

City of Scottsbluff, Nebraska

Monday, April 4, 2016

Regular Meeting

Item Reports3

Council to consider an Agreement with the City of Gering for the joint purchase of a valve turning maintenance trailer and authorize the Mayor to execute the agreement.

Staff Contact: Nathan Johnson, Assistant City Manager

Agenda Statement

Item No.

For meeting of: April 4, 2016

AGENDA TITLE: Council to consider an Agreement with the City of Gering for the joint purchase of a valve turning maintenance trailer.

SUBMITTED BY DEPARTMENT/ORGANIZATION: Public Works Department

PRESENTATION BY: Nathan Johnson, Interim City Manager

SUMMARY EXPLANATION: Our capital improvements budget this year includes funding for the joint purchase of a valve turning maintenance trailer with the City of Gering. Legal has provided us with a proposed Agreement that establishes the joint ownership, use, maintenance and insurance needs for this purchase.

BOARD/COMMISSION RECOMMENDATION:

STAFF RECOMMENDATION: That Council approve the Agreement between the Cities of Scottsbluff and Gering and authorize the Mayor to sign it.

EXHIBITS

Resolution ☐ Ordinance ☐ Contract ☐ Minutes ☐ Plan/Map ☐

Other (specify) ☒ Agreement _____

NOTIFICATION LIST: Yes ☐ No ☐ Further Instructions ☐

APPROVAL FOR SUBMITTAL: _____
City Manager

Rev 3/1/99CClerk

AGREEMENT

THIS AGREEMENT entered into by and between CITY OF SCOTTSBLUFF, NEBRASKA, a Municipal Corporation (herein "Scottsbluff"), and CITY OF GERING, NEBRASKA, a Municipal Corporation (herein "Gering").

RECITALS

1. Scottsbluff and Gering desire to purchase a used valve turning maintenance trailer to be held in common but used separately. The phrase valve turning maintenance trailer as used in this Agreement refers to the valve turning maintenance trailer (herein "Equipment") to be purchased and operated pursuant to this Agreement and the Interlocal Cooperation Act.

NOW, THEREFORE, it is agreed as follows:

I.

Contract with Bidder; Payment

1. Joint Solicitation of Written Quotations. Scottsbluff and Gering, acting jointly, will solicit written quotations for this Equipment. The specifications shall be as the Cities have previously agreed. If the Cities are unable to agree as to which written quotation should be accepted, then the Cities, acting jointly, will reject all written quotations. If Scottsbluff and Gering do agree as to which written quotation should be accepted, then Scottsbluff and Gering, as joint purchasers, shall enter into a contract with the successful bidder to purchase the Equipment.
2. Payment. At the time for payment of the purchase price to seller, Scottsbluff shall pay 50 percent of the purchase price and Gering shall pay 50 percent of the purchase price.

II.

Ownership, Maintenance and Administration

1. Ownership. Scottsbluff and Gering shall own the Equipment in common. Scottsbluff's interest shall be 50 percent; Gering's interest shall be 50 percent.
2. Administration. The Water Supervisor for Scottsbluff and the Water Supervisor for Gering shall jointly administer this Agreement.
3. Maintenance.
 - a. Work. All maintenance work on the Equipment shall be done, or caused to be done, by Gering. A particular job exceeding \$500.00 in cost shall not be done without prior approval of Scottsbluff's Water Supervisor.

- b. Cost. The cost of all such maintenance on the Equipment shall be borne by each City in the share of 50 percent to Scottsbluff and 50 percent to Gering. This paragraph shall be subject to the provisions of paragraph IV (1) (a). Gering shall invoice Scottsbluff for Scottsbluff's share of the maintenance expense each time maintenance is performed on the Equipment, and Scottsbluff shall pay the amount thereof to Gering within thirty (30) days after the date of invoice.
 - c. Records. Gering shall maintain records of all such maintenance of the cost thereof, and of each City's respective share of the cost.
4. Levy. Neither Scottsbluff nor Gering levy, collect or account for any additional tax under this Agreement.

III.

Use

1. Duration. Both Cities shall have the right to use the Equipment whenever necessary. When one City desires to use the Equipment while it is in the possession of the other City, the City desiring to use it shall make an oral request of the Water System Supervisor or their designee to deal with such matters. The request will be made twenty-four hours before possession is desired. IF both Cities desire to use the Equipment at the same time, each City agrees to make a good faith effort to schedule its work in such a fashion that the Equipment is available to both Cities.
2. Storage. Whichever City is using, or had most recently used the valve turning maintenance trailer, that City will provide storage for the unit.

IV.

Liability; Insurance

1. Liability.
 - a. Damage to the Equipment. The City having possession of the Equipment shall be liable to the other City for any damage to such Equipment which is caused by a negligent act or omission of any employee or office of the City, occurring while such City has possession of the Equipment.
 - b. Damage to Third Parties. The City having possession of the Equipment shall be solely liable for any damage or injury to the person or property of the third parties (including employees and officers of such City) which is caused by a negligent act or omission of any employee or officer of such City, and such City holds the other City harmless from all, or any part, of such liability and the expenses of defending against any such claims of third parties.

- c. Possession; Defined. For purposes of the foregoing provisions of Part IV of this Agreement, the term “possession” shall mean and include, not only actual possession of the City, but also constructive possession or the relationship of the City as bailor in situations in which the unit is in the actual possession of a third person for purposes of storage or repair.
2. Insurance.
 - a. General. Comprehensive insurance on the Equipment shall be maintained in an amount of not less than the purchase price. Public liability insurance shall be maintained in an amount of not less than \$1,000,000.00. Scottsbluff will purchase and carry the insurance on the Equipment and will list Gering as an additional insured. Scottsbluff will invoice Gering for one-half of the cost of all insurance. Gering agrees to pay the amount of the invoice within thirty (30) days after the date of the invoice.
 - b. Costs. The cost of such insurance shall be prorated between Scottsbluff and Gering in the same proportion as the expense of the maintenance of the Equipment as provided for hereinabove.
 - c. Details. Details concerning the forms which such policy(s) of insurance shall take, and arrangements for payment therefor shall be agreed upon by the respective City Manager of Scottsbluff and the City Administrator of Gering, subject to mutual approval by the City Councils of Scottsbluff and Gering.
 - d. Workers’ Compensation. Each City shall maintain at all times, at its expense, workers’ compensation insurance on all of its employees who operate or perform any work on the Equipment.
3. Licensing. If licensing is required, fees for the licensing shall be prorated between Scottsbluff and Gering in the same proportion as the expense of the maintenance of the unit as provided for hereinabove.

V.

Term and Duration of Agreement

1. General. This Agreement shall commence on the date it is executed by the last party to the Agreement and shall continue until terminated. .
2. Termination. Either City, pursuant to motion or resolution of its City Council, may terminate this Agreement effective twelve (12) months after the mailing by certified mail or delivery of a written notice to the other City signed by the City Clerk of the notifying City. Provided, such termination shall not affect either City’s ownership or an undivided interest in the Equipment. Not later than sixty (60) days after the effective

date of termination, each City shall render to the other an accounting concerning all matters covered by the Agreement, and within thirty (30) days thereafter, the City which under such Agreement, shall be found to be indebted to the other in a net amount, shall pay such net amount to the other City within thirty (30) days of determination of the net amount. Upon termination of this Agreement Scottsbluff at its option, may acquire sole ownership of the Equipment by paying Gering the fair market value of Gering's interest. If Scottsbluff does not choose to purchase or become the sole owner of the Equipment, Gering may at its option, purchase Scottsbluff's interest in it. If the Cities are not able to agree on the fair market value of the Equipment, Scottsbluff shall designate an appraiser, Gering shall designate an appraiser, those two appraisers shall designate a third appraiser, each appraiser shall make an independent appraisal of the Equipment, the three appraisals shall be added and then divided by three and the dividend shall be deemed to be the fair market value.

VI.

Assignment

Neither City may assign its interest in this Agreement without the consent in writing of the other City pursuant to authorization by the City Council of the latter City. Nor may either City assign its interest in the Equipment during the term of this Agreement without such consent of the other City. After the effective date of termination of this Agreement, either City may assign its interest, if any, in the Equipment, but only after thirty (30) days' notice to the other City of the term of the proposed assignment, during which period the latter City may, prior to the expiration of such period, acquire such interest upon the same terms as the proposed assignment to a third party.

IN WITNESS WHEREOF, Scottsbluff and Gering, pursuant to authorization of their respective City Councils, have hereunto set their corporate hands and seals.

[SIGNATURE PAGE WILL FOLLOW]

CITY OF SCOTTSBLUFF, NEBRASKA

By _____

Mayor

Date _____

ATTEST:

City Clerk

(Seal)

CITY OF GERING, NEBRASKA

By _____

Mayor

Date _____

ATTEST:

City Clerk

(Seal)