Fargo & Company and members of the NASD and SIPC.

Investments: • NOT FDIC insured • May lose value • No bank guarantee

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Costs Funded \$5,062,500.00	Payment Rate 4.25%	16 Payments 2 per year 4.250% Rate	Level Payment \$376,555.79 Fctr=.074381	Closing Fees \$0.00	Average Life 4.47 years 53.7 months
		Commencement: Jul 1, 2009			
		Closing Date: Jul 1, 2009			

Pmt	Total Payment Due	Interest Payment Due	Principal Payment Due	After Payment Principal Balance	After Payment Termination Value	Payment Due Date
	\$0.00		\$0.00	\$5,062,500.00		Jul 1, 2009
1	\$376,555.79	\$107,578.13	\$268,977.66	\$4,793,522.34	\$4,793,522.34	Jan 1, 2010
2	\$376,555.79	\$101,862.35	\$274,693.44	\$4,518,828.90	\$4,518,828.90	Jul 1, 2010
3	\$376,555.79	\$96,025.11	\$280,530.67	\$4,238,298.23	\$4,238,298.23	Jan 1, 2011
4	\$376,555.79	\$90,063.84	\$286,491.95	\$3,951,806.28	\$3,951,806.28	Jul 1, 2011
5	\$376,555.79	\$83,975.88	\$292,579.90	\$3,659,226.38	\$3,659,226.38	Jan 1, 2012
6	\$376,555.79	\$77,758.56	\$298,797.22	\$3,360,429.16	\$3,360,429.16	Jul 1, 2012
7	\$376,555.79	\$71,409.12	\$305,146.67	\$3,055,282.49	\$3,055,282.49	Jan 1, 2013
8	\$376,555.79	\$64,924.75	\$311,631.03	\$2,743,651.46	\$2,743,651.46	Jul 1, 2013
9	\$376,555.79	\$58,302.59	\$318,253.19	\$2,425,398.27	\$2,425,398.27	Jan 1, 2014
10	\$376,555.79	\$51,539.71	\$325,016.07	\$2,100,382.19	\$2,100,382.19	Jul 1, 2014
11	\$376,555.79	\$44,633.12	\$331,922.66	\$1,768,459.53	\$1,768,459.53	Jan 1, 2015
12	\$376,555.79	\$37,579.77	\$338,976.02	\$1,429,483.51	\$1,429,483.51	Jul 1, 2015
13	\$376,555.79	\$30,376.52	\$346,179.26	\$1,083,304.25	\$1,083,304.25	Jan 1, 2016
14	\$376,555.79	\$23,020.22	\$353,535.57	\$729,768.68	\$729,768.68	Jul 1, 2016
15	\$376,555.79	\$15,507.58	\$361,048.20	\$368,720.48	\$368,720.48	Jan 1, 2017
16	\$376,555.79	\$7,835.31	\$368,720.48	\$0.00	\$1.00	Jul 1, 2017

Please Note:

The sum of all principal payments differs from total principal by one cent due to even-cent rounding. This exhibit is a draft only and may not reflect final terms.

Wells Fargo Public Finance (WFPF) bankers are registered representatives of Wells Fargo Brokerage Services, LLC, or Wells Fargo Institutional Securities, LLC, brokerage affiliates of Wells Fargo & Company and members of the NASD and SIPC.

Investments: • NOT FDIC insured • May lose value • No bank guarantee

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EXHIBIT C

OFFICERS' CERTIFICATE

We, the undersigned, hereby certify that we are the duly qualified and acting Mayor and City Clerk of the City of Grand Island (the "Lessee"), and with respect to the Lease-Purchase Agreement dated as of July 1, 2009 (the "Lease"), by and between the Lessee and Wells Fargo Brokerage Services, LLC (the "Lessor"), that:

1. In our capacities as such officers we have executed the Lease, a Ground Lease dated as of July 1, 2009 (the "Ground Lease"), by and between the Lessee and Hall County Livestock Improvement Association and an Escrow Agreement dated as of July 1, 2009 (the "Escrow Agreement"), by and among the Lessor, the Lessee and Wells Fargo Bank, National Association, acting as Escrow Agent.

2. The Rental Payments provided for in Exhibit B to the Lease shall commence and be due and payable on _____, 2009, and thereafter during the Term of the Lease (as that term is defined in the Lease) as shown in Exhibit B to the Lease. Lessee has appropriated and/or taken all other lawful actions necessary to provide moneys sufficient to pay all Rental Payments required to be paid under the Lease in Lessee's current fiscal year, and such moneys will be applied in payment of such Rental Payments.

3. There is no litigation, action, suit or proceeding pending or before any court, administrative agency, arbitrator or governmental body, that challenges the organization or existence of the Lessee; the authority of its officers; the proper authorization, approval and execution of the Ground Lease, the Lease, the Escrow Agreement and other documents contemplated thereby; the appropriation of money to pay the Rental Payments due under the Lease; or the ability of the Lessee otherwise to perform its obligations under the Ground Lease, the Lease, the Escrow Agreement and the other documents and the transactions contemplated thereby.

4. Lessee has obtained from a reputable insurance company qualified to do business in the State of Nebraska insurance with respect to all risks required to be covered thereby pursuant to Article VI of the Lease.

Dated: _____, 2009.

CITY OF GRAND ISLAND, NEBRASKA

By _____
Its Mayor

Attest:

By _____
Its City Clerk

EXHIBIT D

OPINION

(may be provided by separate counsel for the City as to different matters set forth)

Mayor and Council
City of Grand Island
100 East First Street
Grand Island, NE 68802-1968

Wells Fargo Brokerage Services, LLC
Public Finance Department
608 Second Avenue South – 10th Floor
MAC: N9303-105
Minneapolis, MN 55479

Re: Lease-Purchase Agreement dated as of July 1, 2009, by and between Wells Fargo Brokerage Services, LLC (“Lessor”) and the City of Grand Island, Nebraska, (“Lessee”)

Ladies and Gentlemen:

I have acted as counsel to Lessee with respect to the Lease-Purchase Agreement described above (the “Lease”) and various related matters, and in this capacity have reviewed a duplicate original or certified copy of the Lease, the Ground Lease dated as of July 1, 2009 (the “Ground Lease”) by and between Lessor and Lessee and the Escrow Agreement dated as of July 1, 2009 (the “Escrow Agreement”) among the Lessor, the Lessee and Wells Fargo Bank, National Association, acting as escrow agent, and the Exhibits attached to each of said documents. Based upon the examination of these and such other documents as I deem relevant, it is my opinion that:

1. Lessee is a political subdivision of the state of the State of Nebraska (the “State”), duly organized, existing and operating under the Constitution and laws of the State.
2. Lessee is authorized and has power under applicable law to enter into the Lease, the Ground Lease and the Escrow Agreement and to carry out its obligations thereunder and the transactions contemplated thereby.

3. The Lease, the Ground Lease and the Escrow Agreement have been duly authorized, approved, executed and delivered by and on behalf of Lessee, and are valid and binding contracts of Lessee enforceable in accordance with their terms, except to the extent limited by State and Federal laws affecting remedies and by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights.

4. The authorization, approval and execution of the Lease and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all applicable open meeting, public bidding and all other laws, rules and regulations of the State.

5. The execution of the Lease and the appropriation of moneys to pay the Rental Payments coming due thereunder do not result in the violation of any constitutional, statutory or other limitation relating to the manner, form or amount of indebtedness which may be incurred by Lessee.

6. There is no litigation, action, suit or proceeding pending or before any court, administrative agency, arbitrator or governmental body, that challenges the organization or existence of Lessee; the authority of Lessee or its officers or its employees to enter into the Lease, the Ground Lease and the Escrow Agreement; the proper authorization, approval and/or execution of the Lease, the Ground Lease and the Escrow Agreement, Exhibits thereto and other documents contemplated thereby; the appropriation of moneys to make Rental Payments under the Lease for the current fiscal year of Lessee; or the ability of Lessee otherwise to perform its obligations under the Lease, the Ground Lease and the Escrow Agreement and the transactions contemplated thereby.

(Subject to qualifications determined appropriate by each opining counsel and acceptable to Lessor)

Dated _____, 20__.

Very truly yours,

DOCS/879164.3

Revised Presentation Draft

ESCROW AGREEMENT

Among

WELLS FARGO BROKERAGE SERVICES, LLC,

as Lessor,

THE CITY OF GRAND ISLAND, NEBRASKA,

as Lessee,

and

WELLS FARGO BANK, NATIONAL ASSOCIATION,

as Escrow Agent

Dated as of July 1, 2009

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this "Escrow Agreement") is made and entered into as of July 1, 2009, by and among Wells Fargo Brokerage Services, LLC, a limited liability company organized under the laws of the State of Delaware (the "Lessor"), Wells Fargo Bank, National Association, a national banking association organized under the laws of the United States and having trust powers (the "Escrow Agent") and the City of Grand Island, Nebraska, a city of the first class of the State of Nebraska (the "Lessee").

In the joint and mutual exercise of their powers, and in consideration of the mutual covenants herein contained, the parties hereto recite and agree as follows:

ARTICLE 1

RECITALS

Section 1.01. The Lessor and the Lessee are concurrently with the delivery of this Escrow Agreement entering into a Lease-Purchase Agreement (the "Lease") dated as of July 1, 2009 pursuant to Ordinance No. _____ passed and approved by the Mayor and Council of the Lessee on May __, 2009 (the "Ordinance") in order to provide financing for the construction and acquisition of a recreational facility to be owned and operated by the Lessee (the "Project"). The parties hereto desire to provide for the holding and application of a deposit required to be made for payment of costs of the Project by the Lessor in accordance with the terms of the Lease for the payment of costs of the Project.

Section 1.02. The terms capitalized in this Escrow Agreement but not defined herein shall have the meanings given to them in the Lease.

Section 1.03. Under the Lease, the Lessor has agreed to deposit with Escrow Agent the sum of \$5,000,000, to be credited to the Escrow Fund established in Article 2 hereof and to be applied to pay costs of the Project. The Lessor hereby authorizes and instructs the Escrow Agent to receive such sum on its behalf in accordance with the terms of the Lease.

Section 1.04. Under the terms of the Lease Agreement, the Lessor and Lessee have agreed to contract for the construction and acquisition of the Project. Costs of the Project shall be paid from the amount deposited with Escrow Agent as described in Sections 1.03, under the terms of this Escrow Agreement.

Section 1.05. The Lessor and the Lessee hereby employ the Escrow Agent to receive, hold, invest and disburse the moneys paid to the Escrow Agent as described in Section 1.03, all as hereinafter provided; however, the Escrow Agent shall not be obligated to assume or perform any obligation of the Lessor or the Lessee under the Lease except as set forth in this Escrow Agreement.

Section 1.06. Each of the parties has authority to enter into this Escrow Agreement, and has taken all actions necessary to authorize the execution of this Escrow Agreement by the officers whose signatures are affixed hereto.

ARTICLE 2

ESCROW FUND

Section 2.01. Escrow Agent shall establish a special escrow fund designated as the "City of Grand Island Construction and Acquisition Fund" (the "Escrow Fund"), shall keep such Escrow Fund separate and apart from all other funds and moneys held by it and shall administer such Escrow Fund as provided in this Escrow Agreement.

Section 2.02. All moneys paid to Escrow Agent by Lessor pursuant to Section 1.03 of this Escrow Agreement shall be credited to the Escrow Fund. Escrow Agent shall use the moneys in the Escrow Fund to pay the costs of the Project upon receipt with respect thereto of a Payment Request in the form attached hereto as Exhibit A, executed by Lessee, fully completed and with all supporting documents described therein attached thereto. Upon receipt of a Payment Request, an amount equal to the cost for the Project as shown therein shall be paid directly to the person or entity entitled to payment as specified therein. Lessee shall submit Payment Requests, other than for permitted reimbursement, only for portions of the cost of the Project as billed by the contractor or supplier and currently owing.

Section 2.03. Lessee shall furnish to Escrow Agent and Lessor as soon as available a copy of each contract or purchase order for construction or acquisition of the Project. Amounts for payment of costs of the Project shall be disbursed no later than August 31, 2010. Amounts, if any, remaining undisbursed as of such date shall be applied on behalf of the Lessee to make prepayment of the Rental Payments due under the Lease on the next permitted date for prepayment under the terms of the Lease.

Section 2.04. Upon receipt of written notice from the Lessor that a default or event of default has occurred under the Lease or that Lessee has determined not to complete the construction and acquisition of the Project, Escrow Agent shall liquidate all investments held in the Escrow Fund and transfer the proceeds thereof and all other moneys held in the Escrow Fund to Lessor to be applied to the prepayment, in whole or in part of the Rental Payments due under the Lease.

Section 2.05. Escrow Agent shall only be responsible for the safekeeping and investment of the moneys held in the Escrow Fund, and the disbursement thereof in accordance with this Article, and shall not be responsible for the authenticity or accuracy of such certifications or documents, the application of amounts paid pursuant to such certifications by the persons or entities to which they are paid, or the sufficiency of the moneys credited to the Escrow Fund to make the payments herein required.

ARTICLE 3

MONEYS IN ESCROW FUND; INVESTMENT

Section 3.01. The moneys and investments held by Escrow Agent under this Escrow Agreement are irrevocably held in trust for the benefit of the Lessor and the Lessee and such moneys, together with any income or interest earned thereon, shall be expended only as provided in this Escrow Agreement, and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of the Lessor or the Lessee. The Lessor and the Lessee intend that the Escrow Fund constitute an escrow account in which the Lessee has no legal or equitable right, title or interest until satisfaction in full of all conditions contained herein and in the Lease for the disbursement of funds by Escrow Agent. However, if the parties' intention that Lessee shall have no legal or equitable right, title or interest until all conditions for disbursement are satisfied in full is not respected in any legal proceeding, the parties hereto intend that Lessor shall have a security interest in the Escrow Fund, and such security interest is hereby granted to

Lessor by the Lessee (to the fullest extent that it may lawfully do so), to secure payment of all sums due to Lessor under the terms of the Lease. Escrow Agent shall hold the Escrow Fund and the securities and monies therein for the purpose of perfecting Lessor's security interest therein and shall dispose of the Escrow Fund only in accordance with the terms and conditions of this Escrow Agreement. Escrow Agent hereby accepts appointment as agent and agrees to establish and maintain the Escrow Fund and the monies and securities therein as a financial intermediary or securities intermediary, as the case may be, for Lessor, as entitlement holder. Escrow Agent confirms that (i) the Escrow Fund is a "securities account" as such term is defined in §8-501 of the Nebraska UCC; (ii) Escrow Agent shall, subject to the terms of this Escrow Agreement, treat Lessor as entitled to exercise the rights that comprise any financial asset credited to the Escrow Fund; (iii) all property delivered to Escrow Agent for deposit into the Escrow Fund will be promptly credited to the Escrow Fund; and (iv) all securities and other property underlying any financial assets credited to the Escrow Fund shall be registered in the name of Escrow Agent, indorsed to Escrow Agent or in blank or credited to another securities account maintained in the name of Escrow Agent, and in no case will any financial asset credited to the Escrow Fund be registered in the name of Lessee, payable to the order of Lessee or specially indorsed to Lessee. Escrow Agent agrees that each item of property (whether investment property, financial asset, security, instrument or cash) credited to the Escrow Fund shall be treated as a "financial asset" within the meaning of §8-102(a)(9) of the Nebraska UCC. If at any time Escrow Agent shall receive an "entitlement order" (within the meaning of §8-102(a)(8) of the Nebraska UCC) issued by Lessor and relating to the Escrow Fund, Escrow Agent shall comply with such entitlement order without further consent by Lessee or any other person.

Section 3.02. Moneys held by Escrow Agent hereunder shall be invested and reinvested by Escrow Agent upon order of Lessee only in Qualified Investments, as defined in Section 3.05. Such investments shall be registered in the name of Escrow Agent and held by Escrow Agent for the benefit of the Lessor and for disbursement to pay costs of issuance and costs of the Project. With the approval of Lessee, Escrow Agent may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by this Article. Such investments and reinvestments shall be made giving full consideration for the time at which funds are required to be available.

Section 3.03. Escrow Agent shall, without further direction from Lessee, sell such investments as and when required to make any payment from the Escrow Fund. Any income received on such investments shall be credited to the Escrow Fund.

Section 3.04. Escrow Agent shall furnish to the Lessor and the Lessee reports accounting for all investments and interest and income therefrom. Such accounting shall be furnished no less frequently than every three months and upon request of the Lessor or the Lessee. Neither the Lessor nor the Escrow shall be responsible or liable for any loss suffered in connection with any investment of moneys made by Escrow Agent in accordance with this Article (other than the Escrow Agent in its capacity as obligor under any Qualified Investment). In the event funds in the Escrow Fund are insufficient to pay the costs of the Project, the Lessee shall provide for such costs from its other funds outside of and apart from the provisions for payment set forth in this Escrow Agreement.

Section 3.05. As used in this Escrow Agreement, the term "Qualified Investments" means (a) securities which are general obligations of or are guaranteed as to the payment of principal and interest by the United States of America; (b) obligations, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following: Federal Home Loan Bank System, Government National Mortgage Association, Farmers Home Administration, Federal Home Loan Mortgage Corporation or Federal Housing Administration; (c) commercial paper issued by corporations organized under the laws of a state of the United States which is rated in the highest rating category by Standard & Poor's Ratings Services, a division of the McGraw Hill Companies, Inc., or Moody's Investors Service, Inc.; or (d) certificates of

deposit issued by or other forms of deposit in any national or state bank to the extent that such deposits are fully insured by the Federal Deposit Insurance Corporation or any successor agency which is backed by the full faith and credit of the United States. By execution of this Escrow Agreement, the Lessee also consents to the investment and reinvestment by Escrow Agent of any moneys held as part of the Escrow Fund in shares of a money market fund (including a money market fund for which Escrow Agent and its affiliates provide advisory, custodial, administrative or similar services and receives fees), provided: (x) the money market fund is registered under the Investment Company Act of 1940; (y) the money market fund has been rated by a nationally recognized statistical rating organization in one of that organization's three highest mutual fund rating categories; and (z) the money market fund's investments are limited to those Qualified Investments listed in (a), (b) or (c) above. In the absence of duly authorized and complete directions regarding investment of moneys held in the Escrow Fund, the Escrow Agent shall automatically invest and reinvest the same in units of money market mutual funds, provided that such money market mutual funds constitute a Qualified Investment.

ARTICLE 4

ESCROW AGENT'S AUTHORITY; INDEMNIFICATION

Section 4.01. The Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine, may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument, and may assume that any person purporting to give any writing, notice, advice or instructions in connection with the provisions hereof has been duly authorized to do so. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner and execution, or validity of any instrument deposited with it, nor as to the identity, authority or right of any person executing the same; and its duties hereunder shall be limited to those specifically provided herein.

Section 4.02. Unless the Escrow Agent is guilty of negligence or misconduct with regard to its duties hereunder, the Lessee, to the fullest extent that it may lawfully do so, hereby agrees to indemnify Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as the Escrow Agent under this Escrow Agreement; and in connection therewith, to indemnify the Escrow Agent against any and all expenses, including reasonable attorneys' fees (to the extent permitted by law) and the cost of defending any action, suit or proceeding or resisting any claim. The Escrow Agent shall be vested with a lien on all property deposited hereunder for indemnification, for reasonable attorneys' fees (to the extent permitted by law), court costs, for any suit, interpleader or otherwise, or any other expenses, fees or charges of any character or nature, which may be incurred by the Escrow Agent by reason of disputes arising among the Lessor and the Lessee as to the correct interpretation of the Lease or this Escrow Agreement and instructions given to the Escrow Agent hereunder, or otherwise, with the right of the Escrow Agent, regardless of the instructions aforesaid, to hold the said property until and unless said additional expenses, fees and charges shall be fully paid.

Section 4.03. If the Lessor and the Lessee shall be in disagreement about the interpretation of the Lease or this Escrow Agreement, or about the rights and obligations, or the propriety of any action contemplated by Escrow Agent hereunder, the Escrow Agent may, but shall not be required to, file an appropriate civil action to resolve the disagreement. The Escrow Agent shall be indemnified by the Lessee for all costs, including reasonable attorneys' fees (to the extent permitted by law), in connection with such civil action, and shall be fully protected in suspending all or part of its activities under this Escrow Agreement until a final judgment in such action is received.

Section 4.04. The Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection in acting in accordance with the opinion of such counsel. The Escrow Agent shall not otherwise be liable for any mistakes of facts or errors of judgment, or for any acts or omissions of any kind unless caused by its negligence or misconduct.

ARTICLE 5

ESCROW AGENT'S COMPENSATION

The Escrow Agent's compensation for the services to be rendered hereunder is set forth in Exhibit B hereto. Escrow Agent acknowledges that the Lessor and the Lessee have relied on its undertakings as set forth in this Escrow Agreement. The Lessee hereby agrees to pay and/or reimburse the Escrow Agent upon request for all expenses, disbursements and advances, investment fees or other charges, including reasonable attorneys' fees, incurred or made by it in connection with carrying out its duties hereunder and such fees and charges may be deducted from investment earnings on the Escrow Fund.

ARTICLE 6

CHANGE OF ESCROW AGENT

Section 6.01. A national banking association located in the United States or a state bank or trust company organized under the laws of a state of the United States, qualified as a depository of public funds, may be substituted to act as the Escrow Agent under this Escrow Agreement upon agreement of the Lessor and Lessee. Such substitution shall not be deemed to affect the rights or obligations of the parties. Upon any such substitution, the Escrow Agent agrees to assign to such substitute Escrow Agent its rights under this Escrow Agreement.

Section 6.02. The Escrow Agent or any successor may at any time resign by giving mailed notice to the Lessor and the Lessee of its intention to resign and of the proposed date of resignation, which shall be a date not less than thirty (30) days after such notice is deposited in the United States mail with postage fully prepaid, unless an earlier resignation date and the appointment of a successor Escrow Agent shall have been or are approved by Lessor and Lessee.

Section 6.03. The Escrow Agent may appoint an agent to exercise any of the powers, rights or remedies granted to the Escrow Agent under this Escrow Agreement, and to hold title to property or to take any other action which may be desirable or necessary.

ARTICLE 7

ADMINISTRATIVE PROVISIONS

Section 7.01. The Escrow Agent shall keep complete and accurate records of all moneys received and disbursed under this Escrow Agreement, which shall be available for inspection by the Lessor and Lessee, or the agent of either thereof, at any time during regular business hours.

Section 7.02. All notices, certificates, requests, demands and other communications provided for hereunder shall be in writing and shall be (a) personally delivered, (b) sent by first class United States mail, (c) sent by overnight courier of national reputation, or (d) transmitted by telecopy, in each case

addressed to the party to whom notice is being given at its address as set forth below and, if telecopied, transmitted to that party at its telecopier number set forth below or, as to each party, at such other address or telecopier number as may hereafter be designated by such party in a written notice to the other party complying as to delivery with the terms of this Section. All such notices, requests, demands and other communications shall be deemed to have been given on (a) the date received if personally delivered, (b) when deposited in the mail if delivered by mail, (c) the date sent if sent by overnight courier, or (d) the date of transmission if delivered by telecopy.

Section 7.03. This Escrow Agreement shall be construed and governed in accordance with the laws of the State of Nebraska.

Section 7.04. Any provisions of this Escrow Agreement found to be prohibited by law shall be ineffective only to the extent of such prohibition, and shall not invalidate the remainder of this Escrow Agreement or the Loan Agreement.

Section 7.05. This Escrow Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

Section 7.06. This Escrow Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same Escrow Agreement.

Section 7.07. This Escrow Agreement shall terminate upon disbursement by the Escrow Agent of all moneys held by it hereunder.

Section 7.08. This Escrow Agreement together with the Lease and that related Ground Lease dated as of July 1, 2009 to which both Lessor and Lessee are parties, constitutes the entire agreement of the parties relating to the subject matter hereof.

Section 7.09. To the extent permitted by law, the terms of this Escrow Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by the parties hereto, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given.

The Lessor and the Lessee may agree to amend the date specified in Section 2.03 for payment of costs of the Project to a date no more than three years after the date of delivery of the Lease. Such amendment shall be effected by written agreement signed by Lessor and the Lessee.

[REMAINDER OF PAGE INTENTIONALLY BLANK; EXECUTION PAGE FOLLOWS.]

IN WITNESS WHEREOF, the parties have executed this Escrow Agreement as of the day and year first written above.

WELLS FARGO BROKERAGE SERVICES, LLC,
Lessor

By: _____
Title: _____
Address: MAC: 9303-105
608 Second Avenue South
9th Floor
Minneapolis, Minnesota 55479
Telephone (612) 667-8242
Telecopier (612) 667-9906

WELLS FARGO BANK, NATIONAL
ASSOCIATION, Escrow Agent

By: _____
Title: _____
Address: Corporate Trust Department
1248 "O" Street
4th Floor
Lincoln, Nebraska 68501
Telephone (402) 434-4431
Telecopier (402) 434-4612

THE CITY OF GRAND ISLAND, NEBRASKA

By: _____
Title: Mayor
PO Box 1968
100 East First Street
Grand Island, NE 68802-1968
Telephone (308) 385-5444, Ext. 169
Telecopier (308) 385-5486

Date: _____

Draw Request Number: _____

From: _____ To: _____

Current Request: \$ _____

Anticipated Funding Date: _____ *

Attention: _____

Re: Escrow Agreement among Wells Fargo Brokerage Services, LLC, as Lessor, The City of Grand Island, Nebraska, as Lessee and Wells Fargo Bank, National Association, as Escrow Agent dated July 1, 2009
Project Name: Recreational Facility

Gentlemen:

In accordance with the terms of the Escrow Agreement, the Lessee hereby requests an advance of funds, as indicated above, for the project financed by Lessor, and certifies that the amounts shown on the attached invoices and other supporting documentation for labor, materials, and services for the construction of the project are accurate and correct and support each item of the request and totals the amount of the current application.

In consideration of your advancing funds as requested above, and to induce such payments, the undersigned hereby certifies and represents that:

- (i) the labor, services, and/or materials covered hereby have been performed upon or furnished to the Project;
- (ii) there have been no changes in the sources and uses of funds referenced in the lease documents;
- (iii) all construction to date has been performed in accordance with the plans and specifications for the improvements approved by Lessee, and there have been no changes in those plans and specifications except as may be expressly permitted by the lease documents or as have been approved by Lessor and Lessee in writing;
- (iv) there have been no changes in the scope or time of performance of the work of construction, nor any extra work, labor or materials ordered or contracted for, nor are any such changes or extras contemplated, except as may be expressly permitted by the lease documents or as have been approved by Lessor and Lessee in writing;
- (v) the payments to be made with the funds requested herein will pay all bills received to date for any labor, materials and services furnished in connection with construction of the improvements;
- (vi) all amounts previously disbursed by Lessee for labor, services and/or materials for the Project pursuant to previous Requests for Funds have been paid to the parties entitled thereto; and
- (vii) all conditions to the disbursement of the funds requested herein as set forth in the Escrow Agreement and lease documents have been fulfilled, and, to the knowledge of the undersigned, no material adverse change in the condition, financial or otherwise, of Lessee or the general contractor of the project has occurred, and no Event of Default under the loan documents has occurred and is continuing.

*The bank should receive draw request five business days prior to funding.

By: _____
(Authorized Signature)

1
2
3

Page _____ of _____

Budget Item Number	Budget Item	Check Number	Payable To	Current Draw Amount	Lien Release
*Subtotal					
Total					

WELLS FARGO

Request For Reallocation of Funds

Date: _____ Lessee: _____

Banking Officer: _____ Contractor: _____

Loan Number: _____ Project Name: _____

Reallocation No: _____ Project Address: _____

We would like to request the following funds be transferred:

[illegible]

All Budget Items reduced to zero availability will no longer be drawn against. That work will be paid for by equity funds.

Borrower: _____

Date: _____

Contractor: _____

Date: _____

Banker: _____

Date: _____

Application and Certificate for Payment

To (Owner): _____ Project: _____

Application Number: _____

Distribution to:

- ☐ Owner
- ☐ Architect
- ☐ Contractor
- ☐ Bank
- ☐

Period To: _____

From (Contractor): _____

Via(Architect): _____

Architect's Project Number: _____

Contract For: _____

Contract Date: _____

Contractor's Application for Payment

Change Order Summary			
Change Orders approved in previous by Owner		Additions	Deductions
Total			
Approved This Month			
Number	Date Approved		
Totals			
Net Change by Change Orders			

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

Contractor: _____

By: _____ Date: _____

State of: _____

County of: _____

Subscribed and sworn to before me this _____ day of _____, 2000.

Notary Public: _____

My Commission expires: _____

Architect's Certificate for Payment

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

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

1. **Original Contract Sum** _____ \$ _____
2. **Net Change by Change Orders** _____ \$ _____
3. **Contract Sum to Date (Line 1 + 2)** _____ \$ _____
4. **Total Completed and Stored to Date** _____ \$ _____
(Column G)

Retainage:

- a. _____ % of Completed Work \$ _____
(Column D + E)
- b. _____ % of Stored Material \$ _____
(Column F)

Total Retainage (Line 5a + 5b or

Total in Column I) _____ \$ _____

6. **Total Earned Less Retainage** _____ \$ _____
(Line 4 less Line 5 Total)

Less Previous Certificates for Payment

(Line 6 from prior Certificate) _____ \$ _____

8. **Current Payment Due** _____ \$ _____

9. **Balance to Finish, Plus Retainage** _____ \$ _____
(Line 3 less Line 6)

Amount Certified \$ _____
(Attach explanation if amount certified differs from the amount applied for.)

Architect:

By: _____ Date: _____

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

Page _____ of _____

Application Number:
Application Date:
Period To:
Architect's Project No:

151

CHANGE ORDER

Distribution to:
OWNER ☐
ARCHITECT ☐
CONTRACTOR ☐
LESSOR ☐

PROJECT:
(name, address)

TO (Contractor):

CHANGE ORDER NUMBER:

INITIATION DATE:

CONTRACT FOR:

CONTRACT DATE:

You are directed to make the following changes in this Contract:

Not valid until signed by both the Owner and Architect.

Signature of the Contractor indicates his agreement herewith, including any adjustment in the Contract Sum or Contract Time.

The original (Contract Sum) (Guaranteed Maximum Cost) was \$
Net change by previously authorized Change Orders..... \$
The (Contract Sum) (Guaranteed Maximum Cost) prior to this Change Order was..... \$
The (Contract Sum) (Guaranteed Maximum Cost) will be (increased) (decreased)
(unchanged) by this Change Order..... \$
The new (Contract Sum) (Guaranteed Maximum Cost) including this Change Order will be \$
The Contract Time will be (increased) (decreased) (unchanged) by () Days
The Date of Substantial Completion as of the date of this Change Order therefore is:

Authorized:

ARCHITECT

Address

By

Date

CONTRACTOR

Address

By

Date

OWNER

Address

By

Date

Contingent Lien Waiver and Release Upon Partial Payment

Upon receipt by _____ Construction Company of a check from _____ in the amount of \$ _____ and when the check has been paid by the bank upon which it is drawn, _____ Construction Company does hereby waive, release and relinquish the Secured Party, the Owner, the Building, and the Land from any and all claims, including but not limited to mechanics or materialmens claims, liens, stop notices, bond right, or any other claims relating to all labor, services, equipment or material furnished on the project known as _____, through _____ 200_ whether by the undersigned or any subcontractor; but does not cover any retention retained before or after the release date.

The undersigned warrants and represents that all of the Contractor's subcontractors and/or material suppliers have been paid all sums previously due and will be paid all current sums due out of this payment and that none of such laborers, subcontractors or suppliers are, or will be, entitled to claims or assert any claim against the above described property or Owner through _____, 200_.

_____ Construction Company agrees to hold the Secured Party, the Owner, the Building, and the Land harmless against any claim made or lien filed by any material suppliers who performed work or supplied materials to the Project through _____ 200_.

Date: _____

Contractor: _____

By: _____

Signed: _____

Notary Public: _____

My commission expires: _____

Subscribed and sworn before me this _____ day of _____, 200_.

Exhibit C5

Final Waiver and Release

Receipt is acknowledged of \$_____ bringing the total paid to date against the contract to \$_____ for labor and materials furnished and installed at the project known as _____ (the "Project").

_____ Construction Company does hereby fully and forever waive, release, and relinquish the Secured Party, the Owner, the Building, and the Land from any and all mechanics liens, stop notices, bond rights, or any other claims relating to all labor, services, equipment or material furnished on the Project.

The undersigned warrants and represents that all of the Contractor's subcontractors and/or material suppliers have been paid all sums previously due and will be paid all current sums due out of this payment and that none of such laborers, subcontractors or suppliers are, or will be, entitled to claims or assert any claim against the Project or Owner.

Construction Company agrees to hold the Secured Party, the Owner, the Building, and the Land harmless against any claim made or lien filed by any material suppliers who performed work or supplied materials to the Project .

Date: _____

Contractor: _____

By: _____

Signed: _____

Notary Public: _____

My commission expires: _____

Subscribed and sworn before me this _____ day of _____, 200_.

Exhibit C5

CHANGE ORDER CERTIFICATION

The undersigned, in its capacity as the Contractor, pursuant to the Standard Form of Agreement between Owner and Contractor, dated _____ between Contractor and _____ (as it has been or as it may be amended, and together with all exhibits hereto and other agreements incorporated therein, the "Contract"), hereby certifies to Wells Fargo Bank, National Association as follows:

1. Except as set forth on Exhibit A attached hereto, Contractor is not aware of any claims, disputes, matters or other items which could cause the Contract Price (as defined in the Contract) to exceed \$ _____, including, without limitation, changes in the work (by way of example only, changes in scope, systems, kinds and quality of materials, finishes, or equipment), concealed or unknown conditions, errors or omissions in the plans, drawings or specifications, substitution or suspension of subcontractors, optional insurance coverage, costs of uncovering work, costs of unanticipated tests or inspections and any other change orders or construction change directives or any other cause or basis whatsoever.

2. Contractor acknowledges that Owner and Lender are relying on this Certificate in agreeing to make a progress payment and Contractor hereby waives any right to claim any amounts due in excess of the Contract Price for any items of which Contractor is currently aware and which are not set forth on Exhibit A attached hereto, even if the exact amount or nature of such items has not been determined as of the date hereof.

Dated as of this _____ day of _____, 200_.

CONTRACTOR:

By: _____

Name: _____

Title: _____

Exhibit B to Escrow Agreement

SCHEDULE OF ESCROW AGENT'S FEES

STOPPED HERE

Exhibit C to Escrow Agreement

FORM OF AMENDMENT

THIS AMENDMENT TO ESCROW AGREEMENT is dated as of _____, 20__ (this "Amendment") by and between Wells Fargo Brokerage Services, LLC (the "Lessor"), the City of Grand Island, Nebraska, (the "Lessee") and Wells Fargo Bank, National Association, (the "Escrow Agent").

RECITALS

A. The Lessor, the Lessee and the Escrow Agent have entered into an Escrow Agreement dated as of July 1, 2009 (the "Escrow Agreement").

B. Pursuant to Section 7.09 of the Escrow Agreement, the Lessor and the Lessee may, without the consent of the Escrow Agent, amend the date specified in Section 2.03 of the Escrow Agreement to a date no more than three years after the date of delivery of the Lease.

C. The Lessor and the Lessee desire to amend the date specified in Section 2.03 of the Escrow Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, it is hereby agreed as follows:

1. The Lessor and the Lessee amend Section 2.03 of the Escrow Agreement by replacing the date "August 31, 2010" as it appears in the second sentence thereof with the date "_____, 20__."

2. This Amendment shall become effective only upon execution hereof by duly authorized officers or representatives of the Lessor and the Lessee.

3. All other terms and conditions of the Escrow Agreement not specifically amended by this Amendment shall remain in full force and effect and are hereby ratified and confirmed by the Lessor and the Lessee.

4. This Amendment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment in their respective corporate names by their duly authorized officers, all as of the date first written above.

WELLS FARGO BROKERAGE SERVICES, THE CITY OF GRAND ISLAND, NEBRASKA
LLC, Lessor CENTER, INC., Lessee

By: _____
Title: _____

By: _____
Title: _____

DOCS/910956.2

ORDINANCE NO. 9215

AN ORDINANCE PROVIDING FOR THE PURCHASE AND LEASING OF A BUILDING AND RELATED IMPROVEMENTS TO SERVE AS A RECREATIONAL FACILITY FOR THE CITY OF GRAND ISLAND; AUTHORIZING EXECUTION AND DELIVERY OF A LEASE-PURCHASE AGREEMENT WITH WELLS FARGO BROKERAGE SERVICES, LLC RELATING TO THE CONSTRUCTION AND ACQUISITION OF SAID FACILITY; AUTHORIZING EXECUTION AND DELIVERY OF A RELATED GROUND LEASE AND ESCROW AGREEMENT; APPROVING THE FORMS OF DOCUMENTS WITH RESPECT TO SAID LEASE-PURCHASE AGREEMENT, GROUND LEASE AND ESCROW AGREEMENT; PROVIDING FOR THE APPROVAL OF AN APPRAISAL AND PROVIDING FOR THE PUBLISHING OF THIS ORDINANCE

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA (the "City") as follows:

Section 1. The Mayor and Council hereby find and determine: that the City is in need of a recreational facility (the "Project") to provide for indoor sporting programs and other indoor recreational activities and to serve as a facility for accommodating activities of the Nebraska State Fair Board (the "Board") upon transfer of State Fair activities to Hall County; that Wells Fargo Brokerage Services, LLC, ("Wells Fargo") has indicated its willingness to act as lessor for the purposes of acquiring, constructing and leasing such Project to the City for such purposes and has offered to enter into a Lease-Purchase Agreement (the "Lease") with the City whereby the City may acquire the Project to be built in accordance with specifications approved by the Mayor and Council and provided by the Board, all pursuant to the provisions of Section 19-2421, R.R.S. Neb. 2007; that Hall County Livestock Improvement Association ("Fonner Park") has agreed to provide a site for the Project under the terms of a Ground Lease (the "Ground Lease") between Fonner Park as ground lessor and the City and Wells Fargo as lessees; that for purposes of governing the disbursement of funds provided by Wells Fargo in accordance with the Lease, the City, Wells Fargo and Wells Fargo Bank, National Association, (the "Escrow Agent") shall enter into an Escrow Agreement (the "Escrow Agreement"); that the documents necessary for such purposes have been prepared and said documents should be approved and their execution authorized.

Section 2. The City of Grand Island shall enter into the Lease (to be dated as determined by the executing officers as of the time of its execution and delivery) with Wells Fargo and whereby Wells Fargo, with the City acting as its agent and contracting for construction and acquisition under a contract or contracts determined upon and awarded by the Board, will construct and acquire the Project in accordance with specifications approved or to be approved by the Mayor and Council of the City (with the schedule of rental payments ("Rental Payments") relating to the leasing and acquisition of the Project to be set forth in an exhibit to the Lease and that the Lease in the form presented at this meeting is hereby approved.

Approved as to Form ¹ May 21, 2009	City Attorney
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ORDINANCE NO. 9215 (Cont.)

Section 3. The City of Grand Island shall enter into the Ground Lease (to be dated as determined by the executing officers as of the time of its execution and delivery) with Wells Fargo and Fonner and whereby Wells Fargo and the City shall lease from Fonner the site for the Project and that the Ground Lease in the form presented at this meeting is hereby approved.

Section 4. The City of Grand Island shall enter into the Escrow Agreement (to be dated as determined by the executing officers as of the time of its execution and delivery) with Wells Fargo and the Escrow Agent and whereby amounts deposited by Wells Fargo for payment of construction and acquisition costs of the Project will be held and applied to payment of costs of the Project and that the Escrow Agreement in the form presented at this meeting is hereby approved.

Section 5. The City of Grand Island by separate resolution shall approve and enter into contracts for the construction and acquisition of the Project in accordance with terms and directions specified by the Board and in so acting shall be the agent of Wells Fargo such that title to the Project from and after the time of its acquisition shall be and constitute the separate property of Wells Fargo with the City having beneficial ownership under the terms of the Lease and the Ground Lease.

Section 6. The Mayor and City Clerk of the City be and they are hereby authorized and directed to execute and deliver on behalf of the City the Lease, the Ground Lease and the Escrow Agreement, including any necessary counterparts, in substantially the form and content as presented at the meeting at which final passage of this Ordinance has occurred, but with such changes or modifications therein as to them seem necessary, desirable or appropriate on behalf of the City; and said Mayor, the City Clerk, the City Finance Director and the City Administrator are further authorized and directed to execute and deliver any other documents or certificates and to do all other things necessary or appropriate in connection with the Lease, the Ground Lease and the Escrow Agreement.

Section 7. In connection with the execution and delivery of the Lease, the Ground Lease and the Escrow Agreement, the following determinations and approvals are hereby made by the Mayor and Council:

(a) The City hereby declares, as provided in the Lease, that it will take title to the Project when all of the Rental Payments specified in the Lease have been paid in full or otherwise satisfied.

(b) The designation in the Escrow Agreement of the City Council, City Administrator and/or the City Finance Director to act on behalf of the City in approving disbursements of funds deposited by Wells Fargo under the terms of the Lease and the Escrow Agreement is hereby approved.

(c) Prior to the execution and delivery of the Lease, the Ground Lease and the Escrow Agreement, there shall be placed on file with the City

ORDINANCE NO. 9215 (Cont.)

Clerk an appraisal report for the Project prepared by a certified appraiser in accordance with Section 13-403, R.R.S. Neb. 2007.

(d) The Mayor and Council hereby acknowledge that the proposed transfer of the State Fair from Lancaster County to Hall County has been authorized by LB 1116 as enacted by the Second Session (2008) of the One Hundredth Legislature of the State of Nebraska ("LB 1116") and that there is currently pending in the District Court of Lancaster County, Nebraska, the case of Roger Yant, et al. vs. The City of Grand Island, et al. (Case No. CI08-4964) (the "Pending Litigation"); that the City is a party to the Pending Litigation but no temporary restraining order, preliminary injunction, permanent injunction or other order restricting action by the City has been entered or is expected to be entered prior to the time (the "Anticipated Commitment Time") when execution and delivery of the Lease, the Ground Lease and the Escrow Agreement are expected to be required in order for construction to be timely completed; that the City's authority to enter into the Lease, the Ground Lease and the Escrow Agreement for the Project as a recreational facility for the benefit of the citizens of Grand Island, independent of the provisions of LB 1116, is not questioned or challenged in the Pending Litigation; that the Pending Litigation will not likely be finally resolved before the Anticipated Commitment Time; and that the Mayor and Council hereby declare the City's intention to proceed with entering into the Lease, the Ground Lease and the Escrow Agreement without respect of the validity of LB 1116 and in order to serve the general governmental purpose of obtaining a recreational facility for the benefit of the City and its citizens.

(e) The principal amount for financing to be arranged under the terms of the Lease, the Ground Lease and the Escrow Agreement shall not exceed \$5,000,000; the term of the Lease and the financing provided thereby shall not extend beyond ten years from the date of execution and delivery of the Lease and the interest rate relating to the interest component of the Rental Payments shall not exceed six percent per annum.

Section 8. The Mayor and Council hereby state that it is the intention of the City that interest on the interest component of the Rental Payments under the Lease shall be excludable from gross income under the federal income tax by virtue of Section 103 of the Internal Revenue Code of 1986, as amended, (the "Code") and the Mayor and Council hereby authorize the Mayor, the City Clerk and the City Treasurer (Finance Director) (or any one of more of them) to take all actions necessary or appropriate to carry out said intention and for obtaining such interest exclusion. The City hereby covenants with Wells Fargo and any permitted assigns of Wells Fargo that it will make no use of the proceeds of said issue, including monies held in any sinking fund for the Rental Payments to be set forth in the Lease-Purchase Agreement which would cause the City's obligation under the Lease to constitute an "arbitrage bond" within the meaning of Section 103 and 148 and other related sections of the Code and further covenants to comply with said Sections 103 and 148 and related sections and all applicable regulations thereunder throughout the term of the

ORDINANCE NO. 9215 (Cont.)

Lease, including all requirements with respect to reporting and payment of rebates, if applicable. The Lease is hereby designated by the City as one of its "qualified tax-exempt obligations" under Section 265(b)(3)(B)(i)(III) of the Code and the City in connection with entering into the Lease hereby covenants and warrants that it does not anticipate issuance directly by it or on its behalf of tax-exempt bonds or other tax-exempt interest bearing obligations in an amount exceeding \$30,000,000 in calendar 2009 (taking into consideration the exception for current refunding issues).

Section 7. This Ordinance shall be in force and take effect from and after its publication as provided by law.

Passed and approved this 26th day of May, 2009.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item F3

**#9216 - Consideration of Disestablishment of Business
Improvement District No. 8 Second Reading**

Staff Contact: Jeff Pederson

Council Agenda Memo

Memo Update: The Public Hearing on this matter was completed on May 12, and the Ordinance was passed on first reading. The Ordinance is now before the City Council for consideration for second reading.

From: Jeff Pederson, City Administrator

Meeting: May 12, 2009

Subject: Disestablishment of Business Improvement District No. 8

Item #'s: E-4 & F-3

Presenter(s): Jeff Pederson, City Administrator

Background

On April 14, 2009, the City Council passed Resolution No. 2009-90 which set May 12, 2009 as the date for a Public Hearing on the issue of disestablishment of Business Improvement District No. 8. Some written evidence (documents) has been received, and will be brought forward at the Hearing.

Discussion

The City Council is now at the stage in the process where evidence is received at a public hearing regarding whether or not to disestablish Business Improvement District No. 8. State law requires that the Council hear all protests and receive evidence for or against disestablishment. Prior to closing the hearing, Council must rule upon all written protests. This merely means that Council should determine if the protests are validly signed by

someone who owns property within the boundaries of the District. If the owners of more than 50% of the assessable units communicate in writing that they do not want the district to be disestablished, you will not even consider the ordinance to disestablish and the district will continue.

Under every other scenario, the outcome is at the discretion of the governing body. You may disestablish the district or not depending on what you feel is in the best interests of those involved based on the evidence presented during the hearing. Although the hearing was set by a resolution of intent to disestablish the district, neither state law nor city code explicitly states that there is any presumption that you will act one way or another. If there are not enough protests to automatically stop the process, you may decide to introduce the ordinance to disestablish so that you may have a discussion about whether or not to disestablish. A vote for the ordinance would end the district. A vote against the ordinance would allow the district to continue. You also have the option of not introducing the ordinance at all and taking no further action. In that case, the district would continue.

Alternatives

If there are not enough protests to automatically stop the process, the Council has the following alternatives concerning the issue at hand. The Council may:

1. Continue the public hearing if more time is needed to adduce evidence or verify protests.
2. Take no action on the issue.
3. Waive the rule requiring three readings, introduce the ordinance, and vote for or against passage.
4. Introduce the ordinance on first reading.

Recommendation

This issue involves the owners of property within a Business Improvement District and not the day-to-day operations of the City. Since the action of the Council should be based on evidence presented at a hearing, City Administration has no recommendation.

Sample Motion

Motion to be taken depends on the course of action the council chooses.

City Attorney's Office

Dale M. Shotkoski, City Attorney
Wesley D. Nespor, Assistant City Attorney

**INTEROFFICE MEMORANDUM**

*Working Together for a
Better Tomorrow, Today.*

DATE: May 14, 2009**TO:** Jeff Pederson, Dale Shotkoski**FROM:** Wesley D. Nespor**RE:** Business Improvement District assessment of residential properties

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==

Business Improvement District No. 8 is funded through a special assessment upon the property within the district. The ordinance creating BID 8 proposes to assess owner occupied residential properties at 70% of assessed valuation based on their primary benefit from the downtown beautification and maintenance programs. Residential rental property is assessed at 100%. State law regarding business improvement districts provides that "the amount of each special assessment shall be determined by the city council sitting as a board of equalization. Assessments shall be levied in accordance with the method of assessment proposed in the ordinance creating the district. If the city council finds that the proposed method of assessment does not provide a fair and equitable method of apportioning costs, then it may assess the costs under such method as the city council finds to be fair and equitable" (Section 19-4030 R.R.S.).

In addition, the Council sitting as a board of equalization can review each individual property and make a determination as to the benefit conferred. The basis and justification for a special assessment are benefits to the property affected. An assessment may not be arbitrary, capricious, or unreasonable but the law does not require that a special assessment correspond exactly to the benefits received. Precise accuracy is not required. Benefits capable of easy demonstration and mathematical exactness are not necessary to support an assessment. The most any board of equalization can do is to estimate the benefits to each tract of real estate through a plan that is as uniform as possible based upon available information. *Bitter v. City of Lincoln*, 165 Neb. at 208-09, 85 N.W.2d at 307-08. However, the Supreme Court has also said that the amount of a special assessment cannot exceed the amount of benefits conferred on the property assessed. *Brown v. City of York*, 227 Neb. 183, 416 N.W.2d 574 (1987).

CONCLUSION

Based upon evidence adduced at a Board of Equalization hearing such as the proposed budget expenditures, location, and use of the property affected, Council could:

1. Determine that the method set forth in the ordinance is not a fair and equitable method and devise another method under which to assess the property. For instance, Council (sitting as a BOE) could determine that assessing owner-occupied residences at 70% is not fair and equitable and change the percentage.
2. Review each property individually if the owner presents evidence that the assessment exceeds the benefits to the property affected. For instance, Council could determine that the owner of a home on the edge of the district might receive less benefit than one in the heart of the district.

These options are not mutually exclusive. Every property owner in the district has the right to ask the Board of Equalization to consider both the first and the second option. If the first option is exercised, it applies to everyone. The second option is a case-by-case method that the Board may grant independent of the first option. This means that the Board could change the percentage for a specific class of property from 100% to some other figure and, in addition, change individual properties even further. It may be wise if Council contemplates revising how residential properties are assessed, to have the board of equalization hearing early to sort out that issue. In fact, the method of assessment could probably be the topic of a meeting all by itself. Once the method is finalized, the calculations of the amount of assessment could be made. The proposed budget of the BID for the next year would be a critical piece of information for such a hearing.

ORDINANCE NO. 9216

An ordinance disestablishing Business Improvement District No. 8; repealing Chapter 13 Sections 13-91 through 13-96; and providing for publication and the effective date of this ordinance.

WHEREAS, the City Council adopted Resolution 2009-90 on April 14, 2009, indicating an intent to disestablish Business Improvement District No. 8; and

WHEREAS, pursuant to said resolution, a notice of hearing was published and mailed as required by law, and public hearing duly held at 7:00 p.m. on May 12, 2009, in the Council Chambers at City Hall, 100 East First Street, Grand Island, Nebraska, concerning the disestablishment of such district; and

WHEREAS, the owners of more than 50% of the assessable units within the District did not file written protests against disestablishment; and

WHEREAS, the City Council now finds and determines that Business Improvement District No. 8 should be disestablished based upon the evidence adduced at the public hearing showing that disestablishment is in the collective best interests of the property owners in the District.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA:

SECTION 1. Article XII and Chapter 13 Sections 91 through 96 of the Grand Island City Code are hereby repealed

SECTION 2. Business Improvement District No. 8 is disestablished and the proceeds of any special assessments and assets acquired with such proceeds shall be subject to disposition as the City Council may hereafter determine.

ORDINANCE NO. 9216 (Cont.)

SECTION 3. If any section, subsection, sentence, phrase, or clause, of this ordinance is, for any reason, held to be unconstitutional or invalid, such holding shall not affect the validity of the remaining portions of this ordinance.

SECTION 4. This ordinance shall be in force and take effect from and after its passage, approval and publication, within fifteen days in one issue of the *Grand Island Independent* as provided by law.

Enacted: 2009.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item F4

**#9219 - Consideration of Vacation of Easement in Vacated
Jefferson Street; Adjacent to Lot One (1), Block Eleven (11)
Wallich's Addition (1314 W 7th Street)**

Staff Contact: Steven P. Riehle, Public Works Director

Council Agenda Memo

From: Steven P. Riehle, Public Works Director

Meeting: May 26, 2009

Subject: Consideration of Vacation of Easement in Vacated Jefferson Street; Adjacent to Lot One (1), Block Eleven (11) Wallich's Addition (1314 W 7th Street)

Item #'s: F-4

Presenter(s): Steven P. Riehle, Public Works Director

Background

Council action is required for vacation of a public utility easement through the passing of an Ordinance. Grand Island Public Schools has requested the vacation of the public utility easement due to pending construction of a new annex addition to Jefferson Elementary on this recently purchased property.

Discussion

The existing utility easement to be vacated is currently used for power supply to the school crossing signal. The power supply is being relocated at school expense. A new public utility easement will be dedicated at tonight's meeting with a memo prepared by the Utilities Department.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the vacation of the public utility easement in vacated Jefferson Street; adjacent to Lot One (1), Block Eleven (11) Wallich's Addition to Grand Island, Hall County, Nebraska.

Sample Motion

Motion to approve the vacation of the public utility easement in vacated Jefferson Street; adjacent to Lot One (1), Block Eleven (11) Wallich's Addition to Grand Island, Hall County, Nebraska.

ORDINANCE NO. 9219

An ordinance to vacate the public utility easement in vacated Jefferson Street; adjacent to Lot One (1), Block Eleven (11) Wallich's Addition to Grand Island, Hall County, Nebraska and to provide for filing this ordinance in the office of the Register of Deeds of Hall County; to repeal any ordinance or parts of ordinances in conflict herewith; and to provide for publication and the effective date of this ordinance.

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

SECTION 1. That the public utility easement located in the west 16' of vacated Jefferson Street; more particularly described as follows:

BEGINNING AT THE NORTHEAST CORNER OF LOT ONE (1), BLOCK ELEVEN (11), WALLICHS ADDITION, THENCE EASTERLY ON THE SOUTH LINE OF 8TH STREET FOR A DISTANCE OF 16', THENCE SOUTHERLY ON A LINE 16' EAST OF AND PARALLEL TO THE EAST LINE OF SAID LOT ONE (1), BLOCK ELEVEN (11), WALLICHS ADDITION FOR A DISTANCE OF 132', THENCE WEST ON A LINE PERPENDICULAR TO THE EAST LINE OF SAID LOT ONE (1) FOR A DISTANCE OF 16' TO THE SOUTHEAST CORNER OF LOT ONE (1) BLOCK ELEVEN (11) WALLICHS ADDITION, THENCE NORTHERLY ON THE EAST LINE OF LOT ONE (1), BLOCK ELEVEN (11) WALLICHS ADDITION TO THE POINT OF BEGINNING

is hereby vacated. Such public utility easement to be vacated is shown and more particularly described on Exhibit A attached hereto.

SECTION 2. The title to the property vacated by Section 1 of this Ordinance shall revert to that part of vacated Jefferson Street upon which it is situated.

SECTION 3. This Ordinance is directed to be filed in the office of the Register of Deeds of Hall County, Nebraska.

ORDINANCE NO. 9219 (Cont.)

SECTION 4. This ordinance shall be in force and take effect from and after its passage and publication, without the plat, within fifteen days in one issue of the Grand Island Independent as provided by law.

Enacted: May 26, 2009.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item F5

**#9220 - Consideration Concerning Change of Zoning for Land
Located at 3059 St. Paul Road from M2 Heavy Manufacturing to
LLR Large Lot Residential**

Staff Contact: Chad Nabity

ORDINANCE NO. 9220

An ordinance rezoning a certain tract of land within the zoning jurisdiction of the City of Grand Island; changing the land use classification of the South One-half of Lot Four (4), in Garden Place, a Subdivision of a part of the Northwest Quarter of Section Three (3), Township Eleven (11) North, Range Nine (9) West of the 6th P.M. in Hall County, Nebraska from M2 Heavy Manufacturing to LLR Large Lot Residential; directing that such zoning change and classification be shown on the Official Zoning Map of the City of Grand Island pursuant to the provisions of Sections 36-44 and 36-51; and providing for publication and an effective date of this ordinance.

WHEREAS, the Regional Planning Commission on May 6, 2009, held a public hearing and made a recommendation on the proposed zoning of such area; and

WHEREAS, notice as required by Section 19-923, R.R.S. 1943, has been given to the Boards of Education of the school districts in Hall County, Nebraska; and

WHEREAS, after public hearing on May 26, 2009, the City Council found and determined the change in zoning be approved and made.

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

SECTION 1. The following tract of land is hereby rezoned, reclassified and changed from M2 Heavy Manufacturing to LLR Large Lot Residential:

South One-half of Lot Four (4), in Garden Place, a Subdivision of a part of the Northwest Quarter of Section Three (3), Township Eleven (11) North, Range Nine (9) West of the 6th P.M. in Hall County, Nebraska.

SECTION 2. That the Official Zoning Map of the City of Grand Island, Nebraska, as established by Sections 36-44 and 36-51 of the Grand Island City Code be, and the

ORDINANCE NO. 9220 (Cont.)

same is, hereby ordered to be changed, amended, and completed in accordance with this ordinance.

SECTION 3. That this ordinance shall be in force and take effect from and after its passage and publication, within fifteen days in one issue of the Grand Island Independent as provided by law.

Enacted: _____.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item F6

**#9221 - Consideration Concerning Change of Zoning for Land
Located at 1403 Adams Street from M2 Heavy Manufacturing to
R3 Medium Density Residential**

This item relates to the aforementioned Public Hearing Item E-3.

Staff Contact: Chad Nabity

ORDINANCE NO. 9221

An ordinance rezoning a certain tract of land within the zoning jurisdiction of the City of Grand Island; changing the land use classification of a tract of land located in part of the East One-half of the Northwest Quarter of the Southeast Quarter (E1/2NW1/4SE1/4) of Section Twenty-one (21), Township Eleven (11), North, Range Nine (9) West of the 6th p.m., in Hall County, Nebraska, more particularly described below, from M2 Heavy Manufacturing to R3 Medium Density Residential; directing that such zoning change and classification be shown on the Official Zoning Map of the City of Grand Island pursuant to the provisions of Sections 36-44 and 36-51; and providing for publication and an effective date of this ordinance.

WHEREAS, the Regional Planning Commission on May 6, 2009, held a public hearing and made a recommendation on the proposed zoning of such area; and

WHEREAS, notice as required by Section 19-923, R.R.S. 1943, has been given to the Boards of Education of the school districts in Hall County, Nebraska; and

WHEREAS, after public hearing on May 26, 2009, the City Council found and determined the change in zoning be approved and made.

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

SECTION 1. The following tract of land is hereby rezoned, reclassified and changed from M2 Heavy Manufacturing to R3 Medium Density Residential:

A tract of land comprising a part of the East Half of the Northwest Quarter of the Southeast Quarter (E1/2NW1/4SE1/4), of Section Twenty-One (21), Township Eleven (11) North, Range Nine (9) West of the 6th P.M., in the City of Grand Island, Hall County, Nebraska, more particularly described as follows:

Beginning at the northwest corner of Lot One (1), H.O.H.O. Subdivision, said point also being on the easterly right of way line of Adams Street;

ORDINANCE NO. 9221 (Cont.)

thence running northerly on the easterly right of way line of Adams Street, on an Assumed Bearing of N00°02'09"W, a distance of Four Hundred Sixty-Two and Ninety-Four Hundredths (462.94) feet; thence running S89°17'17"E, a distance of Two Hundred Ninety-Five (295.00) feet; thence running S00°03'57"E, a distance of Four Hundred Sixty-Two and Fifty-Seven Hundredths (462.57) feet, to a point on the north line of Sunny Acres Second Subdivision; thence running N89°21'38"W, along the north line of Sunny Acres Second Subdivision and the north line of H.O.H.O. Subdivision, a distance of Two Hundred Ninety-Five and Twenty-Four Hundredths (295.24) feet, to the Point of Beginning and containing 3.135 acres more or less;

SECTION 2. That the Official Zoning Map of the City of Grand Island, Nebraska, as established by Sections 36-44 and 36-51 of the Grand Island City Code be, and the same is, hereby ordered to be changed, amended, and completed in accordance with this ordinance.

SECTION 3. That this ordinance shall be in force and take effect from and after its passage and publication, within fifteen days in one issue of the Grand Island Independent as provided by law.

Enacted: _____.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item F7

**#9222 - Consideration Concerning Changes to the Grand Island
City Code Section 36-173 Relative to Setback and Separation or
Buffer Requirements for Towers**

This item relates to the aforementioned Public Hearing Item E-4.

Staff Contact: Chad Nabity

ORDINANCE NO. 9222

An ordinance to amend Chapter 36 of the Grand Island City Code specifically, to amend Section 36-173 to add an exception for tower setbacks from property owned or controlled by the City; to repeal any ordinance or parts of ordinances in conflict herewith; and to provide for publication in pamphlet form and the effective date of this ordinance.

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

SECTION 1. Section 36-173 of the Grand Island City Code are hereby amended
to read as follows:

§36-173. Setbacks and Separation or Buffer Requirements

(A) All towers up to fifty (50) feet in height shall be set back on all sides a distance equal to the underlying setback requirement in the applicable zoning district. Towers in excess of fifty (50) feet in height shall be set back one additional foot for each foot of tower height in excess of fifty (50) feet; except where such setback is from property owned, controlled and/or maintained by the City of Grand Island and the City Council finds in granting the permit that reducing such additional setback will not cause harm to the intended use of the public property. The height of a tower shall be measured from the grade at the foot of the base pad to the top of any telecommunications facilities or antennas attached thereto. Setback requirements shall be measured from the base of the tower to the property line of the tract of land on which it is located.

(B) Towers exceeding one hundred (100) feet in height may not be located in any residential zoned district and must be separated from all residential zoned land and occupied structures other than those utilized by the tower owner, by a minimum of two hundred (200) feet or one hundred percent (100%) of the height of the proposed tower, whichever is greater.

(C) Towers of one hundred (100) feet or less in height may be located in residential zoned districts provided said tower is separated from any residential structure, school, church, and/or occupied structures other than those utilized by the tower owner, by a minimum of one hundred percent (100%) of the height of proposed tower.

(D) Towers must meet the following minimum separation requirements from other towers:

- (1) Monopole tower structures shall be separated from all other towers, whether monopole, self-supporting lattice, or guyed, by a minimum of seven hundred fifty (750) feet.
- (2) Self-supporting lattice or guyed towers shall be separated from all other self-supporting or guyed towers by a minimum of one thousand five hundred (1,500) feet.

Amended by Ordinance No. _____, effective _____

ORDINANCE NO.9222 (Cont.)

SECTION 2. Section 36-173 as existing prior to this amendment, and any ordinances or parts of ordinances in conflict herewith, are repealed.

SECTION 3. The validity of any section, subsection, sentence, clause, or phrase of this ordinance shall not affect the validity or enforceability of any other section, subsection, sentence, clause, or phrase thereof.

SECTION 4. That this ordinance shall be in force and take effect from and after its passage and publication in pamphlet form within 15 days according to law.

Enacted: May 26, 2009.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item G1

Approving Minutes of May 12, 2009 City Council Regular Meeting

Staff Contact: RaNae Edwards

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL REGULAR MEETING

May 12, 2009

Pursuant to due call and notice thereof, a Regular Meeting of the City Council of the City of Grand Island, Nebraska was conducted in the Council Chambers of City Hall, 100 East First Street, on May 12, 2009. Notice of the meeting was given in *The Grand Island Independent* on May 6, 2009.

Mayor Hornady called the meeting to order at 7:00 p.m. The following City Council members were present: Councilmember's Meyer, Niemann, Gilbert, Carney, Dugan, Ramsey, Nickerson, Zapata, and Gericke. Councilmember Haase was absent. The following City Officials were present: City Administrator Jeff Pederson, City Clerk RaNae Edwards, Finance Director David Springer, City Attorney Dale Shotkoski, and Public Works Director Steve Riehle.

INVOCATION was given by Mayor Hornady followed by the PLEDGE OF ALLEGIANCE.

MAYOR COMMUNICATION: Mayor Hornady mentioned the Legislature passed LB 224 on second reading which allows the City to apply \$1.5 million ball field relocation towards the \$5 million City funding. Mayor Hornady introduced Community Youth Council members Claire Mackey, Paige Liess and Katrina Molholm.

PRESENTATIONS AND PROCLAMATIONS:

Proclamation "Tourism Recognition Month" May, 2009. Mayor Hornady proclaimed the month of May "Tourism Recognition Month". Renee Seifert, Executive Director of the Convention Visitors Bureau was present to receive the proclamation.

Presentation by Tam Allen, Vice-Chairman Nebraska State Fair Board Concerning a Request for Ground Lease and Use of City Land for State Fair Vehicle Parking. Tam Allen, Vice-Chairman of the Nebraska State Fair Board updated the council on State Fair issues. Mentioned was a 30,000 sq. ft. building proposed to be constructed near Fire Station 1. The State Fair Board had an interest in utilizing City land adjacent to Island Oasis for Fair parking.

PUBLIC HEARINGS:

Public Hearing on Acquisition of Utility Easement Located at 3134 West Highway 34 (Central Community College). Gary Mader, Utilities Director reported that a utility easement was needed at 3134 West Highway 34 in order to have access to install, upgrade, maintain, and repair power appurtenances, including lines and transformers. The easement would be used to place conduit, primary electrical cable and a pad-mounted transformer to provide electrical service to the new addition of Central Community College. Staff recommended approval. No public testimony was heard.

Public Hearing on Acquisition of Utility Easement Located at 4705 Gold Core Drive (Zitski, LLC). Gary Mader, Utilities Director reported that a utility easement was needed at 4705 Gold Core Drive in order to have access to install, upgrade, maintain, and repair power appurtenances, including lines and transformers. The easement would be used to provide underground conduit,

cable, and a pad-mounted transformer to provide electrical service to the new Nova Tech manufacturing facility. Staff recommended approval. No public testimony was heard.

Public Hearing on Acquisition of Utility Easement Located at 2216 East Highway 30 (Bosselman Carriers, Inc.). Gary Mader, Utilities Director reported that a utility easement was needed at 2216 East Highway 30 in order to have access to install, upgrade, maintain, and repair power appurtenances, including lines and transformers. The easement would be used to extend an overhead power line and add transformers to improve the electrical service to the adjacent buildings. Staff recommended approval. No public testimony was heard.

Public Hearing on Disestablishment of Business Improvement District No. 8. Jeff Pederson, City Administrator reported that Resolution #2009-90 approved by City Council on April 14, 2009 required the City to hold a Public Hearing on the disestablishment of Business Improvement District No. 8. This public hearing was to hear all protests and receive evidence for or against disestablishment. Mr. Pederson explained the options available to council as required by state law.

Mayor Hornady recommended a 1½ minute time limit for each person to speak on this issue since there were so many people wanting to speak.

Motion by Carney, second by Gericke to appeal the decision of the Chair to limit the amount of time for the remaining speakers to 1½ minutes. Upon roll call vote, Councilmember's Meyer, Niemann, Gilbert, Carney, Dugan, Ramsey, Nickerson, and Gericke voted aye. Councilmember Zapata voted no. Motion adopted.

The time limit for each person was 3 minutes each. Submitted into the record were written protests to disestablish BID #8.

The following people spoke in support:

- Bruce Eberle, 3219 Hiawatha
- Paul Warshauer, 217 North Locust Street
- Tom Ziller, 324 West 18th Street
- Carl Mayhew, 507 Plum Road
- Matthew Armstrong, 2616 Cottonwood Road
- Bill Ziller, 1611 St. Paul Road
- John Wayne, 1101 Nebraska Highway, Phillips, NE
- Marlan Ferguson, 2808 Apache Road
- Kurt Haecker, 2706 Wagon Road
- Marvin Webb, 4164 Allen Avenue

The following people spoke in opposition:

- Bill Francis, 222 North Cedar Street
- Richard Baasch, 216 North Cedar Street
- Jim Reed, 2511 Lakewood Drive
- Wendy Alexander, 123 North Locust Street
- Dave Gilroy, 115 East 20th Street
- Dave Marsh, 242 South Pine Street

- Louise Miller, 1104 West Charles Street
- Dick Strehle, 212 East 2nd Street
- Charlie Fox, 3115 South North Road
- Jack Hansen, 2007 West Lamar Avenue

The following person spoke in a neutral position:

- Amos Anson, 1212 Sagewood

Submitted into the record were protests against the disestablishment of BID #8. Assistant City Attorney Wes Nespor suggested the Council keep the public hearing open and continue with the meeting to give him a chance to count the number of protests in favor and against the disestablishment of BID #8.

No further public testimony was heard.

ORDINANCES:

#9214 – Consideration of Annexation of Property Located South of Case New Holland and West of Highway 281 (Second Reading)

Chad Nabity, Regional Planning Director explained this was the second of three readings to annex property south of Case Holland and west of Highway 281.

Motion by Meyer, second by Niemann to approve Ordinance #9214 on second reading. Upon roll call vote, all voted aye. Motion adopted.

#9215 – Consideration of Lease-Purchase Agreement, Ground Lease and Escrow Agreement for Building and Related Improvements to Serve as a Recreational Facility for State Fair Activities (Second Reading)

Jeff Pederson, City Administrator explained the following changes to the Ground Lease Agreement: 1) Section 3 – Use; 2) Section 5 – Rent; and 3) Section 8 – Assignment and Subletting. Discussion was held concerning the Escrow Agreement and payment schedule. Marlan Ferguson, 2808 Apache Road spoke in support. Lewis Kent, 624 Meves Avenue spoke in opposition. Jay Vavricek, 2729 Brentwood Blvd. asked about naming rights, interest rate, and term of the lease.

Motion by Meyer, second by Carney to approve Ordinance #9215 on second reading. Upon roll call vote, Councilmember's Meyer, Niemann, Gilbert, Carney, Dugan, Ramsey, Zapata, and Gericke voted aye. Councilmember Nickerson voted no. Motion adopted.

Public Hearing Continued on Disestablishment of Business Improvement District No. 8:

Wes Nespor, Assistant City Attorney reported there were 121 valid written protests in favor of keeping the district. Mr. Nespor explained Council needed to make a motion on the findings of evidence received before the Public Hearing was closed.

Motion by Nickerson, second by Zapata determining that there were 121 written protest (owners wanting to keep the district). Upon roll call vote, all voted aye. Motion adopted. The Public Hearing was closed.

#9216 – Consideration of Disestablishment of Business Improvement District No. 8

This item related to the aforementioned Public Hearing. A lengthy discussion was held regarding district boundaries, assessments, timeline to create a new BID if this one wasn't continued, and working together to resolve this issues. Bruce Eberle, 3219 Hiawatha Place explained the process of identifying the downtown boundaries and residential assessments.

Motion by Carney, second by Niemann to approve Ordinance #9216 on fist reading only. Upon roll call vote, Councilmember's Meyer, Niemann, Carney, Dugan, Nickerson, and Gericke voted aye. Councilmember's Gilbert, Ramsey, and Zapata voted no. Motion adopted

Councilmember Gilbert moved "that the statutory rules requiring ordinances to be read by title on three different days be suspended and that ordinances numbered:

#9217 – Consideration of Firefighters and Police Pension Assets

#9218 – Consideration of Issuance Refunding Various Purpose Bonds – Series 2009

be considered for passage on the same day upon reading by number only and that the City Clerk be permitted to call out the number of these ordinances on first reading and then upon final passage and call for a roll call vote on each reading and then upon final passage." Councilmember Ramsey second the motion. Upon roll call vote, all voted aye. Motion adopted.

#9217 – Consideration of Firefighters and Police Pension Assets

Jeff Pederson, City Administrator reported that Ordinance #9217 would authorize the City to maintain and utilize the unallocated employer accounts and use assets to assist in meeting expenses incurred by the City and also fund pension benefits. Lewis Kent, 624 E. Meves Avenue spoke in opposition.

Motion by Nickerson, second by Gilbert to approve Ordinance #9217.

City Clerk: Ordinance #9217 on first reading. All those in favor of the passage of this ordinance on first reading, answer roll call vote. Upon roll call vote, Councilmember's Niemann, Gilbert, Carney, Dugan, Ramsey, Zapata, and Nickerson voted aye. Councilmember's Meyer and Gericke voted no. Motion adopted.

City Clerk: Ordinance #9217 on final passage. All those in favor of the passage of this ordinance on final passage, answer roll call vote. Upon roll call vote, Councilmember's Niemann, Gilbert, Carney, Dugan, Ramsey, Zapata, and Nickerson voted aye. Councilmember's Meyer and Gericke voted no. Motion adopted.

Mayor Hornady: By reason of the roll call votes on first reading and then upon final passage, Ordinance #9217 is declared to be lawfully adopted upon publication as required by law.

#9218 – Consideration of Issuance Refunding Various Purpose Bonds – Series 2009

Bruce Lefler representing Ameritas Investment Corporation explained that Ordinance #9218 was authorizing the refinancing of the 2002 Various Purpose bonds in the amount of \$2,970,000. The City would pay an average interest rate of 2.64% through 2017 with a savings of approximately \$266,213.

City Clerk: Ordinance #9218 on first reading. All those in favor of the passage of this ordinance on first reading, answer roll call vote. Upon roll call vote, all voted aye. Motion adopted.

City Clerk: Ordinance #9218 on final passage. All those in favor of the passage of this ordinance on final passage, answer roll call vote. Upon roll call vote, all voted aye. Motion adopted.

Mayor Hornady: By reason of the roll call votes on first reading and then upon final passage, Ordinance #9218 is declared to be lawfully adopted upon publication as required by law.

CONSENT AGENDA: Consent agenda items G-12 and G-14 were removed for further discussion. Motion by Zapata, second by Nickerson to approve the Consent Agenda excluding G-12 and G-14. Upon roll call vote, all voted aye. Motion adopted.

Approving Minutes of April 28, 2009 City Council Regular Meeting.

Approving Minutes of May 5, 2009 City Council Study Session.

#2009-103 – Approving Final Plat and Subdivision Agreement for DSK Subdivision. It was noted that Danny and Susan Kunze, owners had submitted the Final Plat and Subdivision Agreement for DSK Subdivision for the purpose of creating 6 lots east of Swan Lane and north of Bismark Road comprising of approximately 10 acres.

#009-104 – Approving Final Plat and Subdivision Agreement for Miracle Valley Second Subdivision. It was noted that Joseph and Lori Brown, owners had submitted the Final Plat and Subdivision Agreement for Miracle Valley Second Subdivision for the purpose of creating 2 lots located east of Engleman Road and north of Michigan Avenue comprising of approximately 4.375 acres.

#2009-105 – Approving Acquisition of Utility Easement Located at 3134 West highway 34 (Central Community College).

#2009-106 – Approving Acquisition of Utility Easement Located at 4705 Gold Core Drive (Zitski, LLC).

#2009-107 – Approving Acquisition of Utility Easement Located at 2216 East Highway 30 (Bosselman Carriers, Inc.)

#2009-108 – Approving Anchor Point Access Permission to the Platte River Program for River Channel Monitoring.

#2009-109 – Approving Wind Generation Agreement between Douglas Brunk and Grand Island Utilities.

#2009-110 – Approving License Agreement with Unite Private Networks for Power Pole Attachments in an Amount of \$4.00 per pole.

#2009-111 – Approving Renewal of Leases at Cornhusker Army Ammunition Plant for Storage Buildings with Dominion Construction Company in an Amount of \$2,750 per year and Jerry Harders in an Amount of \$825.00 per year.

#2009-113 – Approving Agreement for Professional Engineering Services for a Project to Replace the Primary Clarifier Mechanisms at the Waste Water Treatment Plant with Black & Veatch Corporation of Kansas City, Missouri in and Amount not-to-exceed \$125,000.00.

#2009-112 – Approving 2 Hour Parking Zone on the East Side of Elm Street from 4th Street South to the Alley. Steve Riehle, Public Works Director reported that in 1996 a “No Parking” designation was approved for the east side of Elm Street from 4th Street south to the alley. A request had been received from the property owner on the southeast corner of 4th Street and Elm Street requesting parking be allowed on the east side of Elm Street. Discussion was held concerning enforcement. Police Chief Steve Lamken stated if a request for enforcement was received a Code Enforcement Officer would be sent.

Motion by Ramsey, second by Zapata to approve Resolution #2009-112. Upon roll call vote, Councilmember’s Meyer, Niemann, Gilbert, Carney, Dugan, Ramsey, Zapata, and Nickerson voted aye. Councilmember Gericke voted no. Motion adopted.

#2009-114 – Approving Pioneer Consortium Interlocal Agreement for Library Services with Grand Island, Bellevue, Gretna, Holdrege, Lincoln, Omaha, and St. Paul. Steve Fosselman, Library Director reported a \$100,000 federal grant had been received and with the adoption of this Interlocal Agreement library services would become more efficient and effective.

Motion by Dugan, second by Meyer to approve Resolution #2009-114. Upon roll call vote, all voted aye. Motion adopted.

RESOLUTIONS:

#2009-115 – Approving Refunding Various Purpose Bonds, Series 2002. David Springer, Finance Director reported this item related the aforementioned Ordinance #9218. Approval of Resolution #2009-115 would retire the \$2,925,000 Various Purpose Bonds approved in 2002.

Motion by Gilbert, second by Zapata to approve Resolution #2009-115. Upon roll call vote, all voted aye. Motion adopted.

#2009-116 – Approving Waste Water Cost of Services Based Rate Study. Steve Riehle, Public Works Director reported that at the May 5, 2009 City Council Study Session a presentation was made by Black & Veatch Corporation of Kansas City, Missouri on the rate study. Staff recommended approving the Rate Study presented to Council on May 5, 2009.

Motion by Meyer, second by Ramsey to approve Resolution #2009-116. Upon roll call vote, all voted aye. Motion adopted.

#2009-117 – Approving Addendum Number 1 to the Agreement for Professional Services for the Design of an Anaerobic Digestion System at the Waste Water Treatment Plant. Steve Riehle, Public Works Director reported that at the May 5, 2009 Study Session, Black & Veatch presented the Digestion Complex Sizing and Cost of Services Based Rate Study with a recommendation of digester sizing option 2A. Approving Resolution #2009-117 would allow Black & Veatch to proceed with Option 2A for the Digestion System.

Motion by Meyer, second by Ramsey to approve Resolution #2009-117. Upon roll call vote, all voted aye. Motion adopted.

PAYMENT OF CLAIMS:

Motion by Dugan, second by Zapata to approve the Claims for the period of April 29, 2009 through May 12, 2009, for a total amount of \$2,806,007.61. Unanimously approved.

ADJOURNMENT: The meeting was adjourned at 10:10 p.m.

RaNae Edwards
City Clerk



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item G2

Approving Minutes of May 19, 2009 City Council Study Session

Staff Contact: RaNae Edwards

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL STUDY SESSION

May 19, 2009

Pursuant to due call and notice thereof, a Study Session of the City Council of the City of Grand Island, Nebraska was conducted in the Community Meeting Room of City Hall, 100 East First Street, on May 19, 2009. Notice of the meeting was given in the *Grand Island Independent* on May 16, 2009.

Mayor Margaret Hornady called the meeting to order at 7:00 p.m. The following Councilmember's were present: Gericke, Nickerson, Ramsey, Dugan, Haase, Gilbert, Niemann, and Meyer. The following City Officials were present: City Administrator Jeff Pederson, Deputy City Clerk Paul Briseno, City Attorney Dale Shotkoski, Public Works Director Steve Riehle, and Finance Director David Springer.

INVOCATION was given by Mayor Margaret Hornady followed by the PLEDGE OF ALLEGIANCE.

Presentation and Discussion of Master Plan for Veterans Home Athletic Complex Jeff Pederson City Administrator began the presentation with an overview of how the need and timeline for the Fonner Park Athletic Field relocation was established as well as an overview of LB 224. An overview of Grand Island's certification amounts and deadlines was also given.

Steve Paustian, Parks and Recreation Director gave an overview of the current Fonner Park Athletic Complex and amenities. A Web Park Athletic Complex presentation was given as the site will become a future extension of the cemetery in 810 years. A cost estimate of \$1,537,454 was presented for replacement for the Fonner Park Athletic Complex Facility. An additional 4th ball field would add \$120,000 to the cost.

An overview of the architect's master plan for the Veterans Athletic Complex was presented. The overview included a proposed timeline for Phase I which could start summer 2009 and potentially made available for the fall 2010 or summer 2011 pending circumstances.

Jeff Pederson concluded the presentation with an overview of financing options as it relates to the development of the site. Options for funding included expanding permitted use of the new occupation tax beyond the city owned building at Fonner Park to include a specified amount for the proposed athletic complex. It was noted that the additional amount of \$1.5 million would extend the period of time necessary for the tax by 1.5 – 2 years for phase I.

Council President Bob Meyer mentioned the original \$5 million request for the State Fair utilizing the occupational tax. Council President Meyer stated he would only support the funding of the project through the occupational tax if the entire project was created versus a phased in approach. Council President Meyer also stated the complex will be successful and a great thing for the Grand Island Community however a sunset is still required on the occupational tax for his support.

Councilmember Scott Dugan asked of the children's play areas and why seed was recommended versus sod. Steve Paustian stated that two play areas were noted on the master plan and seeding of the facility was recommended because the sod was currently owned by Fonner and would be necessary for State Fair parking. Other factors for seeding included timing, age of the grass, cost of

removal and relaying, physical process, and the requirement of a smooth surface. Councilmember Dugan concurred with Council President Meyer's statement of creating the additional fields and parking in one phase.

Councilmember Peg Gilbert recognized Council's commitment of \$5 million with a sunset clause in September 2008. It was further mentioned that Council was made aware in October 2008 of the site plan to utilize the current Fonner Park Athletic Complex creating an unexpected cost after the occupational tax was passed.

Councilmember Kirk Ramsey agreed with Council President Meyer and viewed the project as an opportunity to meet a community need.

Councilmember Chuck Haase mentioned the Web Athletic Complex must relocate to the proposed Veterans Athletic Complex and would further support the addition of the facilities.

Councilmember John Gericke stated the fields are a community need. Councilmember Gericke asked where the remaining State Fair funding would come. Ken Gnadt of 1610 Gretchen Ave and Cindy Johnson of 4140 Elmwood Drive responded to the inquiry stating \$1,028,400 was raised to date by donations, Hall County \$500,000, Hall County Fair \$500,000, City of Grand Island \$5,000,000 for the city building and \$1,500,000 for the replacement of the Fonner Park Athletic Complex.

Councilmember Mitch Nickerson mentioned that the amount raised to date was good news. Councilmember Nickerson asked if only \$1.5 million cost for relocation is applicable toward the State Fair cost. Jeff Pederson stated that under LB 224 only \$1.5 million in expenses is allowable toward the State Fair relocation. Additional costs to the city would not count toward the \$8.5 million requirement. However, the occupational tax could be adjusted to meet the need of the entire Veterans Athletic Complex project.

Councilmember Gilbert asked of additional staffing requirements would be needed with the addition of the Veterans Athletic Complex. Steve Paustian noted an efficient parks program is currently in place and would suggest an FTE dedicated to this facility. More FTE's maybe required in the future once programs and use have been established. Councilmember Gilbert asked that the occupational tax sunset once the project is complete.

Councilmember Gericke stated he would like to complete the entire project rather than constructing only phase I.

Jeff Peterson said a cost estimate of additional facilities for the Veterans Athletic Complex will be determined. Future action includes the preparing of the certification of \$1.5 million and amendment of the occupational tax.

ADJOURNMENT: The meeting was adjourned at 8:14 p.m.

Paul Briseno
Deputy City Clerk



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item G3

**#2009-118 - Approving Final Plat and Subdivision Agreement for
South Place Subdivision**

Staff Contact: Chad Nabity

Council Agenda Memo

From: Regional Planning Commission

Meeting: May 26, 2009

Subject: South Place Subdivision – Final Plat

Item #'s: G-3

Presenter(s): Chad Nabity AICP, Regional Planning Director

Background

This final plat proposes to create 4 lots located east of Adams Street and north of Stolley Park Road. This property is zoned M2 Heavy Manufacturing Zone and is currently under request to change zoning to R3 Medium Density Residential Zone. Sewer and water are available to the site. This is approximately 3.135 acres.

Discussion

The final plat for South Place Subdivision was considered by the Regional Planning Commission at the May 6, 2009 meeting. A motion was made by Ruge and seconded by Hayes to approve the plat as presented on the Consent Agenda. A roll call vote was taken the motion carried with 7 members present voting in favor (Aguilar, O'Neill, Ruge, Hayes, Heineman, Reynolds, Bredthauer).

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

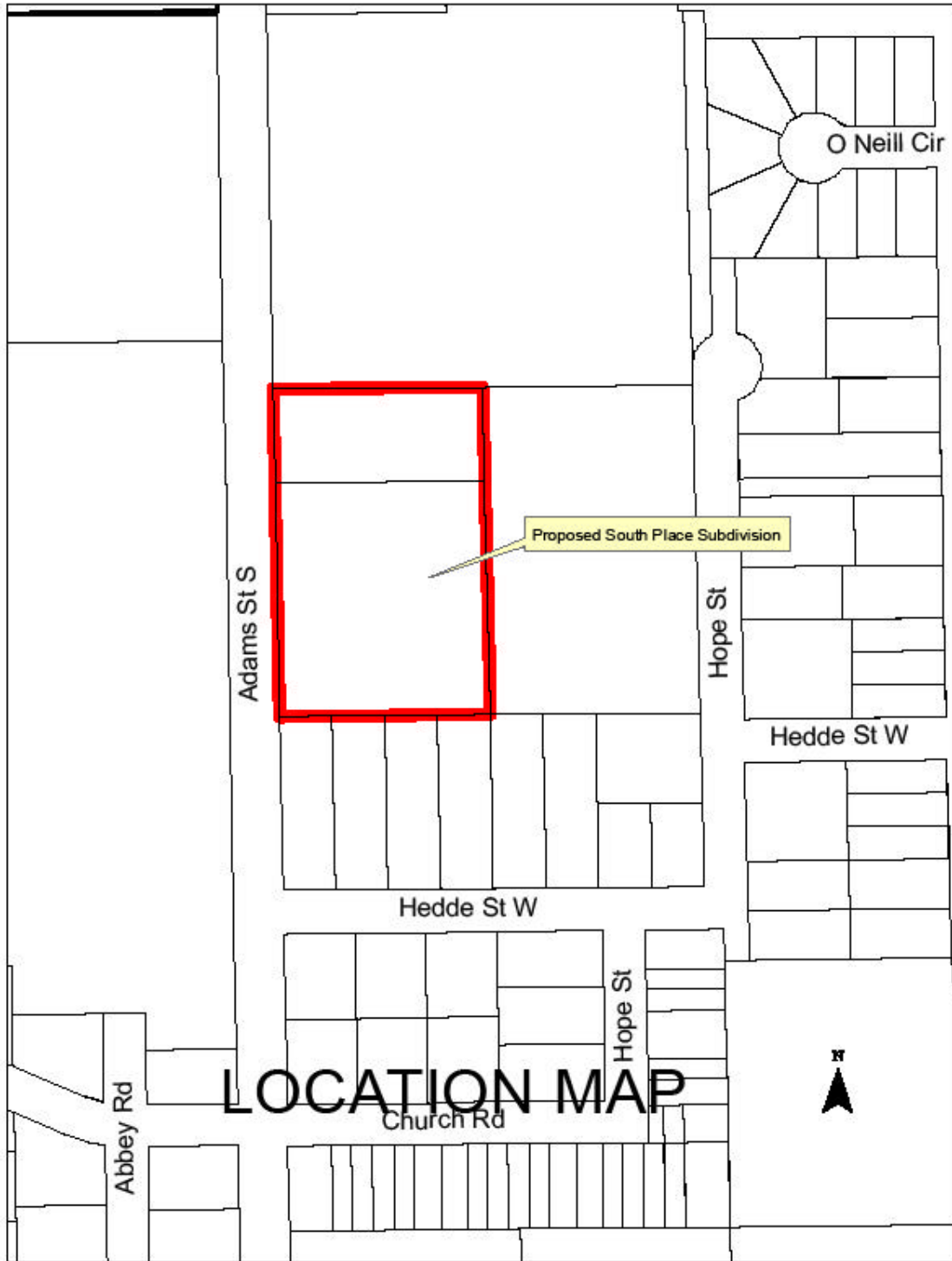
1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue
- 5.

Recommendation

City Administration recommends that the Council approve the final plat as presented.

Sample Motion

Move to approve as recommended.



South Place Subdivision Final Plat Summary

Developer/Owner

Gary Eilenstine
P.O. Box 5755
Grand Island NE 68802

To create 4 lots north of Stolley Park Rd., and east of Adams St, in Grand Island, in Hall County, Nebraska.

Size: 3.135 acres

Zoning: R3 – Medium Density Residential Zone

Road Access: Public City Roads

Water Public: Public water is available

Sewer Public: Public sewer is available



RESOLUTION 2009-118

WHEREAS, Gary Eilenstine, a single person, being the owner of the land described hereon have caused to be laid out into 4 lots, a tract of land comprising a part of East Half of the Northwest Quarter of the Southeast Quarter (E1/2NW1/4SE1/4) of Section Twenty One (21), Township Eleven (11) North, Range Nine (9) West of the 6th P.M., in Grand Island, in Hall County, Nebraska, under the name of SOUTH PLACE SUBDIVISION, and has caused a plat thereof to be acknowledged by it; and

WHEREAS, a copy of the plat of such subdivision has been presented to the Boards of Education of the various school districts in Grand Island, Hall County, Nebraska, as required by Section 19-923, R.R.S. 1943; and

WHEREAS, a form of subdivision agreement has been agreed to between the owner of the property and the City of Grand Island.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the form of subdivision agreement hereinbefore described is hereby approved, and the Mayor is hereby authorized to execute such agreement on behalf of the City of Grand Island.

BE IT FURTHER RESOLVED that the final plat of SOUTH PLACE SUBDIVISION, as made out, acknowledged, and certified, is hereby approved by the City Council of the City of Grand Island, Nebraska, and the Mayor is hereby authorized to execute the approval and acceptance of such plat by the City of Grand Island, Nebraska.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, May 26, 2009.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
May 21, 2009	☐ City Attorney



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item G4

#2009-119 - Approving Acquisition of Utility Easement - East side of Broadwell Avenue from 8th Street south to the alley, west of Jefferson School - School Dist. #2

This item relates to the aforementioned Public Hearing Item E-1.

Staff Contact: Gary R. Mader

RESOLUTION 2009-119

WHEREAS, a public utility easement is required by the City of Grand Island, from Hall County School District No. 2, to survey, construct, inspect, maintain, repair, replace, relocate, extend, remove, and operate thereon, public utilities and appurtenances, including lines and transformers; and;

WHEREAS, a public hearing was held on May 26, 2009, for the purpose of discussing the proposed acquisition of an easement located in Hall County, Nebraska; and more particularly described as follows:

Beginning at the intersection of the easterly line of Broadwell Avenue and southerly line of Eighth Street; thence southerly along the easterly right-of-way line of said Broadwell Avenue, a distance of one hundred fifty and twenty five hundredths (150.25) feet to a point on the southerly line of fractional Lot Three (3), Block Eleven (11), Wallichs Addition to the City of Grand Island, Hall County, Nebraska; thence northeasterly along the southerly line of said Lot Three (3), Block Eleven (11), a distance of five and sixty eight hundredths (5.68) feet; thence northerly, parallel with and five (5.0) feet easterly from the easterly right-of-way line of said Broadwell Avenue, a distance of one hundred fifty and twenty five hundredths (150.25) feet to a point on the southerly right-of-way line of said Eighth Street; thence southwesterly along the southerly right-of-way line of said Eighth Street, a distance of five and sixty eight hundredths (5.68) feet to the intersection of the easterly line of Broadwell Avenue and southerly line of Eighth Street being the Point of Beginning.

The above-described easement and right-of-way containing a total of 0.017 acres, more or less, as shown on the plat dated 5/5/2009, marked Exhibit "A", attached hereto and incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the City of Grand Island be, and hereby is, authorized to acquire a public utility easement from Hall County School District No. 2, on the above-described tract of land.

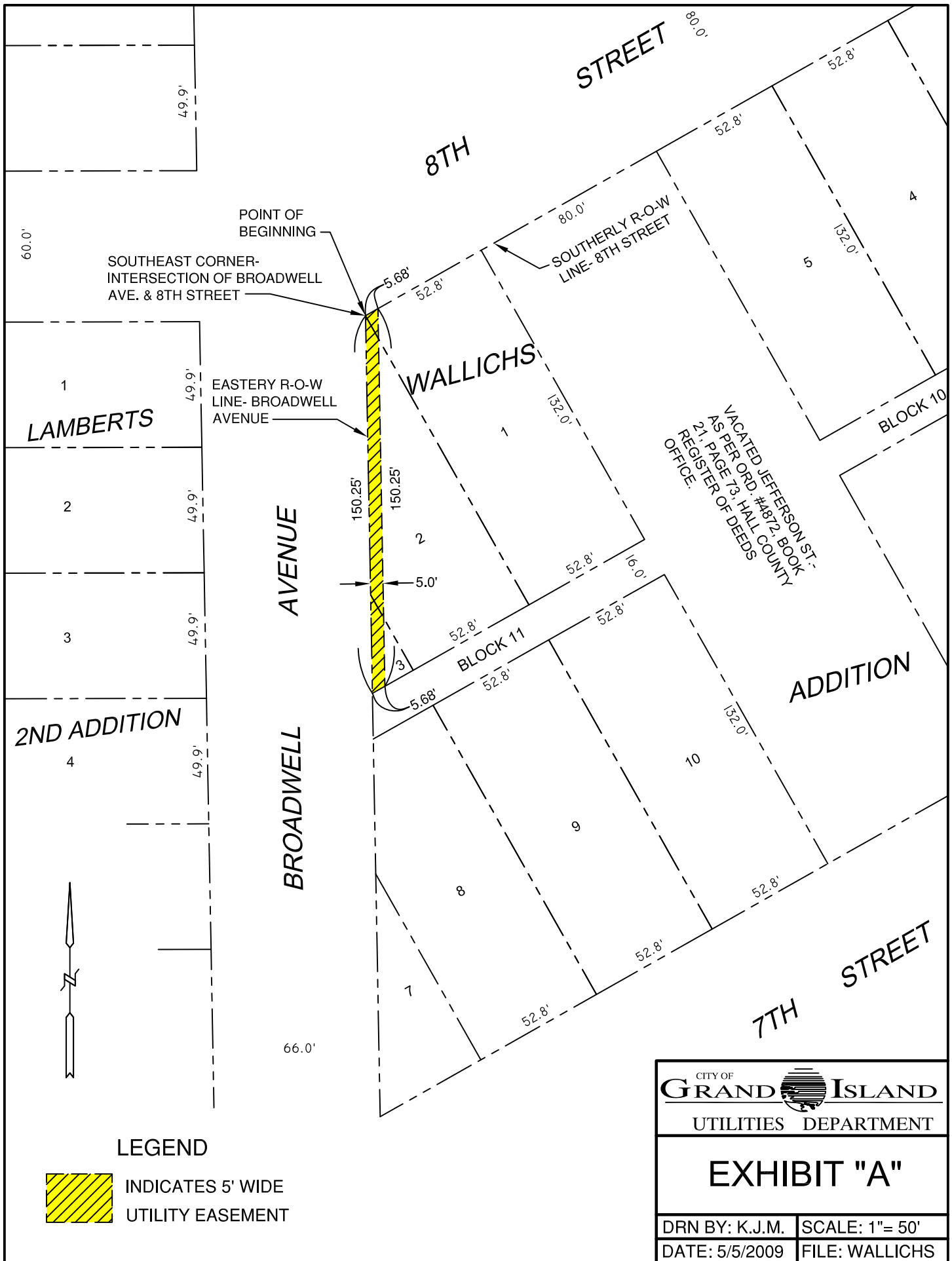
- - -

Adopted by the City Council of the City of Grand Island, Nebraska, May 26, 2009.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk





City of Grand Island

Tuesday, May 26, 2009

Council Session

Item G5

#2009-120 - Approving Bid Award - Water Main Replacement - 1st Street from Pine Street to Plum Street (Water Main Project 2008-W-8)

Staff Contact: Gary R. Mader; Wes Nespor

Council Agenda Memo

From: Gary R. Mader, Utilities Director
Wesley Nespor, Asst. City Attorney/Purchasing

Meeting: May 26, 2009

Subject: Bid Award – Water Main Project 2008-W-8
First Street, Pine Street to Plum Street

Item #'s: G-5

Presenter(s): Gary R. Mader, Utilities Director

Background

An integral part of the early growth of the City was the establishment of the “Waterworks” owned by the City of Grand Island in 1885. It was placed in service one year later and water lines began to be extended to meet the growing demands of the citizens. One of these was a 4” diameter cast-iron main installed in 1909 on the north side of First Street, from Pine Street to Plum Street. At the time of its construction, it represented quality and value for the then foreseeable future.

However, after 100 years of service, the pipe remains in good physical condition but the small diameter does not meet current standards. This section of main needs to be replaced to meet the modern requirements for service, reliability, and fire protection. Water Main Project 2008-W-8 provides for furnishing materials, trenchless installation of a new 8” diameter ductile-iron water main, new water service connections to the residences connected to the old water line, and the abandonment of the existing 4” main.

At the time initial planning was started on this replacement project, it was anticipated that Water Department funding limitations would require the construction to be done in two sections, with a portion of the old water main in First Street being replaced this fiscal year and the remainder in the next fiscal year. A map of the project area showing the two sections is attached for reference. Also during the planning stage, since the project is located within the area designated for community revitalization funds, it was submitted for consideration to the Nebraska Department of Economic Development. Their evaluation deemed the project qualified to be partially funded by a Community Development Block Grant (CDBG).

Discussion

With the potential for construction to span multiple years, contract specifications were prepared to provide for a Base Bid area (in First Street from Sycamore to Plum Street) with Option 1 (to add the section from Pine to Sycamore Street). Bidding documents were submitted to eight firms and advertised in accordance with City Procurement Codes. Three bids were received and publicly opened at 11:00 a.m. on May 14, 2009. The bids are tabulated below:

<i>Bidder</i>	<i>Exceptions</i>	<i>Bid</i>	
General Excavating Lincoln, NE	None	Item C.1, Base Bid:	\$126,864.20
		Item C.2, Option 1:	\$ 36,320.69
		Item C.3, Total:	\$163,184.89
Midlands Contracting, Inc. Kearney, NE	None	Item C.1, Base Bid:	\$164,149.80
		Item C.2, Option 1	\$ 38,833.40
		Item C.3, Total:	\$202,983.20
Diamond Engineering Co. Grand Island, NE	None	Item C.1, Base Bid:	\$198,891.46
		Item C.2, Option 1:	\$ 47,416.00
		Item C.3, Total:	\$246,307.46

The received bids have been reviewed and evaluated. The low bid from General Excavating is complete and without exceptions. Their bid is below the total project estimate of \$396,000, and meets all City contract requirements. Construction funds are available in the FY '08 – '09 Budget.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

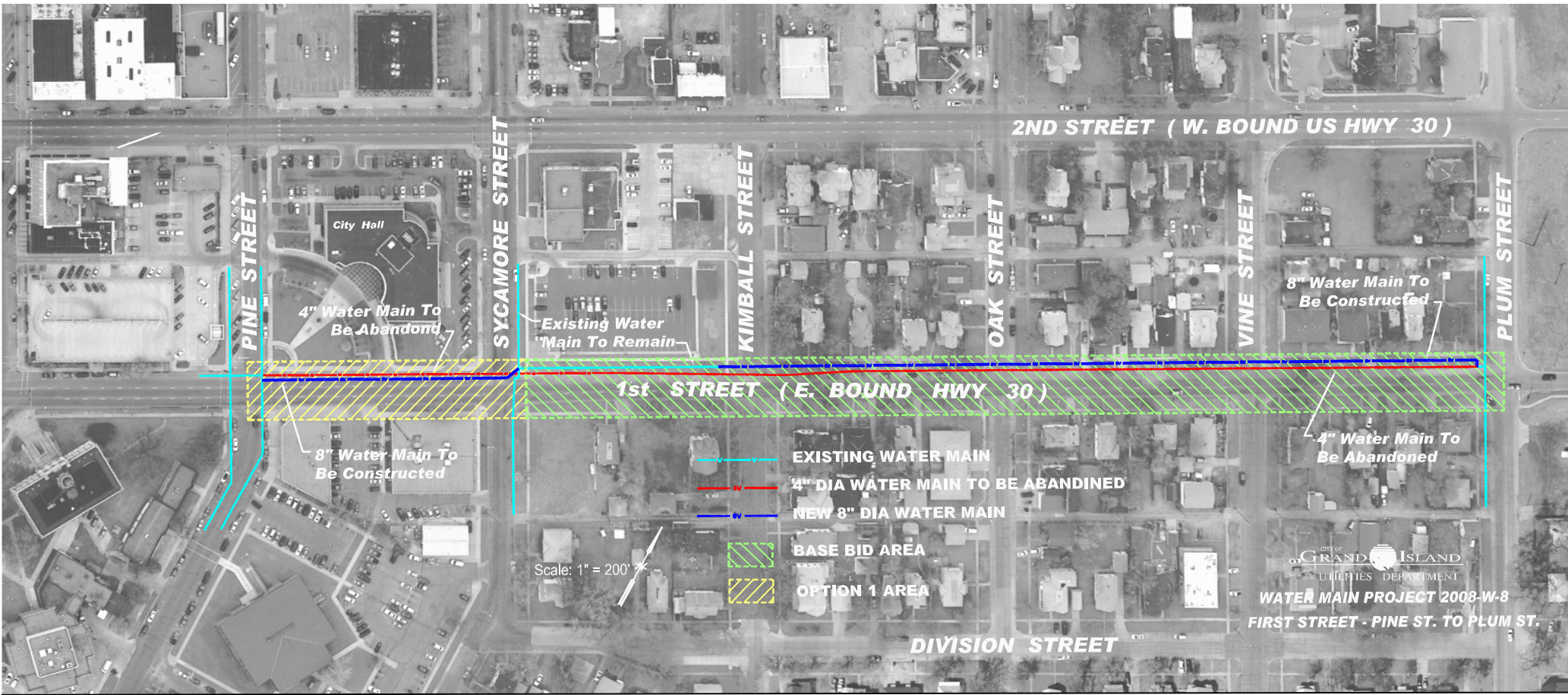
1. Move to approve contract award
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council accept the bids for both the Base Bid and Option 1; awarding the contract for Water Main Project 2008-W-8, to the low responsive bidder, General Excavating, of Lincoln, Nebraska, in the amount of \$163,184.89.

Sample Motion

Make a motion to award the contract for Water Main Project 2008-W-8 to General Excavating of Lincoln, Nebraska, in the amount of \$163,184.89.



Purchasing Division of Legal Department
INTEROFFICE MEMORANDUM



Wes Nespor, Purchasing Agent

*Working Together for a
Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: May 14, 2009 at 11:00 a.m.

FOR: Water Main Project 2008-W-8

DEPARTMENT: Utilities

ESTIMATE: \$396,000.00

FUND/ACCOUNT: 525

PUBLICATION DATE: April 22, 2009

NO. POTENTIAL BIDDERS: 6

SUMMARY

Bidder:	<u>Midlands Contracting, Inc.</u> Kearney, NE	<u>The Diamond Engineering Co.</u> Grand Island, NE
Bid Security:	Travelers Casualty	Universal Surety Co.
Exceptions:	None	None

Bid Price:		
Item C.1 Base Bid:	\$164,149.80	\$198,891.46
Item C.2: Option 1	38,833.40	47,416.00
Item C.3: Total	\$202,983.20	\$246,307.46

Bidder:	<u>General Excavating</u> Lincoln, NE
Bid Security:	Universal Surety Company
Exceptions:	None

Bid Price:	
Item C.1 Base Bid:	\$126,864.20
Item C.2: Option 1	36,320.69
Item C.3: Total	\$163,184.89

R E S O L U T I O N 2009-120

WHEREAS, the City Utilities Department invited sealed bids for water main replacement, in First Street from Pine Street to Plum Street (Water Main Project 2008-W-8); and

WHEREAS, on May 14, 2009, bids were received, opened and reviewed; and

WHEREAS General Excavating of Lincoln, Nebraska, submitted a bid in accordance with the terms of the advertisement of bids and plans and specifications and all other statutory requirements contained therein, such bid being in the amount of \$163,184.89; and

WHEREAS, the bid of General Excavating, of Lincoln, Nebraska, is less than the estimate for replacement of water main in First Street from Pine Street to Plum Street (Water Main Project 2008-W-8).

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of General Excavating, of Lincoln, Nebraska in the amount of \$163,184.89 for replacement of water main in First Street from Pine Street to Plum Street (Water Main Project 2008-W-8) is hereby approved as the lowest responsible bid.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, May 26, 2009.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
May 21, 2009	☐ City Attorney



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item G6

#2009- - Approving Authorization for Emergency Sanitary Sewer Repairs on Koenig Street, Between Oak Street and Vine Street

Staff Contact: Steven P. Riehle, Public Works Director

Council Agenda Memo

From: Steven P. Riehle, Public Works Director

Meeting: May 26, 2009

Subject: Approving Authorization for Emergency Sanitary Sewer Repairs on Koenig Street, Between Oak Street and Vine Street

Item #'s: G-6

Presenter(s): Steven P. Riehle, Public Works Director

Background

Emergency sanitary sewer repairs are needed for a collapsing sanitary sewer line on Koenig Street, between Oak Street and Vine Street.

Discussion

The Diamond Engineering Company of Grand Island, Nebraska was hired at a maximum amount of \$35,000.00 to effect the necessary repairs. Contact was made with two other contractors, O'Hara Plumbing Company and Starostka Group, both of Grand Island, Nebraska, and neither was available to do the job.

Midlands Contracting, Inc. of Kearney, Nebraska will also be lining the 198 feet of sanitary sewer pipe between Oak and Vine Streets for a total cost of \$7,494.50.

The Diamond Engineering Company will be paid based on time and materials actually incorporated into the repair work, with a maximum of \$35,000.00. We are requesting permission to use the emergency procurement procedures as outlined in Section 27-13 of the City Code.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve usage of the City's Emergency Procurement Procedures and pass a resolution authorizing The Diamond Engineering Company of Grand Island, Nebraska to perform the repairs and Midlands Contracting, Inc. of Kearney, Nebraska to line the 198 feet of sanitary sewer pipe.

Sample Motion

Motion to approve the usage of the City's Emergency Procurement Procedures and authorize The Diamond Engineering Company of Grand Island, Nebraska to perform the repairs and Midlands Contracting, Inc. of Kearney, Nebraska to line the 198 feet of sanitary sewer pipe.

RESOLUTION 2009-121

WHEREAS, the Wastewater Division of the Public Works Department needed to perform an emergency sanitary sewer repair and sewer pipe lining on Koenig Street between Oak Street and Vine Street; and

WHEREAS, the estimated cost is \$42,494.50.00 (actual cost based on time and materials); and

WHEREAS, The Diamond Engineering Company of Grand Island, Nebraska has been requisitioned to do said repairs; and

WHEREAS, Midland Contractors, Inc. of Kearney, Nebraska has been requisitioned to line the 198 feet of sanitary sewer pipe; and

WHEREAS, two other contractors were contacted for quotes and they were unavailable to perform the work in a timely manner.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the sanitary sewer repair on Koenig Street between Oak Street and Vine Street by The Diamond Engineering Company of Grand Island, Nebraska, at a maximum cost of \$35,000.00 is hereby approved.

BE IT FURTHER RESOLVED, that the lining of the 198 feet of sanitary sewer pipe by Midlands Contracting, Inc. of Kearney, Nebraska, at a maximum cost of \$7,494.50 is hereby approved.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized and directed to execute purchase orders for the repair and lining projects on behalf of the City Of Grand Island.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, May 26, 2009.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
May 21, 2009	☐ City Attorney



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item G7

**#2009- - Approving Certificate of Final Completion for Storm
Drainage Project No. 2009-D-1; Cottonwood Lake Silt Structures**

Staff Contact: Steven P. Riehle, Public Works Director

Council Agenda Memo

From: Steven P. Riehle, Public Works Director

Meeting: May 26, 2009

Subject: Approving Certificate of Final Completion for Storm Drainage Project No. 2009-D-1; Cottonwood Lake Silt Structures

Item #'s: G-7

Presenter(s): Steven P. Riehle, Public Works Director

Background

The Diamond Engineering Company of Grand Island, Nebraska was awarded a \$25,673.32 contract for the above project on January 13, 2009. The contract was for the installation of silt structures that are designed to catch silt in the storm drainage system before it outlets into Cottonwood Lake. Work commenced on April 7, 2009 and was completed on May 1, 2009.

Discussion

The project was completed in accordance with the terms, conditions, and stipulations of the contract, plans, and specifications. It was completed for the contract amount of \$25,673.32.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the Certificate of Final Completion for Storm Drainage Project No. 2009-D-1; Cottonwood Lake Silt Structures.

Sample Motion

Motion to approve the Certificate of Final Completion for Storm Drainage Project No. 2009-D-1; Cottonwood Lake Silt Structures.

ENGINEER'S CERTIFICATE OF FINAL COMPLETION

Storm Drainage Project No. 2009-D-1
Cottonwood Lake Silt Structures
CITY OF GRAND ISLAND, NEBRASKA
May 26, 2009

TO THE MEMBERS OF THE COUNCIL
CITY OF GRAND ISLAND
GRAND ISLAND, NEBRASKA

This is to certify that Storm Drainage Project No. 2009-D-1 has been fully completed by The Diamond Engineering Company of Grand Island, Nebraska under the contract dated January 13, 2009. The work has been completed in accordance with the terms, conditions, and stipulations of said contract and complies with the contract, the plans and specifications. The work is hereby accepted for the City of Grand Island, Nebraska, by me as Public Works Director in accordance with the provisions of Section 16-650 R.R.S., 1943.

Storm Drainage Project No. 2009-D-1

<u>No.</u>	<u>Description</u>	<u>Unit</u> <u>Price</u>	<u>Unit</u>	<u>Total</u> <u>Quantity</u>	<u>Total</u> <u>Cost</u>
1.	Special Junction Box No. 1	\$7,914.53	ea.	1.00	\$7,914.53
2.	Special Junction Box No. 2	\$8,089.43	ea.	1.00	\$8,089.43
3.	Special Junction Box No. 3	\$4,082.06	ea.	1.00	\$4,082.06
4.	Special Junction Box Extra Depth	\$534.67	v.f.	10.45	\$5,587.30

Original Project Total					\$25,673.32

I hereby recommend that the Engineer's Certificate of Final Completion for Storm Drainage Project No. 2009-D-1 be approved.

Steven P. Riehle – City Engineer/Public Works Director

Margaret Hornady – Mayor

RESOLUTION 2009-122

WHEREAS, the City Engineer/Public Works Director for the City of Grand Island has issued a Certificate of Completion for Storm Drainage Project No. 2009-D-1; Cottonwood Lake Silt Structures, certifying that The Diamond Engineering Company of Grand Island, Nebraska, under contract, has completed the silt structure installation; and

WHEREAS, the City Engineer/Public Works Director recommends the acceptance of the project; and

WHEREAS, the Mayor concurs with the recommendation of the City Engineer/Public Works Director; and

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Certificate of Final Completion for Storm Drainage Project No. 2009-D-1; Cottonwood Lake Silt Structures, is hereby confirmed.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, May 26, 2009.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item G8

**#2009- - Approving Certificate of Final Completion for Handicap
Ramp Project No. 2008-2**

Staff Contact: Steven R. Riehle, Public Works Director

Council Agenda Memo

From: Steven P. Riehle, Public Works Director

Meeting: May 26, 2009

Subject: Approving Certificate of Final Completion for Handicap Ramp Project No. 2008-2

Item #'s: G-8

Presenter(s): Steven P. Riehle, Public Works Director

Background

Galvan Construction, Inc. of Grand Island, Nebraska was awarded a \$98,787.60 contract for the above project on September 23, 2008. The contract was for the installation of handicap ramps, in conjunction with asphalt street resurfacing in accordance with Federal ADA (Americans with Disabilities Act) regulations. Work commenced on March 20, 2009 and was completed on April 24, 2009.

Discussion

The project was completed in accordance with the terms, conditions, and stipulations of the contract, plans, and specifications. It was completed with an overrun of \$5,675.48, for a total cost of \$104,463.08.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the Certificate of Final Completion for Handicap Ramp Project No. 2008-2.

Sample Motion

Motion to approve the Certificate of Final Completion for Handicap Ramp Project No. 2008-2.

ENGINEER'S CERTIFICATE OF FINAL COMPLETION

Sanitary Sewer Project No. 2008-2
CITY OF GRAND ISLAND, NEBRASKA
May 26, 2009

TO THE MEMBERS OF THE COUNCIL
CITY OF GRAND ISLAND
GRAND ISLAND, NEBRASKA

This is to certify that Handicap Ramp Project No. 2008-2 has been fully completed by Galvan Construction, Inc. of Grand Island, Nebraska under the contract dated September 29, 2008. The work has been completed in accordance with the terms, conditions, and stipulations of said contract and complies with the contract, the plans and specifications. The work is hereby accepted for the City of Grand Island, Nebraska, by me as Public Works Director in accordance with the provisions of Section 16-650 R.R.S., 1943.

Handicap Ramp Project No. 2008-2

<u>No.</u>	<u>Description</u>	<u>Unit</u> <u>Price</u>	<u>Unit</u>	<u>Total</u> <u>Quantity</u>	<u>Total</u> <u>Cost</u>
1.	Remove 4" Walk w/ Wire	\$ 2.50	s.f.	2033.67	\$ 5,084.18
2.	Remove 4" Walk (no wire)	\$ 2.25	s.f.	6313.85	\$ 14,206.16
3.	Remove Vertical Curb	\$ 2.50	l.f.	953.78	\$ 2,384.45
4.	Remove 24" Curb & Gutter	\$ 5.50	l.f.	472.17	\$ 2,596.94
5.	Remove 6" Pavement	\$ 20.00	s.y.	12.47	\$ 249.40
6.	Remove 8" Pavement	\$ 30.00	s.y.	4.93	\$ 147.90
7.	Saw Cut	\$ 3.50	l.f.	1656.30	\$ 5,797.05
8.	Place 4" Walk	\$ 3.00	s.f.	8497.15	\$ 25,491.45
9.	Build Vertical 6" Curb	\$ 10.00	l.f.	953.78	\$ 9,537.80
10.	Build 24" Curb & Gutter	\$ 17.50	l.f.	472.20	\$ 8,263.50
11.	Replace 6" Pavement	\$ 30.00	s.y.	11.39	\$ 341.70
12.	Replace 8" Pavement	\$ 35.00	s.y.	4.93	\$ 172.55
13.	Adjust Water Valve	\$100.00	ea.	10.00	\$ 1,000.00
14.	Adjust Inlet Cover	\$150.00	ea.	1.00	\$ 150.00
15.	Place 2x2 Dome Panels	\$165.00	ea.	176.00	\$ 29,040.00

Original Project Total

\$104,463.08

I hereby recommend that the Engineer's Certificate of Final Completion for Handicap Ramp Project No. 2008-2 be approved.

Steven P. Riehle – City Engineer/Public Works Director

Margaret Hornady – Mayor

RESOLUTION 2009-123

WHEREAS, the City Engineer/Public Works Director for the City of Grand Island issued a Certificate of Completion for Project No. 2008-2, installation of Handicap Ramps, certifying that Galvan Construction, Inc. of Grand Island, Nebraska, under contract, has completed the handicap ramp installation; and

WHEREAS, the City Engineer/Public Works Director recommends the acceptance of the project; and

WHEREAS, the Mayor concurs with the recommendation of the City Engineer/Public Works Director; and

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Certificate of Final Completion for Project No. 2008-2, installation of Handicap Ramps, is hereby confirmed.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, May 26, 2009.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item G9

#2009-124- Approving Payment to Pheasants Forever

Staff Contact: Steve Paustian

Council Agenda Memo

From: Steve Paustian, Parks Director
Meeting: May 26, 2009
Subject: Approving Payment to Pheasants Forever
Item #'s: G-9
Presenter(s): Steve Paustian, Parks Director

Background

The City entered into an agreement with Pheasants Forever and the Soil Conservation Service to develop habitat for upland game birds on buffer areas at the Heartland Public Shooting Park.

Discussion

Seed was purchased by a representative of Pheasants Forever for planting at the HPSP. This representative did not follow City purchasing requirements. I had informed him prior to this activity that certain purchasing rules must be followed. I have spoken with him again and explained the process again to him. As this is a reimbursement program the City must pay the bill and then will be eligible for reimbursement of the costs.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends approve the payment of the bill to Pheasants Forever in the amount of \$4,421.98, to be reimbursed to the City at a later date.

Sample Motion

Motion to approve the resolution authorizing the City to pay Pheasants Forever for seed planted at the HPSP.

RESOLUTION 2009 - 124

WHEREAS, the City of Grand Island entered into a contract with Pheasants Forever to develop and plant game bird habitat; and

WHEREAS, April 8, 2009, seed was purchased by Pheasants Forever in the amount of \$4,421.98 to be planted at the Heartland Public Shooting Park; and

WHEREAS, the City must pay the bill to Pheasants Forever for later reimbursement.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bill of \$4,421.98 owed to Pheasants Forever be paid for later reimbursement.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, May 26, 2009.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item G10

#2009-125 - Approving Bid Award for a Used Articulated Loader

Staff Contact: Steve Paustian

Council Agenda Memo

From: Steve Paustian, Parks Director

Meeting: May 26, 2009

Subject: Approving Bid Award for One Used Articulated Loader

Item #'s: G-10

Presenter(s): Steve Paustian, Parks Director

Background

On May 9, 2009 the Park and Recreation Department, Heartland Public Shooting Park Division advertised for bids for the purchase of 1 used articulated loader for the Heartland public Shooting Park.

Discussion

The articulated loader is similar to one that has been borrowed many times over the years from a volunteer. The efficiencies of borrowing this piece of equipment or renting other similar pieces is very inefficient and costly. To this end funds were budgeted in the 2008-09 budget for the purchase of this piece of equipment. Fund number 10044801 85615 Machinery and Equipment has \$35,000.00 budgeted for this purchase.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends approval of the purchase of the used articulated loader from Fairbank Equipment of Grand Island in the amount of \$25,000.00..

Sample Motion

Motion purchase used articulated loader from Fairbank Equipment.

RESOLUTION 2009 - 125

WHEREAS, the City of Grand Island invited sealed bids for a Used Articulated Loader, according to plans and specifications on file with the Parks and Recreation Department, Heartland Public Shooting Park; and

WHEREAS, on May 18, 2009, bids were received, opened and reviewed; and

WHEREAS, Fairbanks Equipment of Nebraska from Grand Island, Nebraska, submitted a bid in accordance with the terms of the advertisement of bids, plans and specifications and all other statutory requirements contained therein, such bid being in the amount of \$25,000.00.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Fairbanks Equipment of Nebraska from Grand Island, Nebraska, in the amount of \$25,000.00 for a Used Articulated Loader is hereby approved as the lowest responsible bid.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, May 26, 2009.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
May 21, 2009	☐ City Attorney



City of Grand Island

Tuesday, May 26, 2009

Council Session

Item J1

Approving Payment of Claims for the Period of May 13 2009 through May 26, 2009

The Claims for the period of May 13, 2009 through May 26, 2009 for a total amount of \$2,610,784.92 A MOTION is in order.

Staff Contact: David Springer