

MCCOOK CITY COUNCIL

REGULAR MEETING

Monday, November 21, 2022
5:30 PM - City Council Chambers

Roll Call.

Excuse Absences.

Open Meetings Act Announcement.

Invocation - McCook Ministerial Association - Lisa Mensinger, Our Saviors Lutheran Church.

Pledge of Allegiance.

Call to Order.

Items.

1. Announcements & Recognitions.
2. Public Hearings.
 - A. Public Hearing - Regarding a Redevelopment Plan for the Engineering International Redevelopment Project in the City of McCook, Nebraska.
 1. Adjourn the Public Hearing.
3. Engineering International Redevelopment Plan, cost benefit analysis, and Redevelopment Agreement.
 - A. Meeting of the Community Development Agency - recess as City Council and convene meeting.
 1. Call to Order and Roll Call.
 2. Open Meetings Act Announcement.
 3. Adopt Resolution No. CDA 2022-05 recommending approval of a Redevelopment Plan for the Engineering International Redevelopment Project to the McCook City Council and adopt a Cost Benefit Analysis for the Redevelopment Project in the Redevelopment Plan.
 4. Recess as a Community Development Agency.
 - B. Adopt Resolution No. 2022-20 approving a Redevelopment Plan for the City of McCook, Nebraska, including the Engineering International Redevelopment Project.
 1. Recess as a City Council.
 - C. Adopt Resolution No. CDA 2022-06 authorizing and approving a Redevelopment Agreement including the use of Tax Increment Financing for the Engineering International Redevelopment Project.
 1. Adjourn the McCook Community Development Agency.

- D. Adopt Resolution No. 2022-21 approving the Redevelopment Agreement between the City of McCook/CDA and Restored Homes, LLC.
- 4. Consent Agenda.
 - *The Consent Agenda is approved on one motion. Any item listed on the Consent Agenda may, by the request of any single Council member or public in attendance, be considered as a separate item under the Regular Agenda.*
 - A. Approve the minutes of the November 7, 2022 regular City Council meeting.
 - B. Receive and file the claims for the month of October 2022, published November 17, 2022.
 - C. Approve the application for a Special Designated Liquor License submitted by Uppa Crik Hops LLC, Liquor License #CKG-123586, for a wedding reception to be held at the McCook Municipal Auditorium, 302 West 5th Street, on December 31, 2022 from 4:00 P.M. to 12:00 A.M.
 - D. Accept the minutes of the September 14, 2022 Library Advisory Board and the November 14, 2022 Planning Commission meetings.
 - E. Receive and file the Financial Report for the period ending September 30, 2022.
 - F. Receive an update on the installation of welcoming signs at the entrances coming into McCook.
 - G. Approve an Abandonment of Utility Line Agreement between the City of McCook and Siegfried Holdings, LLC, for property located in Block 4, Armory Addition to the City of McCook.
 - H. Approve Resolution No. 2022-18 amending and updating the City of McCook's Employee Handbook.
 - I. Authorize City Manager Nathan A, Schneider to sign a Memorandum of Understanding between the City of McCook and the McCook Professional Firefighters Association, Local 2100, allowing for two additional holidays to be added per the Collective Bargaining Agreement.
- 5. Regular Agenda.
 - A. Ordinance No. 2022-3057 providing for the creation of a land bank, defining the land bank procedure, providing for the authority to use the land bank in property nuisance abatement, and defining the problem resolution team.
 - 1. Chairperson asks Clerk to read Ordinance by title.
 - 2. Consider statutory rule requiring reading on three separate occasions be suspended. Motion to suspend the rule must be adopted by three-fourths of the Council.
 - 3. Final passage of Ordinance No. 2022-3057.
 - 4. Chairperson declaration after vote, if approved.
 - B. Approve Resolution No, 2022-19 approving the Interlocal Agreement approving the Southwest Nebraska Land Bank and authorize the Mayor to sign.
 - C. Ordinance No. 2022-3058 authorizing and imposing an additional one half of one percent (0.50%) city sales and use tax as approved by a majority of the qualified electors of the City of McCook at the general election held on November 8, 2022.
 - 1. Chairperson asks Clerk to read Ordinance by title.

2. Consider statutory rule requiring reading on three separate occasions be suspended. Motion to suspend the rule must be adopted by three-fourths of the Council.
3. Final passage of Ordinance No. 2022-3058.
4. Chairperson declaration after vote, if approved.

D. Council Comments.

Adjournment.

**CITY MANAGER'S REPORT
NOVEMBER 21, 2022 MCCOOK CITY COUNCIL MEETING**

ITEM NO. 2.A Public Hearing - Regarding a Redevelopment Plan for the Engineering International Redevelopment Project.

BACKGROUND:

Engineering International has filed an application for the City of McCook to consider a Redevelopment Plan pursuant to the Nebraska Community Development Law codified at Neb. Rev. Stat. 18-2101 through 18-2155. As a potential project that falls under the Nebraska Community Development Law, the State of Nebraska requires a public hearing to be held to discuss the Redevelopment Plan associated with the proposed project. The proposed project contemplates improving a building located at 410 East B Street in McCook. The Redevelopment Plan addresses how the project will comply with the City of McCook's Comprehensive Plan and the State of Nebraska's Community Development Law. The Redevelopment Plan includes a Cost Benefit Analysis that outlines the anticipated financial results of the project. Approval of the Redevelopment Plan is a prerequisite to Tax Increment Finance (TIF) assistance.

A public hearing was held regarding the Redevelopment Plan at the Planning Commission level. The Planning Commission unanimously recommended approval of the Plan.

APPROVALS:

prepared by

November 15, 2022

Nathan A. Schneider, City Manager

Lea Ann Doak

November 15, 2022

Lea Ann Doak, City Clerk

EXHIBIT #1

PAGE(S) - 1

NOTICE OF PUBLIC HEARINGS

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The purpose of the hearings is to obtain public comment prior to the review and consideration of a proposed amendment to the redevelopment plan for the City of McCook, which amendment shall include a redevelopment project that will utilize tax increment financing.

The property which is the subject of this Notice and of the public hearings is located at 410 East "B" Street in McCook, Nebraska and legally described as follows:

Lot One (1) and the East Ninety feet (E90') of Lots Two (2) and Three (3)
EXCEPT 634.57 square feet to the Department of Roads, Block Twenty-six (26),
First Addition to the City of McCook, Red Willow County, Nebraska

All interested parties shall be afforded at such public hearings a reasonable opportunity to express their views regarding the proposed redevelopment plan amendment. A map of the redevelopment area and a copy of the cost-benefit analysis for the proposed project shall be maintained at the office of the City Clerk.

-s- Lea Ann Doak, City Clerk

Publish: October 28 and November 4, 2022.

COPY OF NOTICE MAILED TO:

McCook Community College
President
1205 East 3rd
McCook, NE 69001

Chairman of the Board
Educational Service Unit No 15
344 Main
PO Box 398
Trenton, NE 69044

Chairman of the Board
Middle Republican NRD
208 Center Ave
PO Box 81
Curtis, NE 69025

Chairman of the Board
Red Willow County Commissioners
502 Norris Avenue
McCook, NE 69001

Board President
McCook School District
600 West 7th
McCook, NE 69001

EXHIBIT #3

PAGE(S) - 6

November 4, 2022

CERTIFIED MAIL

McCook Community College
President
1205 East 3rd
McCook, NE 69001

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Respectfully,

Lea Ann Doak
City Clerk

November 4, 2022

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Chairman of the Board
Educational Service Unit No 15
PO Box 398 - 344 Main
Trenton, NE 69044

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Lea Ann Doak
City Clerk

November 4, 2022

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Chairman of the Board
Middle Republican NRD
PO Box 81 - 208 Center Ave
Curtis, NE 69025

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Red Willow County Commissioners
502 Norris Avenue
McCook, NE 69001

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City Clerk

November 4, 2022

Board President
McCook School District
600 West 7th
McCook, NE 69001

CERTIFIED MAIL

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Respectfully,

Lea Ann Doak
City Clerk

**REDEVELOPMENT PLAN FOR THE
ENGINEERING INTERNATIONAL REDEVELOPMENT PROJECT
IN THE CITY OF MCCOOK, NEBRASKA**

Introduction

The City of McCook, Nebraska ("City") has undertaken a plan of redevelopment within a certain redevelopment area in the City identified as Redevelopment Area #3 (the "Redevelopment Area"). A Blight and Substandard Determination Study for the Redevelopment Area was prepared in January, 2013 by Hanna:Keelan Associates, P.C., and the Redevelopment Area was declared blighted and substandard in January, 2013. This Redevelopment Plan is a project-specific redevelopment plan and shall serve as the guide for the implementation of redevelopment activities on the Project Site, as defined herein, which is located in the Redevelopment Area.

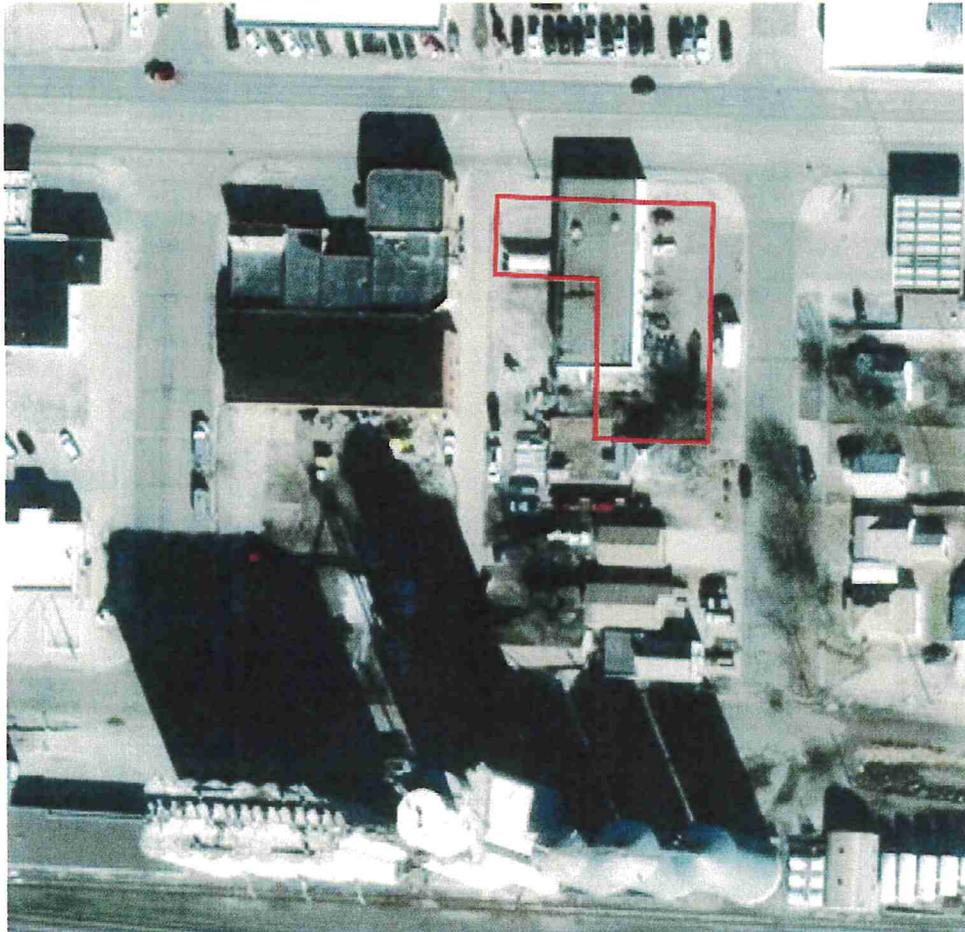
Pursuant to the Nebraska Community Development Law codified at Neb. Rev. Stat. §§ 18-2101 through 18-2155 (the "Act"), the City created the Community Development Authority of the City of McCook ("CDA"), which has administered the overall plan of redevelopment for the City. The purpose of this Redevelopment Plan is to identify specific property within the Redevelopment Area that is in need of redevelopment to cause the removal of blight and substandard conditions identified as the site legally described on the attached and incorporated Exhibit "A" (the "Project Site").

The Project Site

The Project Site located within the Redevelopment Area and has been declared blighted and substandard. The Project Site is in need of redevelopment. The CDA has considered whether redevelopment of the Project Site will conform to the general plan and the coordinated, adjusted, and harmonious development of the City and its environs. In this consideration, the CDA finds that such a redevelopment of the Project Site will promote the health, safety, morals, order, convenience, prosperity, and the general welfare of the community including, among other things, the promotion of safety from fire, the promotion of the healthful and convenient distribution of population, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of unsanitary and unsafe dwelling accommodations or conditions of blight.

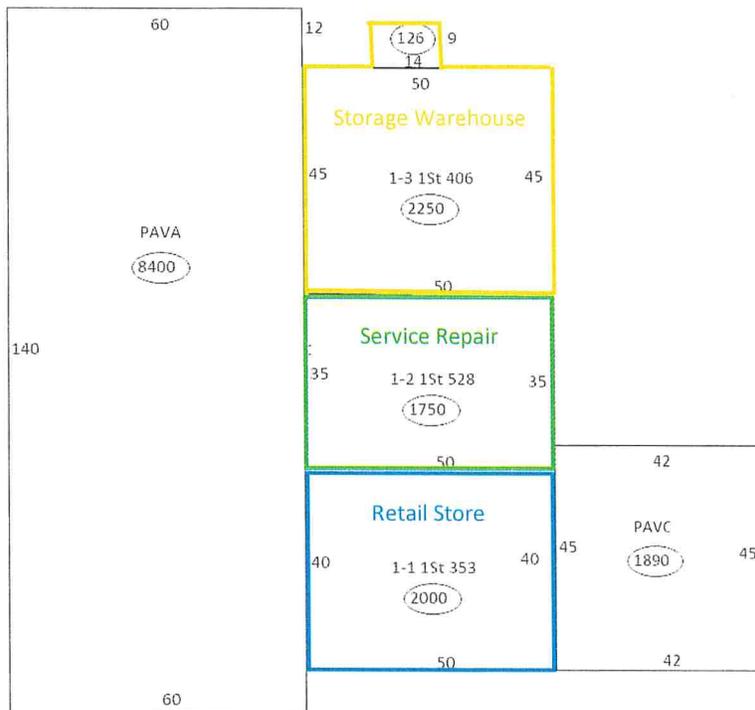
An approximately 6,126 square foot commercial building is currently located on the Project Site. The existing building was formerly occupied by an automotive repair shop. The existing building was built in 1952 and is no longer suitable for modern business due to its age and obsolescence. The blighted condition of the Project Site and the Redevelopment Area has contributed to its inability to attract businesses and/or development. In order to support private development, the Project Site and the Redevelopment Area are in need of renovation and redevelopment.

A general depiction of the Project Site is set forth below:



A recent photograph and sketch of the existing building on the Project Site are set forth below:





Description of the Project

Restored Homes LLC, a Nebraska limited liability company (the “Redeveloper”), has submitted a proposal for the redevelopment of the Project Site. The project under consideration will consist of the renovation and rehabilitation of the commercial building on the Project Site and associated improvements on the Project Site to create professional office and retail space (the “Project”). Upon completion, Redeveloper intends to lease space in the building to Engineering International, an architectural design and engineering firm, and Kitchen Solvers, a kitchen remodeling company.

The Project is intended to create professional office and retail space in order to expand two existing commercial businesses in the City. The redevelopment of the Project Site pursuant to this Redevelopment Plan will help eliminate the current blight and substandard conditions of the Project Site, and further the purposes of the Act.

As part of the Project, the CDA shall capture available tax increment from the Project Site to assist in payment for the public improvements listed as eligible expenditures under the Act in the Redevelopment Area. Such public improvements may include, but are not limited to: land acquisition, site preparation, energy efficiency enhancements, architectural and engineering fees, and other improvements deemed feasible and necessary in support of the public health, safety, and welfare which qualify as eligible expenditures for public improvements under the Act. Redeveloper shall be responsible for all other costs and expenses associated with the Project.

Redeveloper intends to commence construction in November, 2022 and complete construction before the end of 2023. The base year for the Project is anticipated to be 2023 and the effective date for the division of taxes shall be January 1, 2024.

Tax Increment Financing

The CDA contemplates the use of TIF for the Redevelopment Project. Section 18-2147 of the Act authorizes the use of TIF. It provides that any ad valorem tax levied upon real property, or any portion thereof, in a redevelopment project shall be divided, for a period not to exceed fifteen years after the effective date as identified in the redevelopment contract, or amendment thereof, or in the resolution(s) of the authority authorizing the issuance of TIF Indebtedness pursuant to the Act, as follows:

- (a) That portion of the ad valorem tax the levy produces at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body (“Base Tax Amount”); and
- (b) That portion of the ad valorem tax on real property, as provided in the redevelopment contract or bond resolution, in the redevelopment project in excess of the Base Tax Amount, if any, shall be allocated to and, when collected, paid into a special fund of the authority to be used solely to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such authority for financing or refinancing, in whole or in part, the redevelopment project.

With respect to the Redevelopment Project, the actual base tax year and Base Tax Amount for Project Site will be set forth in the redevelopment agreement. It is anticipated that the CDA will issue one TIF note for the entire Project. Notwithstanding any provision herein to the contrary, all incremental tax revenues resulting from the Project shall only be divided and allocated for no more than the applicable 15-year increment period provided by the Act.

The base value of the Project Site is \$109,600. The projected completed valuation of the Project is \$625,000, based on Redeveloper’s calculations and estimates. The final value will ultimately be decided by the Red Willow County Assessor, but the CDA will use Redeveloper’s assumption for the TIF Projections for the Project.

Based upon the anticipated completed valuation of \$625,000 and a 5.0% interest rate for the TIF Note, the Project will yield TIF Indebtedness in the amount of approximately \$104,000. Redeveloper estimates that the total Project costs shall be approximately \$800,000. Redeveloper shall also be responsible for the CDA’s administrative fee and the City’s cost of issuance related to the Project and the TIF Indebtedness, which costs are TIF-eligible expenses. Redeveloper has identified approximately \$326,120 TIF-eligible expenditures. The estimated TIF uses are set forth below:

CDA Administrative Fee	\$3,120
Cost of Issuance	TBD
Land Acquisition	\$250,000
Site Preparation	\$15,000
Energy Efficiency Enhancements	\$10,000
Architectural Fees	\$24,000
Engineering Fees	\$18,000
Legal Fees	\$6,000
<hr/>	
Total estimated TIF uses:	\$326,120

All TIF uses identified above are estimated amounts and the actual TIF Uses shall be determined based upon actual costs and documented invoices for all eligible public uses. The list of TIF uses identified above is not exhaustive and additional documented eligible public uses may be considered by the CDA.

Statutory Elements

As described above, the Project envisions the capture of the incremental taxes created by the Project on the Project Site to pay for those eligible expenditures as set forth in the Act. Attached hereto as Exhibit “B” and incorporated herein by this reference is a consideration of the statutory elements under the Nebraska Community Development Law.

Cost-Benefit Analysis

Pursuant to Section 18-2113 of the Act, the CDA must conduct a cost-benefit analysis for any redevelopment project that will utilize TIF. The Cost-Benefit Analysis for the Project is attached hereto as Exhibit “C” and incorporated by this reference.

Comprehensive Plan

Several goals of the McCook, Nebraska Comprehensive Plan 2013–2023 (the “McCook Comprehensive Plan”) will be furthered by this Project, including but not limited to:

EDUCATION AND COMMUNITY/ECONOMIC DEVELOPMENT

Goal 2: Economic Development. Utilize the McCook Comprehensive Plan as an economic development resource and guide to maximize economic opportunities for all residents. Foster an increase in diversified employment and business types in McCook.

Action Step 2: Create up to 200 new jobs in McCook by 2023. This should be achieved by expanding exiting and adding commercial businesses and industrial companies, “light manufacturing” in nature in McCook. . . .

Action Step 3: Focus efforts of diversified businesses and employment opportunities to expand existing and attract new companies. Expand the

availability of retail commerce development sites and available storefronts for rent or purchase to attract non-local businesses. . . .

GOAL 3: Community Development. Community development practices should strive to both stabilize and improve the local McCook economy and quality of life. Proper renovation, adaptive reuse and additions of existing buildings, as well as new construction activities should be components of locally available incentives to attract residents, businesses and industries.

Action Step 1: Encourage local reinvestment in McCook by both the public and private sectors. Provide infrastructure and needed amenities to support future growth of commercial, industrial and residential areas. Remove dilapidated buildings and promote building rehabilitation on structures that are considered cost-effective for such activity. Commercial building rehabilitation projects could include façade restoration, window and awning replacement, improved accessibility and signage. . . .

Action Step 3: Utilize all available public programs of financing in funding development and redevelopment programs. . . .

Goal 4: Community Redevelopment Planning and Implementation. Focus on improving structures, utility mains and public facilities throughout McCook. Utilize various funding local, State and Federal funding sources to achieve various redevelopment goals in McCook.

Action Step 1: Utilize Tax Increment Financing (TIF) in designated “Redevelopment Areas” as a method of funding structural rehabilitation activities for commercial buildings. These activities could include façade renovation, utility and street improvements and mixed use developments. . . .

Additionally, the following selections from the McCook Comprehensive Plan are supported and implemented by the Project:

- Downtown McCook needs to focus on the development and retention of specialty retail, professional office and services.
- Specialty retail, cafes/restaurants, and professional offices are encouraged to further diversify commercial venues in Downtown McCook.
- Encourage property and business owners to utilize the provisions of Tax Increment Financing as both a development and redevelopment tool in Downtown McCook and along the commercial highway corridors.

The existing land use map and future land use map from the McCook Comprehensive Plan are included for reference in this Redevelopment Plan. The future land use of the site is designated for commercial use, so the Project conforms to the future land use designation of the Project Site.

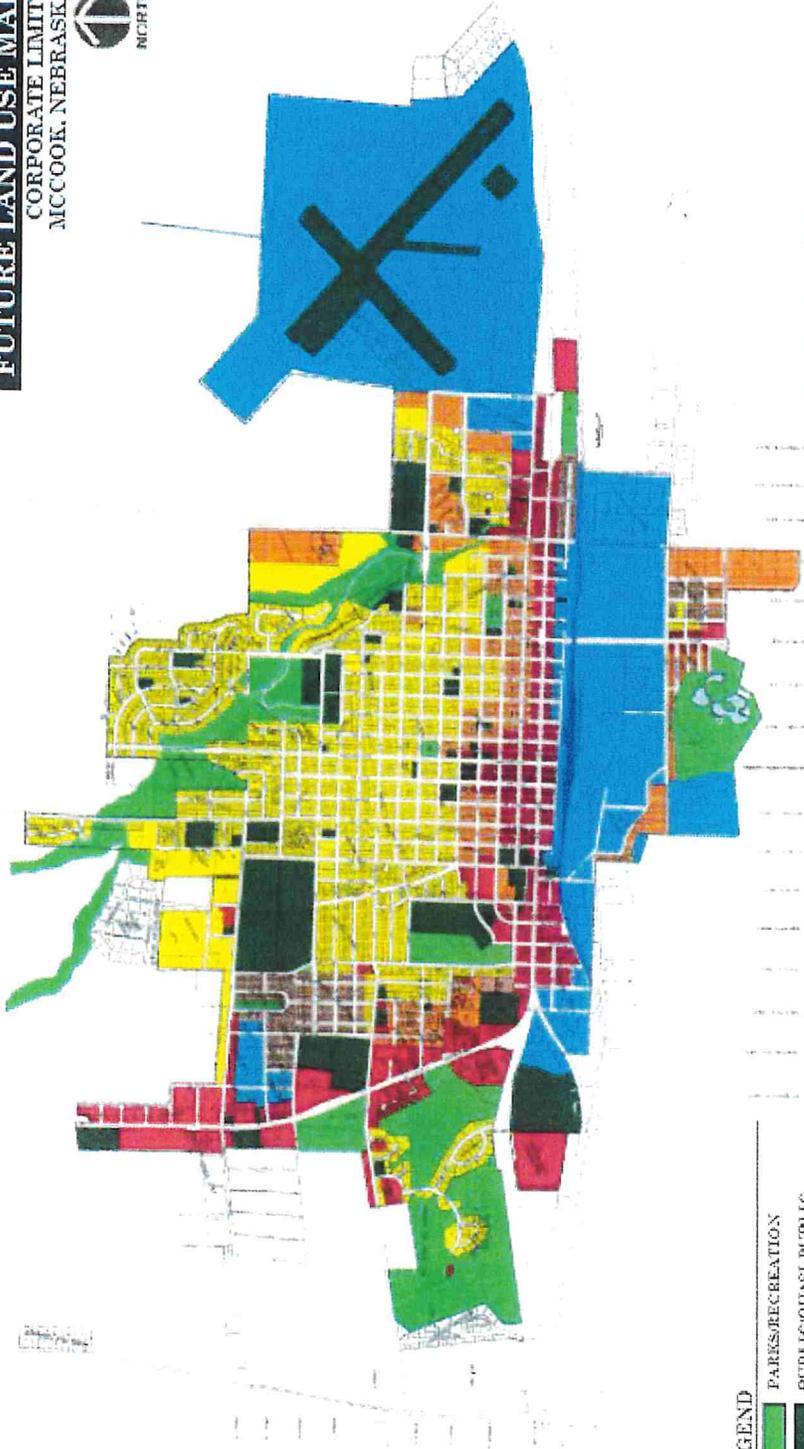
Note: This section is not a comprehensive analysis of the Project's conformance with the McCook Comprehensive Plan, but is meant to highlight and summarize the key points on this topic.

Additional Project Information from Redeveloper

Redeveloper has represented that without the use of TIF, this Project would not be feasible and Redeveloper could not develop this Project on the Project Site. Redeveloper has further represented that it does not intend to file an application with the Department of Revenue to receive tax incentives under the ImagiNE Nebraska Act.

FUTURE LAND USE MAP

CORPORATE LIMITS
MCCOOK, NEBRASKA



- LEGEND**
- PARECREATION
 - PUBLIC QUASI-PUBLIC
 - SINGLE FAMILY RESIDENTIAL
 - MULTIFAMILY RESIDENTIAL
 - MOBILE HOME RESIDENTIAL
 - COMMERCIAL
 - INDUSTRIAL
 - RAILROAD CORRIDOR
 - CORPORATE LIMIT LINE

HANNA-KEELAN ASSOCIATES, P.C.
COMMUNITY PLANNING & RESEARCH

* Lincoln, Nebraska * 402.464.6888 *

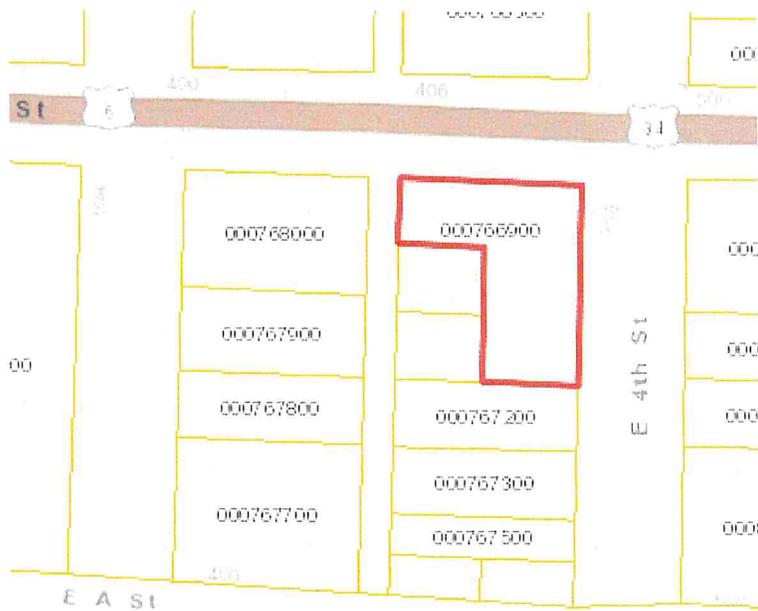
ILLUSTRATION 4.4

EXHIBIT "A"
Legal Description of the Project Site

The Project Site is located at 410 East B Street in McCook, Nebraska and legally described as follows:

Lot One (1) and the East Ninety feet (E90') of Lots Two (2) and Three (3) EXCEPT 634.57 square feet to the Department of Roads, Block Twenty-six (26), First Addition to the City of McCook, Red Willow County, Nebraska.

The general location of the Project Site is depicted below:



**Exhibit “B”
Statutory Elements**

A. Property Acquisition, Demolition and Disposal

No public acquisition of private property, relocation of families or businesses, or the sale of property is necessary to accomplish the Project. Redeveloper recently purchased the Project Site in preparation to undertake the Project.

B. Population Density

The proposed Project on the Project Site is a commercial project, involving the renovation and rehabilitation of the commercial building on the Project Site. The Project will not significantly affect population density in the project area.

C. Land Coverage

The Project will consist of the renovation and rehabilitation of the 6,126 square foot commercial building on the Project Site. The footprint of the building will not change. The Project will meet the applicable land-coverage ratios and zoning requirements as required by the City of McCook.

D. Traffic Flow, Street Layouts, and Street Grades

No adverse impacts are anticipated with respect to traffic flow, street layouts, and street grades. The existing infrastructure is anticipated to be sufficient for the intended uses of the Project Site upon completion of the Project.

E. Parking

The Project Site has approximately 10,290 square feet of paved parking areas. The Project will be required to meet or exceed the parking requirements set forth in the applicable zoning district.

F. Zoning, Building Code, and Ordinances

The Project Site is currently zoned in the Business Commercial zoning district. The Project is a permitted use in the existing zoning district for the Project Site. No additional zoning, building code, or ordinance changes will be necessary for the Project.

Exhibit “C”
Cost-Benefit Analysis
(Pursuant to Neb. Rev. Stat. § 18-2113)

The cost-benefit analysis for the Engineering International Redevelopment Project, as described in the Redevelopment Plan to which this cost-benefit analysis is attached, is presented below. The above-referenced project will utilize Tax Increment Financing (“TIF”) funds authorized by Neb. Rev. Stat. § 18-2147.

1. Tax shifts resulting from the approval of the use of funds pursuant to Section 18-2147:

The taxes generated by the current value of the property shall continue to be allocated between taxing jurisdictions pursuant to standard statutory requirements. Only the incremental taxes created by the Project will be captured to pay eligible public expenditures. Since the incremental taxes would not exist without the use of TIF to support the Project, the true tax shift of this Project is a positive shift in taxes after 15 years. However, for the purposes of illustrating the incremental taxes used for TIF, the 15 year tax shift is as follows:

a.	Redevelopment Project Valuation:	\$109,600
b.	Projected Completed Project Assessed Valuation:	\$625,000
c.	Projected Tax Increment Base:	\$515,400
d.	Estimated Tax Levy:	1.929606
e.	Annual Projected Tax Shift:	\$9,945

Note: The Projected Tax Increment is based on assumed values and levy rates; actual amounts and rates will vary from those assumptions, and it is understood that the actual tax shift may vary materially from the projected amount. The levy rate is assumed to be the 2021 levy rate. There has been no accounting for incremental growth or change in the tax levy over the 15 year TIF period.

2. Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project:

a. Public infrastructure improvements and impacts:

No substantial effects are anticipated on the public infrastructure and community public service needs. The public infrastructure serving the Project Site is sufficient for the Project. No public infrastructure improvements are anticipated to be necessary based on this Project, and the Project will not have a material adverse effect on any community public services.

Redeveloper anticipates expenditures of approximately \$800,000 for the Project. It is anticipated that approximately \$104,000 of the public improvements will be financed with the proceeds of the TIF generated by the private improvements on the Project Site. The projected uses of the TIF Indebtedness, which will be refined in the Redevelopment Agreement for this Project, are set forth in the Redevelopment Plan for

the Project. All expenditures financed by the TIF Indebtedness shall be eligible under the Nebraska Community Development Law.

b. Local Tax impacts (in addition to impacts of tax shifts described above):

The Project will create material tax and other public revenue for the City and other local taxing jurisdictions. While the use of tax increment financing will defer receipt of a majority of new ad valorem real property taxes generated by the Project, the Project should generate immediate tax growth for the City. The Project will be a commercial space, and the businesses leasing and operating on the Project Site should generate immediate sales tax and personal property tax revenue that would otherwise not be produced. The Project will also require and pay for City services. It is not anticipated that the Project will have any material adverse impact on such City services, but will generate revenue providing support for those services.

3. Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project:

It is not anticipated that the Project will have a material adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project. The Project will create professional office and retail space, which should expand existing and attract new businesses. The Project should have a material positive impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project because the Project is intended to ameliorate conditions of blight that might otherwise deter businesses from locating or expanding in the area.

4. Impacts on other employers and employees within the City and the immediate area that is located outside of the boundaries of the area of the redevelopment project:

The Project should have a material positive impact on private sector businesses in and around the area outside the boundaries of the redevelopment project. The Project is not anticipated to impose a burden or have a negative impact on other local area employers. The Project should encourage business owners to locate and/or relocate along the "B" Street (Highway 6/34) Corridor, which will allow for further growth of the community. There should also be additional consumer traffic to the City, which should benefit other businesses.

5. Impacts on the student populations of school districts within the City:

It is not anticipated that the Project will have a material adverse impact on the student populations of the school district within the City. The Project is a commercial project that does not involve housing.

6. Other impacts determined by the agency to be relevant to the consideration of costs and benefits arising from the redevelopment project:

The Project will retain and create jobs in the City by expanding two existing commercial businesses. There are no other material impacts determined by the agency relevant to the consideration of the cost of benefits arising from the Project.

7. Summary of Findings:

The Project will facilitate the redevelopment of a blighted and substandard area of the City without the incurrence of significant public cost. Additionally, the Project will increase property tax revenue in the long-term. The benefits outweigh the costs of the proposed Project.

McCook Planning Commission
November 14, 2022
5:15 PM Central

A MEETING OF THE PLANNING COMMISSION OF THE CITY OF MCCOOK, NEBRASKA convened in open, regular, and public session at 5:15 o'clock P.M. in the City Council Chambers.

Present: Chair Vosburg; Vice Chair Hilker; Commissioners Bradley, Davidson, Dueland, McDowell, Stevens, Mockry.

Absent: Commissioners Friehe, Lyons.

City Officials present: City Manager Schneider, City Attorney Mustion, City Clerk Doak, Assistant City Manager Koetter.

Notice of the meeting was given in advance thereof by publication in the McCook Daily Gazette on November 10, 2022, the designated method of giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to all members of the Planning Commission. Availability of the agenda was communicated in the advance notice. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

Chair Vosburg announced that a copy of the Open Meetings Act was posted by the entrance to the Council Chambers and available for public review.

1. Approve the minutes of the October 10, 2022 regular Planning Commission meeting.

Motion to approve the minutes of the October 10, 2022 regular Planning Commission meeting. This motion, made by Hilker and seconded by McDowell, passed.

Bradley: YEA, Davidson: YEA, Dueland: YEA, Friehe: ABSENT, Hilker: YEA, Lyons: ABSENT, McDowell: YEA, Mockry: YEA, Stevens: YEA, Vosburg: YEA
YEA: 8, NAY: 0, ABSENT: 2

2. Public Hearings and Regular Agenda.

- 2.A. Public Hearing - Regarding the Redevelopment Plan for the Engineering International Redevelopment Project as to its conformity with the general plan for the development of the City as a whole.

Motion to recess as a Planning Commission and convene a public hearing for the purpose of receiving public comment regarding the Redevelopment Plan for the Engineering International Redevelopment Project as to its conformity with the general plan for the development of the City as a whole, with the City Attorney to act as hearing officer. This motion, made by Vosburg and seconded by Hilker, passed.

Bradley: YEA, Davidson: YEA, Dueland: YEA, Friehe: ABSENT, Hilker: YEA, Lyons: ABSENT,

EXHIBIT #5

PAGE(S) - 2

McDowell: YEA, Mockry: YEA, Stevens: YEA, Vosburg: YEA
YEA: 8, NAY: 0, ABSENT: 2

The City Attorney received into evidence Exhibit #1 - City Manager's Report prepared for the November 14, 2022 Planning Commission meeting (2 pages), Exhibit #2 - Notice of Hearing published (1 page); Exhibit #3 - Copies of Notice of Hearing mailed to required government entities (6 pages); Exhibit #4 - proposed Planning Commission Resolution No, PC2022-04 (2 pages); and Exhibit #5 - proposed Redevelopment Plan (14 Pages).

City Manager Schneider reviewed the information presented in Exhibit #1.

Applicant Jeff Tidyman was present to address any questions from the Commission.

With no one else present to comment, motion to adjourn the public hearing and to reconvene as a Planning Commission. This motion, made by Vosburg and seconded by Hilker, passed.

Bradley: YEA, Davidson: YEA, Dueland: YEA, Friehe: ABSENT, Hilker: YEA, Lyons: ABSENT, McDowell: YEA, Mockry: YEA, Stevens: YEA, Vosburg: YEA
YEA: 8, NAY: 0, ABSENT: 2

2.B. Approve Resolution No. PC2022-04 recommending approval of a Redevelopment Plan of the City of McCook, Nebraska, approving a Redevelopment Project of the City of McCook, Nebraska; and approval of related actions for the purpose of the development of the Engineering International Redevelopment Project.

Motion to approve Resolution No. PC2022-04 recommending approval of a Redevelopment Plan of the City of McCook, Nebraska, approving a Redevelopment Project of the City of McCook, Nebraska; and approval of related actions for the purpose of the development of the Engineering International Redevelopment Project. This motion, made by Kurt and seconded by Stevens, passed.
Bradley: YEA, Davidson: YEA, Dueland: YEA, Friehe: ABSENT, Hilker: YEA, Lyons: ABSENT, McDowell: YEA, Mockry: YEA, Stevens: YEA, Vosburg: YEA
YEA: 8, NAY: 0, ABSENT: 2

City Manager Schneider stated that there will probably be a December meeting and introduced Tera Koetter as the new Assistant Manager.

Adjournment.

With no further business, Chair Vosburg declared the Planning Commission meeting adjourned at 5:43 P.M.

Lea Ann Doak
City Clerk/Recording Secretary

CITY MANAGER'S REPORT

NOVEMBER 21, 2022 MCCOOK COMMUNITY DEVELOPMENT AGENCY MEETING

3.A.

ITEM NO. ___ Approve Resolution No. CDA 2022-~~15~~ recommending approval of the Engineering International Redevelopment Plan to the McCook City Council and adopting a cost benefit analysis for the Redevelopment Project in the Redevelopment Plan.

BACKGROUND:

In 2013, a Blight and Substandard Determination Study for the Redevelopment Area #3 was approved, said Study including property adjacent to Highway 6 and 34. An application has been received from Engineering International requesting Tax Increment Financing (TIF) consideration for a project along Highway 6 and 34 and within Redevelopment Area #3. City Staff has reviewed Engineering International's application and it has been determined that the request is eligible for Tax Increment Financing (TIF).

The project site at issue is located on a lot at the southwest intersection of Highway 6 and 34 and East 4th Street. The address is 410 East B Street. The site currently is home to a commercial structure that was used as a mechanic's shop. The Redeveloper would like to redevelop the structure in order to provide a location for an engineering/architectural firm and a kitchen remodeling company. Based upon the application it is apparent to Staff that "but for" TIF, the project will not occur and the structure will not be improved.

The Redeveloper intends to create professional office and retail space in order to expand two existing commercial businesses in the City of McCook. The redevelopment of the current building/site will help eliminate the current blight and substandard conditions of the Project Site and further the purposes of the Nebraska Community Development Law. As part of the Project, the CDA would capture available tax increment from the Project Site improvements to assist in payment for the public improvements listed as eligible expenses within the Redevelopment Plan and acceptable under the Community Development Law. A copy of the eligible expenses can be found on page 5 of the Redevelopment Plan.

The Redevelopment Plan contains a recitation of the Statutory Elements required to be satisfied in Exhibit B. The Plan also contains a Cost-Benefit Analysis that illustrates the breakdown of the tax shift resulting from the proposed Plan. Currently, the property at issue is valued at \$109,600. It is anticipated that the property will be valued at \$625,000 following completion of the improvements. The difference between the current valuation and estimated valuation is \$515,400. Based upon the estimated tax levy of 1.929606, it is estimated that the annual projected tax shift will be \$9,945 and that \$104,000 of public improvements can be financed with the proceeds of the TIF generated by the private improvements on the Project Site. These funds are the eligible amounts available to pay back the TIF note over a period of 15 years.

With respect to the City's Comprehensive Plan, the Redeveloper's Redevelopment Plan addresses several important goals in the Comprehensive Plan. The Redevelopment Plan promotes job creation, encourages business diversification, aids in community development, and assists in the rehabilitation of a structure in need of attention.

The Planning Commission unanimously approved a resolution recommending approval of the Redevelopment Plan.

APPROVALS:

prepared by

November 15, 2022

Nathan A. Schneider, City Manager

Lea Ann Doak

November 15, 2022

Lea Ann Doak, City Clerk

**COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK, NEBRASKA**

RESOLUTION NO. CDA 2022-05

(Redevelopment Plan–Engineering International Redevelopment Project)

**A RESOLUTION RECOMMENDING APPROVAL OF A REDEVELOPMENT PLAN
FOR THE CITY OF MCCOOK, NEBRASKA, TO THE CITY COUNCIL OF THE CITY OF
MCCOOK, NEBRASKA AND ADOPTING A COST BENEFIT ANALYSIS FOR THE
REDEVELOPMENT PROJECT IN THE REDEVELOPMENT PLAN.**

RECITALS

A. The Community Development Agency of the City of McCook, Nebraska (“CDA”) in furtherance of the purposes and pursuant to the provisions of the Community Development Law, Neb. Rev. Stat. §§ 18-2101 to 18-2155, as amended, (the “Act”), has prepared a Redevelopment Plan in the form attached as Exhibit “A” (“Redevelopment Plan”).

B. The Redevelopment Plan would create a redevelopment project in Redevelopment Area #3 on property described in the Redevelopment Plan identified as the Engineering International Redevelopment Project (the “Project”).

C. The Project would use Tax Increment Financing pursuant to Section 18-2747 of the Act to assist in paying for the costs of certain eligible public improvements authorized by the Act and more particularly set forth in the Redevelopment Plan.

D. The CDA is required under Section 18-2113(2) of the Act to conduct a cost benefit analysis for a redevelopment project which will use Tax Increment Financing.

E. The CDA has conducted a cost benefit analysis for the Project, and said cost benefit analysis is attached to the Redevelopment Plan Amendment as Exhibit “C” (the “Project Cost Benefit Analysis”).

F. The CDA has determined that the Project would not occur in the Redevelopment Area and could not be financed or constructed but for the use of Tax Increment Financing.

G. Statements of the proposed method and estimated cost of the acquisition and preparation for redevelopment of the redevelopment project area and the estimated proceeds or revenue from its disposal to redevelopers, the proposed method of financing the redevelopment project, and a feasible method proposed for the relocation of families to be displaced from the redevelopment project area, if applicable, are set forth in the Redevelopment Plan and the Project Cost Benefit Analysis.

NOW THEREFORE, BE IT RESOLVED, by the CDA, as follows:

1. The cost and benefits set forth in the Project Cost Benefit Analysis have been found to be in the long-term best interest of the City.

2. The CDA hereby approves the Project Cost Benefit Analysis as the cost benefit analysis of the Project.

BE IT FURTHER RESOLVED, by the CDA, as follows:

1. The Redevelopment Plan is in conformance with the General Comprehensive Plan of the City of McCook.

2. The Redevelopment Plan will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity, and the general welfare, as well as efficiency and economy in the process of development, and the prevention of the recurrence of unsanitary or unsafe dwelling accommodations or conditions of blight, in the City of McCook.

3. The Redevelopment Plan is in conformance with the Act.

4. The Project would not be economically feasible and would not occur in the Redevelopment Area without the use of Tax Increment Financing.

5. The CDA hereby approves the Redevelopment Plan and recommends approval and adoption by the City Council of the City of McCook.

IN WITNESS WHEREOF, the CDA hereby passes and adopts this Resolution as of this 21st day of November, 2022.

COMMUNITY DEVELOPMENT
AGENCY OF THE CITY OF
MCCOOK, NEBRASKA

Chairman

ATTEST:

Secretary

EXHIBIT "A"
Redevelopment Plan

[Attached]

**REDEVELOPMENT PLAN FOR THE
ENGINEERING INTERNATIONAL REDEVELOPMENT PROJECT
IN THE CITY OF MCCOOK, NEBRASKA**

Introduction

The City of McCook, Nebraska ("City") has undertaken a plan of redevelopment within a certain redevelopment area in the City identified as Redevelopment Area #3 (the "Redevelopment Area"). A Blight and Substandard Determination Study for the Redevelopment Area was prepared in January, 2013 by Hanna:Keelan Associates, P.C., and the Redevelopment Area was declared blighted and substandard in January, 2013. This Redevelopment Plan is a project-specific redevelopment plan and shall serve as the guide for the implementation of redevelopment activities on the Project Site, as defined herein, which is located in the Redevelopment Area.

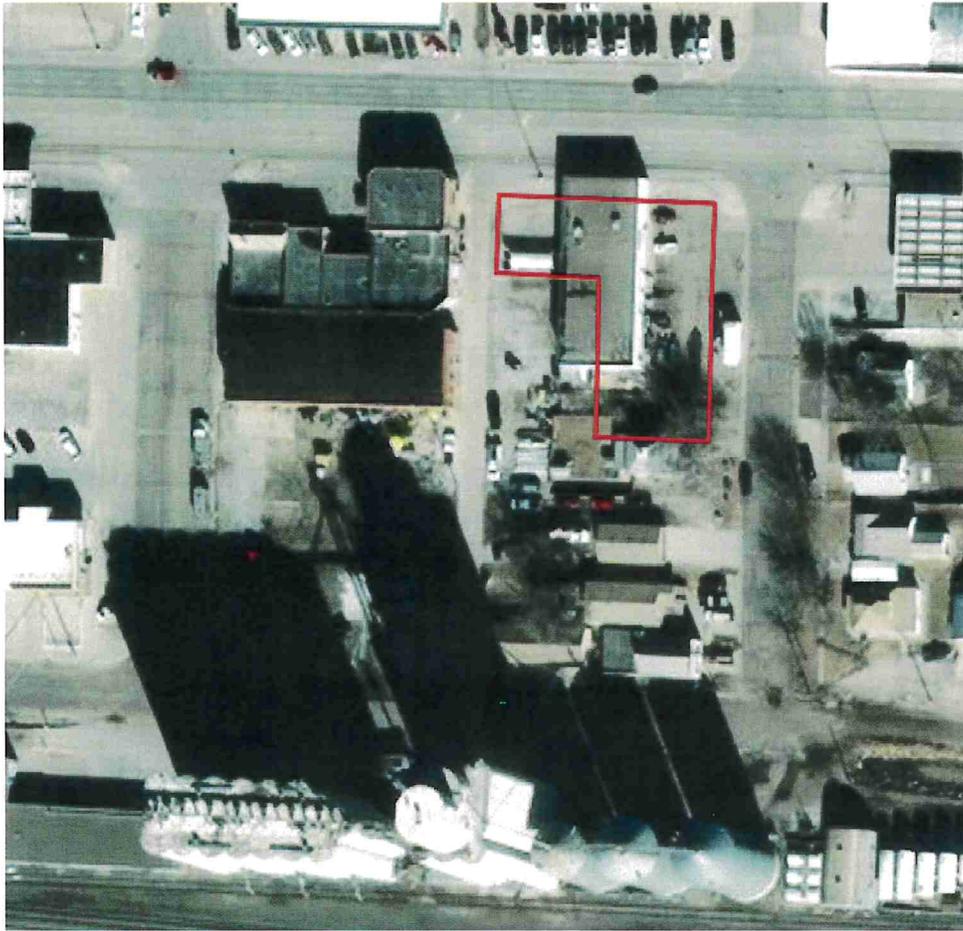
Pursuant to the Nebraska Community Development Law codified at Neb. Rev. Stat. §§ 18-2101 through 18-2155 (the "Act"), the City created the Community Development Authority of the City of McCook ("CDA"), which has administered the overall plan of redevelopment for the City. The purpose of this Redevelopment Plan is to identify specific property within the Redevelopment Area that is in need of redevelopment to cause the removal of blight and substandard conditions identified as the site legally described on the attached and incorporated Exhibit "A" (the "Project Site").

The Project Site

The Project Site located within the Redevelopment Area and has been declared blighted and substandard. The Project Site is in need of redevelopment. The CDA has considered whether redevelopment of the Project Site will conform to the general plan and the coordinated, adjusted, and harmonious development of the City and its environs. In this consideration, the CDA finds that such a redevelopment of the Project Site will promote the health, safety, morals, order, convenience, prosperity, and the general welfare of the community including, among other things, the promotion of safety from fire, the promotion of the healthful and convenient distribution of population, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of unsanitary and unsafe dwelling accommodations or conditions of blight.

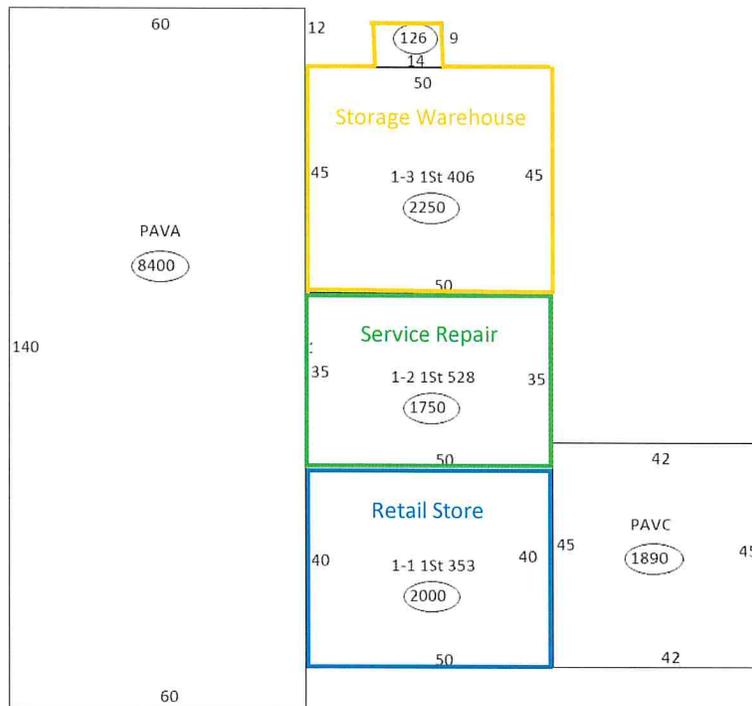
An approximately 6,126 square foot commercial building is currently located on the Project Site. The existing building was formerly occupied by an automotive repair shop. The existing building was built in 1952 and is no longer suitable for modern business due to its age and obsolescence. The blighted condition of the Project Site and the Redevelopment Area has contributed to its inability to attract businesses and/or development. In order to support private development, the Project Site and the Redevelopment Area are in need of renovation and redevelopment.

A general depiction of the Project Site is set forth below:



A recent photograph and sketch of the existing building on the Project Site are set forth below:





Description of the Project

Restored Homes LLC, a Nebraska limited liability company (the “Redeveloper”), has submitted a proposal for the redevelopment of the Project Site. The project under consideration will consist of the renovation and rehabilitation of the commercial building on the Project Site and associated improvements on the Project Site to create professional office and retail space (the “Project”). Upon completion, Redeveloper intends to lease space in the building to Engineering International, an architectural design and engineering firm, and Kitchen Solvers, a kitchen remodeling company.

The Project is intended to create professional office and retail space in order to expand two existing commercial businesses in the City. The redevelopment of the Project Site pursuant to this Redevelopment Plan will help eliminate the current blight and substandard conditions of the Project Site, and further the purposes of the Act.

As part of the Project, the CDA shall capture available tax increment from the Project Site to assist in payment for the public improvements listed as eligible expenditures under the Act in the Redevelopment Area. Such public improvements may include, but are not limited to: land acquisition, site preparation, energy efficiency enhancements, architectural and engineering fees, and other improvements deemed feasible and necessary in support of the public health, safety, and welfare which qualify as eligible expenditures for public improvements under the Act. Redeveloper shall be responsible for all other costs and expenses associated with the Project.

Redeveloper intends to commence construction in November, 2022 and complete construction before the end of 2023. The base year for the Project is anticipated to be 2023 and the effective date for the division of taxes shall be January 1, 2024.

Tax Increment Financing

The CDA contemplates the use of TIF for the Redevelopment Project. Section 18-2147 of the Act authorizes the use of TIF. It provides that any ad valorem tax levied upon real property, or any portion thereof, in a redevelopment project shall be divided, for a period not to exceed fifteen years after the effective date as identified in the redevelopment contract, or amendment thereof, or in the resolution(s) of the authority authorizing the issuance of TIF Indebtedness pursuant to the Act, as follows:

- (a) That portion of the ad valorem tax the levy produces at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body ("Base Tax Amount"); and
- (b) That portion of the ad valorem tax on real property, as provided in the redevelopment contract or bond resolution, in the redevelopment project in excess of the Base Tax Amount, if any, shall be allocated to and, when collected, paid into a special fund of the authority to be used solely to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such authority for financing or refinancing, in whole or in part, the redevelopment project.

With respect to the Redevelopment Project, the actual base tax year and Base Tax Amount for Project Site will be set forth in the redevelopment agreement. It is anticipated that the CDA will issue one TIF note for the entire Project. Notwithstanding any provision herein to the contrary, all incremental tax revenues resulting from the Project shall only be divided and allocated for no more than the applicable 15-year increment period provided by the Act.

The base value of the Project Site is \$109,600. The projected completed valuation of the Project is \$625,000, based on Redeveloper's calculations and estimates. The final value will ultimately be decided by the Red Willow County Assessor, but the CDA will use Redeveloper's assumption for the TIF Projections for the Project.

Based upon the anticipated completed valuation of \$625,000 and a 5.0% interest rate for the TIF Note, the Project will yield TIF Indebtedness in the amount of approximately \$104,000. Redeveloper estimates that the total Project costs shall be approximately \$800,000. Redeveloper shall also be responsible for the CDA's administrative fee and the City's cost of issuance related to the Project and the TIF Indebtedness, which costs are TIF-eligible expenses. Redeveloper has identified approximately \$326,120 TIF-eligible expenditures. The estimated TIF uses are set forth below:

CDA Administrative Fee	\$3,120
Cost of Issuance	TBD
Land Acquisition	\$250,000
Site Preparation	\$15,000
Energy Efficiency Enhancements	\$10,000
Architectural Fees	\$24,000
Engineering Fees	\$18,000
Legal Fees	\$6,000
<hr/>	
Total estimated TIF uses:	\$326,120

All TIF uses identified above are estimated amounts and the actual TIF Uses shall be determined based upon actual costs and documented invoices for all eligible public uses. The list of TIF uses identified above is not exhaustive and additional documented eligible public uses may be considered by the CDA.

Statutory Elements

As described above, the Project envisions the capture of the incremental taxes created by the Project on the Project Site to pay for those eligible expenditures as set forth in the Act. Attached hereto as Exhibit “B” and incorporated herein by this reference is a consideration of the statutory elements under the Nebraska Community Development Law.

Cost-Benefit Analysis

Pursuant to Section 18-2113 of the Act, the CDA must conduct a cost-benefit analysis for any redevelopment project that will utilize TIF. The Cost-Benefit Analysis for the Project is attached hereto as Exhibit “C” and incorporated by this reference.

Comprehensive Plan

Several goals of the McCook, Nebraska Comprehensive Plan 2013–2023 (the “McCook Comprehensive Plan”) will be furthered by this Project, including but not limited to:

EDUCATION AND COMMUNITY/ECONOMIC DEVELOPMENT

Goal 2: Economic Development. Utilize the McCook Comprehensive Plan as an economic development resource and guide to maximize economic opportunities for all residents. Foster an increase in diversified employment and business types in McCook.

Action Step 2: Create up to 200 new jobs in McCook by 2023. This should be achieved by expanding exiting and adding commercial businesses and industrial companies, “light manufacturing” in nature in McCook. . . .

Action Step 3: Focus efforts of diversified businesses and employment opportunities to expand existing and attract new companies. Expand the

availability of retail commerce development sites and available storefronts for rent or purchase to attract non-local businesses. . . .

GOAL 3: Community Development. Community development practices should strive to both stabilize and improve the local McCook economy and quality of life. Proper renovation, adaptive reuse and additions of existing buildings, as well as new construction activities should be components of locally available incentives to attract residents, businesses and industries.

Action Step 1: Encourage local reinvestment in McCook by both the public and private sectors. Provide infrastructure and needed amenities to support future growth of commercial, industrial and residential areas. Remove dilapidated buildings and promote building rehabilitation on structures that are considered cost-effective for such activity. Commercial building rehabilitation projects could include façade restoration, window and awning replacement, improved accessibility and signage. . . .

Action Step 3: Utilize all available public programs of financing in funding development and redevelopment programs. . . .

Goal 4: Community Redevelopment Planning and Implementation. Focus on improving structures, utility mains and public facilities throughout McCook. Utilize various funding local, State and Federal funding sources to achieve various redevelopment goals in McCook.

Action Step 1: Utilize Tax Increment Financing (TIF) in designated “Redevelopment Areas” as a method of funding structural rehabilitation activities for commercial buildings. These activities could include façade renovation, utility and street improvements and mixed use developments. . . .

Additionally, the following selections from the McCook Comprehensive Plan are supported and implemented by the Project:

- Downtown McCook needs to focus on the development and retention of specialty retail, professional office and services.
- Specialty retail, cafes/restaurants, and professional offices are encouraged to further diversify commercial venues in Downtown McCook.
- Encourage property and business owners to utilize the provisions of Tax Increment Financing as both a development and redevelopment tool in Downtown McCook and along the commercial highway corridors.

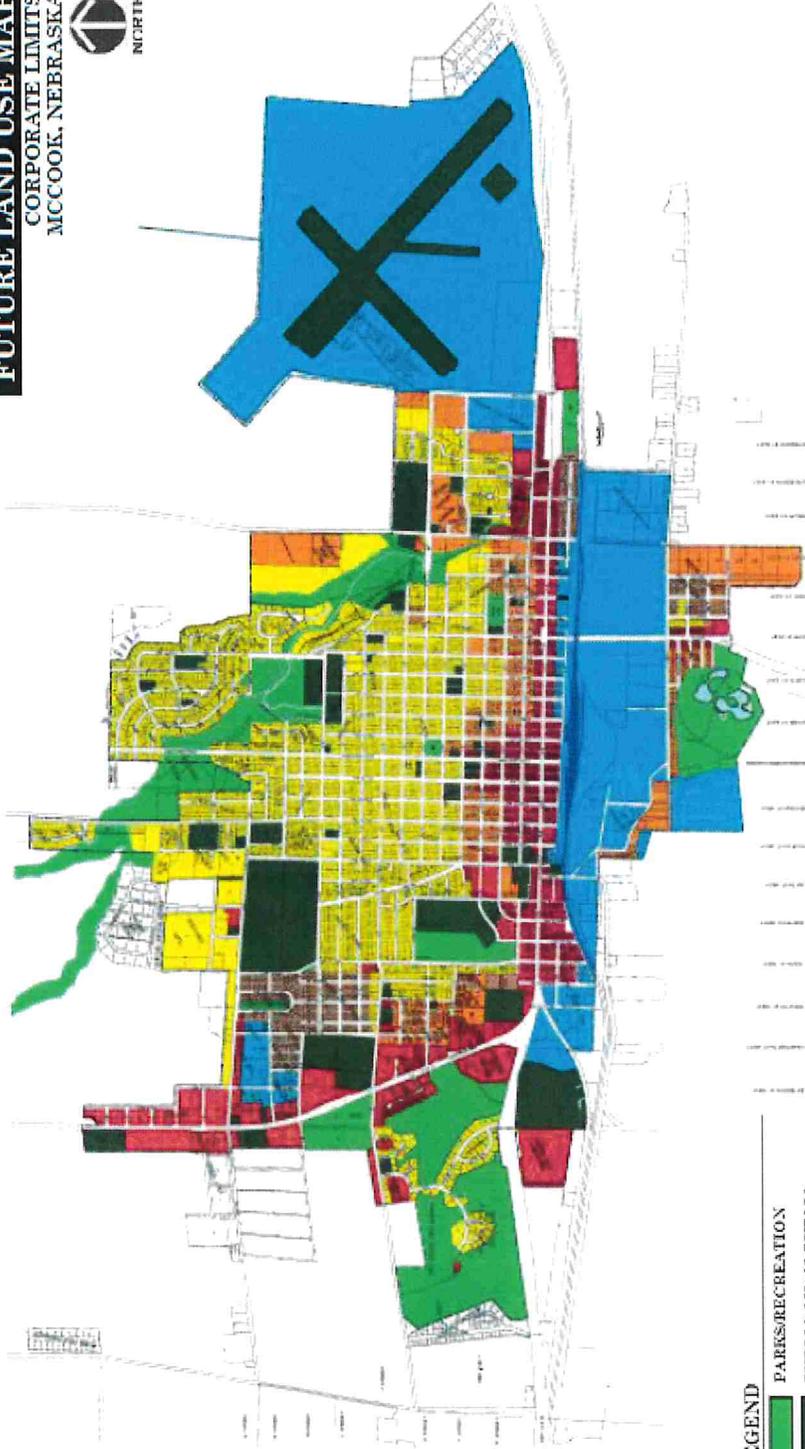
The existing land use map and future land use map from the McCook Comprehensive Plan are included for reference in this Redevelopment Plan. The future land use of the site is designated for commercial use, so the Project conforms to the future land use designation of the Project Site.

Note: This section is not a comprehensive analysis of the Project's conformance with the McCook Comprehensive Plan, but is meant to highlight and summarize the key points on this topic.

Additional Project Information from Redeveloper

Redeveloper has represented that without the use of TIF, this Project would not be feasible and Redeveloper could not develop this Project on the Project Site. Redeveloper has further represented that it does not intend to file an application with the Department of Revenue to receive tax incentives under the Imagine Nebraska Act.

FUTURE LAND USE MAP
CORPORATE LIMITS
MCCOOK, NEBRASKA



- LEGEND**
- PARKS/RECREATION
 - PUBLIC/QUASI-PUBLIC
 - SINGLE FAMILY RESIDENTIAL
 - MULTIFAMILY RESIDENTIAL
 - MOBILE HOME RESIDENTIAL
 - COMMERCIAL
 - INDUSTRIAL
 - RAILROAD CORRIDOR
 - CORPORATE LIMIT LINE

HANNA-KEELAN ASSOCIATES, P.C.
 COMMUNITY PLANNING & RESEARCH

* Lincoln, Nebraska * 402.461.5383 *

ILLUSTRATION 4.4

EXHIBIT "A"
Legal Description of the Project Site

The Project Site is located at 410 East B Street in McCook, Nebraska and legally described as follows:

Lot One (1) and the East Ninety feet (E90') of Lots Two (2) and Three (3) EXCEPT 634.57 square feet to the Department of Roads, Block Twenty-six (26), First Addition to the City of McCook, Red Willow County, Nebraska.

The general location of the Project Site is depicted below:



**Exhibit “B”
Statutory Elements**

A. Property Acquisition, Demolition and Disposal

No public acquisition of private property, relocation of families or businesses, or the sale of property is necessary to accomplish the Project. Redeveloper recently purchased the Project Site in preparation to undertake the Project.

B. Population Density

The proposed Project on the Project Site is a commercial project, involving the renovation and rehabilitation of the commercial building on the Project Site. The Project will not significantly affect population density in the project area.

C. Land Coverage

The Project will consist of the renovation and rehabilitation of the 6,126 square foot commercial building on the Project Site. The footprint of the building will not change. The Project will meet the applicable land-coverage ratios and zoning requirements as required by the City of McCook.

D. Traffic Flow, Street Layouts, and Street Grades

No adverse impacts are anticipated with respect to traffic flow, street layouts, and street grades. The existing infrastructure is anticipated to be sufficient for the intended uses of the Project Site upon completion of the Project.

E. Parking

The Project Site has approximately 10,290 square feet of paved parking areas. The Project will be required to meet or exceed the parking requirements set forth in the applicable zoning district.

F. Zoning, Building Code, and Ordinances

The Project Site is currently zoned in the Business Commercial zoning district. The Project is a permitted use in the existing zoning district for the Project Site. No additional zoning, building code, or ordinance changes will be necessary for the Project.

Exhibit "C"
Cost-Benefit Analysis
(Pursuant to Neb. Rev. Stat. § 18-2113)

The cost-benefit analysis for the Engineering International Redevelopment Project, as described in the Redevelopment Plan to which this cost-benefit analysis is attached, is presented below. The above-referenced project will utilize Tax Increment Financing ("TIF") funds authorized by Neb. Rev. Stat. § 18-2147.

1. Tax shifts resulting from the approval of the use of funds pursuant to Section 18-2147:

The taxes generated by the current value of the property shall continue to be allocated between taxing jurisdictions pursuant to standard statutory requirements. Only the incremental taxes created by the Project will be captured to pay eligible public expenditures. Since the incremental taxes would not exist without the use of TIF to support the Project, the true tax shift of this Project is a positive shift in taxes after 15 years. However, for the purposes of illustrating the incremental taxes used for TIF, the 15 year tax shift is as follows:

a.	Redevelopment Project Valuation:	\$109,600
b.	Projected Completed Project Assessed Valuation:	\$625,000
c.	Projected Tax Increment Base:	\$515,400
d.	Estimated Tax Levy:	1.929606
e.	Annual Projected Tax Shift:	\$9,945

Note: The Projected Tax Increment is based on assumed values and levy rates; actual amounts and rates will vary from those assumptions, and it is understood that the actual tax shift may vary materially from the projected amount. The levy rate is assumed to be the 2021 levy rate. There has been no accounting for incremental growth or change in the tax levy over the 15 year TIF period.

2. Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project:

a. Public infrastructure improvements and impacts:

No substantial effects are anticipated on the public infrastructure and community public service needs. The public infrastructure serving the Project Site is sufficient for the Project. No public infrastructure improvements are anticipated to be necessary based on this Project, and the Project will not have a material adverse effect on any community public services.

Redeveloper anticipates expenditures of approximately \$800,000 for the Project. It is anticipated that approximately \$104,000 of the public improvements will be financed with the proceeds of the TIF generated by the private improvements on the Project Site. The projected uses of the TIF Indebtedness, which will be refined in the Redevelopment Agreement for this Project, are set forth in the Redevelopment Plan for

the Project. All expenditures financed by the TIF Indebtedness shall be eligible under the Nebraska Community Development Law.

b. Local Tax impacts (in addition to impacts of tax shifts described above):

The Project will create material tax and other public revenue for the City and other local taxing jurisdictions. While the use of tax increment financing will defer receipt of a majority of new ad valorem real property taxes generated by the Project, the Project should generate immediate tax growth for the City. The Project will be a commercial space, and the businesses leasing and operating on the Project Site should generate immediate sales tax and personal property tax revenue that would otherwise not be produced. The Project will also require and pay for City services. It is not anticipated that the Project will have any material adverse impact on such City services, but will generate revenue providing support for those services.

3. Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project:

It is not anticipated that the Project will have a material adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project. The Project will create professional office and retail space, which should expand existing and attract new businesses. The Project should have a material positive impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project because the Project is intended to ameliorate conditions of blight that might otherwise deter businesses from locating or expanding in the area.

4. Impacts on other employers and employees within the City and the immediate area that is located outside of the boundaries of the area of the redevelopment project:

The Project should have a material positive impact on private sector businesses in and around the area outside the boundaries of the redevelopment project. The Project is not anticipated to impose a burden or have a negative impact on other local area employers. The Project should encourage business owners to locate and/or relocate along the "B" Street (Highway 6/34) Corridor, which will allow for further growth of the community. There should also be additional consumer traffic to the City, which should benefit other businesses.

5. Impacts on the student populations of school districts within the City:

It is not anticipated that the Project will have a material adverse impact on the student populations of the school district within the City. The Project is a commercial project that does not involve housing.

6. Other impacts determined by the agency to be relevant to the consideration of costs and benefits arising from the redevelopment project:

The Project will retain and create jobs in the City by expanding two existing commercial businesses. There are no other material impacts determined by the agency relevant to the consideration of the cost of benefits arising from the Project.

7. Summary of Findings:

The Project will facilitate the redevelopment of a blighted and substandard area of the City without the incurrence of significant public cost. Additionally, the Project will increase property tax revenue in the long-term. The benefits outweigh the costs of the proposed Project.

**CITY MANAGER'S REPORT
NOVEMBER 21, 2022 MCCOOK CITY COUNCIL MEETING**

ITEM NO. 3.B. Approve Resolution No. 2022-20, approving a Redevelopment Plan for the City of McCook, Nebraska, including the Engineering International Redevelopment Project.

BACKGROUND:

This item is required by the State of Nebraska for Tax Increment Financed (TIF) projects per the Nebraska Community Development Law. After the CDA approves a resolution authorizing a Redevelopment Plan and recommends approval of the Plan to the City Council, the City Council must approve a resolution approving the Redevelopment Plan.

The background for this agenda item is the same as the background provided in preceding City Manager Report.

APPROVALS:

prepared by

November 15, 2022

Nathan A. Schneider, City Manager

Lea Ann Doak

November 15, 2022

Lea Ann Doak, City Clerk

CITY OF MCCOOK, NEBRASKA

RESOLUTION NO. 2022-20

(Redevelopment Plan–Engineering International Redevelopment Project)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCCOOK, NEBRASKA, APPROVING A REDEVELOPMENT PLAN FOR THE CITY OF MCCOOK, NEBRASKA, INCLUDING THE ENGINEERING INTERNATIONAL REDEVELOPMENT PROJECT.

RECITALS

A. The Community Development Agency of the City of McCook, Nebraska (“CDA”) has prepared a Redevelopment Plan for a portion of Redevelopment Area #3 (the “Redevelopment Plan”). The proposed Redevelopment Plan is on file and available for public inspection with the McCook City Clerk.

B. The Redevelopment Plan includes a redevelopment project identified as the Engineering International Redevelopment Project (the “Project”) that will utilize Tax Increment Financing pursuant to Neb. Rev. Stat. § 18-2147.

C. The CDA submitted the question of whether the Redevelopment Plan should be recommended to the City Council to the Planning Commission of the City of McCook.

D. The Planning Commission recommended the approval of the Redevelopment Plan.

E. Notice of public hearing regarding the adoption and approval of the Redevelopment Plan by the City Council was provided in conformity with the Open Meetings Act, Neb. Rev. Stat. § 84-1407 et seq., the Community Development Law, Neb. Rev. Stat. §§ 18-2115 and 18-2115.01, and Nebraska law.

F. On November 21, 2022, the City Council held a public hearing relating to the question of whether the Redevelopment Plan should be adopted and approved by the City. All interested parties were afforded at such public hearing a reasonable opportunity to express their views respecting the submitted question.

G. The City Council has reviewed the Redevelopment Plan, the cost benefit analysis prepared by the CDA and attached to the Redevelopment Plan, the recommendations of the Planning Commission, and has duly considered all statements made and material submitted related to the submitted question.

NOW THEREFORE, it is found by the City Council of the City of McCook, Nebraska, in accordance with the Community Development Law, Neb. Rev. Stat. §§ 18-2101 through 18-2155 (the “Act”), as follows:

1. The Project Site is in need of redevelopment to remove blight and substandard conditions identified pursuant to the Act.

2. The Redevelopment Plan will, in accordance with the present and future needs of the City of McCook, promote the health, safety, morals, order, convenience, prosperity, and the general welfare of the community in conformance with the legislative declarations and determinations set forth in the Act.
3. The Redevelopment Plan is in conformance with the general plan for development of the City of McCook as a whole, as set forth in the City of McCook Comprehensive Plan, as amended.
4. The cost and benefits set forth in the Project cost benefit analysis are found to be in the long-term best interest of the City of McCook.
5. The Project would not be economically feasible without the use of Tax Increment Financing.
6. The Project would not occur on the Redevelopment Area without the use of Tax Increment Financing.

BE IT FURTHER RESOLVED, that pursuant to the provisions of the Act and in light of the foregoing findings and determinations, the Redevelopment Plan is hereby approved and adopted by the City Council as the governing body for the City of McCook.

Dated this 21st day of November, 2022.

CITY OF MCCOOK, NEBRASKA

By: _____
Michael D. Gonzales, Mayor

ATTEST: _____
Lea Ann Doak, City Clerk

**REDEVELOPMENT PLAN FOR THE
ENGINEERING INTERNATIONAL REDEVELOPMENT PROJECT
IN THE CITY OF MCCOOK, NEBRASKA**

Introduction

The City of McCook, Nebraska ("City") has undertaken a plan of redevelopment within a certain redevelopment area in the City identified as Redevelopment Area #3 (the "Redevelopment Area"). A Blight and Substandard Determination Study for the Redevelopment Area was prepared in January, 2013 by Hanna:Keelan Associates, P.C., and the Redevelopment Area was declared blighted and substandard in January, 2013. This Redevelopment Plan is a project-specific redevelopment plan and shall serve as the guide for the implementation of redevelopment activities on the Project Site, as defined herein, which is located in the Redevelopment Area.

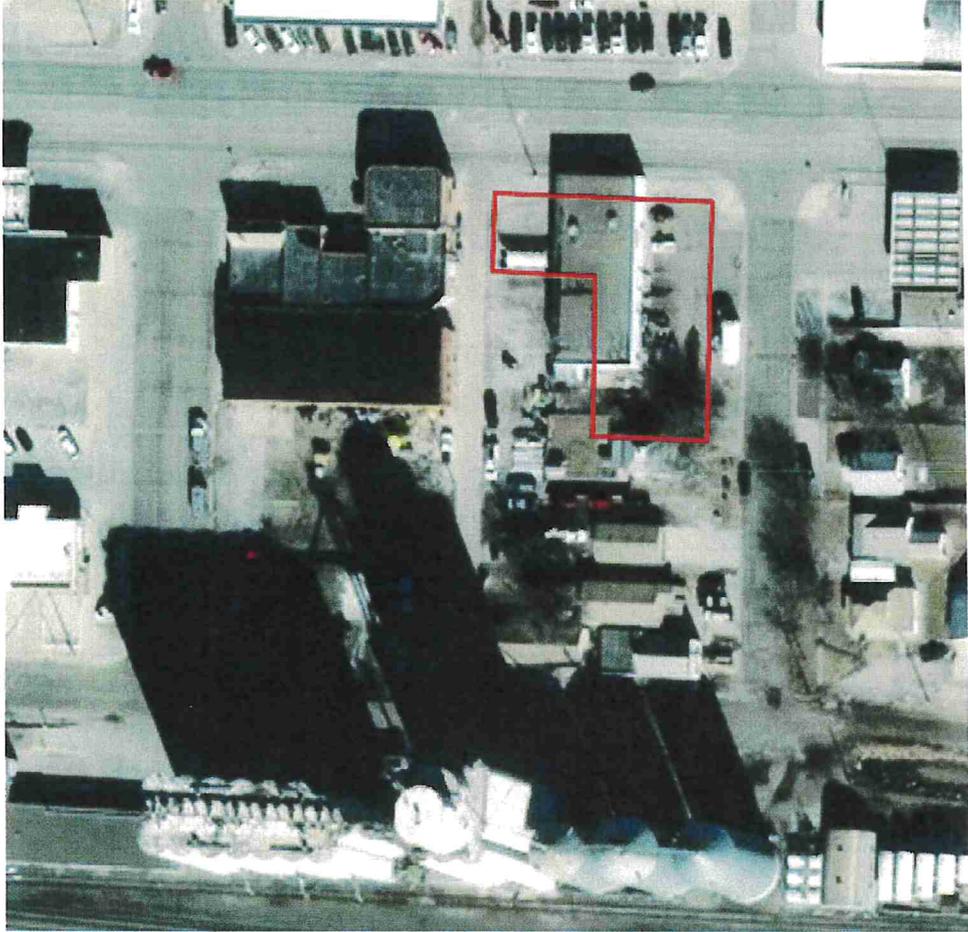
Pursuant to the Nebraska Community Development Law codified at Neb. Rev. Stat. §§ 18-2101 through 18-2155 (the "Act"), the City created the Community Development Authority of the City of McCook ("CDA"), which has administered the overall plan of redevelopment for the City. The purpose of this Redevelopment Plan is to identify specific property within the Redevelopment Area that is in need of redevelopment to cause the removal of blight and substandard conditions identified as the site legally described on the attached and incorporated Exhibit "A" (the "Project Site").

The Project Site

The Project Site located within the Redevelopment Area and has been declared blighted and substandard. The Project Site is in need of redevelopment. The CDA has considered whether redevelopment of the Project Site will conform to the general plan and the coordinated, adjusted, and harmonious development of the City and its environs. In this consideration, the CDA finds that such a redevelopment of the Project Site will promote the health, safety, morals, order, convenience, prosperity, and the general welfare of the community including, among other things, the promotion of safety from fire, the promotion of the healthful and convenient distribution of population, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of unsanitary and unsafe dwelling accommodations or conditions of blight.

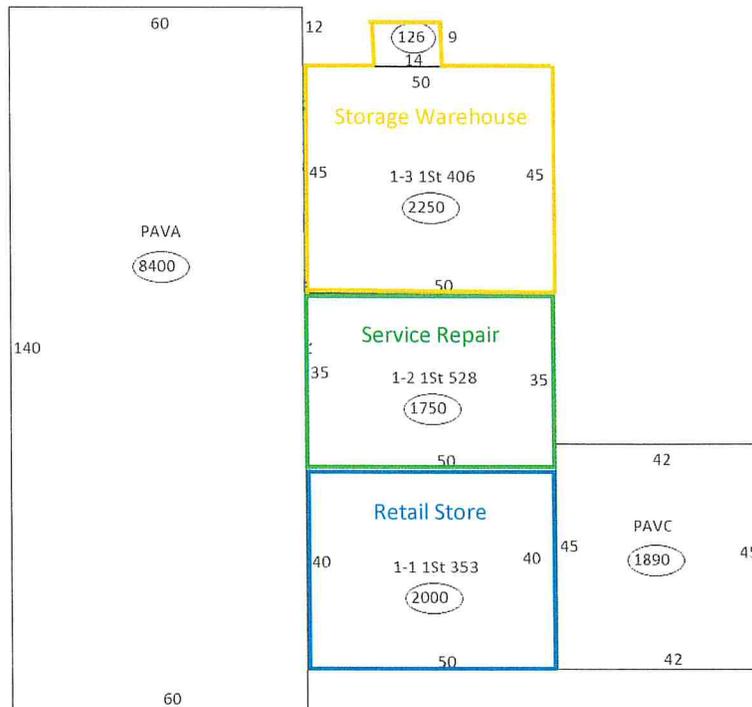
An approximately 6,126 square foot commercial building is currently located on the Project Site. The existing building was formerly occupied by an automotive repair shop. The existing building was built in 1952 and is no longer suitable for modern business due to its age and obsolescence. The blighted condition of the Project Site and the Redevelopment Area has contributed to its inability to attract businesses and/or development. In order to support private development, the Project Site and the Redevelopment Area are in need of renovation and redevelopment.

A general depiction of the Project Site is set forth below:



A recent photograph and sketch of the existing building on the Project Site are set forth below:





Description of the Project

Restored Homes LLC, a Nebraska limited liability company (the “Redeveloper”), has submitted a proposal for the redevelopment of the Project Site. The project under consideration will consist of the renovation and rehabilitation of the commercial building on the Project Site and associated improvements on the Project Site to create professional office and retail space (the “Project”). Upon completion, Redeveloper intends to lease space in the building to Engineering International, an architectural design and engineering firm, and Kitchen Solvers, a kitchen remodeling company.

The Project is intended to create professional office and retail space in order to expand two existing commercial businesses in the City. The redevelopment of the Project Site pursuant to this Redevelopment Plan will help eliminate the current blight and substandard conditions of the Project Site, and further the purposes of the Act.

As part of the Project, the CDA shall capture available tax increment from the Project Site to assist in payment for the public improvements listed as eligible expenditures under the Act in the Redevelopment Area. Such public improvements may include, but are not limited to: land acquisition, site preparation, energy efficiency enhancements, architectural and engineering fees, and other improvements deemed feasible and necessary in support of the public health, safety, and welfare which qualify as eligible expenditures for public improvements under the Act. Redeveloper shall be responsible for all other costs and expenses associated with the Project.

Redeveloper intends to commence construction in November, 2022 and complete construction before the end of 2023. The base year for the Project is anticipated to be 2023 and the effective date for the division of taxes shall be January 1, 2024.

Tax Increment Financing

The CDA contemplates the use of TIF for the Redevelopment Project. Section 18-2147 of the Act authorizes the use of TIF. It provides that any ad valorem tax levied upon real property, or any portion thereof, in a redevelopment project shall be divided, for a period not to exceed fifteen years after the effective date as identified in the redevelopment contract, or amendment thereof, or in the resolution(s) of the authority authorizing the issuance of TIF Indebtedness pursuant to the Act, as follows:

- (a) That portion of the ad valorem tax the levy produces at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body (“Base Tax Amount”); and
- (b) That portion of the ad valorem tax on real property, as provided in the redevelopment contract or bond resolution, in the redevelopment project in excess of the Base Tax Amount, if any, shall be allocated to and, when collected, paid into a special fund of the authority to be used solely to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such authority for financing or refinancing, in whole or in part, the redevelopment project.

With respect to the Redevelopment Project, the actual base tax year and Base Tax Amount for Project Site will be set forth in the redevelopment agreement. It is anticipated that the CDA will issue one TIF note for the entire Project. Notwithstanding any provision herein to the contrary, all incremental tax revenues resulting from the Project shall only be divided and allocated for no more than the applicable 15-year increment period provided by the Act.

The base value is of the Project Site is \$109,600. The projected completed valuation of the Project is \$625,000, based on Redeveloper’s calculations and estimates. The final value will ultimately be decided by the Red Willow County Assessor, but the CDA will use Redeveloper’s assumption for the TIF Projections for the Project.

Based upon the anticipated completed valuation of \$625,000 and a 5.0% interest rate for the TIF Note, the Project will yield TIF Indebtedness in the amount of approximately \$104,000. Redeveloper estimates that the total Project costs shall be approximately \$800,000. Redeveloper shall also be responsible for the CDA’s administrative fee and the City’s cost of issuance related to the Project and the TIF Indebtedness, which costs are TIF-eligible expenses. Redeveloper has identified approximately \$326,120 TIF-eligible expenditures. The estimated TIF uses are set forth below:

CDA Administrative Fee	\$3,120
Cost of Issuance	TBD
Land Acquisition	\$250,000
Site Preparation	\$15,000
Energy Efficiency Enhancements	\$10,000
Architectural Fees	\$24,000
Engineering Fees	\$18,000
Legal Fees	\$6,000
<hr/>	
Total estimated TIF uses:	\$326,120

All TIF uses identified above are estimated amounts and the actual TIF Uses shall be determined based upon actual costs and documented invoices for all eligible public uses. The list of TIF uses identified above is not exhaustive and additional documented eligible public uses may be considered by the CDA.

Statutory Elements

As described above, the Project envisions the capture of the incremental taxes created by the Project on the Project Site to pay for those eligible expenditures as set forth in the Act. Attached hereto as Exhibit “B” and incorporated herein by this reference is a consideration of the statutory elements under the Nebraska Community Development Law.

Cost-Benefit Analysis

Pursuant to Section 18-2113 of the Act, the CDA must conduct a cost-benefit analysis for any redevelopment project that will utilize TIF. The Cost-Benefit Analysis for the Project is attached hereto as Exhibit “C” and incorporated by this reference.

Comprehensive Plan

Several goals of the McCook, Nebraska Comprehensive Plan 2013–2023 (the “McCook Comprehensive Plan”) will be furthered by this Project, including but not limited to:

EDUCATION AND COMMUNITY/ECONOMIC DEVELOPMENT

Goal 2: Economic Development. Utilize the McCook Comprehensive Plan as an economic development resource and guide to maximize economic opportunities for all residents. Foster an increase in diversified employment and business types in McCook.

Action Step 2: Create up to 200 new jobs in McCook by 2023. This should be achieved by expanding exiting and adding commercial businesses and industrial companies, “light manufacturing” in nature in McCook. . . .

Action Step 3: Focus efforts of diversified businesses and employment opportunities to expand existing and attract new companies. Expand the

availability of retail commerce development sites and available storefronts for rent or purchase to attract non-local businesses. . . .

GOAL 3: Community Development. Community development practices should strive to both stabilize and improve the local McCook economy and quality of life. Proper renovation, adaptive reuse and additions of existing buildings, as well as new construction activities should be components of locally available incentives to attract residents, businesses and industries.

Action Step 1: Encourage local reinvestment in McCook by both the public and private sectors. Provide infrastructure and needed amenities to support future growth of commercial, industrial and residential areas. Remove dilapidated buildings and promote building rehabilitation on structures that are considered cost-effective for such activity. Commercial building rehabilitation projects could include façade restoration, window and awning replacement, improved accessibility and signage. . . .

Action Step 3: Utilize all available public programs of financing in funding development and redevelopment programs. . . .

Goal 4: Community Redevelopment Planning and Implementation. Focus on improving structures, utility mains and public facilities throughout McCook. Utilize various funding local, State and Federal funding sources to achieve various redevelopment goals in McCook.

Action Step 1: Utilize Tax Increment Financing (TIF) in designated “Redevelopment Areas” as a method of funding structural rehabilitation activities for commercial buildings. These activities could include façade renovation, utility and street improvements and mixed use developments. . . .

Additionally, the following selections from the McCook Comprehensive Plan are supported and implemented by the Project:

- Downtown McCook needs to focus on the development and retention of specialty retail, professional office and services.
- Specialty retail, cafes/restaurants, and professional offices are encouraged to further diversify commercial venues in Downtown McCook.
- Encourage property and business owners to utilize the provisions of Tax Increment Financing as both a development and redevelopment tool in Downtown McCook and along the commercial highway corridors.

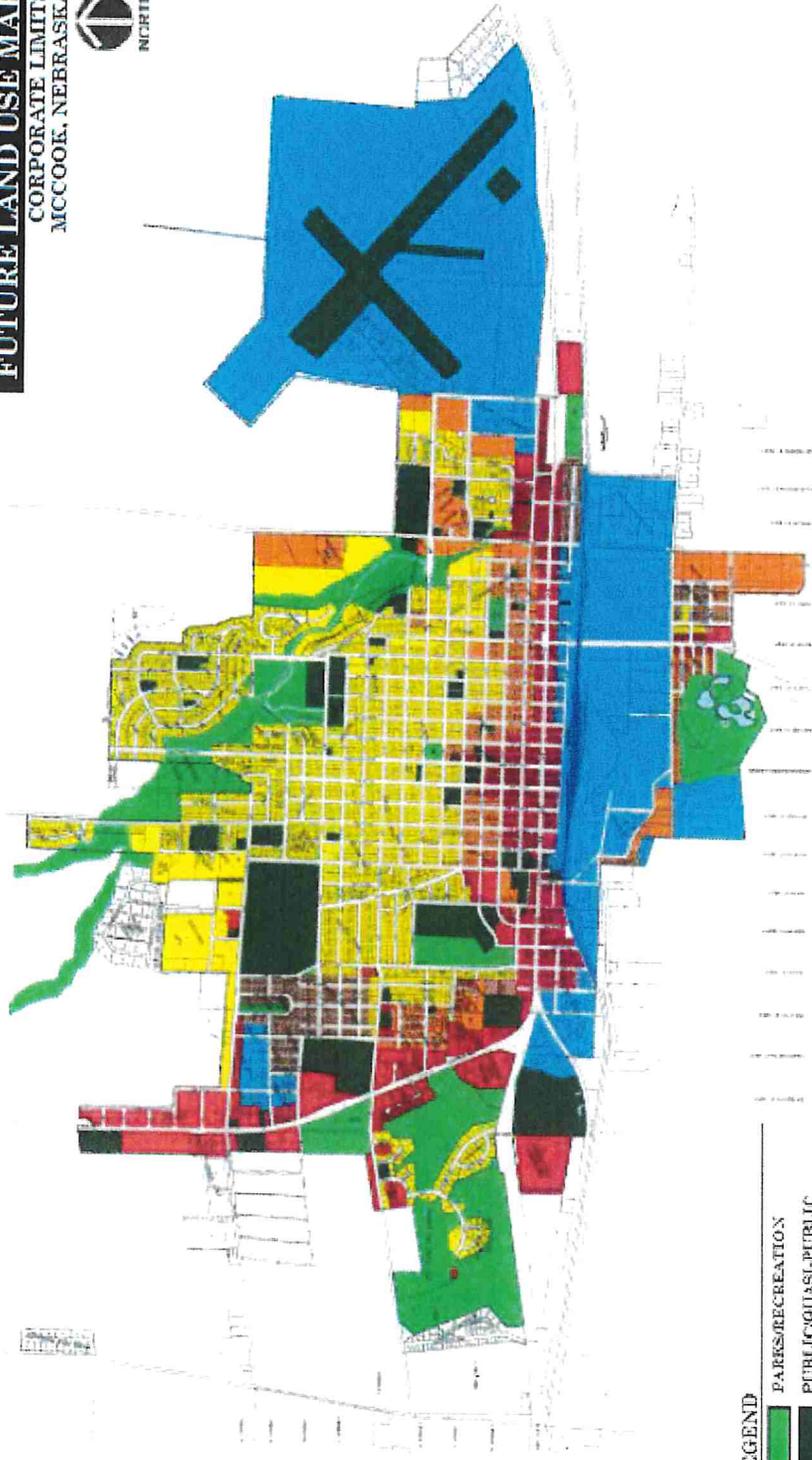
The existing land use map and future land use map from the McCook Comprehensive Plan are included for reference in this Redevelopment Plan. The future land use of the site is designated for commercial use, so the Project conforms to the future land use designation of the Project Site.

Note: This section is not a comprehensive analysis of the Project's conformance with the McCook Comprehensive Plan, but is meant to highlight and summarize the key points on this topic.

Additional Project Information from Redeveloper

Redeveloper has represented that without the use of TIF, this Project would not be feasible and Redeveloper could not develop this Project on the Project Site. Redeveloper has further represented that it does not intend to file an application with the Department of Revenue to receive tax incentives under the ImagiNE Nebraska Act.

FUTURE LAND USE MAP
CORPORATE LIMITS
MCCOOK, NEBRASKA



- LEGEND**
- PARKS/RECREATION
 - PUBLIC/QUASI-PUBLIC
 - SINGLE FAMILY RESIDENTIAL
 - MULTIFAMILY RESIDENTIAL
 - MOBILE HOME RESIDENTIAL
 - COMMERCIAL
 - INDUSTRIAL
 - RAILROAD CORRIDOR
 - CORPORATE LIMIT LINE

HANNA-KEELAN ASSOCIATES, P.C.
 COMMUNITY PLANNING & RESEARCH

* Lincoln, Nebraska * 402.464.6383 *

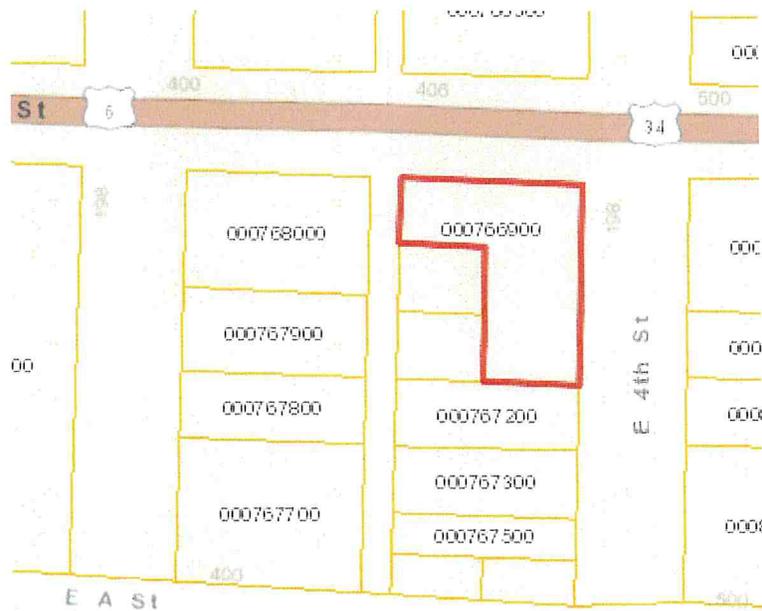
ILLUSTRATION 4.4

EXHIBIT "A"
Legal Description of the Project Site

The Project Site is located at 410 East B Street in McCook, Nebraska and legally described as follows:

Lot One (1) and the East Ninety feet (E90') of Lots Two (2) and Three (3) EXCEPT 634.57 square feet to the Department of Roads, Block Twenty-six (26), First Addition to the City of McCook, Red Willow County, Nebraska.

The general location of the Project Site is depicted below:



**Exhibit “B”
Statutory Elements**

A. Property Acquisition, Demolition and Disposal

No public acquisition of private property, relocation of families or businesses, or the sale of property is necessary to accomplish the Project. Redeveloper recently purchased the Project Site in preparation to undertake the Project.

B. Population Density

The proposed Project on the Project Site is a commercial project, involving the renovation and rehabilitation of the commercial building on the Project Site. The Project will not significantly affect population density in the project area.

C. Land Coverage

The Project will consist of the renovation and rehabilitation of the 6,126 square foot commercial building on the Project Site. The footprint of the building will not change. The Project will meet the applicable land-coverage ratios and zoning requirements as required by the City of McCook.

D. Traffic Flow, Street Layouts, and Street Grades

No adverse impacts are anticipated with respect to traffic flow, street layouts, and street grades. The existing infrastructure is anticipated to be sufficient for the intended uses of the Project Site upon completion of the Project.

E. Parking

The Project Site has approximately 10,290 square feet of paved parking areas. The Project will be required to meet or exceed the parking requirements set forth in the applicable zoning district.

F. Zoning, Building Code, and Ordinances

The Project Site is currently zoned in the Business Commercial zoning district. The Project is a permitted use in the existing zoning district for the Project Site. No additional zoning, building code, or ordinance changes will be necessary for the Project.

Exhibit "C"
Cost-Benefit Analysis
(Pursuant to Neb. Rev. Stat. § 18-2113)

The cost-benefit analysis for the Engineering International Redevelopment Project, as described in the Redevelopment Plan to which this cost-benefit analysis is attached, is presented below. The above-referenced project will utilize Tax Increment Financing ("TIF") funds authorized by Neb. Rev. Stat. § 18-2147.

1. Tax shifts resulting from the approval of the use of funds pursuant to Section 18-2147:

The taxes generated by the current value of the property shall continue to be allocated between taxing jurisdictions pursuant to standard statutory requirements. Only the incremental taxes created by the Project will be captured to pay eligible public expenditures. Since the incremental taxes would not exist without the use of TIF to support the Project, the true tax shift of this Project is a positive shift in taxes after 15 years. However, for the purposes of illustrating the incremental taxes used for TIF, the 15 year tax shift is as follows:

a.	Redevelopment Project Valuation:	\$109,600
b.	Projected Completed Project Assessed Valuation:	\$625,000
c.	Projected Tax Increment Base:	\$515,400
d.	Estimated Tax Levy:	1.929606
e.	Annual Projected Tax Shift:	\$9,945

Note: The Projected Tax Increment is based on assumed values and levy rates; actual amounts and rates will vary from those assumptions, and it is understood that the actual tax shift may vary materially from the projected amount. The levy rate is assumed to be the 2021 levy rate. There has been no accounting for incremental growth or change in the tax levy over the 15 year TIF period.

2. Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project:

a. Public infrastructure improvements and impacts:

No substantial effects are anticipated on the public infrastructure and community public service needs. The public infrastructure serving the Project Site is sufficient for the Project. No public infrastructure improvements are anticipated to be necessary based on this Project, and the Project will not have a material adverse effect on any community public services.

Redeveloper anticipates expenditures of approximately \$800,000 for the Project. It is anticipated that approximately \$104,000 of the public improvements will be financed with the proceeds of the TIF generated by the private improvements on the Project Site. The projected uses of the TIF Indebtedness, which will be refined in the Redevelopment Agreement for this Project, are set forth in the Redevelopment Plan for

the Project. All expenditures financed by the TIF Indebtedness shall be eligible under the Nebraska Community Development Law.

b. Local Tax impacts (in addition to impacts of tax shifts described above):

The Project will create material tax and other public revenue for the City and other local taxing jurisdictions. While the use of tax increment financing will defer receipt of a majority of new ad valorem real property taxes generated by the Project, the Project should generate immediate tax growth for the City. The Project will be a commercial space, and the businesses leasing and operating on the Project Site should generate immediate sales tax and personal property tax revenue that would otherwise not be produced. The Project will also require and pay for City services. It is not anticipated that the Project will have any material adverse impact on such City services, but will generate revenue providing support for those services.

3. Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project:

It is not anticipated that the Project will have a material adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project. The Project will create professional office and retail space, which should expand existing and attract new businesses. The Project should have a material positive impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project because the Project is intended to ameliorate conditions of blight that might otherwise deter businesses from locating or expanding in the area.

4. Impacts on other employers and employees within the City and the immediate area that is located outside of the boundaries of the area of the redevelopment project:

The Project should have a material positive impact on private sector businesses in and around the area outside the boundaries of the redevelopment project. The Project is not anticipated to impose a burden or have a negative impact on other local area employers. The Project should encourage business owners to locate and/or relocate along the "B" Street (Highway 6/34) Corridor, which will allow for further growth of the community. There should also be additional consumer traffic to the City, which should benefit other businesses.

5. Impacts on the student populations of school districts within the City:

It is not anticipated that the Project will have a material adverse impact on the student populations of the school district within the City. The Project is a commercial project that does not involve housing.

6. Other impacts determined by the agency to be relevant to the consideration of costs and benefits arising from the redevelopment project:

The Project will retain and create jobs in the City by expanding two existing commercial businesses. There are no other material impacts determined by the agency relevant to the consideration of the cost of benefits arising from the Project.

7. Summary of Findings:

The Project will facilitate the redevelopment of a blighted and substandard area of the City without the incurrence of significant public cost. Additionally, the Project will increase property tax revenue in the long-term. The benefits outweigh the costs of the proposed Project.

CITY MANAGER'S REPORT

NOVEMBER 21, 2022 MCCOOK COMMUNITY DEVELOPMENT AGENCY MEETING

3.C.
ITEM NO. ___ Approve Resolution No. CDA 2022-26 authorizing and approving a Redevelopment Agreement including the use of Tax Increment Financing for the Engineering International Redevelopment Project.

BACKGROUND:

For a TIF project to occur within the City of McCook, a Redevelopment Agreement must be entered by the developer and the CDA (acting on behalf of the City). Approval of the Redevelopment Agreement takes place after approval of the Redevelopment Plan. The Redevelopment Agreement must be approved by McCook's City Council and the McCook Community Development Agency.

The proposed Engineering International Redevelopment Agreement contemplates that the CDA will capture the tax increment from the improvements made to the project site. The capture period will not exceed 15 years. The CDA will issue TIF indebtedness in an amount not to exceed \$104,000. The TIF indebtedness will be issued as a promissory note with Restored Homes, LLC listed as the registered holder of the note. Restored homes, LLC will purchase the debt. The TIF indebtedness will be secured by a pledge of the tax increment for a period of 15 years or potentially earlier, if the debt is repaid sooner than 15 years. The issued debt will not be a general obligation of the City of McCook. If the Tax Increment falls short of anticipated receipts, the developer will be responsible to make up the shortfall.

The Redevelopment Agreement reaffirms the project would not occur but for the use of TIF. The Agreement contains a provision that requires the developer to provide the CDA with sufficient evidence to establish the developer has the necessary funds to carry out the proposed project. The information will provide assurance that the developer has the means to undertake the project. The submission of the financial information is a condition precedent to the requirement the CDA proceed with its obligations.

The developer anticipates the project will be completed on or before December 31, 2023, with January 1, 2024 serving as the effective date. The developer will be required to report its progress to the CDA. The developer will be required to execute a Certificate of Completion after concluding the work to the site. The Certificate of Completion will serve as a conclusive determination of satisfaction of the agreement on the part of the developer.

During the term of the Agreement, the developer is not allowed to protest the property valuation in a sum less than \$625,000. This is to insure the tax increment is funded at the anticipated amount. Further, while the Redevelopment Agreement is active, the developer cannot convey the project site or structures to any entity which would be exempt from paying real estate taxes. CDA approval will be necessary for an assignment to potential future owners. As mentioned, if the anticipated valuation is less than \$625,000, the developer is responsible for the shortfall in the tax increment generated by the project. The developer will be responsible to assure no liens are allowed against the property except for those spelled out in Section 5.02.

The Agreement contains provisions for default. The remedies include compelling specific performance, requiring the developer to remit the sum by which the anticipated tax increment exceeds the actual tax increment, and declaring the entire amount due with interest at 12%. Additionally, the Agreement provides a release of liability in favor of the CDA and

assures the developer will indemnify the CDA/City from claims arising from the developer's actions.

APPROVALS:

Nathan A. Schneider, City Manager

November 15, 2022

Lea Ann Doak, City Clerk

November 15, 2022

**COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK, NEBRASKA**

RESOLUTION NO. CDA 2022-06

(Redevelopment Agreement–Engineering International Redevelopment Project)

A RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MCCOOK, NEBRASKA, AUTHORIZING AND APPROVING A REDEVELOPMENT AGREEMENT INCLUDING THE USE OF TAX INCREMENT FINANCING FOR A REDEVELOPMENT PROJECT; AND TAKING OTHER ACTIONS REQUIRED OR PERMITTED UNDER THE COMMUNITY DEVELOPMENT LAW.

RECITALS

- A. The Community Development Agency of the City of McCook, Nebraska (“CDA”), in furtherance of the purposes and pursuant to the provisions of the Community Development Law, Neb. Rev. Stat. §§ 18-2101 to 18-2155, as amended (the “Act”), has adopted a Redevelopment Plan for a portion of Redevelopment Area #3 (“Redevelopment Plan”).
- B. The Planning Commission of the City of McCook has recommended approval of the Redevelopment Plan.
- C. The CDA shall submit the Redevelopment Plan to the City Council of the City of McCook, Nebraska for final approval and adoption pursuant to the Act.
- D. The Redevelopment Plan authorizes and creates a specific redevelopment project on a portion of the Redevelopment Area identified in the Redevelopment Plan as the Engineering International Redevelopment Project (the “Project”).
- E. The CDA has prepared a redevelopment agreement for the Project, a copy of which is attached hereto as Exhibit “A” and incorporated by this reference (the “Redevelopment Agreement”).
- F. The Project would use Tax Increment Financing pursuant to Section 18-2147 of the Act to assist in paying for the cost of certain eligible public improvements authorized by the Act and identified in the Redevelopment Plan and the Redevelopment Agreement.

NOW THEREFORE, BE IT RESOLVED, by the CDA, that the Redevelopment Agreement is hereby approved.

BE IT FURTHER RESOLVED, the CDA authorizes the Chairperson of the CDA to execute and enter into the Redevelopment Agreement on the CDA’s behalf upon the City Council’s approval of the Redevelopment Agreement.

BE IT FURTHER RESOLVED, the CDA authorizes the Chairperson of the CDA to take all such actions that are required to fulfill the terms of the Redevelopment Agreement and to consummate the agreement set forth therein.

BE IT FURTHER RESOLVED, without limitation to the foregoing, the CDA authorizes the issuance of the TIF Indebtedness in substantially the same form of the Note attached to the Redevelopment Agreement as Exhibit "E" in an amount not to exceed the TIF Indebtedness amount set forth in the Redevelopment Agreement without further written approval of the CDA or the City Council.

BE IT FURTHER RESOLVED, the foregoing resolutions are subject to and contingent upon the City Council's approval and adoption of the Redevelopment Plan Amendment for the Project, and if the City Council does not approve and adopt the Redevelopment Plan Amendment, the resolutions contained herein shall be void and of no effect.

BE IT FURTHER RESOLVED, that any other resolutions or actions that are contradictory or incompatible with the provisions of this Resolution are hereby rescinded.

Dated this 21st day of November, 2022.

COMMUNITY DEVELOPMENT
AGENCY OF THE CITY OF
MCCOOK, NEBRASKA

Chairman

ATTEST:

Secretary

EXHIBIT "A"
Redevelopment Agreement

[Attached]

REDEVELOPMENT AGREEMENT

(Engineering International Redevelopment Project)

This Redevelopment Agreement is made and entered into as of the ____ day of _____, 2022, by and between the Community Development Agency of the City of McCook, Nebraska (“CDA”) and Restored Homes, LLC, a Nebraska limited liability company (“Redeveloper”).

RECITALS

A. The CDA is a duly organized and existing community redevelopment authority, a body politic and corporate under the laws of the State of Nebraska, with lawful power and authority to enter into this Redevelopment Agreement.

B. The City, in furtherance of the purposes and pursuant to the provisions of the Act, has adopted a Redevelopment Plan for a blighted and substandard area designated by the City, including the Redevelopment Area.

C. Redeveloper owns the Project Site which is located in the Redevelopment Area.

D. Redeveloper submitted a redevelopment project proposal to redevelop the Project Site.

E. Redeveloper’s proposed redevelopment project will consist of the renovation and rehabilitation of the commercial building on the Project Site and associated improvements on the Project Site to create professional office and retail space.

F. The CDA has approved Redeveloper’s proposed redevelopment project, including the utilization of tax-increment financing to assist in the cost of the Public Improvements defined in this Redevelopment Agreement.

G. The CDA and Redeveloper desire to enter into this Redevelopment Agreement for redevelopment of the Project Site.

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements herein set forth, the CDA and Redeveloper do hereby covenant, agree and bind themselves as follows:

ARTICLE I DEFINITIONS AND INTERPRETATION

Section 1.01 Terms Defined in this Redevelopment Agreement.

Unless the context otherwise requires, the following terms shall have the following meanings for all purposes of this Redevelopment Agreement, such definitions to be equally applicable to both the singular and plural forms and masculine, feminine and neuter gender of any of the terms defined:

A. “Act” means Article VIII, Section 12 of the Nebraska Constitution, Neb. Rev. Stat. §§ 18-2101 through 18-2155, as amended, and acts amendatory thereof and supplemental thereto.

B. “Anticipated Tax Increment” means the Anticipated Tax Increment for this Project as set forth on the attached Exhibit “B”.

C. “City” means the City of McCook, Nebraska.

D. “County” means Red Willow County, Nebraska.

E. “CDA” means the Community Development Agency of the City of McCook, Nebraska.

F. “Effective Date” means January 1, 2024; provided that, if the valuation of the Project Site increases in 2023 due to the partial construction of the Project, Redeveloper may accelerate said Effective Date to January 1, 2023, upon written notice from Redeveloper to the CDA tendered prior to July 1, 2023. Such written notice received by the CDA shall automatically be incorporated herein and amend the above definition under this Redevelopment Agreement in accordance therewith. If no written notice is received from Redeveloper prior to July 1, 2023 as set forth above, the Effective Date shall be January 1, 2024.

G. “Eligible Project Costs” means only costs or expenses incurred by Redeveloper for Public Improvements and other items eligible for reimbursement under the Act.

H. “Minimum Project Valuation” means the amount of Six Hundred Twenty-Five Thousand and No/100 Dollars (\$625,000.00).

I. “Private Improvements” means all the private improvements to be constructed on the Project Site as more particularly described on Exhibit “A”.

J. “Project” means the Project Site and includes improvements to the Project Site and adjacent thereto, including the Private Improvements and Public Improvements defined herein and described on Exhibit “A”.

K. “Project Completion Date” means on or before December 31, 2023.

L. “Project Site” means all that certain real property situated in the City, more particularly described on Exhibit “A”.

M. “Public Improvements” shall include all the public improvements more particularly described on Exhibit “A” which are eligible improvements under the Act. The costs of the Public Improvements include the debt service payments of the TIF Indebtedness.

N. “Redeveloper” means Restored Homes, LLC, a Nebraska limited liability company.

O. "Redevelopment Agreement" means this Redevelopment Agreement between the CDA and Redeveloper with respect to the Project.

P. "Redevelopment Area" means Redevelopment Area #3 in the City as set forth in the Redevelopment Plan.

Q. "Redevelopment Plan" means the Blight and Substandard Determination Study for the Redevelopment Area prepared in January, 2013 by Hanna:Keelan Associates, P.C., together with the Redevelopment Plan for the Project, as approved by the City pursuant to the Act, as amended.

R. "Tax Increment" means, in accordance with Neb. Rev. Stat. § 18-2147, the difference between the ad valorem tax which is produced by the tax levy (fixed each year by the County Board of Equalization) for the Project Site for the year prior to the Effective Date (defined in Neb. Rev. Stat. § 18-2103(29) as the "Redevelopment Project Valuation"), and the portion of the ad valorem tax in excess of the Redevelopment Project Valuation which is produced by the tax levy for the Project Site after completion of construction of the Private Improvements as part of the Project.

S. "TIF Indebtedness" means the sums payable under any bonds, notes, loans and advances of money or other indebtedness, including interest thereon, issued by the CDA or the City secured in whole or in part by Tax Increment.

Section 1.02 Construction and Interpretation.

The provisions of this Redevelopment Agreement shall be construed and interpreted in accordance with the following provisions:

(a) This Redevelopment Agreement shall be interpreted in accordance with and governed by the laws of the State of Nebraska, including the Act.

(b) Wherever in this Redevelopment Agreement it is provided that any person may do or perform any act or thing the word "may" shall be deemed permissive and not mandatory and it shall be construed that such person shall have the right, but shall not be obligated, to do and perform any such act or thing.

(c) The phrase "at any time" shall be construed as meaning "at any time or from time to time."

(d) The word "including" shall be construed as meaning "including, but not limited to."

(e) The words "will" and "shall" shall each be construed as mandatory.

(f) The words "herein," "hereof," "hereunder," "hereinafter" and words of similar import shall refer to the Redevelopment Agreement as a whole rather than to any particular paragraph, section or subsection, unless the context specifically refers thereto.

(g) Forms of words in the singular, plural, masculine, feminine or neuter shall be construed to include the other forms as the context may require.

(h) The captions to the sections of this Redevelopment Agreement are for convenience only and shall not be deemed part of the text of the respective sections and shall not vary by implication or otherwise any of the provisions hereof.

ARTICLE II REPRESENTATIONS

Section 2.01 Representations by the CDA.

The CDA makes the following representations and findings:

(a) The CDA is a duly organized and validly existing community development agency under the Act.

(b) The CDA deems it to be in the public interest and in furtherance of the purposes of the Act to accept the proposal submitted by Redeveloper for the redevelopment of the Project Site as specified herein.

(c) The Project will achieve the public purposes of the Act by, among other things, increasing the tax base and lessening blighted and substandard conditions in the Redevelopment Area.

(d) The costs and benefits of the Project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services have been analyzed by the CDA and have been found to be in the long-term best interest of the community impacted by the Project.

Section 2.02 Representations of Redeveloper.

Redeveloper makes the following representations and findings:

(a) Redeveloper is a Nebraska limited liability company in good standing and has the power to enter into this Redevelopment Agreement and perform all obligations contained herein.

(b) The execution and delivery of the Redevelopment Agreement and the consummation of the transactions therein contemplated will not conflict with or constitute a breach of or default under any bond, debenture, note or other evidence of indebtedness or any contract, loan agreement or lease to which Redeveloper is a party or by which it is bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of Redeveloper contrary to the terms of any instrument or agreement.

(c) There is no litigation pending or to the best of its knowledge threatened against Redeveloper affecting its ability to carry out the acquisition, construction, equipping and furnishing of the Project or the carrying into effect of this Redevelopment

Agreement or, except as disclosed in writing to the CDA, as to any other matter materially affecting the ability of Redeveloper to perform its obligations hereunder.

(d) Redeveloper owns the Project Site in fee simple and free from any liens, encumbrances, or restrictions which would prevent the performance of this Redevelopment Agreement by Redeveloper.

(e) Pursuant to Neb. Rev. Stat. § 18-2119, Redeveloper certifies to the CDA that Redeveloper does not intend to file an application with the Nebraska Department of Revenue to receive tax incentives under the ImagiNE Nebraska Act.

(f) The Project would not be economically feasible without the use of tax increment financing.

(g) The Project would not occur in the Redevelopment Area without the use of tax increment financing.

ARTICLE III OBLIGATIONS OF THE CDA AND PUBLIC IMPROVEMENTS

Section 3.01 Capture of Tax Increment.

Subject to the contingencies described below and to all of the terms and conditions of this Redevelopment Agreement, commencing for the tax year of the Effective Date and continuing thereafter, the CDA shall capture the Tax Increment from the Private Improvements pursuant to the Act. The CDA shall capture the Tax Increment generated by the Project Site for a total period of not to exceed fifteen (15) years after the Private Improvements have been included in the assessed valuation of the Project Site and the Project Site is generating the Tax Increment subject to capture by the CDA. The effective date of this provision shall be the Effective Date. The CDA shall file with the County Assessor the "Notice to Divide Tax" on or prior to August 1 in the year of the Effective Date.

Section 3.02 Issuance of TIF Indebtedness.

On or after thirty (30) days following the approval and execution of this Redevelopment Agreement, the CDA shall incur or issue TIF Indebtedness in an amount not to exceed One Hundred Four Thousand and No/100 Dollars (\$104,000.00), as calculated on the attached and incorporated Exhibit "B". The TIF Indebtedness shall be issued in a TIF Promissory Note in the form attached hereto as Exhibit "E" ("Note"). The TIF Indebtedness shall be purchased by Redeveloper or a lender of Redeveloper. The TIF Indebtedness shall not be a general obligation of the CDA or City which shall issue such Note solely as a conduit. If Redeveloper does not acquire and fund the TIF Indebtedness itself, Redeveloper shall locate a lender or other entity to acquire and fund the acquisition of the Note for the TIF Indebtedness. The TIF Indebtedness shall be secured by a pledge or assignment of the Tax Increment or otherwise secured by Redeveloper as required by the lender.

Section 3.03 Use of TIF Indebtedness.

The CDA will collect the Tax Increment and use said Tax Increment to pay debt service on the TIF Indebtedness incurred as provided in Section 3.02 of this Redevelopment Agreement. Notwithstanding the foregoing, the amount of the TIF Indebtedness that the CDA agrees to service and repay with the Tax Increment shall not exceed the amount of the Eligible Project Costs certified pursuant to Section 4.03. In addition, at or prior to the issuance of the Note, Redeveloper shall pay to the CDA an amount equal to the CDA's reasonable and necessary cost of issuance, including attorney fees, and a CDA administration fee in the amount of three percent (3%) of the TIF Indebtedness. The Tax Increment shall be paid pursuant to the terms of the Note and this Redevelopment Agreement.

Section 3.04 Creation of Fund.

The CDA will create a special fund to collect and hold the receipts of the Tax Increment. Such special fund shall be used for no purpose other than to pay TIF Indebtedness issued pursuant to Section 3.02 above.

Section 3.05 Projected TIF Sources and Uses.

In addition to the TIF Indebtedness calculation formula set forth on Exhibit "B", Redeveloper's anticipated TIF sources and eligible uses are attached and incorporated for the parties' reference as Exhibit "C."

**ARTICLE IV
OBLIGATIONS OF REDEVELOPER**

Section 4.01 Evidence of Financial Ability.

Redeveloper shall, no later than ninety (90) days following the execution of this Redevelopment Agreement, provide to the CDA evidence of availability of the specific amount of finances necessary for purposes of carrying out the commitment of Redeveloper in connection with acquisition of the Project Site and construction of the Public Improvements and the Private Improvements. To the extent allowed by law, the CDA agrees to keep said information confidential. Such information shall state the amount and source of liquid assets on hand or immediately available to Redeveloper for use in constructing the Private Improvements; and shall state the amount and source of debt financing which is available, or irrevocably committed, to Redeveloper for use in completing the Private Improvements. Such information shall be provided in a form satisfactory to the CDA, and evidence of loan commitments shall include all of the documents evidencing the loan commitment, acceptance by Redeveloper, the purposes of the loan, the authorized use of loan funds, and all other terms and conditions of the loan commitment, the acceptance, and the loan. Submittal of such financial information in a form satisfactory to the CDA shall be a condition precedent to the requirement of the CDA to proceed with its obligations under this Redevelopment Agreement.

Section 4.02 Construction of Project; Insurance.

(a) Redeveloper will complete the Public Improvements and the Private Improvements and install all equipment necessary to operate the Public Improvements and the Private Improvements no later than the Project Completion Date. Redeveloper shall be solely responsible for obtaining all permits and approvals necessary to acquire, construct and equip the Public Improvements and the Private Improvements. Until construction of the Public Improvements and the Private Improvements has been completed, Redeveloper shall make reports in such detail and at such times as may be reasonably requested by the CDA as to the actual progress of Redeveloper with respect to construction of the Public Improvements and the Private Improvements. Promptly after completion by Redeveloper of the Public Improvements and the Private Improvements, Redeveloper shall furnish to the CDA a Certificate of Completion in the form attached hereto as Exhibit "F" from Redeveloper's engineer or architect, or owner's representative. When accepted in writing by the CDA, the certification by Redeveloper shall be a conclusive determination of satisfaction of the agreements and covenants in this Redevelopment Agreement with respect to the obligations of Redeveloper to construct the Public Improvements and the Private Improvements.

(b) Any contractor chosen by Redeveloper or Redeveloper itself shall be required to obtain and keep in force at all times until completion of construction, policies of insurance including coverage for contractors' general liability and completed operations (provided that Redeveloper may self-insure in lieu of obtaining and keeping in force such policy of insurance) and a penal bond as required by the Act. Redeveloper shall be named as an additional insured. Any contractor chosen by Redeveloper or Redeveloper itself, as an owner, shall be required to purchase and maintain property insurance upon the Project to the full insurable value thereof (provided that Redeveloper may self-insure in lieu of obtaining and keeping in force such policy of insurance). This insurance shall insure against the perils of fire and extended coverage and shall include "special causes of loss" insurance for physical loss or damage.

Section 4.03 Cost Certification.

Redeveloper shall submit to the CDA a certification of Eligible Project Costs in the form of the certification attached hereto as Exhibit "G" ("Eligible Project Costs Certification"), after expenditure of such project costs. Redeveloper may, at its option, submit one or more partial Eligible Project Costs Certifications prior to expenditure of all Eligible Project Costs providing certification of receipt of billings for work in progress. All Eligible Project Costs Certifications shall be subject to review and approval by the CDA. Determinations by the CDA whether costs included in the Eligible Project Costs Certification are properly included in Eligible Project Costs as defined in this Redevelopment Agreement shall be made in its sole discretion and shall be conclusive and binding on Redeveloper.

The TIF Indebtedness shall not exceed the actual and certified Eligible Project Costs for the Project. In the event that the certified Eligible Project Costs for the Project are less than the TIF Indebtedness, the CDA shall reduce the TIF Indebtedness amount and Redeveloper shall repay to the CDA within ten (10) days of said cost certification any amount in excess of the Eligible Project Costs issued

prior to the Eligible Project Costs Certification.

Section 4.04 No Discrimination.

Redeveloper agrees and covenants for itself, its successors and assigns that as long as this Redevelopment Agreement is outstanding, it will not discriminate against any person or group of persons on account of race, sex, color, religion, national origin, ancestry, disability, marital status or receipt of public assistance in connection with the Project. Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Project, Redeveloper will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, ancestry, disability, marital status or receipt of public assistance. Redeveloper will comply with all applicable federal, state and local laws related to the Project.

Section 4.05 Pay Real Estate Taxes.

(a) Redeveloper has agreed to create a taxable real property valuation of the Project and Project Site of not less than the Minimum Project Valuation no later than the Project Completion Date. During the period of this Redevelopment Agreement, Redeveloper, its successors and assigns, will: (1) not protest a real estate property valuation of the Project Site to a sum less than the Minimum Project Valuation; and (2) not convey the Project Site or structures thereon to any entity which would be exempt from the payment of real estate taxes or cause the nonpayment of such real estate taxes.

(b) If, during the period of this Redevelopment Agreement, the Project Site is assessed at less than the Minimum Project Valuation, Redeveloper shall be responsible for any shortfall in the Tax Increment generated by the Project. If Redeveloper funds the Note, Redeveloper agrees to forgive any shortfall in repayment of the TIF Indebtedness. If a lender or third party other than Redeveloper funds the Note, Redeveloper shall make semi-annual payments in lieu of taxes ("Deficiency Payments") to said lender or third party in the amount the Anticipated Tax Increment exceeds the actual Tax Increment. Said Deficiency Payments shall be made within thirty (30) days of written notice from the lender and/or CDA.

Section 4.06 No Assignment or Conveyance.

Redeveloper shall not convey, assign or transfer the Project Site or any interest therein prior to the termination of the fifteen (15) year period commencing on the Effective Date without the prior written consent of the CDA, which shall not be unreasonably withheld and which the CDA may make subject to any terms or conditions it reasonably deems appropriate, except for the following conveyance, which shall be permitted without consent of the CDA: (i) any conveyance as security for indebtedness incurred by Redeveloper for Project costs or any subsequent physical improvements to the premises (whether incurred prior to or after the effective date of this Redevelopment Agreement) with the outstanding principal amount of all such indebtedness secured by the Project Site which shall have lien priority over the obligations of Redeveloper pursuant to this Redevelopment Agreement; or (ii) any additional or subsequent conveyance as security for indebtedness incurred by Redeveloper for Project costs or any subsequent physical improvements to the premises provided that any such

conveyance shall be subject to the obligations of Redeveloper pursuant to this Redevelopment Agreement.

**ARTICLE V
FINANCING REDEVELOPMENT PROJECT; ENCUMBRANCES**

Section 5.01 Financing.

Redeveloper shall pay all costs for the construction of the Private Improvements and the Public Improvements. Redeveloper shall be responsible for arranging all necessary financing for the construction of the Public Improvements and Private Improvements, including, with respect to the Public Improvements, the TIF Indebtedness.

Section 5.02 Encumbrances.

Redeveloper shall not create any lien, encumbrance or mortgage on the Project or the Project Site except: (a) encumbrances which secure indebtedness incurred to acquire, construct and equip the Project or for any other physical improvements to the Project Site, (b) easements and rights of entry granted by Redeveloper, (c) construction and materialman liens that may be filed in connection with the construction of the Private Improvements so long as any such lien is discharged or bonded within ninety (90) days of completion of the Private Improvements, and (d) any other liens so long as any such lien is satisfied and released or substitute security is posted in lieu thereof within ninety (90) days of Redeveloper receiving notice thereof.

**ARTICLE VI
DEFAULT, REMEDIES; INDEMNIFICATION**

Section 6.01 General Remedies of the CDA and Redeveloper.

Subject to the further provisions of this Article VI, in the event of any failure to perform or breach of this Redevelopment Agreement or any of its terms or conditions, by either party hereto or any successor to such party, such party, or successor, shall, upon written notice from the other, proceed immediately to commence such actions as may be reasonably designed to cure or remedy such failure to perform or breach which cure or remedy shall be accomplished within a reasonable time by the diligent pursuit of corrective action. In case such action is not taken, or diligently pursued, or the failure to perform or breach shall not be cured or remedied within a reasonable time, this Redevelopment Agreement shall be in default and the aggrieved party may institute such proceedings as may be necessary or desirable to enforce its rights under this Redevelopment Agreement, including, but not limited to, proceedings to compel specific performance by the party failing to perform or in breach of its obligations; provided that, in view of the additional remedies of the CDA set out in Sections 6.02 and 6.03 below, the remedy of specific performance by Redeveloper shall not include or be construed to include the covenant to build or construct the Private Improvements or Project.

Section 6.02 Additional Remedies of the CDA.

In the event that:

- (a) Redeveloper, or successor in interest, shall fail to complete the construction of the Project on or before the Project Completion Date, or shall abandon construction work for any period of one hundred twenty (120) days (not including any period covered pursuant to the terms of Section 6.04 below);
- (b) Redeveloper, and/or any successor in interest, shall fail to pay real estate taxes or assessments on the Project Site or any part thereof when due, and such taxes or assessments or payments in lieu of taxes shall not have been paid, or provisions satisfactory to the CDA made for such payment within thirty (30) days following written notice from the CDA;
- (c) Any Deficiency Payment due pursuant to Section 4.05(b) of this Redevelopment Agreement is not paid when due as set forth in Section 4.05(b); or
- (d) There is a transfer of the Project Site or any part thereof in violation of this Redevelopment Agreement, and such failure or action by Redeveloper has not been cured within thirty (30) days following written notice from the CDA,

then Redeveloper shall be in default of this Redevelopment Agreement; and if such failure to perform, breach or default is not cured in the period herein provided, the parties agree that the damages caused to the CDA would be difficult to determine with certainty. To the extent that such failure results in the fact that the CDA is not able to capture the full amount of Tax Increment contemplated hereunder, Redeveloper shall be obligated, on an annual basis, to remit the sum by which the Anticipated Tax Increment exceeds the actual Tax Increment. Additionally, the CDA may, but is not required to, declare the entire amount due hereunder for the remainder of the TIF period immediately due and payable by Redeveloper, such amount or any portion thereof which may from time to time remain unpaid shall bear interest at a rate of twelve percent (12%) per annum or, if less, the maximum legal rate permitted by law, until all amounts due hereunder are paid in full.

Section 6.03 Remedies in the Event of Other Redeveloper Defaults.

In the event Redeveloper fails to perform any other provisions of this Redevelopment Agreement (other than those specific provisions contained in Section 6.02), and such failure has not been cured within thirty (30) days following written notice from the CDA, then Redeveloper shall be in default. In such an instance, the CDA may seek to enforce the terms of this Redevelopment Agreement or exercise any other remedies that may be provided in this Redevelopment Agreement or by applicable law.

Section 6.04 Limitation of Liability; Indemnification.

(a) Notwithstanding anything in this Article VI or this Redevelopment Agreement to the contrary, neither the CDA, the City, nor their officers, directors, employees, agents or their governing bodies shall have any pecuniary obligation or monetary liability under this Redevelopment Agreement. The obligation of the CDA on any TIF Indebtedness shall be limited solely to the Tax Increment pledged as security for such TIF Indebtedness. Specifically, but without limitation, neither the City nor the CDA shall be liable for any costs, liabilities, actions, demands, or damages for failure of any representations, warranties or obligations hereunder. Redeveloper releases the CDA and the City from and agrees that the CDA and the City shall not be liable for any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Private Improvements.

(b) Redeveloper shall indemnify, defend (at the CDA's and/or the City's option) and hold harmless the CDA, the City, their respective employees, officials, agents, representatives and volunteers from and against any and all liabilities, damages, injuries (including death), property damage (including loss of use), claims, liens, judgments, costs, expenses, suits, actions, or proceedings and reasonable attorney's fees, and actual damages of any kind or nature, arising out of or in connection with any aspect of the acts, omissions, negligence or willful misconduct of Redeveloper, its employees, agents, officers, contractors or subcontractors, or Redeveloper's performance or failure to perform under the terms and conditions of this Redevelopment Agreement. Such indemnification, hold harmless and defense obligation shall exclude only such liability actions as arise directly out of the sole negligence or willful misconduct of the CDA or the City. The indemnification and defense obligations set forth herein shall survive the termination of this Redevelopment Agreement.

**ARTICLE VII
MISCELLANEOUS**

Section 7.01 Memorandum.

A Memorandum of this Redevelopment Agreement shall be recorded with the County Register of Deeds. The form of the Memorandum is attached as Exhibit "D" and incorporated by this reference.

Section 7.02 Governing Law.

This Redevelopment Agreement shall be governed by the laws of the State of Nebraska, including the Act.

Section 7.03 Binding Effect; Amendment.

This Redevelopment Agreement shall be binding on the parties hereto and their respective successors and assigns. This Redevelopment Agreement shall run with the Project Site. The Redevelopment Agreement shall not be amended except by a writing signed by the party to be bound.

Section 7.04 No Agency or Partnership.

This Redevelopment Agreement is not intended and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association as between: (i) the CDA and/or the City; and (ii) Redeveloper, or any officer, employee, contractor or representative of Redeveloper. No joint employment is intended or created by this Redevelopment Agreement for any purpose. Redeveloper agrees to so inform its employees, agents, contractors and subcontractors who are involved in the implementation of or construction under this Redevelopment Agreement.

Section 7.05 Document Retention.

Redeveloper shall retain copies of all supporting documents that are associated with the Redevelopment Plan, Project, or this Redevelopment Agreement and that are received or generated by Redeveloper for three (3) years following the end of the last fiscal year in which ad valorem taxes are divided for the Project and provide such copies to the City as needed to comply with the City's retention requirements under the Act. Supporting documents shall include, but not be limited to, any cost-benefit analysis conducted pursuant to Section 18-2113 of the Act and any invoice, receipt, claim, or contract received or generated by Redeveloper that provides support for receipts or payments associated with the division of taxes.

Section 7.06 Notice to Redeveloper.

For the purpose of any notice requirement set forth in this Redevelopment Agreement, Redeveloper's address shall be:

Restored Homes, LLC
Attn: Jeff Tidyman
404 Park Avenue
McCook, NE 69021
jtidyman@engint.us

[Signature Page Follows]

IN WITNESS WHEREOF, the CDA and Redeveloper have signed this Redevelopment Agreement as of the date and year first above written.

“CDA”

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK,
NEBRASKA

ATTEST:

By: _____
Secretary

By: _____
Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF RED WILLOW)

The foregoing instrument was acknowledged before me this ___ day of _____, 2022, by _____ and _____, Chairman and Secretary respectively of the Community Development Agency of the City of McCook, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

“REDEVELOPER”

Restored Homes, LLC,
a Nebraska limited liability company

By: _____
Name: _____
Title: _____

STATE OF NEBRASKA)
) ss.
COUNTY OF RED WILLOW)

The foregoing instrument was acknowledged before me this ___ day of _____, 2022, by _____, _____ of Restored Homes, LLC, on behalf of the company.

Notary Public

EXHIBIT "A"
DESCRIPTION OF PROJECT

The Project undertaken by Redeveloper on the Project Site, defined as the real estate legally described as:

Lot One (1) and the East Ninety feet (E90') of Lots Two (2) and Three (3) EXCEPT 634.57 square feet to the Department of Roads, Block Twenty-six (26), First Addition to the City of McCook, Red Willow County, Nebraska

shall consist of the following Public Improvements and Private Improvements, which shall be undertaken and completed by Redeveloper:

- (a) **Private Improvements.** The renovation and rehabilitation of the commercial building on the Project Site and associated improvements on the Project Site to create professional office and retail space.
- (b) **Public Improvements.** Land acquisition, site preparation, energy efficiency enhancements, architectural and engineering fees, and other eligible public improvements on the Project Site and in the Redevelopment Area, which public improvements are eligible improvements under the Act pursuant to this Redevelopment Agreement; paid for, in part, by the Tax Increment created by the Private Improvements.

EXHIBIT "B"
TIF INDEBTEDNESS

1. Projected Base Value: \$109,600
2. Projected Minimum Final Value: \$625,000
3. Projected Incremental Valuation: \$515,400
4. Assumed Tax Levy: 1.929606
5. Anticipated Tax Increment: \$9,945 annually
6. Assumed Interest Rate: 5.0%
7. TIF Indebtedness:

- a. **Principal Amount.** The principal amount of the TIF Indebtedness shall be equal to or less than \$104,000, which is the maximum amount, together with interest accruing thereon, which can be amortized by December 31, 2039, solely from the Tax Increment Revenues based upon the Anticipated Tax Increment.
- b. **Payments.** Semi-annually commencing when real estate taxes are fully collected for the tax year 2024. The CDA shall utilize all Tax Increment received from the Project to pay debt service on the TIF Indebtedness until the TIF Indebtedness is fully repaid. Provided, however, the CDA does not warrant, represent, or guaranty that the Tax Increment will be sufficient to repay the entire amount of the TIF Indebtedness. The CDA has no obligation to make any payments other than the actual Tax Increment received from the Project.
- c. **Maturity Date.** On or before December 31, 2039.
- d. **TIF Period.** The period for the division of taxes for this Project shall be fifteen (15) years, anticipated to commence on the Effective Date of January 1, 2024 (2024 taxes paid in 2025) and terminating on December 31, 2038 (2038 taxes paid in 2039). Payment of ad valorem taxes in arrears pursuant to customary payments in Nebraska shall not affect the fifteen (15) year TIF period.

Note: All calculations are based on assumptions and estimates of future values that may be different than the values used herein or may vary from year to year.

EXHIBIT "C"
PROJECTED TIF SOURCES AND USES

1. TIF SOURCES:

Assumptions:

Tax Levy (2021)	1.929606
Interest Rate	5.0%
Number of Years	15

Property Valuation:

	Assessed Value	Estimated Taxes
Pre-Project	\$109,600	\$2,115
Completed Project	\$625,000	\$12,060
Difference	\$515,400	\$9,945

TIF Calculations:

Annual TIF Amount	\$9,945
Total TIF Amount	\$149,178

TIF Indebtedness **\$104,000**

2. TIF USES:

CDA Administrative Fee	\$3,120
Cost of Issuance	TBD
Land Acquisition	\$250,000
Site Preparation	\$15,000
Energy Efficiency Enhancements	\$10,000
Architectural Fees	\$24,000
Engineering Fees	\$18,000
Legal Fees	\$6,000
<hr/> Total estimated TIF eligible costs:	<hr/> \$326,120

Note: The Projected TIF sources and uses set forth above are preliminary estimates and subject to change. The actual TIF Sources shall be determined by the annual assessed value of the Project Site and the annual tax levy applicable to the Project Site. The TIF Uses shall be actual costs verified as set forth in the Redevelopment Agreement.

EXHIBIT "D"

After recording please return to:

Lea Ann Doak
McCook City Clerk
505 W. "C" Street
McCook, NE 69001

MEMORANDUM OF REDEVELOPMENT AGREEMENT

(Engineering International Redevelopment Project)

This Memorandum of Redevelopment Agreement ("Memorandum") is made this ___ day of _____, 2022, by and between the Community Development Agency of the City of McCook, Nebraska ("CDA") and Restored Homes, LLC, a Nebraska limited liability company ("Redeveloper").

1. **Redevelopment Agreement.** The CDA and Redeveloper have entered into that certain Redevelopment Agreement dated as of this even date, describing the public improvements and the private improvements being made to real property owned by Redeveloper and legally described as:

Lot One (1) and the East Ninety feet (E90') of Lots Two (2) and Three (3) EXCEPT 634.57 square feet to the Department of Roads, Block Twenty-six (26), First Addition to the City of McCook, Red Willow County, Nebraska (the "Project Site").

2. **Tax Increment Financing.** The Redevelopment Agreement provides for the capture of the Tax Increment, as defined therein, by the CDA of the Private Improvements to be made by Redeveloper on the Project Site for a period not to exceed fifteen (15) years after the Effective Date set forth in the Redevelopment Agreement. The Tax Increment so captured by the CDA shall be used to make the Public Improvements as described in the Redevelopment Agreement.

3. **Remaining Terms.** The rest and remaining terms of the Redevelopment Agreement are hereby incorporated into this Memorandum as if they were set forth in full. A full and correct copy of the Redevelopment Agreement may be inspected at the CDA offices in McCook, Nebraska.

IN WITNESS WHEREOF, the CDA and Redeveloper have signed this Memorandum as of the date and year first above written.

“CDA”

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK,
NEBRASKA

ATTEST:

By: _____
Secretary

By: _____
Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF RED WILLOW)

The foregoing instrument was acknowledged before me this ___ day of _____, 2022, by _____ and _____, Chairman and Secretary respectively of the Community Development Agency of the City of McCook, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

“REDEVELOPER”

Restored Homes, LLC,
a Nebraska limited liability company

By: _____
Name: _____
Title: _____

STATE OF NEBRASKA)
) ss.
COUNTY OF RED WILLOW)

The foregoing instrument was acknowledged before me this ___ day of _____, 2022, by _____, _____ of Restored Homes, LLC, on behalf of the company.

Notary Public

**EXHIBIT “E”
FORM OF TIF PROMISSORY NOTE**

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (“THE 1933 ACT”) AND MAY NOT BE TRANSFERRED, ASSIGNED, SOLD OR HYPOTHECATED UNLESS A REGISTRATION STATEMENT UNDER THE 1933 ACT SHALL BE IN EFFECT WITH RESPECT THERETO AND THERE SHALL HAVE BEEN COMPLIANCE WITH THE 1933 ACT AND ALL APPLICABLE RULES AND REGULATIONS THEREUNDER, OR THERE SHALL HAVE BEEN DELIVERED TO THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MCCOOK, NEBRASKA PRIOR TO TRANSFER, ASSIGNMENT, SALE OR HYPOTHECATION AN OPINION OF COUNSEL, SATISFACTORY TO THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MCCOOK, NEBRASKA TO THE EFFECT THAT REGISTRATION UNDER THE 1933 ACT IS NOT REQUIRED.

No. 1

\$104,000.00

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK, NEBRASKA

REDEVELOPMENT REVENUE NOTE
(ENGINEERING INTERNATIONAL REDEVELOPMENT PROJECT)
SERIES 2022A

Maturity Date	Interest Rate	Original Issuance Date
December 15, 2039	5.0%	

Registered Holder	Principal Amount
Restored Homes, LLC	\$104,000.00

THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MCCOOK, NEBRASKA (the “Issuer”), a body politic and corporate organized and existing under the laws of the State of Nebraska, for value received hereby promises to pay, solely from the source and as hereinafter provided, to the Registered Holder identified above, or registered assigns, the Principal Amount identified above at the office of the City Treasurer, as Paying Agent and Registrar, and in like manner to pay solely from said source interest on said principal sum at the Interest Rate identified above from the Accrual Commencement Date (as defined herein) or from the most recent date to which interest has not been paid. Principal and accrued interest shall be payable in thirty (30) semi-annual installments due June 15, 2025, December 15, 2025, and each June 15 and December 15 thereafter through December 15, 2039, when all principal and accrued interest shall be due and payable. Except with respect to interest not punctually paid, the principal and interest on this Note will be paid by check or draft mailed to the Registered Holder in whose name this Note is registered at the close of business on the fifteenth calendar day next preceding the applicable maturity date at his address as it appears on such note registration books. The principal and interest of this Note is payable in any coin or currency of the United States of America

which on the respective dates of payment is legal tender for the payment of public and private debts. No interest shall accrue until the later of: (1) the date the taxes are due for the year of the Effective Date identified in the Redevelopment Agreement (which is December 31st of the year of the Effective Date); or (2) the date that the Redeveloper has submitted and the CDA has accepted the Cost Certification for the eligible costs for the Project (the "Accrual Commencement Date").

This Note is designated the Community Development Agency of the City of McCook, Nebraska Redevelopment Revenue Note (Engineering International Redevelopment Project), Series 2022A, aggregating One Hundred Four Thousand and No/100 Dollars (\$104,000.00) ("Note") in principal amount which have been issued pursuant to the Section 12 of Article VIII of the Nebraska Constitution and Neb. Rev. Stat. §§ 18-2101 through 18-2155, as amended and supplemented (the "Act") and under and pursuant to the terms of that certain Redevelopment Agreement between the Issuer and Restored Homes, LLC, a Nebraska limited liability company (the "Redevelopment Agreement"), to aid in the financing of a redevelopment project pursuant to the Act. This Note does not represent a debt or pledge of the faith or credit of the Issuer or grant to the Registered Holder of this Note any right to have the Issuer levy any taxes or appropriate any funds for the payment of the principal hereof or the interest hereon nor is this Note a general obligation of the Issuer, or the individual officials, officers or agents thereof. This Note is payable solely and only out of the Tax Increment generated by the Project defined in the Redevelopment Agreement (the "Project"). All such revenue has been duly pledged for the purpose of paying this Note.

THIS NOTE AND THE INTEREST HEREON DOES NOT NOW AND SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MCCOOK, NEBRASKA, OR THE CITY OF MCCOOK, NEBRASKA, WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, NOR SHALL THIS NOTE AND THE INTEREST HEREON EVER GIVE RISE TO ANY PECUNIARY LIABILITY OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MCCOOK, NEBRASKA, OR THE CITY OF MCCOOK, NEBRASKA, A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS.

No recourse shall be had for the payment of the principal of or interest on this Note, or for any claim based hereon or upon any obligation, covenant or agreement contained in the Redevelopment Agreement against any past, present or future employee, member or elected official of the Issuer, or any incorporator, officer, director, member or trustee of any successor corporation, as such, either directly or through the Issuer or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporator, officer, director or member as such is hereby expressly waived and released as a condition of and in consideration of the issuance of this Note.

It is hereby certified and recited and the Issuer has found: that the Project is an eligible "redevelopment project" as defined in the Act; that the issuance of this Note and the construction of the Project will promote the public welfare and carry out the purposes of the Act by, among other things, contributing to the development

of a blighted and substandard area of the City of McCook, Nebraska, pursuant to a Redevelopment Plan adopted by the City; that all acts, conditions and things required to be done precedent to and in the issuance of this Note have been properly done, have happened and have been performed in regular and due time, form and manner as required by law; and, that this Note does not constitute a debt of the Issuer within the meaning of any constitutional or statutory limitations.

This Note is transferable only upon the books of the Issuer kept for that purpose at the office of the Registrar by the Registered Holder hereof in person, or by the Registered Holder's duly authorized attorney, upon written documentation of transfer satisfactory to the Issuer and the Registrar duly executed by the Registered Holder and the assignee/transferee, together with a purchase letter in a form provided by Issuer and any other documentation required by the Issuer. Prior to the approval of any transfer of this Note, the Registered Holder shall pay all of the Issuer's costs, including attorney's fees, relating to the transfer of the Note. The Issuer and the Paying Agent may deem and treat the person in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof and premium, if any, and interest due hereon and for all other purposes.

The Note is prepayable at any time in whole or in part, to the extent there are any funds in the debt service fund in excess of amounts necessary to pay scheduled debt service. Prepayments shall reduce the number, but not the amount, of scheduled debt service payments on the Note, in inverse order of maturity.

It is hereby certified and recited that all conditions, acts and things required by law and the Redevelopment Agreement to exist, to have happened and to have been performed precedent to and in the issuance of this Note, exist, have happened and have been performed and that the issue of this Note, together with all other indebtedness of the Issuer, is within every debt and other limit prescribed by the laws of the State of Nebraska.

This Note shall not be entitled to any benefit or be valid or become obligatory for any purpose until this Note shall have been authenticated by the execution by the Registrar of the Certificate of Authentication hereon.

[Signature Page Follows]

IN WITNESS WHEREOF, THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MCCOOK, NEBRASKA has caused this Note to be signed in its name and on its behalf by the signature of its Chairman and attested by the signature of its Secretary, as of the Original Issuance Date identified above.

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK,
NEBRASKA

ATTEST:

By: _____
Secretary

By: _____
Chairman

CERTIFICATE OF AUTHENTICATION

City Treasurer, City of McCook
as Paying Agent and Registrar

By: _____
Authorized Signatory

EXHIBIT "F"
FORM OF CERTIFICATE OF COMPLETION

(Engineering International Redevelopment Project)

The undersigned certifies, represents and warrants to the City of McCook, Nebraska, and the Community Development Agency of the City of McCook, Nebraska ("CDA") with regard to the following real property situated in the City of McCook, Red Willow County, Nebraska, to wit:

Lot One (1) and the East Ninety feet (E90') of Lots Two (2) and Three (3) EXCEPT 634.57 square feet to the Department of Roads, Block Twenty-six (26), First Addition to the City of McCook, Red Willow County, Nebraska

that the Private Improvements and Public Improvements required to be constructed by Redeveloper upon the above described property have been satisfactorily completed in accordance with the requirements of the Redevelopment Agreement dated _____, 2022, as referenced in the Memorandum of Redevelopment Agreement recorded as Instrument No. _____ in the office of the Red Willow County Register of Deeds.

"REDEVELOPER"

Restored Homes, LLC,
a Nebraska limited liability company

By: _____

Name: _____

Title: _____

"CDA"

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK,
NEBRASKA

ATTEST:

By: _____
Secretary

By: _____
Chairman

EXHIBIT "G"
FORM OF A CERTIFICATION OF ELIGIBLE PROJECT COSTS

(Engineering International Redevelopment Project)

Date: _____

Restored Homes, LLC, a Nebraska limited liability company ("Redeveloper"), hereby certifies that it has incurred and paid the Eligible Costs indicated herein, pursuant to the terms of the Redevelopment Agreement between Redeveloper and the Community Development Agency of the City of McCook, Nebraska. The portion of the Project as indicted herein is substantially completed. Attached hereto are documents substantiating the actual Eligible Costs and payment by Redeveloper.

REDEVELOPMENT ELIGIBLE COSTS

Certified and Requested

CDA Administrative Fee	\$3,120
Cost of Issuance	\$ _____
Land Acquisition	\$ _____
Site Preparation	\$ _____
Energy Efficiency Enhancements	\$ _____
Architectural Fees	\$ _____
Engineering Fees	\$ _____
Legal Fees	\$ _____
<u>Total:</u>	<u>\$ _____ *</u>

***Principal Amount of TIF Indebtedness shall not exceed \$104,000.**

Restored Homes, LLC,
a Nebraska limited liability company

By: _____
Name: _____
Title: _____

COPIES OF PROOF OF PAYMENT ARE ATTACHED HERETO.

Approved the by Chairman of the CDA:

Chairman

CITY MANAGER'S REPORT
NOVEMBER 21, 2022 MCCOOK CITY COUNCIL MEETING

ITEM NO. 3.D. Approve Resolution No. 2022- 21 approving the Redevelopment Agreement between the City of McCook/CDA and Restored Homes, LLC.

BACKGROUND:

This item is required per the Nebraska Community Development Act. After the CDA approves a Resolution approving the Redevelopment Agreement between the City of McCook/CDA and Restored Homes, LLC, the City Council must also approve a resolution approving the Redevelopment Agreement.

The background for this agenda item is the same as the background provided in Agenda Item _____. Please refer to the City Manager's Report for Agenda Item _____ to provide context. *previous* *previous*

APPROVALS:

prepared by

November 15, 2022

Nathan A. Schneider, City Manager

Lea Ann Doak

November 15, 2022

Lea Ann Doak, City Clerk

CITY OF MCCOOK, NEBRASKA

RESOLUTION NO. 2022-21

(Redevelopment Agreement–Engineering International Redevelopment Project)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCCOOK, NEBRASKA, APPROVING THE FORM OF THE REDEVELOPMENT AGREEMENT AND AUTHORIZING THE COMMUNITY DEVELOPMENT AGENCY TO ENTER INTO SAID AGREEMENT.

RECITALS

A. Pursuant to the Community Development Law, Neb. Rev. Stat. §§ 18-2101 through 18-2155, as amended (the “Act”), the City of McCook, Nebraska (“City”), has adopted a redevelopment plan (the “Redevelopment Plan”) for certain portions of the City. A copy of the Redevelopment Plan is on file with the City Clerk for inspection.

B. The Redevelopment Plan includes a specific redevelopment project identified as the Engineering International Redevelopment Project that will include the use of Tax Increment Financing (the “Project”).

C. On November 21, 2022, the CDA approved the Redevelopment Agreement for the Project.

D. The City Council has reviewed the Redevelopment Agreement and has found it to be in conformity with the Act and the General Comprehensive Development Plan of the City, and in the best interests of the City.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of McCook, Nebraska, that the Redevelopment Agreement between the Community Development Agency of the City of McCook, Nebraska and Restored Homes, LLC, a Nebraska limited liability company, which is on file with the City Clerk and available for public inspection, is hereby approved.

BE IT FURTHER RESOLVED, the CDA is hereby authorized to execute and deliver the Redevelopment Agreement, with such changes, modifications, additions, and deletions therein and shall they seem necessary, desirable or appropriate, for and on behalf of the CDA.

BE IT FURTHER RESOLVED, the CDA is hereby authorized to take all actions contemplated and required in the Redevelopment Agreement including, without limitation, the issuance of such TIF Indebtedness as set forth in the Redevelopment Agreement. Such TIF Indebtedness shall be repaid solely from the Tax Increment created by the Project and does not represent the general obligation of the CDA of the City.

BE IT FURTHER RESOLVED that all Resolutions or parts thereof in conflict with the provisions of this Resolution or to the extent of such conflicts, are hereby repealed.

Dated this 21st day of November, 2022.

CITY OF MCCOOK, NEBRASKA

By: _____
Michael D. Gonzales, Mayor

ATTEST: _____
Lea Ann Doak, City Clerk

REDEVELOPMENT AGREEMENT

(Engineering International Redevelopment Project)

This Redevelopment Agreement is made and entered into as of the ____ day of _____, 2022, by and between the Community Development Agency of the City of McCook, Nebraska (“CDA”) and Restored Homes, LLC, a Nebraska limited liability company (“Redeveloper”).

RECITALS

A. The CDA is a duly organized and existing community redevelopment authority, a body politic and corporate under the laws of the State of Nebraska, with lawful power and authority to enter into this Redevelopment Agreement.

B. The City, in furtherance of the purposes and pursuant to the provisions of the Act, has adopted a Redevelopment Plan for a blighted and substandard area designated by the City, including the Redevelopment Area.

C. Redeveloper owns the Project Site which is located in the Redevelopment Area.

D. Redeveloper submitted a redevelopment project proposal to redevelop the Project Site.

E. Redeveloper’s proposed redevelopment project will consist of the renovation and rehabilitation of the commercial building on the Project Site and associated improvements on the Project Site to create professional office and retail space.

F. The CDA has approved Redeveloper’s proposed redevelopment project, including the utilization of tax-increment financing to assist in the cost of the Public Improvements defined in this Redevelopment Agreement.

G. The CDA and Redeveloper desire to enter into this Redevelopment Agreement for redevelopment of the Project Site.

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements herein set forth, the CDA and Redeveloper do hereby covenant, agree and bind themselves as follows:

**ARTICLE I
DEFINITIONS AND INTERPRETATION**

Section 1.01 Terms Defined in this Redevelopment Agreement.

Unless the context otherwise requires, the following terms shall have the following meanings for all purposes of this Redevelopment Agreement, such definitions to be equally applicable to both the singular and plural forms and masculine, feminine and neuter gender of any of the terms defined:

A. “Act” means Article VIII, Section 12 of the Nebraska Constitution, Neb. Rev. Stat. §§ 18-2101 through 18-2155, as amended, and acts amendatory thereof and supplemental thereto.

B. “Anticipated Tax Increment” means the Anticipated Tax Increment for this Project as set forth on the attached Exhibit “B”.

C. “City” means the City of McCook, Nebraska.

D. “County” means Red Willow County, Nebraska.

E. “CDA” means the Community Development Agency of the City of McCook, Nebraska.

F. “Effective Date” means January 1, 2024; provided that, if the valuation of the Project Site increases in 2023 due to the partial construction of the Project, Redeveloper may accelerate said Effective Date to January 1, 2023, upon written notice from Redeveloper to the CDA tendered prior to July 1, 2023. Such written notice received by the CDA shall automatically be incorporated herein and amend the above definition under this Redevelopment Agreement in accordance therewith. If no written notice is received from Redeveloper prior to July 1, 2023 as set forth above, the Effective Date shall be January 1, 2024.

G. “Eligible Project Costs” means only costs or expenses incurred by Redeveloper for Public Improvements and other items eligible for reimbursement under the Act.

H. “Minimum Project Valuation” means the amount of Six Hundred Twenty-Five Thousand and No/ 100 Dollars (\$625,000.00).

I. “Private Improvements” means all the private improvements to be constructed on the Project Site as more particularly described on Exhibit “A”.

J. “Project” means the Project Site and includes improvements to the Project Site and adjacent thereto, including the Private Improvements and Public Improvements defined herein and described on Exhibit “A”.

K. “Project Completion Date” means on or before December 31, 2023.

L. “Project Site” means all that certain real property situated in the City, more particularly described on Exhibit “A”.

M. “Public Improvements” shall include all the public improvements more particularly described on Exhibit “A” which are eligible improvements under the Act. The costs of the Public Improvements include the debt service payments of the TIF Indebtedness.

N. “Redeveloper” means Restored Homes, LLC, a Nebraska limited liability company.

O. "Redevelopment Agreement" means this Redevelopment Agreement between the CDA and Redeveloper with respect to the Project.

P. "Redevelopment Area" means Redevelopment Area #3 in the City as set forth in the Redevelopment Plan.

Q. "Redevelopment Plan" means the Blight and Substandard Determination Study for the Redevelopment Area prepared in January, 2013 by Hanna:Keelan Associates, P.C., together with the Redevelopment Plan for the Project, as approved by the City pursuant to the Act, as amended.

R. "Tax Increment" means, in accordance with Neb. Rev. Stat. § 18-2147, the difference between the ad valorem tax which is produced by the tax levy (fixed each year by the County Board of Equalization) for the Project Site for the year prior to the Effective Date (defined in Neb. Rev. Stat. § 18-2103(29) as the "Redevelopment Project Valuation"), and the portion of the ad valorem tax in excess of the Redevelopment Project Valuation which is produced by the tax levy for the Project Site after completion of construction of the Private Improvements as part of the Project.

S. "TIF Indebtedness" means the sums payable under any bonds, notes, loans and advances of money or other indebtedness, including interest thereon, issued by the CDA or the City secured in whole or in part by Tax Increment.

Section 1.02 Construction and Interpretation.

The provisions of this Redevelopment Agreement shall be construed and interpreted in accordance with the following provisions:

(a) This Redevelopment Agreement shall be interpreted in accordance with and governed by the laws of the State of Nebraska, including the Act.

(b) Wherever in this Redevelopment Agreement it is provided that any person may do or perform any act or thing the word "may" shall be deemed permissive and not mandatory and it shall be construed that such person shall have the right, but shall not be obligated, to do and perform any such act or thing.

(c) The phrase "at any time" shall be construed as meaning "at any time or from time to time."

(d) The word "including" shall be construed as meaning "including, but not limited to."

(e) The words "will" and "shall" shall each be construed as mandatory.

(f) The words "herein," "hereof," "hereunder," "hereinafter" and words of similar import shall refer to the Redevelopment Agreement as a whole rather than to any particular paragraph, section or subsection, unless the context specifically refers thereto.

(g) Forms of words in the singular, plural, masculine, feminine or neuter shall be construed to include the other forms as the context may require.

(h) The captions to the sections of this Redevelopment Agreement are for convenience only and shall not be deemed part of the text of the respective sections and shall not vary by implication or otherwise any of the provisions hereof.

ARTICLE II REPRESENTATIONS

Section 2.01 Representations by the CDA.

The CDA makes the following representations and findings:

(a) The CDA is a duly organized and validly existing community development agency under the Act.

(b) The CDA deems it to be in the public interest and in furtherance of the purposes of the Act to accept the proposal submitted by Redeveloper for the redevelopment of the Project Site as specified herein.

(c) The Project will achieve the public purposes of the Act by, among other things, increasing the tax base and lessening blighted and substandard conditions in the Redevelopment Area.

(d) The costs and benefits of the Project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services have been analyzed by the CDA and have been found to be in the long-term best interest of the community impacted by the Project.

Section 2.02 Representations of Redeveloper.

Redeveloper makes the following representations and findings:

(a) Redeveloper is a Nebraska limited liability company in good standing and has the power to enter into this Redevelopment Agreement and perform all obligations contained herein.

(b) The execution and delivery of the Redevelopment Agreement and the consummation of the transactions therein contemplated will not conflict with or constitute a breach of or default under any bond, debenture, note or other evidence of indebtedness or any contract, loan agreement or lease to which Redeveloper is a party or by which it is bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of Redeveloper contrary to the terms of any instrument or agreement.

(c) There is no litigation pending or to the best of its knowledge threatened against Redeveloper affecting its ability to carry out the acquisition, construction, equipping and furnishing of the Project or the carrying into effect of this Redevelopment

Agreement or, except as disclosed in writing to the CDA, as to any other matter materially affecting the ability of Redeveloper to perform its obligations hereunder.

(d) Redeveloper owns the Project Site in fee simple and free from any liens, encumbrances, or restrictions which would prevent the performance of this Redevelopment Agreement by Redeveloper.

(e) Pursuant to Neb. Rev. Stat. § 18-2119, Redeveloper certifies to the CDA that Redeveloper does not intend to file an application with the Nebraska Department of Revenue to receive tax incentives under the ImagiNE Nebraska Act.

(f) The Project would not be economically feasible without the use of tax increment financing.

(g) The Project would not occur in the Redevelopment Area without the use of tax increment financing.

ARTICLE III OBLIGATIONS OF THE CDA AND PUBLIC IMPROVEMENTS

Section 3.01 Capture of Tax Increment.

Subject to the contingencies described below and to all of the terms and conditions of this Redevelopment Agreement, commencing for the tax year of the Effective Date and continuing thereafter, the CDA shall capture the Tax Increment from the Private Improvements pursuant to the Act. The CDA shall capture the Tax Increment generated by the Project Site for a total period of not to exceed fifteen (15) years after the Private Improvements have been included in the assessed valuation of the Project Site and the Project Site is generating the Tax Increment subject to capture by the CDA. The effective date of this provision shall be the Effective Date. The CDA shall file with the County Assessor the "Notice to Divide Tax" on or prior to August 1 in the year of the Effective Date.

Section 3.02 Issuance of TIF Indebtedness.

On or after thirty (30) days following the approval and execution of this Redevelopment Agreement, the CDA shall incur or issue TIF Indebtedness in an amount not to exceed One Hundred Four Thousand and No/100 Dollars (\$104,000.00), as calculated on the attached and incorporated Exhibit "B". The TIF Indebtedness shall be issued in a TIF Promissory Note in the form attached hereto as Exhibit "E" ("Note"). The TIF Indebtedness shall be purchased by Redeveloper or a lender of Redeveloper. The TIF Indebtedness shall not be a general obligation of the CDA or City which shall issue such Note solely as a conduit. If Redeveloper does not acquire and fund the TIF Indebtedness itself, Redeveloper shall locate a lender or other entity to acquire and fund the acquisition of the Note for the TIF Indebtedness. The TIF Indebtedness shall be secured by a pledge or assignment of the Tax Increment or otherwise secured by Redeveloper as required by the lender.

Section 3.03 Use of TIF Indebtedness.

The CDA will collect the Tax Increment and use said Tax Increment to pay debt service on the TIF Indebtedness incurred as provided in Section 3.02 of this Redevelopment Agreement. Notwithstanding the foregoing, the amount of the TIF Indebtedness that the CDA agrees to service and repay with the Tax Increment shall not exceed the amount of the Eligible Project Costs certified pursuant to Section 4.03. In addition, at or prior to the issuance of the Note, Redeveloper shall pay to the CDA an amount equal to the CDA's reasonable and necessary cost of issuance, including attorney fees, and a CDA administration fee in the amount of three percent (3%) of the TIF Indebtedness. The Tax Increment shall be paid pursuant to the terms of the Note and this Redevelopment Agreement.

Section 3.04 Creation of Fund.

The CDA will create a special fund to collect and hold the receipts of the Tax Increment. Such special fund shall be used for no purpose other than to pay TIF Indebtedness issued pursuant to Section 3.02 above.

Section 3.05 Projected TIF Sources and Uses.

In addition to the TIF Indebtedness calculation formula set forth on Exhibit "B", Redeveloper's anticipated TIF sources and eligible uses are attached and incorporated for the parties' reference as Exhibit "C."

**ARTICLE IV
OBLIGATIONS OF REDEVELOPER**

Section 4.01 Evidence of Financial Ability.

Redeveloper shall, no later than ninety (90) days following the execution of this Redevelopment Agreement, provide to the CDA evidence of availability of the specific amount of finances necessary for purposes of carrying out the commitment of Redeveloper in connection with acquisition of the Project Site and construction of the Public Improvements and the Private Improvements. To the extent allowed by law, the CDA agrees to keep said information confidential. Such information shall state the amount and source of liquid assets on hand or immediately available to Redeveloper for use in constructing the Private Improvements; and shall state the amount and source of debt financing which is available, or irrevocably committed, to Redeveloper for use in completing the Private Improvements. Such information shall be provided in a form satisfactory to the CDA, and evidence of loan commitments shall include all of the documents evidencing the loan commitment, acceptance by Redeveloper, the purposes of the loan, the authorized use of loan funds, and all other terms and conditions of the loan commitment, the acceptance, and the loan. Submittal of such financial information in a form satisfactory to the CDA shall be a condition precedent to the requirement of the CDA to proceed with its obligations under this Redevelopment Agreement.

Section 4.02 Construction of Project; Insurance.

(a) Redeveloper will complete the Public Improvements and the Private Improvements and install all equipment necessary to operate the Public Improvements and the Private Improvements no later than the Project Completion Date. Redeveloper shall be solely responsible for obtaining all permits and approvals necessary to acquire, construct and equip the Public Improvements and the Private Improvements. Until construction of the Public Improvements and the Private Improvements has been completed, Redeveloper shall make reports in such detail and at such times as may be reasonably requested by the CDA as to the actual progress of Redeveloper with respect to construction of the Public Improvements and the Private Improvements. Promptly after completion by Redeveloper of the Public Improvements and the Private Improvements, Redeveloper shall furnish to the CDA a Certificate of Completion in the form attached hereto as Exhibit "F" from Redeveloper's engineer or architect, or owner's representative. When accepted in writing by the CDA, the certification by Redeveloper shall be a conclusive determination of satisfaction of the agreements and covenants in this Redevelopment Agreement with respect to the obligations of Redeveloper to construct the Public Improvements and the Private Improvements.

(b) Any contractor chosen by Redeveloper or Redeveloper itself shall be required to obtain and keep in force at all times until completion of construction, policies of insurance including coverage for contractors' general liability and completed operations (provided that Redeveloper may self-insure in lieu of obtaining and keeping in force such policy of insurance) and a penal bond as required by the Act. Redeveloper shall be named as an additional insured. Any contractor chosen by Redeveloper or Redeveloper itself, as an owner, shall be required to purchase and maintain property insurance upon the Project to the full insurable value thereof (provided that Redeveloper may self-insure in lieu of obtaining and keeping in force such policy of insurance). This insurance shall insure against the perils of fire and extended coverage and shall include "special causes of loss" insurance for physical loss or damage.

Section 4.03 Cost Certification.

Redeveloper shall submit to the CDA a certification of Eligible Project Costs in the form of the certification attached hereto as Exhibit "G" ("Eligible Project Costs Certification"), after expenditure of such project costs. Redeveloper may, at its option, submit one or more partial Eligible Project Costs Certifications prior to expenditure of all Eligible Project Costs providing certification of receipt of billings for work in progress. All Eligible Project Costs Certifications shall be subject to review and approval by the CDA. Determinations by the CDA whether costs included in the Eligible Project Costs Certification are properly included in Eligible Project Costs as defined in this Redevelopment Agreement shall be made in its sole discretion and shall be conclusive and binding on Redeveloper.

The TIF Indebtedness shall not exceed the actual and certified Eligible Project Costs for the Project. In the event that the certified Eligible Project Costs for the Project are less than the TIF Indebtedness, the CDA shall reduce the TIF Indebtedness amount and Redeveloper shall repay to the CDA within ten (10) days of said cost certification any amount in excess of the Eligible Project Costs issued

prior to the Eligible Project Costs Certification.

Section 4.04 No Discrimination.

Redeveloper agrees and covenants for itself, its successors and assigns that as long as this Redevelopment Agreement is outstanding, it will not discriminate against any person or group of persons on account of race, sex, color, religion, national origin, ancestry, disability, marital status or receipt of public assistance in connection with the Project. Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Project, Redeveloper will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, ancestry, disability, marital status or receipt of public assistance. Redeveloper will comply with all applicable federal, state and local laws related to the Project.

Section 4.05 Pay Real Estate Taxes.

(a) Redeveloper has agreed to create a taxable real property valuation of the Project and Project Site of not less than the Minimum Project Valuation no later than the Project Completion Date. During the period of this Redevelopment Agreement, Redeveloper, its successors and assigns, will: (1) not protest a real estate property valuation of the Project Site to a sum less than the Minimum Project Valuation; and (2) not convey the Project Site or structures thereon to any entity which would be exempt from the payment of real estate taxes or cause the nonpayment of such real estate taxes.

(b) If, during the period of this Redevelopment Agreement, the Project Site is assessed at less than the Minimum Project Valuation, Redeveloper shall be responsible for any shortfall in the Tax Increment generated by the Project. If Redeveloper funds the Note, Redeveloper agrees to forgive any shortfall in repayment of the TIF Indebtedness. If a lender or third party other than Redeveloper funds the Note, Redeveloper shall make semi-annual payments in lieu of taxes ("Deficiency Payments") to said lender or third party in the amount the Anticipated Tax Increment exceeds the actual Tax Increment. Said Deficiency Payments shall be made within thirty (30) days of written notice from the lender and/or CDA.

Section 4.06 No Assignment or Conveyance.

Redeveloper shall not convey, assign or transfer the Project Site or any interest therein prior to the termination of the fifteen (15) year period commencing on the Effective Date without the prior written consent of the CDA, which shall not be unreasonably withheld and which the CDA may make subject to any terms or conditions it reasonably deems appropriate, except for the following conveyance, which shall be permitted without consent of the CDA: (i) any conveyance as security for indebtedness incurred by Redeveloper for Project costs or any subsequent physical improvements to the premises (whether incurred prior to or after the effective date of this Redevelopment Agreement) with the outstanding principal amount of all such indebtedness secured by the Project Site which shall have lien priority over the obligations of Redeveloper pursuant to this Redevelopment Agreement; or (ii) any additional or subsequent conveyance as security for indebtedness incurred by Redeveloper for Project costs or any subsequent physical improvements to the premises provided that any such

conveyance shall be subject to the obligations of Redeveloper pursuant to this Redevelopment Agreement.

**ARTICLE V
FINANCING REDEVELOPMENT PROJECT; ENCUMBRANCES**

Section 5.01 Financing.

Redeveloper shall pay all costs for the construction of the Private Improvements and the Public Improvements. Redeveloper shall be responsible for arranging all necessary financing for the construction of the Public Improvements and Private Improvements, including, with respect to the Public Improvements, the TIF Indebtedness.

Section 5.02 Encumbrances.

Redeveloper shall not create any lien, encumbrance or mortgage on the Project or the Project Site except: (a) encumbrances which secure indebtedness incurred to acquire, construct and equip the Project or for any other physical improvements to the Project Site, (b) easements and rights of entry granted by Redeveloper, (c) construction and materialman liens that may be filed in connection with the construction of the Private Improvements so long as any such lien is discharged or bonded within ninety (90) days of completion of the Private Improvements, and (d) any other liens so long as any such lien is satisfied and released or substitute security is posted in lieu thereof within ninety (90) days of Redeveloper receiving notice thereof.

**ARTICLE VI
DEFAULT, REMEDIES; INDEMNIFICATION**

Section 6.01 General Remedies of the CDA and Redeveloper.

Subject to the further provisions of this Article VI, in the event of any failure to perform or breach of this Redevelopment Agreement or any of its terms or conditions, by either party hereto or any successor to such party, such party, or successor, shall, upon written notice from the other, proceed immediately to commence such actions as may be reasonably designed to cure or remedy such failure to perform or breach which cure or remedy shall be accomplished within a reasonable time by the diligent pursuit of corrective action. In case such action is not taken, or diligently pursued, or the failure to perform or breach shall not be cured or remedied within a reasonable time, this Redevelopment Agreement shall be in default and the aggrieved party may institute such proceedings as may be necessary or desirable to enforce its rights under this Redevelopment Agreement, including, but not limited to, proceedings to compel specific performance by the party failing to perform or in breach of its obligations; provided that, in view of the additional remedies of the CDA set out in Sections 6.02 and 6.03 below, the remedy of specific performance by Redeveloper shall not include or be construed to include the covenant to build or construct the Private Improvements or Project.

Section 6.02 Additional Remedies of the CDA.

In the event that:

- (a) Redeveloper, or successor in interest, shall fail to complete the construction of the Project on or before the Project Completion Date, or shall abandon construction work for any period of one hundred twenty (120) days (not including any period covered pursuant to the terms of Section 6.04 below);
- (b) Redeveloper, and/or any successor in interest, shall fail to pay real estate taxes or assessments on the Project Site or any part thereof when due, and such taxes or assessments or payments in lieu of taxes shall not have been paid, or provisions satisfactory to the CDA made for such payment within thirty (30) days following written notice from the CDA;
- (c) Any Deficiency Payment due pursuant to Section 4.05(b) of this Redevelopment Agreement is not paid when due as set forth in Section 4.05(b); or
- (d) There is a transfer of the Project Site or any part thereof in violation of this Redevelopment Agreement, and such failure or action by Redeveloper has not been cured within thirty (30) days following written notice from the CDA,

then Redeveloper shall be in default of this Redevelopment Agreement; and if such failure to perform, breach or default is not cured in the period herein provided, the parties agree that the damages caused to the CDA would be difficult to determine with certainty. To the extent that such failure results in the fact that the CDA is not able to capture the full amount of Tax Increment contemplated hereunder, Redeveloper shall be obligated, on an annual basis, to remit the sum by which the Anticipated Tax Increment exceeds the actual Tax Increment. Additionally, the CDA may, but is not required to, declare the entire amount due hereunder for the remainder of the TIF period immediately due and payable by Redeveloper, such amount or any portion thereof which may from time to time remain unpaid shall bear interest at a rate of twelve percent (12%) per annum or, if less, the maximum legal rate permitted by law, until all amounts due hereunder are paid in full.

Section 6.03 Remedies in the Event of Other Redeveloper Defaults.

In the event Redeveloper fails to perform any other provisions of this Redevelopment Agreement (other than those specific provisions contained in Section 6.02), and such failure has not been cured within thirty (30) days following written notice from the CDA, then Redeveloper shall be in default. In such an instance, the CDA may seek to enforce the terms of this Redevelopment Agreement or exercise any other remedies that may be provided in this Redevelopment Agreement or by applicable law.

Section 6.04 Limitation of Liability; Indemnification.

(a) Notwithstanding anything in this Article VI or this Redevelopment Agreement to the contrary, neither the CDA, the City, nor their officers, directors, employees, agents or their governing bodies shall have any pecuniary obligation or monetary liability under this Redevelopment Agreement. The obligation of the CDA on any TIF Indebtedness shall be limited solely to the Tax Increment pledged as security for such TIF Indebtedness. Specifically, but without limitation, neither the City nor the CDA shall be liable for any costs, liabilities, actions, demands, or damages for failure of any representations, warranties or obligations hereunder. Redeveloper releases the CDA and the City from and agrees that the CDA and the City shall not be liable for any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Private Improvements.

(b) Redeveloper shall indemnify, defend (at the CDA's and/or the City's option) and hold harmless the CDA, the City, their respective employees, officials, agents, representatives and volunteers from and against any and all liabilities, damages, injuries (including death), property damage (including loss of use), claims, liens, judgments, costs, expenses, suits, actions, or proceedings and reasonable attorney's fees, and actual damages of any kind or nature, arising out of or in connection with any aspect of the acts, omissions, negligence or willful misconduct of Redeveloper, its employees, agents, officers, contractors or subcontractors, or Redeveloper's performance or failure to perform under the terms and conditions of this Redevelopment Agreement. Such indemnification, hold harmless and defense obligation shall exclude only such liability actions as arise directly out of the sole negligence or willful misconduct of the CDA or the City. The indemnification and defense obligations set forth herein shall survive the termination of this Redevelopment Agreement.

**ARTICLE VII
MISCELLANEOUS**

Section 7.01 Memorandum.

A Memorandum of this Redevelopment Agreement shall be recorded with the County Register of Deeds. The form of the Memorandum is attached as Exhibit "D" and incorporated by this reference.

Section 7.02 Governing Law.

This Redevelopment Agreement shall be governed by the laws of the State of Nebraska, including the Act.

Section 7.03 Binding Effect; Amendment.

This Redevelopment Agreement shall be binding on the parties hereto and their respective successors and assigns. This Redevelopment Agreement shall run with the Project Site. The Redevelopment Agreement shall not be amended except by a writing signed by the party to be bound.

Section 7.04 No Agency or Partnership.

This Redevelopment Agreement is not intended and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association as between: (i) the CDA and/or the City; and (ii) Redeveloper, or any officer, employee, contractor or representative of Redeveloper. No joint employment is intended or created by this Redevelopment Agreement for any purpose. Redeveloper agrees to so inform its employees, agents, contractors and subcontractors who are involved in the implementation of or construction under this Redevelopment Agreement.

Section 7.05 Document Retention.

Redeveloper shall retain copies of all supporting documents that are associated with the Redevelopment Plan, Project, or this Redevelopment Agreement and that are received or generated by Redeveloper for three (3) years following the end of the last fiscal year in which ad valorem taxes are divided for the Project and provide such copies to the City as needed to comply with the City's retention requirements under the Act. Supporting documents shall include, but not be limited to, any cost-benefit analysis conducted pursuant to Section 18-2113 of the Act and any invoice, receipt, claim, or contract received or generated by Redeveloper that provides support for receipts or payments associated with the division of taxes.

Section 7.06 Notice to Redeveloper.

For the purpose of any notice requirement set forth in this Redevelopment Agreement, Redeveloper's address shall be:

Restored Homes, LLC
Attn: Jeff Tidyman
404 Park Avenue
McCook, NE 69021
jtidyman@engint.us

[Signature Page Follows]

IN WITNESS WHEREOF, the CDA and Redeveloper have signed this Redevelopment Agreement as of the date and year first above written.

“CDA”

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK,
NEBRASKA

ATTEST:

By: _____
Secretary

By: _____
Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF RED WILLOW)

The foregoing instrument was acknowledged before me this ___ day of _____, 2022, by _____ and _____, Chairman and Secretary respectively of the Community Development Agency of the City of McCook, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

“REDEVELOPER”

Restored Homes, LLC,
a Nebraska limited liability company

By: _____
Name: _____
Title: _____

STATE OF NEBRASKA)
) ss.
COUNTY OF RED WILLOW)

The foregoing instrument was acknowledged before me this ___ day of _____, 2022, by _____, _____ of Restored Homes, LLC, on behalf of the company.

Notary Public

EXHIBIT "A"
DESCRIPTION OF PROJECT

The Project undertaken by Redeveloper on the Project Site, defined as the real estate legally described as:

Lot One (1) and the East Ninety feet (E90') of Lots Two (2) and Three (3) EXCEPT 634.57 square feet to the Department of Roads, Block Twenty-six (26), First Addition to the City of McCook, Red Willow County, Nebraska

shall consist of the following Public Improvements and Private Improvements, which shall be undertaken and completed by Redeveloper:

- (a) **Private Improvements.** The renovation and rehabilitation of the commercial building on the Project Site and associated improvements on the Project Site to create professional office and retail space.
- (b) **Public Improvements.** Land acquisition, site preparation, energy efficiency enhancements, architectural and engineering fees, and other eligible public improvements on the Project Site and in the Redevelopment Area, which public improvements are eligible improvements under the Act pursuant to this Redevelopment Agreement; paid for, in part, by the Tax Increment created by the Private Improvements.

EXHIBIT "B"
TIF INDEBTEDNESS

1. Projected Base Value: \$109,600
2. Projected Minimum Final Value: \$625,000
3. Projected Incremental Valuation: \$515,400
4. Assumed Tax Levy: 1.929606
5. Anticipated Tax Increment: \$9,945 annually
6. Assumed Interest Rate: 5.0%
7. TIF Indebtedness:
 - a. **Principal Amount.** The principal amount of the TIF Indebtedness shall be equal to or less than \$104,000, which is the maximum amount, together with interest accruing thereon, which can be amortized by December 31, 2039, solely from the Tax Increment Revenues based upon the Anticipated Tax Increment.
 - b. **Payments.** Semi-annually commencing when real estate taxes are fully collected for the tax year 2024. The CDA shall utilize all Tax Increment received from the Project to pay debt service on the TIF Indebtedness until the TIF Indebtedness is fully repaid. Provided, however, the CDA does not warrant, represent, or guaranty that the Tax Increment will be sufficient to repay the entire amount of the TIF Indebtedness. The CDA has no obligation to make any payments other than the actual Tax Increment received from the Project.
 - c. **Maturity Date.** On or before December 31, 2039.
 - d. **TIF Period.** The period for the division of taxes for this Project shall be fifteen (15) years, anticipated to commence on the Effective Date of January 1, 2024 (2024 taxes paid in 2025) and terminating on December 31, 2038 (2038 taxes paid in 2039). Payment of ad valorem taxes in arrears pursuant to customary payments in Nebraska shall not affect the fifteen (15) year TIF period.

Note: All calculations are based on assumptions and estimates of future values that may be different than the values used herein or may vary from year to year.

EXHIBIT "C"
PROJECTED TIF SOURCES AND USES

1. TIF SOURCES:

Assumptions:

Tax Levy (2021)	1.929606
Interest Rate	5.0%
Number of Years	15

Property Valuation:

	Assessed Value	Estimated Taxes
Pre-Project	\$109,600	\$2,115
Completed Project	\$625,000	\$12,060
Difference	\$515,400	\$9,945

TIF Calculations:

Annual TIF Amount	\$9,945
Total TIF Amount	\$149,178

TIF Indebtedness **\$104,000**

2. TIF USES:

CDA Administrative Fee	\$3,120
Cost of Issuance	TBD
Land Acquisition	\$250,000
Site Preparation	\$15,000
Energy Efficiency Enhancements	\$10,000
Architectural Fees	\$24,000
Engineering Fees	\$18,000
Legal Fees	\$6,000
<hr/> Total estimated TIF eligible costs:	<hr/> \$326,120

Note: The Projected TIF sources and uses set forth above are preliminary estimates and subject to change. The actual TIF Sources shall be determined by the annual assessed value of the Project Site and the annual tax levy applicable to the Project Site. The TIF Uses shall be actual costs verified as set forth in the Redevelopment Agreement.

EXHIBIT "D"

After recording please return to:

Lea Ann Doak
McCook City Clerk
505 W. "C" Street
McCook, NE 69001

MEMORANDUM OF REDEVELOPMENT AGREEMENT

(Engineering International Redevelopment Project)

This Memorandum of Redevelopment Agreement ("Memorandum") is made this ___ day of _____, 2022, by and between the Community Development Agency of the City of McCook, Nebraska ("CDA") and Restored Homes, LLC, a Nebraska limited liability company ("Redeveloper").

1. **Redevelopment Agreement.** The CDA and Redeveloper have entered into that certain Redevelopment Agreement dated as of this even date, describing the public improvements and the private improvements being made to real property owned by Redeveloper and legally described as:

Lot One (1) and the East Ninety feet (E90') of Lots Two (2) and Three (3) EXCEPT 634.57 square feet to the Department of Roads, Block Twenty-six (26), First Addition to the City of McCook, Red Willow County, Nebraska (the "Project Site").

2. **Tax Increment Financing.** The Redevelopment Agreement provides for the capture of the Tax Increment, as defined therein, by the CDA of the Private Improvements to be made by Redeveloper on the Project Site for a period not to exceed fifteen (15) years after the Effective Date set forth in the Redevelopment Agreement. The Tax Increment so captured by the CDA shall be used to make the Public Improvements as described in the Redevelopment Agreement.

3. **Remaining Terms.** The rest and remaining terms of the Redevelopment Agreement are hereby incorporated into this Memorandum as if they were set forth in full. A full and correct copy of the Redevelopment Agreement may be inspected at the CDA offices in McCook, Nebraska.

IN WITNESS WHEREOF, the CDA and Redeveloper have signed this Memorandum as of the date and year first above written.

“CDA”

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK,
NEBRASKA

ATTEST:

By: _____
Secretary

By: _____
Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF RED WILLOW)

The foregoing instrument was acknowledged before me this ___ day of _____, 2022, by _____ and _____, Chairman and Secretary respectively of the Community Development Agency of the City of McCook, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

“REDEVELOPER”

Restored Homes, LLC,
a Nebraska limited liability company

By: _____
Name: _____
Title: _____

STATE OF NEBRASKA)
) ss.
COUNTY OF RED WILLOW)

The foregoing instrument was acknowledged before me this ___ day of _____, 2022, by _____, _____ of Restored Homes, LLC, on behalf of the company.

Notary Public

EXHIBIT "E"
FORM OF TIF PROMISSORY NOTE

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 ("THE 1933 ACT") AND MAY NOT BE TRANSFERRED, ASSIGNED, SOLD OR HYPOTHECATED UNLESS A REGISTRATION STATEMENT UNDER THE 1933 ACT SHALL BE IN EFFECT WITH RESPECT THERETO AND THERE SHALL HAVE BEEN COMPLIANCE WITH THE 1933 ACT AND ALL APPLICABLE RULES AND REGULATIONS THEREUNDER, OR THERE SHALL HAVE BEEN DELIVERED TO THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MCCOOK, NEBRASKA PRIOR TO TRANSFER, ASSIGNMENT, SALE OR HYPOTHECATION AN OPINION OF COUNSEL, SATISFACTORY TO THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MCCOOK, NEBRASKA TO THE EFFECT THAT REGISTRATION UNDER THE 1933 ACT IS NOT REQUIRED.

No. 1

\$104,000.00

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK, NEBRASKA

REDEVELOPMENT REVENUE NOTE
(ENGINEERING INTERNATIONAL REDEVELOPMENT PROJECT)
SERIES 2022A

Maturity Date	Interest Rate	Original Issuance Date
December 15, 2039	5.0%	

Registered Holder	Principal Amount
Restored Homes, LLC	\$104,000.00

THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MCCOOK, NEBRASKA (the "Issuer"), a body politic and corporate organized and existing under the laws of the State of Nebraska, for value received hereby promises to pay, solely from the source and as hereinafter provided, to the Registered Holder identified above, or registered assigns, the Principal Amount identified above at the office of the City Treasurer, as Paying Agent and Registrar, and in like manner to pay solely from said source interest on said principal sum at the Interest Rate identified above from the Accrual Commencement Date (as defined herein) or from the most recent date to which interest has not been paid. Principal and accrued interest shall be payable in thirty (30) semi-annual installments due June 15, 2025, December 15, 2025, and each June 15 and December 15 thereafter through December 15, 2039, when all principal and accrued interest shall be due and payable. Except with respect to interest not punctually paid, the principal and interest on this Note will be paid by check or draft mailed to the Registered Holder in whose name this Note is registered at the close of business on the fifteenth calendar day next preceding the applicable maturity date at his address as it appears on such note registration books. The principal and interest of this Note is payable in any coin or currency of the United States of America

which on the respective dates of payment is legal tender for the payment of public and private debts. No interest shall accrue until the later of: (1) the date the taxes are due for the year of the Effective Date identified in the Redevelopment Agreement (which is December 31st of the year of the Effective Date); or (2) the date that the Redeveloper has submitted and the CDA has accepted the Cost Certification for the eligible costs for the Project (the "Accrual Commencement Date").

This Note is designated the Community Development Agency of the City of McCook, Nebraska Redevelopment Revenue Note (Engineering International Redevelopment Project), Series 2022A, aggregating One Hundred Four Thousand and No/100 Dollars (\$104,000.00) ("Note") in principal amount which have been issued pursuant to the Section 12 of Article VIII of the Nebraska Constitution and Neb. Rev. Stat. §§ 18-2101 through 18-2155, as amended and supplemented (the "Act") and under and pursuant to the terms of that certain Redevelopment Agreement between the Issuer and Restored Homes, LLC, a Nebraska limited liability company (the "Redevelopment Agreement"), to aid in the financing of a redevelopment project pursuant to the Act. This Note does not represent a debt or pledge of the faith or credit of the Issuer or grant to the Registered Holder of this Note any right to have the Issuer levy any taxes or appropriate any funds for the payment of the principal hereof or the interest hereon nor is this Note a general obligation of the Issuer, or the individual officials, officers or agents thereof. This Note is payable solely and only out of the Tax Increment generated by the Project defined in the Redevelopment Agreement (the "Project"). All such revenue has been duly pledged for the purpose of paying this Note.

THIS NOTE AND THE INTEREST HEREON DOES NOT NOW AND SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MCCOOK, NEBRASKA, OR THE CITY OF MCCOOK, NEBRASKA, WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, NOR SHALL THIS NOTE AND THE INTEREST HEREON EVER GIVE RISE TO ANY PECUNIARY LIABILITY OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MCCOOK, NEBRASKA, OR THE CITY OF MCCOOK, NEBRASKA, A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS.

No recourse shall be had for the payment of the principal of or interest on this Note, or for any claim based hereon or upon any obligation, covenant or agreement contained in the Redevelopment Agreement against any past, present or future employee, member or elected official of the Issuer, or any incorporator, officer, director, member or trustee of any successor corporation, as such, either directly or through the Issuer or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporator, officer, director or member as such is hereby expressly waived and released as a condition of and in consideration of the issuance of this Note.

It is hereby certified and recited and the Issuer has found: that the Project is an eligible "redevelopment project" as defined in the Act; that the issuance of this Note and the construction of the Project will promote the public welfare and carry out the purposes of the Act by, among other things, contributing to the development

of a blighted and substandard area of the City of McCook, Nebraska, pursuant to a Redevelopment Plan adopted by the City; that all acts, conditions and things required to be done precedent to and in the issuance of this Note have been properly done, have happened and have been performed in regular and due time, form and manner as required by law; and, that this Note does not constitute a debt of the Issuer within the meaning of any constitutional or statutory limitations.

This Note is transferable only upon the books of the Issuer kept for that purpose at the office of the Registrar by the Registered Holder hereof in person, or by the Registered Holder's duly authorized attorney, upon written documentation of transfer satisfactory to the Issuer and the Registrar duly executed by the Registered Holder and the assignee/transferee, together with a purchase letter in a form provided by Issuer and any other documentation required by the Issuer. Prior to the approval of any transfer of this Note, the Registered Holder shall pay all of the Issuer's costs, including attorney's fees, relating to the transfer of the Note. The Issuer and the Paying Agent may deem and treat the person in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof and premium, if any, and interest due hereon and for all other purposes.

The Note is prepayable at any time in whole or in part, to the extent there are any funds in the debt service fund in excess of amounts necessary to pay scheduled debt service. Prepayments shall reduce the number, but not the amount, of scheduled debt service payments on the Note, in inverse order of maturity.

It is hereby certified and recited that all conditions, acts and things required by law and the Redevelopment Agreement to exist, to have happened and to have been performed precedent to and in the issuance of this Note, exist, have happened and have been performed and that the issue of this Note, together with all other indebtedness of the Issuer, is within every debt and other limit prescribed by the laws of the State of Nebraska.

This Note shall not be entitled to any benefit or be valid or become obligatory for any purpose until this Note shall have been authenticated by the execution by the Registrar of the Certificate of Authentication hereon.

[Signature Page Follows]

IN WITNESS WHEREOF, THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MCCOOK, NEBRASKA has caused this Note to be signed in its name and on its behalf by the signature of its Chairman and attested by the signature of its Secretary, as of the Original Issuance Date identified above.

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK,
NEBRASKA

ATTEST:

By: _____
Secretary

By: _____
Chairman

CERTIFICATE OF AUTHENTICATION

City Treasurer, City of McCook
as Paying Agent and Registrar

By: _____
Authorized Signatory

EXHIBIT "F"
FORM OF CERTIFICATE OF COMPLETION

(Engineering International Redevelopment Project)

The undersigned certifies, represents and warrants to the City of McCook, Nebraska, and the Community Development Agency of the City of McCook, Nebraska ("CDA") with regard to the following real property situated in the City of McCook, Red Willow County, Nebraska, to wit:

Lot One (1) and the East Ninety feet (E90') of Lots Two (2) and Three (3) EXCEPT 634.57 square feet to the Department of Roads, Block Twenty-six (26), First Addition to the City of McCook, Red Willow County, Nebraska

that the Private Improvements and Public Improvements required to be constructed by Redeveloper upon the above described property have been satisfactorily completed in accordance with the requirements of the Redevelopment Agreement dated _____, 2022, as referenced in the Memorandum of Redevelopment Agreement recorded as Instrument No. _____ in the office of the Red Willow County Register of Deeds.

"REDEVELOPER"

Restored Homes, LLC,
a Nebraska limited liability company

By: _____

Name: _____

Title: _____

"CDA"

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK,
NEBRASKA

ATTEST:

By: _____
Secretary

By: _____
Chairman

EXHIBIT "G"
FORM OF A CERTIFICATION OF ELIGIBLE PROJECT COSTS

(Engineering International Redevelopment Project)

Date: _____

Restored Homes, LLC, a Nebraska limited liability company ("Redeveloper"), hereby certifies that it has incurred and paid the Eligible Costs indicated herein, pursuant to the terms of the Redevelopment Agreement between Redeveloper and the Community Development Agency of the City of McCook, Nebraska. The portion of the Project as indicted herein is substantially completed. Attached hereto are documents substantiating the actual Eligible Costs and payment by Redeveloper.

REDEVELOPMENT ELIGIBLE COSTS

Certified and Requested

CDA Administrative Fee	\$3,120
Cost of Issuance	\$ _____
Land Acquisition	\$ _____
Site Preparation	\$ _____
Energy Efficiency Enhancements	\$ _____
Architectural Fees	\$ _____
Engineering Fees	\$ _____
Legal Fees	\$ _____
<u>Total:</u>	<u>\$ _____*</u>

***Principal Amount of TIF Indebtedness shall not exceed \$104,000.**

Restored Homes, LLC,
a Nebraska limited liability company

By: _____
Name: _____
Title: _____

COPIES OF PROOF OF PAYMENT ARE ATTACHED HERETO.

Approved the by Chairman of the CDA:

Chairman

**CITY MANAGER'S REPORT
NOVEMBER 21, 2022 CITY COUNCIL MEETING**

ITEM: 4.A.

Approve the minutes of the November 7, 2022 regular City Council meeting.

BACKGROUND:

Receive and approve the minutes.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk

November 17, 2022

McCook City Council
November 7, 2022
5:30 P.M. Central

A MEETING OF THE MAYOR AND COUNCIL OF THE CITY OF MCCOOK, NEBRASKA convened in open, regular, and public session at 5:30 o'clock P.M. in the City Council Chambers.

Present: Mayor Gonzales, Councilmembers Calvin, Weedon, Muehlenkamp, Rambali.

Absent: None.

City Officials present: City Manager Schneider, City Attorney Mustion, City Clerk Doak, Assistant City Manager Koetter, Library Director Crocker, Utilities Director Fawver, Fire Chief Harpham, Public Works Director Potthoff, Senior Services Director Siegfried, and Police Chief Smith.

Notice of the meeting was given in advance thereof by publication in the McCook Daily Gazette on November 3, 2022, the designated method of giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to the Mayor and members of the City Council and a copy of the Acknowledgement of Receipt of such notice is attached to these minutes. Availability of the agenda was communicated in the advance notice to the Mayor and Council. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

Mayor Gonzales announced that a copy of the Open Meetings Act was posted by the entrance to the Council Chambers and available for public review. The invocation was provided by Jeff Kelley, United Methodist Church. Following the Pledge of Allegiance to the flag of the United States of America, Mayor Gonzales called the meeting to order.

1. Announcements & Recognitions.

City Manager Schneider informed the Council that a Planning Commission meeting is scheduled for this coming Monday, November 14, 2022 at 5:15 P.M.

2. Public Hearings.

2.A. Public Hearing - A report from the Economic Development Plan Citizen's Advisory Review Committee regarding meeting held October 24, 2022.

Motion to recess as a City Council and convene a public hearing for the purpose of receiving public comment on a report from the Economic Development Plan Citizen's Advisory Review Committee regarding meeting held October 24, 2022 with the City Attorney to act as hearing officer. This motion, made by Calvin and seconded by Weedon, passed.

Gonzales: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA, Rambali: YEA
YEA: 5, NAY: 0

The City Attorney offered and received into evidence Exhibit #1 - the City Manager's Report dated November 7, 2022 (1 page); Exhibit #2 - Notice of Hearing published (1 page); Exhibit #3 - Agenda for the October 24, 2022 meeting of the Economic Development Plan Citizen's Advisory Review Committee and attachments (11 pages); and Exhibit #4 - the minutes of the May 23, 2022 Economic Development Plan Citizen's Advisory Review Committee (3 pages).

Charlie McPherson, McCook Economic Development Director, and Sean Wolfe, president of the Economic Development Plan Citizen's Advisory Review Committee, reviewed the information presented in Exhibit #3 and answered questions from the Council.

With no one else present to comment, motion to adjourn the public hearing and reconvene as a City Council. This motion, made by Calvin and seconded by Muehlenkamp, passed.

Gonzales: YEA, Calvin: YEA, Weedin: YEA, Muehlenkamp: YEA, Rambali: YEA
YEA: 5, NAY: 0

2.B. Accept the minutes of the July 25, 2022 Economic Development Plan Citizen's Advisory Review Committee meeting.

Motion to accept the minutes of the July 25, 2022 Economic Development Plan Citizen's Advisory Review Committee meeting. This motion, made by Calvin and seconded by Muehlenkamp, passed.

Gonzales: YEA, Calvin: YEA, Weedin: YEA, Muehlenkamp: YEA, Rambali: YEA
YEA: 5, NAY: 0

3. Consent Agenda.

Motion to approve the consent agenda. This motion, made by Calvin and seconded by Muehlenkamp, passed.

Gonzales: YEA, Calvin: YEA, Weedin: YEA, Muehlenkamp: YEA, Rambali: YEA
YEA: 5, NAY: 0

3.A. Approve the minutes of the October 17, 2022 regular City Council meeting and the October 25, 2022 special City Council meeting.

3.B. Ratify the Mayor's appointment to the Economic Development Plan Citizen's Advisory Review Committee - appoint Rick Sinner to replace Bob Elder - term expires July 2023.

3.C. Approve the application for a Special Designated Liquor License submitted by Ambriz Ventures, LLC, Liquor License #CK-124450, for a Corporate Holiday Party, at the Nebraska Army National Guard Armory, 38709 US Hwy 6, McCook, Nebraska, on December 10, 2022 from 1:00 P.M. to 12:00 A.M., with an alternate location of Valmont-McCook, 75 S US 83, McCook, Nebraska.

3.D. Authorize City Staff to purchase one (1) new 2023 TruVac FLXX Hydro Excavator Truck from MacQueen Equipment located in Lincoln, Nebraska in the amount of \$434,317.01 using Sourcewell as the Purchasing Agent.

- 3.E. Authorize city staff to purchase one (1) new 2023 John Deere 1025r Sub-compact Utility Tractor including a 54-inch heavy-duty snow blower and 60 inch heavy duty rotary broom from AKRS Equipment Solutions in the amount of \$35,282.50 utilizing a Nebraska Statewide Contract in participation with the National Association of State Procurement Officials (NASPO) Valuepointe for use in the Cemetery Department.
- 3.F. Approve Agreement for the Provision of Limited Professional Services for the Wastewater Treatment Plant upgrades with Miller & Associates Consulting Engineers, P.C. and authorize the Mayor to sign.
- 3.G. Receive and file the City of McCook Snow and Ice Control and Removal Operation Procedures and Policies.
- 3.H. Award the bid for one (1) new 2024 Freightliner M2106 with a KANN 31 Yard Packer Body Model Number CSL XS SLEC to Nebraska Truck Center in the amount of \$252,578.00.
- 3.I. Accept the minutes of the April 19, 2022 and July 19, 2022 Senior Center Advisory Board meetings.
- 3.J. Approve the application for a Special Designated Liquor License submitted by the McCook Economic Development Corporation for the Light Up McCook Christmas Mixer to be held in the Keystone Lobby, 402 Norris Avenue, on November 30, 2022, from 8:00 A.M. to 11:00 P.M.

4. Regular Agenda.

- 4.A. Ordinance No. 2022-3054 changing the zoning classification of two lots from Agricultural (AG) to Highway Commercial (HC); said lots legally described as: 1) A tract of land located in the Southeast Quarter of Section 28, Township 3 North, Range 29 Willow Grove Precinct West of the 6th P.M. in Red Willow County, Nebraska (a/k/a Red Willow County Parcel No. 000299500), and 2) A tract of land located in the Southeast Quarter of Section 28, Township 3 North, Range 29 Willow Grove Precinct West of the 6th P.M. in Red Willow County, Nebraska (a/k/a Red Willow County Parcel No. 000299700), property located within the two mile extra-territorial jurisdiction of the City of McCook.

Mayor Gonzales asked the Clerk to read Ordinance No. 2022-3054 by title.

AN ORDINANCE OF THE CITY OF MCCOOK, NEBRASKA AMENDING MCCOOK ZONING ORDINANCE NO. 2016-2929 CHANGING THE ZONING CLASSIFICATION OF 1) A TRACT OF LAND LOCATED IN THE SOUTHEAST QUARTER OF SECTION 28, TOWNSHIP 3 NORTH, RANGE 29 WILLOW GROVE PRECINCT WEST OF THE 6TH P.M. IN RED WILLOW COUNTY, NEBRASKA (A/K/A RED WILLOW COUNTY PARCEL NO. 000299500), AND 2) A TRACT OF LAND LOCATED IN THE SOUTHEAST QUARTER OF SECTION 28, TOWNSHIP 3 NORTH, RANGE 29 WILLOW GROVE PRECINCT WEST OF THE 6TH P.M. IN RED WILLOW COUNTY, NEBRASKA (A/K/A RED WILLOW COUNTY PARCEL

NO. 000299700), PROPERTY LOCATED WITHIN THE TWO MILE EXTRA-TERRITORIAL JURISDICTION OF THE CITY OF MCCOOK; FROM AGRICULTURAL (AG) TO HIGHWAY COMMERCIAL (HC) DISTRICT; PROVIDE FOR THE REPEAL OF ANY OTHER CONFLICTING ORDINANCES; AND PROVIDING A TIME AND DATE FROM AND AFTER WHICH THIS ORDINANCE SHALL TAKE EFFECT AND BE ENFORCED.

Ordinance No. 2022-3054 has been introduced, read by title, and I move that the statutory rule requiring reading on three different days be suspended, said motion to suspend the rule must be adopted by three-fourths of the Council. This motion, made by Weedon and seconded by Muehlenkamp, passed.

Gonzales: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA, Rambali: YEA
YEA: 5, NAY: 0

Motion for final passage of Ordinance No. 2022-3054. This motion, made by Calvin and seconded by Rambali, passed.

Gonzales: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA, Rambali: YEA
YEA: 5, NAY: 0

Mayor Gonzales stated for the record that Ordinance No. 2022-3054 is declared lawfully passed and adopted upon publication as required by law.

4.B. Adopt Resolution No. 2022-16 and Resolution No. 2022-17 amending the Firefighters and Lieutenants Collective Bargaining Agreements between the City of McCook and the McCook Professional Firefighters Association, Local 2100 for the period of October 1, 2020 to September 30, 2025, and authorize the Mayor to sign said agreement.

Motion to adopt Resolution No. 2022-16 and Resolution No. 2022-17 amending the Firefighters and Lieutenants Collective Bargaining Agreements between the City of McCook and the McCook Professional Firefighters Association, Local 2100 for the period of October 1, 2020 to September 30, 2025, and authorize the Mayor to sign said agreement. This motion, made by Calvin and seconded by Weedon, passed.

Gonzales: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA, Rambali: YEA
YEA: 5, NAY: 0

4.C. Ordinance No. 2022-3056 providing for the amendment of the FY2022/2023 Fiscal Year Employee Classification and Pay Plan, establishing a Firefighter non-EMT position.

Mayor Gonzales asked the Clerk to read Ordinance No. 2022-3056 by title.

AN ORDINANCE OF THE CITY OF MCCOOK, NEBRASKA PROVIDING FOR THE AMENDMENT OF THE 2022/2023 FISCAL YEAR EMPLOYEE CLASSIFICATION AND PAY PLAN, ESTABLISHING THE FIREFIGHTER NON-EMT POSITION; PROVIDING FOR AN EFFECTIVE DATE FOR THE IMPLEMENTATION OF THE AMENDED CLASSIFICATION AND PAY PLAN; REPEALING ANY AND ALL OTHER ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING FOR A TIME AND DATE FROM AND AFTER WHICH THIS

ORDINANCE SHALL TAKE EFFECT AND BE IN FORCE.

Ordinance No. 2022-3056 has been introduced, read by title, and I move that the statutory rule requiring reading on three different days be suspended, said motion to suspend the rule must be adopted by three-fourths of the Council. This motion, made by Weedon and seconded by Muehlenkamp, passed.

Gonzales: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA, Rambali: YEA
YEA: 5, NAY: 0

Motion for final passage of Ordinance No. 2022-3056. This motion, made by Calvin and seconded by Muehlenkamp, passed.

Gonzales: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA, Rambali: YEA
YEA: 5, NAY: 0

Mayor Gonzales stated for the record that Ordinance No. 2022-3056 is declared lawfully passed and adopted upon publication as required by law.

4.D. Ordinance No. 2022-3055 correcting Ordinance 2022-3047 to reflect the current water rates established for customers within the City of McCook.

Mayor Gonzales asked the Clerk to read Ordinance No. 2022-3055 by title.

AN ORDINANCE PROVIDING FOR THE AMENDMENT OF CHAPTER 38: FEE SCHEDULE - APPENDIX E , WATER DEPARTMENT RATES AND FEES; OF THE CITY OF MCCOOK CODE OF ORDINANCES; PROVIDING FOR A RATE TO BE CHARGED FOR WATER BY THE MCCOOK WATER DEPARTMENT; PROVIDING FOR THE REPEAL OF ORDINANCE NO. 2022-3047 AND ANY AND ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING FOR A TIME AND DATE FROM AND AFTER WHICH THIS ORDINANCE SHALL TAKE EFFECT AND BE IN FORCE.

Ordinance No. 2022-3055 has been introduced, read by title, and I move that the statutory rule requiring reading on three different days be suspended, said motion to suspend the rule must be adopted by three-fourths of the Council. This motion, made by Muehlenkamp and seconded by Rambali, passed.

Gonzales: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA, Rambali: YEA
YEA: 5, NAY: 0

Motion for final passage of Ordinance No. 2022-3055. This motion, made by Gonzales and seconded by Weedon, passed.

Gonzales: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA, Rambali: YEA
YEA: 5, NAY: 0

Mayor Gonzales stated for the record that Ordinance No. 2022-3055 is declared lawfully passed and adopted upon publication as required by law.

4.E. Council Comments.

Council comments included the Mayor noting we had another successful Halloween, adding that they had 949 trick-or-treaters; reminding all to vote tomorrow; and wished the incumbents good luck in the election.

Adjournment.

There being no further business to come before the Council, Mayor Gonzales declared the meeting adjourned at 6:08 P.M.

Michael D. Gonzales, Mayor

ATTEST:

Lea Ann Doak, City Clerk-Treasurer

**CITY MANAGER'S REPORT
NOVEMBER 21, 2022 CITY COUNCIL MEETING**

ITEM: _____

Approve the minutes of the November 7, 2022 regular City Council meeting.

BACKGROUND:

Receive and approve the minutes.

**FISCAL
IMPACT:** None.

APPROVALS:

Lea Ann Doak, City Clerk

November 17, 2022

**CITY MANAGER'S REPORT
NOVEMBER 21, 2022 CITY COUNCIL MEETING**

ITEM: 4.B.

Receive and file the claims for the month of October 2022, published November 17, 2022.

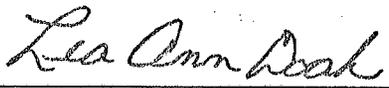
BACKGROUND:

Claims are presented to the Council and published each month as outlined in the City Code of Ordinances.

Staff is always available to address any questions that the Council may have regarding a specific claim.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk

November 16, 2022

CITY OF MCCOOK
CLAIMS FOR OCTOBER 2022

ABBREVIATIONS FOR LEGALS: PS - PERSONAL SERVICES; S- SUPPLIES; SC - SERVICES & CHARGES; CO - CAPITAL OUTLAY; BT - BUDGET TRANSFERS

20/20 TECHS-SC 16433.00; 911 CUSTOM, LLC-S 255.00; ACE-S 986.15; AKRS-S 88254.70; AMERICAN AGLAB-SC 191.77; AMERICAN ELECTRIC-S 256.00; AMERITAS-CLAIMS-SC 2390.44; ANYTIME TRI-STATE TOWING-SC 405.00; ARROW CAR WASH-S 74.25; BARCO-SC 435.80; BLACK HILLS ENERGY-SC 1000.72; BW TELECOM-SC 144.14; C&K-S 322.72; CAMBRIDGE TELEPHONE-SC 234.12; CARQUEST-S 705.13; CARVER CINEMAS-SC 100.00; CDW-G-SC 1459.83; CENTURY LINK-SC 747.67; CITY OF MCCOOK-PS 390738.91; CITY SELF INS-BT 166893.75; UTILITIES-SC 24113.66; CIVICPLUS-SC 4447.18; CONSOLIDATED MGMT-SC 69.75; T. CROCKER-SC 86.25; CULLIGAN-S 80.00; D & S HARDWARE-S 2132.05; DATA443 RISK MITGATION-S 219.38; DIAMOND VOGEL-S 665.59; DVORAK LAW-SC 292.00; EAKES-S 1388.27; ELLERBROCK-NORRIS AGENCY-SC-57258.91; ENVIRONMENTAL ANALYSIS-SC 206.00; ESC ENG-SC 2785.00; FICA-PS 19876.87; FRONTIER COMM-SC 34.19; FULL CIRCLE TRAINING-SC 149.00; FUSION CLOUD-SC 98.95; GARRISONS-S 116.00; GOOGLE SVCS-SC 489.20; GREAT PLAINS COMM-SC 2364.24; HENNING BROS-SC 59.00; HERITAGE SENIOR CENTER-SC 52.350; HIGH PLAINS RADIO-SC 58.00; HOMETOWN LEASING-SC 769.56; HORIZON BANK-CO 21226.72; IDEAL LINEN-S 42.54; IMAGE TREND-SC 2137.50; IPMA-HR-SC 401.00; ISLAND SPRINKLER-S 1017.90; J BAR J LANDFILL-SC 48090.52; JOHNSTONE SUPPLY-S 277.44; JUSTICE DATA-SC 4000.00; K & C GRAIN-S 18772.36; K-C MOTOR & ELEC-S 50.27; KOHL'S AUTO-S 328.09; LAQUINTA INNS-SC 629.70; LAW ENFORCEMENT SYSTEMS-S 121.00; LIFE-ASSIST-S 56.04; MALLECK OIL-S 1022.45; MARC-S 104.38; MATTERPORT, INC SC 695.17; MC GAZETTE-SC 1718.61; MC HUMANE SOCIETY-S 4453.23; MPPD-SC 2751.83; MC NET-SC 69.95; T. MCGINLEY-SC 60.00; MCKESSON MEDICAL-S 261.09; MEDICARE-PS 5448.12; MEAD-S 193.86; MICROMARKETING-S 3149.73; MIDAMERICA BOOKS-S 94.75; MILLER & ASSOC-S 8900.00; MNB-CO 65535.69; MOBOTREX-S 570.00; MOTOROLA SOLUTIONS-CO 14495.34; MUNICIPAL SUPPLY-S 2082.61; MUTUAL OF OMAHA-SC 747.88; NE DEPT REV-SALES TAX-SC 14573.92; NE DEPT OF REV-LOTTERY-

SC 5845.00; NE PUBLIC HEALTH-SC 19.00; NEBRASKALAND TIRE-S 379.63; NICK'S DIST-SC 857.71; NORTH PLATTE MONUMENT-S 500.00; NPPD-SC 39969.03; O'REILLY-S 37.74; ONE BILLING SOL-SC 6075.21; ONE CALL-SC 106.18; PARDE ELECTRIC-S 420.00; PAULSEN INC-S 191.52; PLATTE VALLEY COMM-S 310.00; POAN-SC 280.00; QUADIEN FINANCE USA-SC 600.00; QUALITY URGENT CARE-SC 275.00; QUILL-S 1430.68; REWARD COMMITTEE-SC 2500.00; RJ THOMAS MFG-SC 868.00; ROCHESTER MIDLAND-S 392.70; RUGGLES-SC 25.00; RUTT'S HEATING & AC-S 980.58; M. SCHOENEMANN-SC 176.88; SEHNERT'S-S 36.99; SENSEL WELDING-SC 1278.11; MICHAEL SIS-SC 1800.00; SMITH IRRIGATION-CO 19000.00; SOUTHWEST FARM & AUTO-S 590.72; SUNSHINE IND-S 605.35; TASTE OF HOME-S 33.15; TK ELEVATOR-SC 1296.93; TOTAL TURF-S 82.00; TRAVELER'S-SC 2474.00; TREE REBATES-S 425.00; TYLER TECH-SC 27554.42; UMR-SC 124419.93; US FOODS-S 912.58; UTILITY REFUNDS-311.24; VERIZON-SC 2429.35; WAGNER FORD-S 582.86; WALMART-S 1228.29; WPCI-SC 32.00.

-s- Lea Ann Doak
City Clerk

Publish: November 17, 2022

**CITY MANAGER'S REPORT
NOVEMBER 21, 2022 CITY COUNCIL MEETING**

ITEM: 4.C.

Approve the application for a Special Designated Liquor License submitted by Uppa Crik Hops LLC, Liquor License #CKG-123586, for a wedding reception to be held at the McCook Municipal Auditorium, 302 West 5th Street, on December 31, 2022 from 4:00 P.M. to 12:00 A.M.

BACKGROUND:

Uppa Crik will be catering this event. They are making application to allow them to serve alcohol at this temporary location. Approval of the City Council is required with all applications. Approval of this request is also approving consumption of alcohol in the auditorium.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk

November 16, 2022



Nathan A. Schneider, City Manager

November 16, 2022

**Special Designated License
Local Recommendation (Form 200)**

Applications must be entered on the portal after local approval – no exceptions
Late applications are non-refundable and will be rejected

Uppa Crik Hops LLC

Retail Liquor License Name or *Non-Profit Organization (*Must include Form #201 as Page 2)

32621 Rock Creek Rd, Parks, NE 69041

Retail Liquor License Address or Non-Profit Business Address

123586

Retail License Number or Non-Profit Federal ID #

Consecutive Dates only

Event Date(s):

12-31-2022

Event Start Time(s):

4pm

Event End Time(s):

12am

Alternate Date: _____

Alternate Location Building & Address: _____

Event Building Name: McCook City Auditorium

Event Street Address/City: 302 W 5th St, McCook, NE 69001

Indoor area to be licensed in length & width: 145 x 100

Outdoor area to be licensed in length & width: _____ X _____ (Diagram Form #109 must be attached)

Type of Event: Wedding- Hagen/Schilling Estimate # of attendees: 250

Type of alcohol to be served: Beer Wine Distilled Spirits
(If not marked, you will not be able to serve this type of alcohol)

Event Contact Name: Sye Tecker Event Contact Phone Number: 308-340-1411

Event Contact Email: uppacrikhops@gmail.com

*Signature Authorized Representative: _____ Printed Name Sye Tecker

I declare that I am the authorized representative of the above named license applicant and that the statements made on this application are true to the best of my knowledge and belief. I also consent to an investigation of my background including all records of every kind including police records. I agree to waive any rights or causes of action against the Nebraska Liquor Control Commission, the Nebraska State Patrol or any other individual releasing said information to the Liquor Control Commission or the Nebraska State Patrol. I further declare that the license applied for will not be used by any other person, group, organization or corporation for profit or not for profit and that the event will be supervised by persons directly responsible to the holder of this Special Designated License.

*Retail licensee – Must be signed by a member listed on permanent license

*Non-Profit Organization – Must be signed by a Corporate Officer

Local Governing Body completes below:

The local governing body for the City/Village of McCook OR County of _____ approves
the issuance of a Special Designated License as requested above. (Only one should be written above)

Local Governing Body Authorized Signature

Date

**CITY MANAGER'S REPORT
NOVEMBER 21, 2022 CITY COUNCIL MEETING**

ITEM: 4.D.

RECOMMENDATION:

Accept the minutes of the September 14, 2022 Library Advisory Board and the November 14, 2022 Planning Commission meetings.

BACKGROUND:

Accept minutes from the various board and commission meetings.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk

November 16, 2022

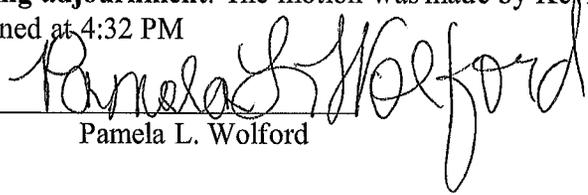
McCook Public Library Advisory Board Meeting Minutes
September 14, 2022 at 4:00 PM CDT

1. **Call to order / attendance:** Mary Dueland called the meeting to order with Jody Crocker, Staci Blomstedt, Kevin Cochran and Pam Wolford in attendance.
2. **Opportunity for Comments from the Public:** None
3. Notice of the meeting was given in advance thereof by publication in the *McCook Gazette* on September 9, 2022, the designated method of giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to all members of the Library Board. Availability of the agenda was communicated in the advance notice. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.
4. **Read and Approve the July 13, 2022 meeting minutes:** Staci made the motion to approve the minutes; Kevin seconded and the motion carried.
5. **Open discussion from board members on items not on the agenda:** None
6. **Unfinished Business:** The topic of a Fine Free Library has come up. Discussion continued. Sharon is opposed to changes. For fine free libraries, the consequence is not being able to check anything else out until the item is returned. Lost and damaged items still have a cost. Kevin motioned to have our library become fine free. Staci seconded. The motion passed.
7. **Director's Report and update on upcoming activities:** 1.) Jody read thank you notes from Mary Dueland and Linda Graff for Chautauqua games at the library. 2.) The Story Walk is up on the walking trail from Kelley Park to H street. The books will be changed once per month. The funding comes from the Wellness Committee. 3.) The final budget reading at the city council is next week. 4.) "All Together Now" is the theme for summer reading 2023. Jody will be doing two workshops in Lexington and Grand Island. 5.) The HVAC is units are struggling again. We cannot replace the one that is not working now. The elevator is not working but will be repaired. 6.) Fall programs will be up and running by October. Story time will start then. 7.) Nicole Glinsky has resigned. Jody will be interviewing next week. 8.) The endowment committee has met and ordered some new computer equipment and electronic items.
8. **New Business:** The policy handbooks were reviewed with corrections shared. A motion was made by Kevin and seconded by Staci to approve the corrections. The motion carried.

9. **Set date for next board meeting:** The next meeting will be Wednesday, November 9, 2022 at 4:00.

10. **Meeting adjournment:** The motion was made by Keyin to adjourn, and the meeting was adjourned at 4:32 PM

Secretary: _____

A handwritten signature in black ink that reads "Pamela L. Wolford". The signature is written in a cursive style and is positioned over a horizontal line that serves as a signature line.

Pamela L. Wolford

McCook Planning Commission
November 14, 2022
5:15 PM Central

A MEETING OF THE PLANNING COMMISSION OF THE CITY OF MCCOOK, NEBRASKA convened in open, regular, and public session at 5:15 o'clock P.M. in the City Council Chambers.

Present: Chair Vosburg; Vice Chair Hilker; Commissioners Bradley, Davidson, Dueland, McDowell, Stevens, Mockry.

Absent: Commissioners Friehe, Lyons.

City Officials present: City Manager Schneider, City Attorney Mustion, City Clerk Doak, Assistant City Manager Koetter.

Notice of the meeting was given in advance thereof by publication in the McCook Daily Gazette on November 10, 2022, the designated method of giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to all members of the Planning Commission. Availability of the agenda was communicated in the advance notice. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

Chair Vosburg announced that a copy of the Open Meetings Act was posted by the entrance to the Council Chambers and available for public review.

1. Approve the minutes of the October 10, 2022 regular Planning Commission meeting.

Motion to approve the minutes of the October 10, 2022 regular Planning Commission meeting. This motion, made by Hilker and seconded by McDowell, passed.

Bradley: YEA, Davidson: YEA, Dueland: YEA, Friehe: ABSENT, Hilker: YEA, Lyons: ABSENT, McDowell: YEA, Mockry: YEA, Stevens: YEA, Vosburg: YEA
YEA: 8, NAY: 0, ABSENT: 2

2. Public Hearings and Regular Agenda.

- 2.A. Public Hearing - Regarding the Redevelopment Plan for the Engineering International Redevelopment Project as to its conformity with the general plan for the development of the City as a whole.

Motion to recess as a Planning Commission and convene a public hearing for the purpose of receiving public comment regarding the Redevelopment Plan for the Engineering International Redevelopment Project as to its conformity with the general plan for the development of the City as a whole, with the City Attorney to act as hearing officer. This motion, made by Vosburg and seconded by Hilker, passed.

Bradley: YEA, Davidson: YEA, Dueland: YEA, Friehe: ABSENT, Hilker: YEA, Lyons: ABSENT,

McDowell: YEA, Mockry: YEA, Stevens: YEA, Vosburg: YEA
YEA: 8, NAY: 0, ABSENT: 2

The City Attorney received into evidence Exhibit #1 - City Manager's Report prepared for the November 14, 2022 Planning Commission meeting (2 pages), Exhibit #2 - Notice of Hearing published (1 page); Exhibit #3 - Copies of Notice of Hearing mailed to required government entities (6 pages); Exhibit #4 - proposed Planning Commission Resolution No, PC2022-04 (2 pages); and Exhibit #5 - proposed Redevelopment Plan (14 Pages).

City Manager Schneider reviewed the information presented in Exhibit #1.

Applicant Jeff Tidyman was present to address any questions from the Commission.

With no one else present to comment, motion to adjourn the public hearing and to reconvene as a Planning Commission. This motion, made by Vosburg and seconded by Hilker, passed.

Bradley: YEA, Davidson: YEA, Dueland: YEA, Friehe: ABSENT, Hilker: YEA, Lyons: ABSENT, McDowell: YEA, Mockry: YEA, Stevens: YEA, Vosburg: YEA
YEA: 8, NAY: 0, ABSENT: 2

2.B. Approve Resolution No. PC2022-04 recommending approval of a Redevelopment Plan of the City of McCook, Nebraska, approving a Redevelopment Project of the City of McCook, Nebraska; and approval of related actions for the purpose of the development of the Engineering International Redevelopment Project.

Motion to approve Resolution No. PC2022-04 recommending approval of a Redevelopment Plan of the City of McCook, Nebraska, approving a Redevelopment Project of the City of McCook, Nebraska; and approval of related actions for the purpose of the development of the Engineering International Redevelopment Project. This motion, made by Kurt and seconded by Stevens, passed.

Bradley: YEA, Davidson: YEA, Dueland: YEA, Friehe: ABSENT, Hilker: YEA, Lyons: ABSENT, McDowell: YEA, Mockry: YEA, Stevens: YEA, Vosburg: YEA
YEA: 8, NAY: 0, ABSENT: 2

City Manager Schneider stated that there will probably be a December meeting and introduced Tera Koetter as the new Assistant Manager.

Adjournment.

With no further business, Chair Vosburg declared the Planning Commission meeting adjourned at 5:43 P.M.

Lea Ann Doak
City Clerk/Recording Secretary

**CITY MANAGER'S REPORT
NOVEMBER 21, 2022 CITY COUNCIL MEETING**

ITEM: 4.E.

Receive and file the Financial Report for the period ending September 30, 2022.

BACKGROUND:

The Treasurer's Report (Attachment A) gives the beginning cash balances as of October 1, 2021, plus Total (YTD) Receipts, minus Total (YTD) Disbursements, giving the ending cash balance on September 30, 2022.

Per the Banking Services Agreement with McCook National Bank, all funds are deposited into the Public Funds Account at a higher rate of interest. The bank then sweeps in increments of \$100,000 to the Primary Operating Account to cover disbursements as they clear the bank. That is why the Ending Cash Balance in the Primary Operating Account is (\$335,089.91), issued checks had not yet cleared the bank. The Payroll Account is also a sweep account and maintains a \$1,000 balance.

All of the bank accounts are interest bearing, except the Payroll Account and the Purchase Account. The Purchase Account is our VISA credit card.

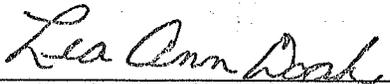
Attachment B gives the ending cash balances by fund as of September 30, 2022.

Attachment C is a Financial Summary of Revenue and Expense by Fund for the quarter ending September 30, 2022.

Staff is always available to address any questions that the Council may have. The Department Heads receive monthly financial reports and it is their responsibility to monitor their individual budgets. It is the bottom-line per department that is monitored. If they go over on a line item, that must adjust for it in another line item.

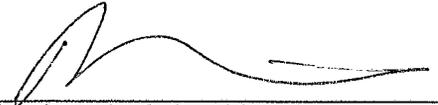
**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk-Treasurer

November 16, 2022



Nathan A. Schneider, City Manager

November 16, 2022

ATTACHMENT

A

City of McCook, Nebraska
 TREASURER'S REPORT
 Period Ending September 30, 2022 (unaudited)

Beginning Cash on Hand, October 1, 2021			
McCook National Bank - Public Funds	\$	17,042,616.65	
McCook National Bank - Primary Operating	\$	(279,443.92)	
McCook National Bank - LB840 Funds	\$	879,312.54	
McCook National Bank - Payroll	\$	1,000.00	
McCook National Bank - CRA	\$	57.93	
Purchases Account	\$	9,630.65	
Petty Cash	\$	1,000.00	
NDEQ Irrevocable Escrow	\$	83,564.97	
McCook National Bank - Pension	\$	5,212.19	
TOTAL BEGINNING CASH			\$ 17,742,951.01
Receipts:			
Taxes	\$	6,036,004.88	
Fees, Permits and Licenses	\$	521,827.09	
Intergovernmental Services	\$	2,596,071.45	
Charges - Current Services	\$	1,956,117.41	
Public Utilities	\$	4,179,876.23	
Use of Money & Property	\$	2,212,985.52	
Interfund Transfers	\$	5,222,984.93	
Other Revenue	\$	2,753,539.24	
Unapplied/Accounts Payable	\$	(4,156.20)	
PLUS TOTAL RECEIPTS			\$ 25,475,250.55
Disbursements:			
Personal Services	\$	7,073,517.45	
Supplies	\$	1,651,283.93	
Services & Charges	\$	8,811,695.83	
Budget Transfers	\$	3,625,581.31	
Capital Outlay	\$	2,604,042.09	
Unapplied/Accounts Payable	\$	-	
MINUS TOTAL DISBURSEMENTS			\$ 23,766,120.61
Ending Cash Balance September 30, 2022			
McCook National Bank - Public Funds	\$	18,671,683.72	
McCook National Bank - Primary Operating	\$	(335,089.91)	
McCook National Bank - LB840 Funds	\$	1,013,373.90	
McCook National Bank - Payroll	\$	1,000.00	
McCook National Bank - CRA	\$	57.93	
Petty Cash	\$	1,150.00	
Purchase Account	\$	10,000.00	
NDEQ Irrevocable Escrow	\$	84,562.10	
McCook National Bank - Pension	\$	5,343.21	
	b		
TOTAL ENDING CASH	\$	19,452,080.95	\$ 19,452,080.95

Dated: September 30, 2022

-s- Lea Ann Doak, City Clerk

ATTACHMENT

B

City of McCook, Nebraska
 TREASURER'S REPORT
 CASH BALANCE BY FUNDS
 Period Ending September 30, 2022 (unaudited)

Beginning Cash on Hand, October 1, 2021	Beginning Cash	YTD Revenue	YTD Expenditures	Ending Cash
General Fund - 10	\$ 3,166,009.66	\$ 9,475,903.05	\$ 9,066,748.13	\$ 3,575,164.58
General Fund Unapplied/Accts. Payable	\$ 6,930.00	\$ (4,411.00)	\$ -	\$ 2,519.00
Street Fund - 15	\$ 562,460.09	\$ 152,383.02	\$ 287,000.00	\$ 427,843.11
Special Revenue - 20	\$ 2,225,074.50	\$ 1,114,535.25	\$ 1,539,821.91	\$ 1,799,787.84
Special Revenue Unapplied/Accts. Payable	\$ -		\$ -	\$ -
Debt Service - 30	\$ 395,909.07	\$ 2,974.00	\$ 137.64	\$ 398,745.43
Community Redevelopment Authority - 40	\$ 72,402.36	\$ 291,569.86	\$ 291,025.86	\$ 72,946.36
Economic Development Fund - 45	\$ 879,312.54	\$ 603,010.36	\$ 468,949.00	\$ 1,013,373.90
Pension Trust - 50	\$ 5,212.19	\$ 19,004.45	\$ 18,873.43	\$ 5,343.21
Trust & Agency - 60	\$ 331,559.78	\$ 174,697.06	\$ 148,672.36	\$ 357,584.48
Internal Service Fund - 65	\$ 361,345.20	\$ 2,742,494.33	\$ 2,153,800.00	\$ 950,039.53
Enterprise Fund - 70	\$ 8,899,188.10	\$ 10,255,300.41	\$ 9,039,209.97	\$ 10,115,278.54
Enterprise Fund Unapplied/Accts. Payable	\$ -	\$ 254.80	\$ -	\$ 254.80
Capital Improvement - 80	\$ 837,547.52	\$ 647,534.96	\$ 751,882.31	\$ 733,200.17
BALANCES	\$ 17,742,951.01	\$ 25,475,250.55	\$ 23,766,120.61	\$ 19,452,080.95

Dated: September 30, 2022

-s- Lea Ann Doak, City Clerk

ATTACHMENT C

CITY OF MCCOOK
STATEMENT OF REVENUES - BUDGET VS. ACTUAL
AS OF: SEPTEMBER 30TH, 2022

10 -GENERAL FUND
FINANCIAL SUMMARY

% OF YEAR COMPLETED: 100.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
GENERAL REVENUE	9,439,695	9,439,695	2,051,412.59	9,241,679.46	9,080,628.88	198,015.54	2.10
RESERVES/CO TREASURER BAL	<u>1,756,659</u>	<u>1,756,659</u>	<u>17,157.63</u>	<u>234,223.59</u>	<u>346,810.10</u>	<u>1,522,435.41</u>	<u>86.67</u>
TOTAL REVENUES	11,196,354	11,196,354	2,068,570.22	9,475,903.05	9,427,438.98	1,720,450.95	15.37
=====							
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
ADMINISTRATION	762,814	762,814	60,538.00	612,642.30	593,230.64	150,171.70	19.69
PUBLICITY	8,750	8,750	199.74	4,379.73	6,216.07	4,370.27	49.95
AUDITORIUM	50,056	50,056	7,564.71	51,700.80	41,163.57 (	1,644.80)	3.29-
COUNCIL	562,228	562,228	34,872.73	257,880.16	461,414.76	304,347.84	54.13
POLICE	2,188,434	2,188,434	161,413.77	1,830,885.05	1,719,448.98	357,548.95	16.34
MUNICIPAL CENTER	117,179	117,179	5,417.38	94,923.30	92,206.70	22,255.70	18.99
FIRE	1,609,965	1,609,965	109,459.39	1,190,909.83	1,357,309.62	419,055.17	26.03
AMBULANCE	174,880	174,880	19,142.68	153,036.63	164,343.81	21,843.37	12.49
CIVIL DEFENSE	10,075	10,075	627.12	5,664.50	8,942.37	4,410.50	43.78
BUILDING & ZONING	99,604	99,604	6,766.26	93,732.59	79,165.58	5,871.41	5.89
LIBRARY	361,567	361,567	26,997.20	333,518.04	325,040.94	28,048.96	7.76
STREET	1,050,567	1,050,567	1,146,618.81	2,040,646.98	1,836,498.65 (	990,079.98)	94.24-
CEMETERY	236,078	236,078	16,426.28	221,049.09	203,594.99	15,028.91	6.37
PARKS	281,264	281,264	19,705.59	259,794.02	208,620.38	21,469.98	7.63
BALL PARKS	156,669	156,669	17,930.48	151,596.58	122,016.31	5,072.42	3.24
POOL	99,232	99,232	2,227.10	6,723.58	79,950.16	92,508.42	93.22
AIRPORT	173,619	173,619	7,137.93	132,655.00	152,568.78	40,964.00	23.59
UNEMPLOYMENT	10,000	10,000	0.00	0.00	174.00	10,000.00	100.00
UNCOLLECTABLE TAX	15,000	15,000	4,043.65	15,344.85	15,441.18 (	344.85)	2.30-
SENIOR CENTER	447,304	447,304	46,516.13	443,755.49	380,888.33	3,548.51	0.79
PUBLIC TRANSPORTATION	177,330	177,330	13,271.83	176,772.86	159,429.91	557.14	0.31
HEALTH OPERATING	787,075	787,075	65,589.50	787,074.00	705,996.00	1.00	0.00
RESERVES/CO TREASURER BAL	<u>656,659</u>	<u>656,659</u>	<u>13,193.07</u>	<u>202,062.75</u>	<u>83,996.92</u>	<u>454,596.25</u>	<u>69.23</u>
TOTAL EXPENDITURES	10,036,349	10,036,349	1,785,659.35	9,066,748.13	8,797,658.65	969,600.87	9.66
=====							
REVENUES OVER/(UNDER) EXPENDITURES	1,160,005	1,160,005	282,910.87	409,154.92	629,780.33	750,850.08	64.73

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: SEPTEMBER 30TH, 2022

15 -STREET FUND
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 100.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
STREET IMPROVEMENTS	522,367	522,367	1,359.00	152,383.02	351,127.14	369,983.98	70.83
TOTAL REVENUES	522,367	522,367	1,359.00	152,383.02	351,127.14	369,983.98	70.83
EXPENDITURES SUMMARY							
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
STREET IMPROVEMENTS	522,367	522,367	285,000.00	287,000.00	0.00	235,367.00	45.06
TOTAL EXPENDITURES	522,367	522,367	285,000.00	287,000.00	0.00	235,367.00	45.06
REVENUES OVER/(UNDER) EXPENDITURES	0	0	(283,641.00)	(134,616.98)	351,127.14	134,616.98	0.00

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: SEPTEMBER 30TH, 2022

20 -SPECIAL REVENUE
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 100.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
FAA GRANTS	7,262	7,262	0.00	211,382.20	86,666.84 (	204,120.20)	2,810.80-
PUBLIC TRANSIT GRANTS	66,000	66,000	0.00	18,709.70	0.00	47,290.30	71.65
ACE REVENUE SHARING	30,961	30,961	49.00	9,277.00	19,744.00	21,684.00	70.04
MCCOOK RECREATIONAL TRAIL	53,979	53,979	105.00	407.00	92.00	53,572.00	99.25
CCCFF GRANT-SWIMMING POOL	25,000	25,000	0.00	0.00	6,250.00	25,000.00	100.00
MCCOOK COMM FOUNDATION	0	0	0.00	0.00	25,000.00	0.00	0.00
COVID-19 CARES ACT	718,337	718,337	462.00	43,714.32	742,761.12	674,622.68	93.91
ENHANCED E911	166,497	166,497	4,402.59	31,301.93	27,955.48	135,195.07	81.20
RAVENSWOOD RD PROJECT	0	0	0.00	0.00	0.00	0.00	0.00
INSURANCE REIMBURSEMENT	426,233	426,233	4,129.56	17,857.81	51,878.74	408,375.19	95.81
PSAP FUNDS	117,992	117,992	5,778.74	77,147.61	51,573.66	40,844.39	34.62
MUNICIPAL FACILITY CONST	34,785	34,785	0.00	0.00	0.00	34,785.00	100.00
SKATE PARK IMPROVEMENTS	4,642	4,642	0.00	0.00	0.00	4,642.00	100.00
AUD/CONVEN CTR FEASIBILI	0	0	0.00	0.00	0.00	0.00	0.00
AME RESCUE PLAN ACT-ARPA	1,338,028	1,338,028	1,825.00	704,737.68	669,201.68	633,290.32	47.33
BIRDELLA NELSON TECH CTR	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	2,989,716	2,989,716	16,751.89	1,114,535.25	1,681,123.52	1,875,180.75	62.72

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
FAA GRANTS	7,262	7,262	19,258.77	203,221.70	15,616.14 (	195,959.70)	2,698.43-
PUBLIC TRANSIT GRANTS	66,000	66,000	0.00	18,709.70	0.00	47,290.30	71.65
ACE REVENUE SHARING	30,961	30,961	0.00	18,960.00	36,117.80	12,001.00	38.76
MCCOOK RECREATIONAL TRAIL	53,979	53,979	0.00	0.00	0.00	53,979.00	100.00
CCCFF GRANT-SWIMMING POOL	25,000	25,000	0.00	1,293.75	6,250.00	23,706.25	94.83
MCCOOK COMM FOUNDATION	0	0	0.00	0.00	25,000.00	0.00	0.00
COVID-19 CARES ACT	718,337	718,337	82,022.88	606,489.15	19,637.75	111,847.85	15.57
ENHANCED E911	166,497	166,497	5,599.74	156,750.20	86,156.28	9,746.80	5.85
RAVENSWOOD RD PROJECT	0	0	0.00	0.00	0.00	0.00	0.00
INSURANCE REIMBURSEMENT	426,233	426,233	6,770.47	16,021.47	11,216.36	410,211.53	96.24
PSAP FUNDS	117,992	117,992	1,503.74	63,830.57	60,143.64	54,161.43	45.90
MUNICIPAL FACILITY CONST	34,785	34,785	0.00	0.00	0.00	34,785.00	100.00
SKATE PARK IMPROVEMENTS	4,642	4,642	0.00	0.00	0.00	4,642.00	100.00
AUD/CONVEN CTR FEASIBILI	0	0	0.00	0.00	0.00	0.00	0.00
AME RESCUE PLAN ACT-ARPA	1,338,028	1,338,028	35,928.84	452,347.05	0.00	885,680.95	66.19
BIRDELLA NELSON TECH CTR	0	0	80.85	2,198.32	0.00 (	2,198.32)	0.00
TOTAL EXPENDITURES	2,989,716	2,989,716	151,165.29	1,539,821.91	260,137.97	1,449,894.09	48.50
REVENUES OVER/(UNDER) EXPENDITURES	0	0 (	134,413.40)	(425,286.66)	1,420,985.55	425,286.66	0.00

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: SEPTEMBER 30TH, 2022

30 -DEBT SERVICE
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 100.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
GENERAL OBLIGATION	0	0	0.00	0.00	0.00	0.00	0.00
AIRBASE JUDGEMENT	0	0	0.00	0.00	0.00	0.00	0.00
SPECIAL ASSESSMENTS	395,856	395,856	760.00	2,974.00	36,808.82	392,882.00	99.25
BOND RESERVE	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	395,856	395,856	760.00	2,974.00	36,808.82	392,882.00	99.25
<hr/>							
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
GENERAL OBLIGATION	0	0	0.00	0.00	0.00	0.00	0.00
AIRBASE JUDGEMENT	0	0	0.00	0.00	0.00	0.00	0.00
SPECIAL ASSESSMENTS	395,856	395,856	14.80	137.64	0.00	395,718.36	99.97
BOND RESERVE	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	395,856	395,856	14.80	137.64	0.00	395,718.36	99.97
<hr/>							
REVENUES OVER/(UNDER) EXPENDITURES	0	0	745.20	2,836.36	36,808.82 (	2,836.36)	0.00

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: SEPTEMBER 30TH, 2022

40 -COMMUNITY DEVELOPMENT
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 100.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
KEYSTONE BUS CENTER PROJ	31,000	31,000	0.00	28,587.79	28,486.89	2,412.21	7.78
CITY INVESTMENTS	72,489	72,489	140.00	544.00	6,013.00	71,945.00	99.25
NORTH POINTE	30,000	30,000	2,723.98	26,142.96	33,729.64	3,857.04	12.86
CLARY VILLAGE LLC	9,500	9,500	4,079.78	8,641.20	8,610.70	858.80	9.04
MCCOOK HOTEL GROUP/COBBL	60,000	60,000	24,698.44	52,312.62	52,128.00	7,687.38	12.81
QUILLAN COURTS	15,000	15,000	3,852.67	11,156.69	19,146.92	3,843.31	25.62
MCCOOK LODGING/HOLIDAY I	134,000	134,000	0.00	50,620.97	95,608.62	83,379.03	62.22
NEXT GENERATION	200,000	200,000	0.00	113,563.63	206,713.40	86,436.37	43.22
N-STANT CONVENIENCE	20,000	20,000	0.00	0.00	0.00	20,000.00	100.00
BLACKWOOD ENTERPRISES	200,000	200,000	0.00	0.00	0.00	200,000.00	100.00
TOTAL REVENUES	771,989	771,989	35,494.87	291,569.86	450,437.17	480,419.14	62.23

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
EXPENDITURES SUMMARY							
KEYSTONE BUS CENTER PROJ	31,000	31,000	0.00	28,587.79	28,486.89	2,412.21	7.78
CITY INVESTMENTS	72,489	72,489	0.00	0.00	105.00	72,489.00	100.00
NORTH POINTE	30,000	30,000	4,634.30	26,142.96	33,729.64	3,857.04	12.86
CLARY VILLAGE LLC	9,500	9,500	4,079.78	8,641.20	8,610.70	858.80	9.04
MCCOOK HOTEL GROUP/COBBL	60,000	60,000	24,698.44	52,312.62	52,128.00	7,687.38	12.81
QUILLAN COURTS	15,000	15,000	4,736.54	11,156.69	19,146.92	3,843.31	25.62
MCCOOK LODGING/HOLIDAY I	134,000	134,000	0.00	50,620.97	95,608.62	83,379.03	62.22
NEXT GENERATION	200,000	200,000	0.00	113,563.63	206,713.40	86,436.37	43.22
N-STANT CONVENIENCE	20,000	20,000	0.00	0.00	0.00	20,000.00	100.00
BLACKWOOD ENTERPRISES	200,000	200,000	0.00	0.00	0.00	200,000.00	100.00
TOTAL EXPENDITURES	771,989	771,989	38,149.06	291,025.86	444,529.17	480,963.14	62.30
REVENUES OVER/(UNDER) EXPENDITURES	0	0	(2,654.19)	544.00	5,908.00	(544.00)	0.00

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: SEPTEMBER 30TH, 2022

45 -ECONOMIC DEVELOPMENT FUND
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 100.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
ECONOMIC DEVELOPMENT FUN	1,268,739	1,268,739	59,082.92	603,010.36	617,630.99	665,728.64	52.47
KEYSTONE BOND RESERVE	0	0	0.00	0.00	0.00	0.00	0.00
KEYSTONE BOND REDEMPTION	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	1,268,739	1,268,739	59,082.92	603,010.36	617,630.99	665,728.64	52.47
	=====	=====	=====	=====	=====	=====	=====
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
ECONOMIC DEVELOPMENT FUN	1,268,739	1,268,739	11,342.00	468,949.00	476,659.15	799,790.00	63.04
KEYSTONE BOND RESERVE	0	0	0.00	0.00	0.00	0.00	0.00
KEYSTONE BOND REDEMPTION	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	1,268,739	1,268,739	11,342.00	468,949.00	476,659.15	799,790.00	63.04
	=====	=====	=====	=====	=====	=====	=====
REVENUES OVER/(UNDER) EXPENDITURES	0	0	47,740.92	134,061.36	140,971.84 (	134,061.36)	0.00

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: SEPTEMBER 30TH, 2022

50 -PENSION TRUST
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 100.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
POLICE OFFICER DISABILIT	21,213	21,213	0.33	19,004.45	15,006.21	2,208.55	10.41
TOTAL REVENUES	21,213	21,213	0.33	19,004.45	15,006.21	2,208.55	10.41
<hr/>							
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
POLICE OFFICER DISABILIT	21,213	21,213	1,572.83	18,873.43	18,873.96	2,339.57	11.03
TOTAL EXPENDITURES	21,213	21,213	1,572.83	18,873.43	18,873.96	2,339.57	11.03
<hr/>							
REVENUES OVER/(UNDER) EXPENDITURES	0	0	(1,572.50)	131.02	(3,867.75)	131.02	0.00

CITY OF MCCOOK
STATEMENT OF REVENUES - BUDGET VS. ACTUAL
AS OF: SEPTEMBER 30TH, 2022

60 -AGENCY FUND
FINANCIAL SUMMARY

% OF YEAR COMPLETED: 100.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
PERPETUAL CARE	157,271	157,271	605.00	7,792.00	4,754.00	149,479.00	95.05
SENIOR CENTER CONTRIBUTIO	65,064	65,064	1,548.00	10,515.25	12,201.66	54,548.75	83.84
SCHOOL	8,050	8,050	915.00	7,640.00	6,965.00	410.00	5.09
FIRE CONTRIBUTIONS	5,228	5,228	15.00	673.06	7,065.20	4,554.94	87.13
LIBRARY MEMORIAL	38,714	38,714	420.00	22,910.00	13,839.82	15,804.00	40.82
COMMUNITY BETTERMENT	141,634	141,634	7,797.85	97,111.71	101,397.86	44,522.29	31.43
DARE CONTRIBUTIONS	3,152	3,152	0.00	1,184.66	550.00	1,967.34	62.42
PUBLIC WORKS CONTRIBUTION	6,365	6,365	0.00	0.00	1,341.00	6,365.00	100.00
AMBULANCE CONTRIBUTIONS	9,246	9,246	0.00	13,020.00	4,325.00 (	3,774.00)	40.82-
COMMUNITY PARAMEDIC PROG	4,316	4,316	0.00	0.00	0.00	4,316.00	100.00
POLICE CONTRIBUTIONS	2,771	2,771	100.00	2,850.38	2,120.47 (	79.38)	2.86-
FIRE TRAINING TRAILER	0	0	1,000.00	11,000.00	0.00 (	11,000.00)	0.00
TOTAL REVENUES	441,811	441,811	12,400.85	174,697.06	154,560.01	267,113.94	60.46

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
PERPETUAL CARE	157,271	157,271	0.00	0.00	0.00	157,271.00	100.00
SENIOR CENTER CONTRIBUTIO	65,064	65,064	9,482.50	11,054.46	15,894.03	54,009.54	83.01
SCHOOL	8,050	8,050	915.00	7,640.00	6,965.00	410.00	5.09
FIRE CONTRIBUTIONS	5,228	5,228	0.00	1,497.61	0.00	3,730.39	71.35
LIBRARY MEMORIAL	38,714	38,714	303.87	13,986.75	18,618.29	24,727.25	63.87
COMMUNITY BETTERMENT	141,634	141,634	5,833.00	97,106.00	71,832.00	44,528.00	31.44
DARE CONTRIBUTIONS	3,152	3,152	74.10	2,137.54	1,061.04	1,014.46	32.18
PUBLIC WORKS CONTRIBUTION	6,365	6,365	0.00	0.00	712.00	6,365.00	100.00
AMBULANCE CONTRIBUTIONS	9,246	9,246	0.00	15,250.00	0.00 (	6,004.00)	64.94-
COMMUNITY PARAMEDIC PROG	4,316	4,316	0.00	0.00	0.00	4,316.00	100.00
POLICE CONTRIBUTIONS	2,771	2,771	0.00	0.00	2,587.97	2,771.00	100.00
FIRE TRAINING TRAILER	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	441,811	441,811	16,608.47	148,672.36	117,670.33	293,138.64	66.35
REVENUES OVER/(UNDER) EXPENDITURES	0	0 (	4,207.62)	26,024.70	36,889.68 (	26,024.70)	0.00

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: SEPTEMBER 30TH, 2022

65 -INTERNAL SERVICE FUND
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 100.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
FLEX DEPENDENT CARE	11,994	11,994	384.00	4,532.34	3,461.66	7,461.66	62.21
FLEX - MEDICAL	65,297	65,297	2,812.92	36,748.34	34,069.46	28,548.66	43.72
SELF INSURED HEALTH INSUR	<u>2,588,281</u>	<u>2,588,281</u>	<u>242,027.82</u>	<u>2,701,213.65</u>	<u>2,138,918.22</u>	<u>(112,932.65)</u>	<u>4.36</u>
TOTAL REVENUES	2,665,572	2,665,572	245,224.74	2,742,494.33	2,176,449.34	(76,922.33)	2.89
	=====	=====	=====	=====	=====	=====	=====
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
FLEX DEPENDENT CARE	11,994	11,994	0.00	3,938.42	4,567.11	8,055.58	67.16
FLEX - MEDICAL	65,297	65,297	1,022.40	38,274.86	35,584.23	27,022.14	41.38
SELF INSURED HEALTH INSUR	<u>2,588,281</u>	<u>2,588,281</u>	<u>259,444.75</u>	<u>2,111,586.72</u>	<u>2,351,556.23</u>	<u>476,694.28</u>	<u>18.42</u>
TOTAL EXPENDITURES	2,665,572	2,665,572	260,467.15	2,153,800.00	2,391,707.57	511,772.00	19.20
	=====	=====	=====	=====	=====	=====	=====
REVENUES OVER/(UNDER) EXPENDITURES	0	0	(15,242.41)	588,694.33	(215,258.23)	(588,694.33)	0.00

CITY OF MCCOOK
STATEMENT OF REVENUES - BUDGET VS. ACTUAL
AS OF: SEPTEMBER 30TH, 2022

70 -ENTERPRISE FUND
FINANCIAL SUMMARY

% OF YEAR COMPLETED: 100.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
SOLID WASTE-LANDFILL POST	0	0	0.00	0.00	0.00	0.00	0.00
SOLID WASTE - RECYCLING	360,800	360,800	11,955.22	98,703.27	94,026.58	262,096.73	72.64
SOLID WASTE - COLLECTION	955,830	955,830	70,632.28	833,570.39	809,398.22	122,259.61	12.79
SOLID WASTE - TRANSFER ST	1,293,095	1,293,095	106,047.28	1,092,049.62	1,030,615.06	201,045.38	15.55
LANDFILL RESERVE	786,644	786,644	7,745.00	80,742.00	80,618.00	705,902.00	89.74
SOLID WASTE - DISPOSAL	357,996	357,996	39,828.65	356,393.71	302,618.83	1,602.29	0.45
WATER MAINTENANCE & OPERA	4,458,576	4,458,576	335,929.55	2,681,285.22	2,540,297.02	1,777,290.78	39.86
WATER BOND & INTEREST RED	1,383,272	1,383,272	133,570.73	541,094.73	590,588.10	842,177.27	60.88
WATER CAPITAL - REPLACEME	3,913,215	3,913,215	32,453.00	1,055,292.00	327,537.00	2,857,923.00	73.03
WATER CAPITAL - DEVELOPME	0	0	0.00	0.00	0.00	0.00	0.00
WATER QUALITY SOLUTION	170,527	170,527	336.10	1,348.10	372.97	169,178.90	99.21
SEWER MAINTENANCE & OPERA	2,669,422	2,669,422	154,895.03	1,667,428.77	1,500,807.93	1,001,993.23	37.54
SEWER BOND & INTEREST RES	122,212	122,212	235.00	919.00	207.00	121,293.00	99.25
SEWER CAPITAL - REPLACEME	2,789,990	2,789,990	36,917.00	476,605.00	429,804.00	2,313,385.00	82.92
SEWER CAPITAL - DEVELOPME	1,356	1,356	3.00	11.00	0.00	1,345.00	99.19
COMBINED UTILITIES	700,325	700,325	0.00	0.00	0.00	700,325.00	100.00
ELECTRIC UTILITY	<u>1,330,000</u>	<u>1,330,000</u>	<u>152,778.63</u>	<u>1,369,857.60</u>	<u>1,361,888.62</u>	<u>(39,857.60)</u>	<u>3.00</u>
TOTAL REVENUES	21,293,260	21,293,260	1,083,326.47	10,255,300.41	9,068,779.33	11,037,959.59	51.84
<hr/>							
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
SOLID WASTE-LANDFILL POST	14,550	14,550	2,922.18	10,116.42	6,444.72	4,433.58	30.47
SOLID WASTE - RECYCLING	387,706	387,706	8,071.83	112,441.58	114,901.56	275,264.42	71.00
SOLID WASTE - COLLECTION	955,830	955,830	96,573.75	848,524.06	819,574.07	107,305.94	11.23
SOLID WASTE - TRANSFER ST	1,251,639	1,251,639	105,376.13	1,077,096.74	966,280.53	174,542.26	13.95
LANDFILL RESERVE	786,644	786,644	0.00	0.00	0.00	786,644.00	100.00
SOLID WASTE - DISPOSAL	357,996	357,996	38,578.65	356,393.71	302,618.83	1,602.29	0.45
WATER MAINTENANCE & OPERA	4,458,576	4,458,576	241,974.06	2,359,741.36	2,299,026.14	2,098,834.64	47.07
WATER BOND & INTEREST RED	1,383,272	1,383,272	866.00	446,637.46	532,413.91	936,634.54	67.71
WATER CAPITAL - REPLACEME	3,913,215	3,913,215	62,715.53	634,767.72	466,961.67	3,278,447.28	83.78
WATER CAPITAL - DEVELOPME	0	0	0.00	0.00	0.00	0.00	0.00
WATER QUALITY SOLUTION	170,527	170,527	0.00	0.00	0.00	170,527.00	100.00
SEWER MAINTENANCE & OPERA	2,669,422	2,669,422	129,909.75	1,309,225.22	1,228,224.14	1,360,196.78	50.95
SEWER BOND & INTEREST RES	122,212	122,212	0.00	0.00	0.00	122,212.00	100.00
SEWER CAPITAL - REPLACEME	2,789,990	2,789,990	185,168.58	514,408.10	537,481.89	2,275,581.90	81.56
SEWER CAPITAL - DEVELOPME	1,356	1,356	0.00	0.00	0.00	1,356.00	100.00
COMBINED UTILITIES	700,325	700,325	0.00	0.00	199,478.73	700,325.00	100.00
ELECTRIC UTILITY	<u>1,330,000</u>	<u>1,330,000</u>	<u>152,778.63</u>	<u>1,369,857.60</u>	<u>1,361,888.62</u>	<u>(39,857.60)</u>	<u>3.00</u>
TOTAL EXPENDITURES	21,293,260	21,293,260	1,024,935.09	9,039,209.97	8,835,294.81	12,254,050.03	57.55
<hr/>							
REVENUES OVER/(UNDER) EXPENDITURES	0	0	58,391.38	1,216,090.44	233,484.52	(1,216,090.44)	0.00

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: SEPTEMBER 30TH, 2022

80 -CAPITAL IMPROVEMENTS FUND
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 100.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
CAPITAL IMPROVE 2018	1,035,782	1,035,782	53,823.33	644,363.96	607,683.96	391,418.04	37.79
CAPITAL IMPROVE PRE 2018	<u>440,707</u>	<u>440,707</u>	<u>841.00</u>	<u>3,171.00</u>	<u>729.00</u>	<u>437,536.00</u>	<u>99.28</u>
TOTAL REVENUES	1,476,489	1,476,489	54,664.33	647,534.96	608,412.96	828,954.04	56.14
	=====	=====	=====	=====	=====	=====	=====
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
CAPITAL IMPROVE 2018	1,035,782	1,035,782	19,302.80	751,080.95	313,207.61	284,701.05	27.49
CAPITAL IMPROVE PRE 2018	<u>440,707</u>	<u>440,707</u>	<u>0.00</u>	<u>801.36</u>	<u>256,007.24</u>	<u>439,905.64</u>	<u>99.82</u>
TOTAL EXPENDITURES	1,476,489	1,476,489	19,302.80	751,882.31	569,214.85	724,606.69	49.08
	=====	=====	=====	=====	=====	=====	=====
REVENUES OVER/(UNDER) EXPENDITURES	0	0	35,361.53 (	104,347.35)	39,198.11	104,347.35	0.00

**CITY MANAGER'S REPORT
NOVEMBER 21, 2022 CITY COUNCIL MEETING**

ITEM: **4.F.**

RECOMMENDATION:

RECEIVE AN UPDATE ON THE INSTALLATION OF WELCOMING SIGNS AT THE ENTRANCES COMING INTO McCOOK.

BACKGROUND:

The entrance sign committee has been working on trying to identify locations where entrance signs could be installed. Previous locations that had been identified by the committee, unfortunately are within the State of Nebraska Right of Way. After meeting with and getting some clarification from NDOT, we have identified 4 locations that would work for the placement of entrance signs. The locations that have been identified are as follows:

- On the south side of Hwy 6 and 34 near Karrer Park(East Entrance)
- On the south side of Hwy 6 and 34 just west of the junction with Hwy 83(West Entrance)
- On the west side of South Hwy 83 near Barnett Park(South Entrance)
- On the west side of North Hwy 83 adjacent to the NPPD Peaker Station (North Entrance)

These locations are shown on the attached maps.

In order to capture all entrances, based off of the above referenced locations, we will need to possibly utilize all 4 locations with 4 signs. We will be concentrating on monument style signs versus electronic signs. The committee will continue to work with sign contractors to develop a design that will work at these locations.

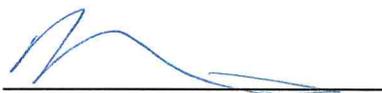
**FISCAL
IMPACT:** None.

APPROVALS:



Kyle Potthoff, Public Works Director

November 16, 2022



Nate Schneider, City Manager

November 16, 2022

East Entrance



EBSI

34 6

KARRER PARK

Google earth

© 2020 Google



200 ft

West Entrance

WESTVIEW PLAZA

West Entrance



South Entrance

South Entrance

BARNETT PARK

83

Veterans of Foreign Wars Memorial Hwy

Barnett Park Rd

Google earth

© 2020 Google



300 ft

North Entrance

North Entrance

NPPD PEAKER



Veterans of Foreign Wars Memorial Hwy

83

NPPD



400 ft

**CITY MANAGER'S REPORT
NOVEMBER 21, 2022 MCCOOK CITY COUNCIL MEETING**

4.G.
ITEM NO. ___ Approve an Abandonment of Utility Line Agreement between the City of McCook and Siegfried Holdings, LLC, for property located in Block 4, Armory Addition to the City of McCook.

BACKGROUND:

On August 24, 1964, the City of McCook recorded a Plat of Re-Survey in the Real Estate Records of Red Willow County, Nebraska in Book Number 88, Page 219. The Plat of Re-Survey vacated an alley on the Property located at Block 4, Armory Addition and Block 1, New High School Campus Addition to the City of McCook, Nebraska.

Recently, Block 4, Armory Addition to the City of McCook was sold to Siegfried Holdings, LLC. Following the sale, the City of McCook learned that there is an abandoned sanitary sewer main that flows southwest through Siegfried Holdings' property. While staff believes the sanitary sewer line was vacated concurrently with the vacation of the alley in 1964, it is recommended that an acknowledgment of the sanitary sewer line abandonment be memorialized by an agreement.

APPROVALS:



Nathan A. Schneider, City Manager

November 15, 2022



Lea Ann Doak, City Clerk

November 15, 2022

After Recording Return to:

Lea Ann Doak, City Clerk
City of McCook
PO Box 1059
McCook NE 69001-1059

ABANDONMENT OF UTILITY LINE AGREEMENT

THIS AGREEMENT is made and entered into this ___ day of November 2022, by and between the City of McCook, Nebraska (the "City") and Siegfried Holdings, LLC (the "Property Owner").

WHEREAS the City was dedicated an alley in which a sanitary sewer main was located on the following described real property in the City of McCook, Red Willow County, Nebraska:

Block 4, Armory Addition, to the City of McCook, Red Willow County, Nebraska (the "Property")

WHEREAS the alley in said addition has been vacated by the City.

WHEREAS the sanitary sewer main is still located on/under the vacated alley, said vacation denoted in the Plat of Re-Survey filed for Record the 24th day of August, 1964 in the Real Estate Records of Red Willow County, Nebraska in Book Number 88 Page 219, as well as said sanitary sewer main being located on/under Block 4, Armory Addition to the City of McCook, Red Willow County, Nebraska.

WHEREAS the City has abandoned the aforementioned sanitary sewer main and all responsibility for its maintenance, and desires to memorialize said abandonment.

NOW THEREFORE, in consideration of the covenants contained herein, it is agreed to by and between the parties as follows:

1. The City has abandoned the sanitary sewer main located on/under the vacated alley on the Property as shown on the Plat of Re-Survey filed for Record the 24th day of August, 1964 in the Real Estate Records of Red Willow County, Nebraska in Book Number 88 Page 219, as well as having abandoned said sanitary sewer main located on/under Block 4, Armory Addition to the City of McCook, Red Willow County, Nebraska.

2. The City is not responsible for the maintenance and/or repair of the sanitary sewer located on/under the vacated alley on the Property as shown on the Plat of Re-Survey filed for Record the 24th day of August, 1964 in the Real Estate Records of Red Willow County, Nebraska in Book Number 88 Page 219, nor any sanitary sewer main located on/under Block 4, Armory Addition to the City of McCook, Red Willow County, Nebraska.

3. The City is not liable for any personal or property damage caused by the sanitary sewer main located on/under the vacated alley on the Property as shown on the Plat of Re-Survey filed for Record the 24th day of August, 1964 in the Real Estate Records of Red Willow County, Nebraska in Book Number 88 Page 219, nor any of that portion of vacated sanitary sewer main located on/under Block 4, Armory Addition to the City of McCook, Red Willow County, Nebraska.

IN WITNESS WHEREOF:

The City of McCook, Nebraska

ATTEST:

By: _____
Michael D. Gonzales, Mayor

Lea Ann Doak, City Clerk

The Property Owner:

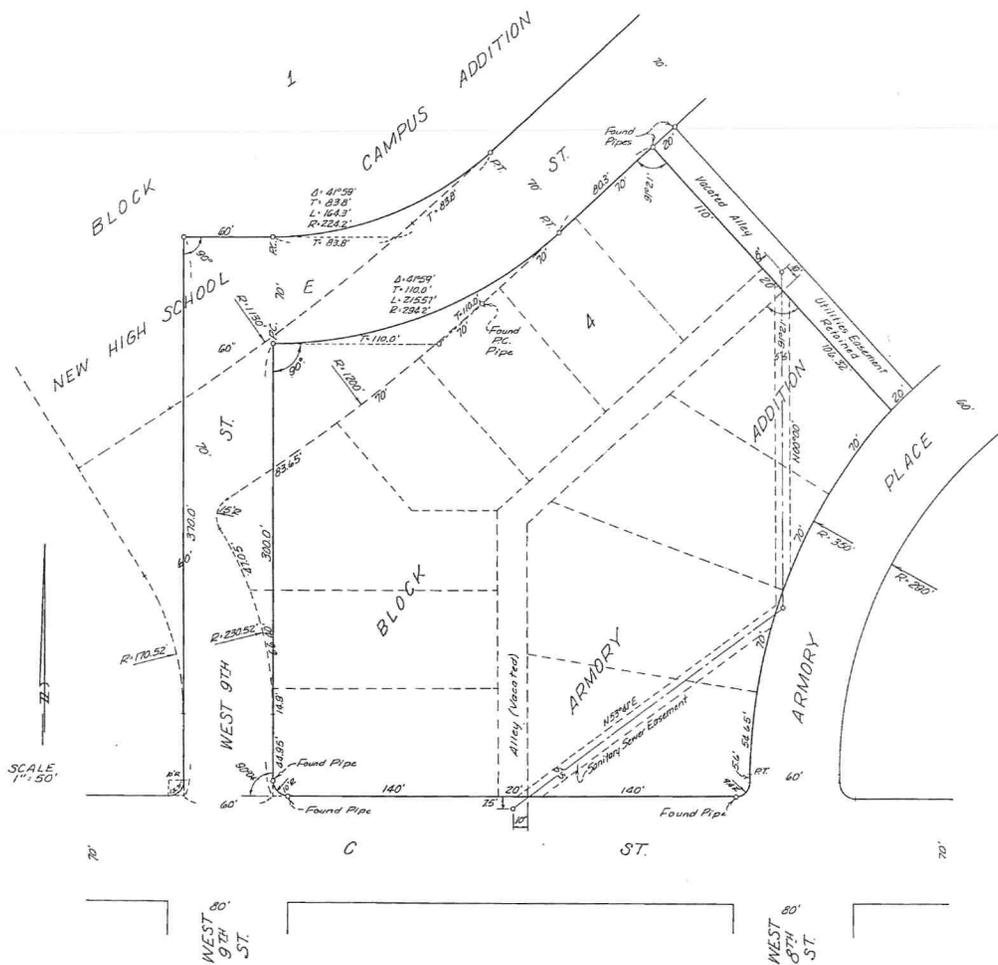
Adam Siegfried
Siegfried Holdings, LLC

State of Nebraska)
) s.s.
County of Red Willow)

The foregoing instrument was acknowledged before me this _____ day of _____,
20____ by _____.

My Commission expires: _____

Notary Public



PLAT OF RE-SURVEY
 Block 4, Armory Addition and Block 1, New High School Campus Addition
 City of McCook, Nebraska
 SURVEYOR'S CERTIFICATE

I hereby certify that the above Plat of Re-Survey is a true and correct delineation of a field re-survey of part of Block 1, New High School Campus Addition and Block 4, Armory Addition to the City of McCook, Red Willow County, Nebraska, and that all points on the plat marked "x", thus, are defined by an iron bar driven well into the ground, unless otherwise described on the plat. All dimensions shown on curves are arc lengths.

Said re-survey of part of the New High School Campus Addition and Armory Addition is a part of the SW 1/4 of the NE 1/4 of Section 30, Township 3 North, Range 29 West of the 6th Principal Meridian in Red Willow County, Nebraska, described as follows:

commencing at the point of intersection of the north line of C Street and the west line of West 9th Street, as plotted and recorded; thence west along the north line of C Street, a distance of 380.0 feet to a point; thence right on a curve of radius 100 feet, bearing left and deflecting 89° 56' left, 15.71 feet to the point of tangency; thence northward, on tangent, a distance of 350.0 feet to a point; thence deflecting right 90° 00', a distance of 600 feet to a point; thence left on a curve of radius 234.2 feet, bearing left, on arc length of 164.3 feet to the point of tangency; thence deflecting right 90° 00', a distance of 70.0 feet to a point; thence deflecting left, 90° 00', a distance of 60.3 feet to a point; thence deflecting right 88° 59', a distance of 236.52 feet to a point; thence right on a curve of radius 350.0 feet, bearing left, a distance of 264.65 feet to the point of tangency; thence south, on tangent, a distance of 5.6 feet to a point; thence right on a curve of radius 94 feet, bearing right, a distance of 14.7 feet to the point of beginning

Dated this 27 day of August, 1964

Charles E. Wright
 Charles E. Wright
 Registered Land Surveyor

DEDICATION

STATE OF NEBRASKA }
 COUNTY OF RED WILLOW } ss

Block 1, New High School Campus Addition and Block 4, Armory Addition to the City of McCook, Red Willow County, Nebraska, as it appears in the foregoing plat of re-survey and as described in the accompanying Surveyor's Certificate is with the free consent and in accordance with the desires of the undersigned owners and proprietors. The said owners hereby dedicate the streets to the public use and benefit.

SCHOOL DISTRICT OF THE CITY OF MCCOOK,
 IN THE COUNTY OF RED WILLOW IN THE
 STATE OF NEBRASKA

By David O. Coolidge
 David O. Coolidge, President
 Attest Harold E. Larmon
 Harold E. Larmon, Secretary

Howard E. Stinnette Howard E. Stinnette

ACKNOWLEDGEMENTS

STATE OF NEBRASKA }
 COUNTY OF RED WILLOW } ss

Personally appeared before me, a Notary Public in and for said County and State, David O. Coolidge, President of the School District of the City of McCook, in the County of Red Willow in the State of Nebraska and Harold E. Larmon, Secretary of the said School District of the City of McCook, known by me to be the identical persons whose names are affixed to the foregoing instrument, and they acknowledged the same to be their own voluntary act and deed and the voluntary act and deed of said School District.

Witness my hand and official seal this 27th day of August, 1964

My commission expires 2/27/68 Paul J. Hallen
 Notary Public

STATE OF NEBRASKA }
 COUNTY OF RED WILLOW } ss

Personally appeared before me, a Notary Public in and for said County and State, Howard E. Stinnette, known by me to be the identical person whose name is affixed to the foregoing instrument and he acknowledged the same to be his voluntary act and deed.

Witness my hand and official seal this 27th day of August, 1964

My commission expires 2/27/68 Paul J. Hallen
 Notary Public

MUNICIPAL APPROVAL

This plat was duly approved by the City Council of the City of McCook, Red Willow County, Nebraska, on this 27 day of JUNE, 1964.

Teresa Budig Teresa Budig, City Clerk H. M. Korrer H. M. Korrer, Mayor

WEST 9TH ST.

70'
ST.
140'

PLAN
SCALE: 1"=100

Existing 8" Sewer

Existing 8" V.C. Sewer

⊕ MH
7.0' North of
Back of Curb
and 7.5' South
of North R
of C Street

70'
C
Bearing = East

ARMORY ADD.

WEST 8TH ST.

ARMORY

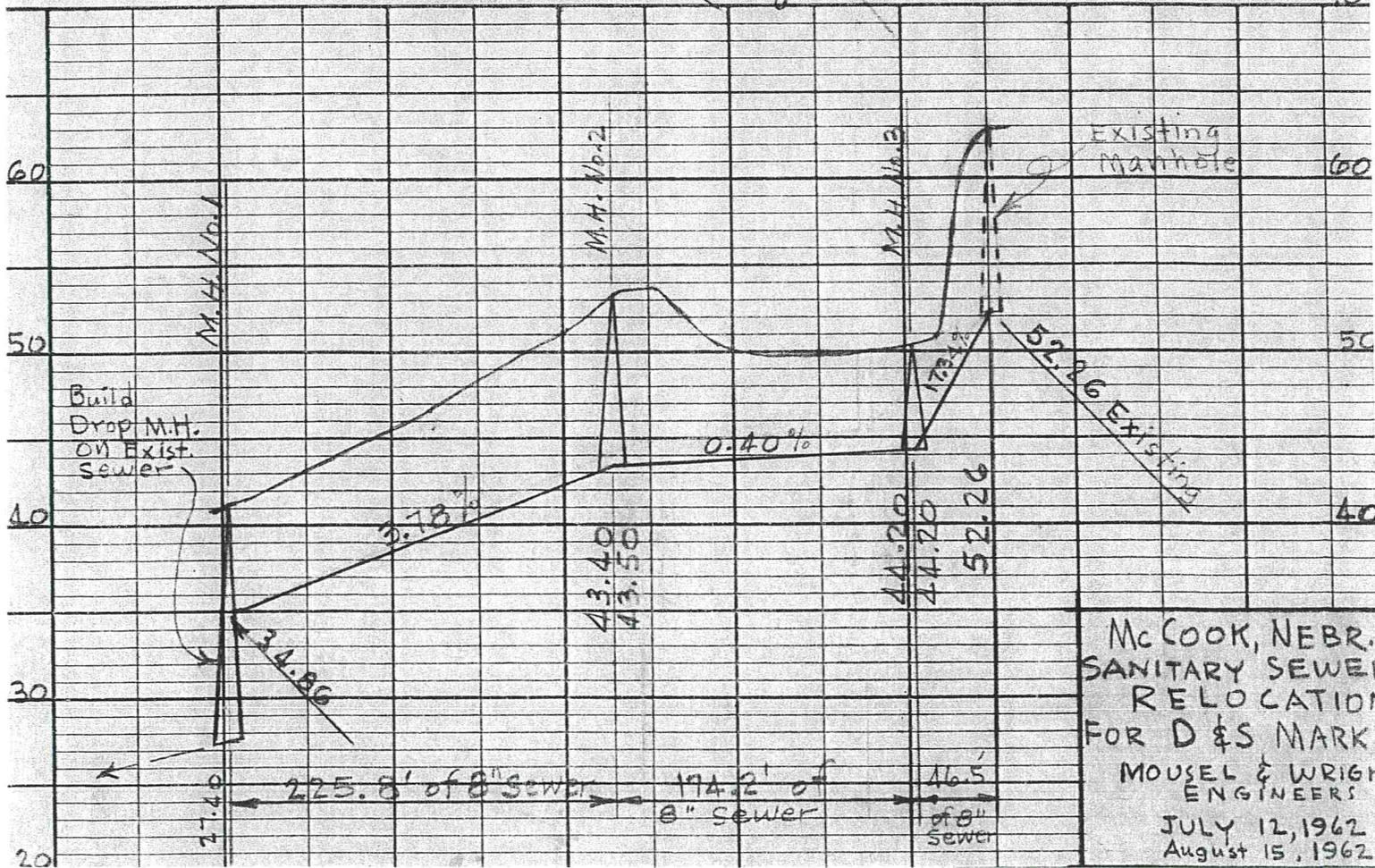
North

Existing M.H.

⊕ M.H.
7.0' West of
Back of Curb

PLACE

70'



McCook, NEBR.
SANITARY SEWER
RELOCATION
FOR D & S MARK
MOUSEL & WRIGHT
ENGINEERS
JULY 12, 1962
August 15, 1962

**CITY MANAGER'S REPORT
NOVEMBER 21, 2022 MCCOOK CITY COUNCIL MEETING**

ITEM 4.H.

Approve Resolution No. 2022-18 amending and updating the City of McCook's employee handbook.

BACKGROUND:

In December of 2020, the McCook City Council approved Resolution No. 2020-32 which served to update the City of McCook's employee handbook. An amendment to the handbook was approved in March of 2021. The handbook must be amended again in order to modify Section 7.12 - Holidays, said amendment needed to include Veterans Day and one additional floating holiday to the list of the City's recognized holidays. These two additional holidays were bargained for in the most recent collective bargaining agreement with McCook's Fraternal Order of Police. In order to guarantee that all staff members receive similar benefits, the City of McCook's employee handbook should be updated to assure equal treatment. Adding the two holidays will bring the City of McCook's recognized holidays in line with other similarly situated communities considered as array communities to McCook, as noted in the 2020 wage study conducted by the McCook City Council.

Additionally, staff recommends including Section 8.5 - Sexual Abuse and Molestation Prevention Policy within the employee handbook. At the September 6, 2022 McCook City Council meeting, the City Council approved a Sexual Abuse and Molestation Prevention Policy at the request of McCook's insurance carrier. This policy should be incorporated into the City of McCook's employee handbook.

APPROVALS:

Lea Ann Doak, City Clerk

November 15, 2022



Nate Schneider, City Manager

November 15, 2022

RESOLUTION 2022-18

A RESOLUTION APPROVING A REVISION TO THE
EMPLOYEE HANDBOOK FOR THE CITY OF MCCOOK

- WHEREAS, the City of McCook previously adopted the City of McCook Employee Handbook, which has been amended from time to time; and
- WHEREAS, the City Manager has presented to the City Council an updated Employee Handbook for the City, which has been developed with assistance, input, and comments from Human Resources professionals, the City's Department Heads, staff, and other interested persons; and
- WHEREAS, the City Council has reviewed the proposed Handbook and finds it is in the best interest of the City and its employees to adopt a new Employee Handbook for the City; and
- WHEREAS, the City Council finds that the proposed Employee Handbook will serve to further inform employees of City personnel policies and general applicability, and that current and sound personnel policies are an essential part of recruiting and retaining excellent employees and extending high quality services to the public.
- WHEREAS, The City Council approved and adopted the City of McCook Employee Handbook on November 21, 2022.
- WHEREAS, the City Manager and staff have determined that additional amendments are necessary.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF MCCOOK, NEBRASKA:

SECTION 1. The City of McCook Employee Handbook dated December 21, 2020, amended November 21, 2022, March 15, 2021, a copy of which is attached hereto, is hereby approved and adopted by the City Council.

SECTION 2. This Resolution and the Employee Handbook attached hereto shall take effect January 1, 2023. All employees of the City shall be provided a copy of such Employee Handbook and shall sign an acknowledgement and receipt therefore.

SECTION 3. The City of McCook, Nebraska Employee Handbook and any amendments thereto shall be rescinded effective January 1, 2023.

*I think ready for
City Manager Report*

*added Holidays 7.12
inserted Sexual abuse
policy 8.5*

Mayor

City of McCook

Employee Handbook

December 21, 2020

Approved by Resolution No. 2020-32 - December 21, 2020
Amended by Resolution No. 2021-04 - March 15, 2021
Amended by Resolution No. 2022-18 - November 21, 2022



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Core Policies

1.0 Welcome

1.1 A Welcome Policy

Welcome! You have just joined a dedicated City. We hope that your employment with City of McCook will be rewarding and challenging. We take pride in our employees as well as in the products and services we provide.

The City complies with all federal and state employment laws, and this handbook generally reflects those laws. The City also complies with any applicable local laws, although there may not be an express written policy regarding those laws contained in the handbook.

The employment policies and/or benefits summaries in this handbook are written for all employees. When questions arise concerning the interpretation of these policies as they relate to employees who are covered by a collective-bargaining agreement, the answers will be determined by reference to the actual union contract, rather than the summaries contained in this handbook. If a policy is not contained in the collective-bargaining agreement, this handbook will take precedence.

Please take the time now to read this handbook carefully. Sign the acknowledgment at the end to show that you have read, understood, and agree to the contents of this handbook, which sets out the basic rules and guidelines concerning your employment. This handbook supersedes any previously issued handbooks or policy statements dealing with the subjects discussed herein. The City reserves the right to interpret, modify, or supplement the provisions of this handbook at any time. Neither this handbook nor any other communication by a management representative or other, whether oral or written, is intended in any way to create a contract of employment. Please understand that no employee handbook can address every situation in the workplace.

If you have questions about your employment or any provisions in this handbook, contact Human Resources Officer.

We wish you success in your employment here at City of McCook!

This policy manual is not a contract between the city and any applicant for employment or any employee, and it should not be construed as such. Rather, this manual is a guide and describes the procedures the city will attempt to follow in most cases. The city reserves the right to vary from these procedures when needed and consider alternative solutions at the discretion of management. No term or condition of employment with the city is other than employment-at-will, unless such term or condition is embodied in a separate agreement signed by the mayor or the City Manager, with the approval of the city council.

1.2 At-Will Employment

Your employment with City of McCook is on an "at-will" basis. This means your employment may be terminated at any time, with or without notice and with or without cause. Likewise, we respect your right to leave the City at any time, with or without notice and with or without cause.

Nothing in this handbook or any other City document should be understood as creating a contract, guaranteed or continued employment, a right to termination only "for cause," or any other guarantee of continued benefits or employment. All collective bargaining agreements shall be negotiated by City Manager.

If a written contract between you and the City is inconsistent with this handbook, the written contract is controlling.

Nothing in this handbook will be interpreted, applied, or enforced to interfere with, restrain, or coerce employees in the exercise of their rights under Section 7 of the National Labor Relations Act.

1.3 Revisions to Handbook

This handbook is our attempt to keep you informed of the terms and conditions of your employment, including City of McCook policies and procedures. The handbook is not a contract. The City reserves the right to revise, add, or delete from this handbook as we determine to be in our best interest, except the policy concerning at-will employment. When changes are made to the policies and guidelines contained herein, we will endeavor to communicate them in a timely fashion, typically in a written supplement to the handbook or in a posting on company bulletin boards.

2.0 Introductory Language and Policies

2.1 About the City of McCook

The City of McCook operates under the Council-Manager form of government.

The City Council is the legislative or policy making body of the City of McCook. It consists of five council members elected at-large by the citizens. One member of the five is chosen by the Council to serve as the President of the Council for purposes of conducting business and as the ex-officio Mayor of the City. The Council's major functions are to pass ordinances and resolutions; adopt the budget; employ a City Manager and City Clerk; and set policies. The Council is responsible for the establishment of personnel and compensation policies. The Council also makes appointments to the various advisory boards and committees. Council meetings are held in the City Council Chambers, City Building, on the first and third Mondays of each month.

Under Nebraska law, except for the purpose of inquiry, an individual Councilmember is forbidden to interfere in anyway with the operation of the departments of the City. It is only through the direction of the Council as a whole and through the City Manager that the affairs of the City may be conducted.

The City Manager is the chief administrative officer of the City. The position is similar to a president or business manager of a private company. The powers and duties of the City Manager are outlined by state statutes as follows:

1. To see that laws and ordinances are enforced.
2. To appoint and remove department heads and employees, unless such appointment and removal is subject to civil service laws.
3. To exercise control over all departments.
4. To attend all meetings of the Council with the right to take part in discussion but not to vote.
5. To recommend to the Council such measures as maybe deemed necessary or useful.
6. To prepare the annual budget and keep the Council fully advised as to the financial condition and needs of the City.
7. To perform such other duties as maybe required by act, ordinance, or resolution.

There are several organizations established by the City to assist in specialized areas and to administer policies and programs adopted by the City. These are as follows:

1. Airport Advisory Commission
2. Airport Zoning Board
3. Board of Health
4. Board of Zoning Adjustment
5. Building Housing Code & Advisory & Appeals Board

6. Civil Service Commission
7. Housing Agency Board
8. Library Advisory Board
9. Parks Advisory Board
10. Planning Commission
11. Senior Citizens Advisory Board
12. Tree Advisory Board
13. Community Development Agency

2.2 Mission Statement

We are dedicated to serving the citizens of McCook and are committed to the preservation of life, health, property and the environment of our community. We serve with honor. We pride ourselves in the delivery of our services.

2.3 City of McCook Facilities

The City is organized into seven major departments as follows:

1. Administration
 - a. Building & Zoning
2. Police
3. Fire
 - a. Ambulance
 - b. Emergency Management
4. Library
5. Public Works
 - a. Airport
 - b. Ball Parks
 - c. Cemetery
 - d. Solid Waste
 - e. Parks
 - f. Pool
 - g. Sanitation
 - h. Street
6. Senior Services
 - a. Senior Center
 - b. Public Transit
 - c. Meals on Wheels
7. Utilities
 - a. Sewer
 - b. Water

2.4 Ethics Code

City of McCook will conduct business honestly and ethically wherever operations are maintained. We strive to improve the quality of our services, products, and operations and will maintain a reputation for honesty, fairness, respect, responsibility, integrity, trust, and sound business judgment. Our managers and employees are expected to adhere to high standards of business and personal integrity as a representation of our business practices, at all times consistent with their duty of loyalty to the City.

We expect that officers, directors, and employees will not knowingly misrepresent the City and will not speak on behalf of the City unless specifically authorized. The confidentiality of trade secrets, proprietary information, and similar confidential commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.) about the City or operations, or that of our customers or partners,

is to be treated with discretion and only disseminated on a need-to-know basis (see policies relating to privacy).

Violation of the Code of Ethics can result in discipline, up to and including termination of employment. The degree of discipline imposed may be influenced by the existence of voluntary disclosure of any ethical violation and whether or not the violator cooperated in any subsequent investigation.

2.5 Political Activity

An employee may not participate in political activities during working hours or when otherwise engaged in the performance of official duties. No employee shall engage in any political activity while wearing a uniform required by the City unless authorized by the City Manager. Unless restricted by state or federal law, an employee may participate in political activities on personal time. The responsibilities of holding office as a City Councilman are inherently in conflict with the duties and responsibilities of a City employee. City employees may file and run for office on the City Council, but should they be elected, their City employment shall be deemed terminated the first Monday following the election.

3.0 Hiring and Orientation Policies

3.1 Conflicts of Interest

City of McCook is concerned with conflicts of interest that create actual or potential job-related concerns, especially in the areas of confidentiality, customer relations, safety, security, and morale. If there is any actual or potential conflict of interest between you and a competitor, supplier, distributor, or contractor to the City, you must disclose it to your Department Head or Supervisor. If an actual or potential conflict of interest is determined to exist, the City will take such steps as it deems necessary to reduce or eliminate this conflict.

3.2 Employment of Relatives

A supervisor shall not supervise their immediate family members, and relatives may only be employed in the same department upon permission of the City Manager. It is your obligation to inform the City of any potential conflict so the City can determine how best to respond to the particular situation.

3.3 Job Descriptions and Classification Plan

City of McCook attempts to maintain a job description for each position. If you do not have a current copy of your job description, you should request one from your Department Head or Supervisor.

Job descriptions prepared by the City serve as an outline only. Due to business needs, you may be required to perform job duties that are not within your written job description. Furthermore, the City may have to revise, add to, or delete from your job duties per business needs. On occasion, the City may need to revise job descriptions with or without advance notice to employees.

Employees will normally be hired at the bottom of a pay range for a particular classification. When it is impossible to obtain qualified persons at such pay or when a new employee possesses exceptional qualifications, the department head, with the concurrence of the City Manager, may recommend employment above the bottom of the salary range.

All positions in the City are listed in the City pay schedule which sets the rate of pay for the various positions according to the relative difficulty, responsibilities, qualifications, prevailing rates of pay, cost of living factors, financial policy of the City, and other economic considerations. The pay plan

insures that persons holding the same or similar positions in the City are compensated on an equal basis except for pay differences resulting from merit increases or longevity.

Maintaining the Pay Plan

The City Manager shall conduct special studies of prevailing wage rates and rates of comparable municipalities to keep the plan current, considering cost of living fluctuations; relationship between salary ranges and comparable jobs; financial condition of the City; and other employee benefits. On the basis of this information, recommendations shall be made for changes to keep the plan uniform, equitable, and competitive with other comparable employers of the same class of personnel. Recommended changes in the plan shall become effective upon City Council approval.

If you have any questions regarding your pay, job description, or the scope of your duties, please speak with your Department Head or Supervisor.

3.4 New Hires and Probationary Periods

The first 90 days of your employment is considered a probationary period. During this period, you will become familiar with City of McCook and your job responsibilities, and we will have the opportunity to monitor the quality and value of your performance and make any necessary adjustments in your job description or responsibilities. Your probationary period with the City can be shortened or lengthened as deemed appropriate by management. Completion of this probationary period does not imply guaranteed or continued employment. Nothing that occurs during or after this period should be construed to change the nature of the "at-will" employment relationship.

Police officers are on probation for twelve (12) months after their hire date, and firefighters are on probation for six (6) months after commencement of their employment. Non-sworn employees of the collective bargaining units are subject to a six (6) month probationary period.

3.5 Recruitment

When an opening occurs in one of the departments, the department head shall report the opening to the City Manager. The City shall advertise for and otherwise solicit applicants for at least two weeks. Applicants for civil service positions shall be required to take competitive civil service exams and be subject to certification by the Civil Service Commission. All applicants are required to submit a resume or fill out a standard City application form.

An applicant's driving record and criminal history may be checked prior to employment. After applications have been reviewed, those applicants determined to be best qualified on the basis of the application shall be interviewed and tested as appropriate. With the recommendation of the department head the City Manager will appoint the best qualified applicant.

In accordance with the Rehabilitation Act of 1973 and the Americans With Disabilities Act, no applicant for employment will be required to undergo a physical examination prior to being offered a position with the City. An applicant may be required to undergo a physical examination, and applicants for safety sensitive positions or those requiring a CDL, alcohol and controlled substance testing, after an offer of employment has been made. An offer of employment will be contingent upon the results of the medical examination and testing.

3.6 Training Program

In most cases, and for most departments, training employees is done on an individual basis by the Department Head. Even if you have had previous experience in the specified functions of your job duties, it is necessary for you to learn our specific procedures, as well as the responsibilities of the specific position. If you ever feel you require additional training, consult your Department Head or Supervisor.

Supervisor-employee conferences may be used as a tool for measuring the effectiveness of an employee performance of his or her job.

These conferences indicate the areas in which the employee is strong as well as those in which the employee needs to improve. Written documentation may be completed to summarize these conferences.

Department Heads will review all new employees within their department. The City Manager will review all new department heads and members of his or her staff.

Written documentation will be completed for summarizing the conference. A copy shall be maintained in the employee's personnel file.

3.7 Employment Authorization Verification

New hires will be required to complete Section 1 of federal Form I-9 on the first day of paid employment and must present acceptable documents authorized by the U.S. Citizenship and Immigration Services proving identity and employment authorization no later than the third business day following the start of employment with City of McCook. If you are currently employed and have not complied with this requirement or if your status has changed, inform your Department Head or Supervisor.

If you are authorized to work in this country for a limited period of time, you will be required to submit proof of renewed employment eligibility prior to expiration of that period to remain employed by the City.

3.8 Employment Requirement - Residence

All department heads and supervisory level employees shall live within the City limits and all other employees shall live within five miles of the City limits unless an exception is granted by the City Manager. An exception will only be granted if it is determined that his or her ability to perform the job will not be impaired.

3.9 Access to Personnel and Medical Records Files

City of McCook maintains separate medical records files and personnel files for all employees. Files containing medical records are stored separate and apart from any business-related records in a safe, locked, inaccessible location. The medical file is the repository for sensitive and confidential information related to an individual's health, health benefits, health-related leave and/or accommodations, and benefits selections and coverage. Medical records are kept confidential in compliance with applicable laws and access is on a "need-to-know" basis only.

Supervisors and others in management may have access to your personnel file for possible employment-related decisions. If you wish to review your personnel or medical records file, you must give the City reasonable notice. Inspection must occur in the presence of a Human Resource representative.

All requests by an outside party for information contained in your personnel file will be directed to Human Resources, which is the only department authorized to give out such information. Such a request must be a written authorization from the employee, unless the release is required by law.

3.10 Disability Accommodation

City of McCook complies with the Americans with Disabilities Act (ADA), the Pregnancy Discrimination Act, and all applicable state and local fair employment practices laws, and is committed to providing equal employment opportunities to qualified individuals with disabilities, including disabilities related to pregnancy, childbirth, and related conditions. Consistent with this

commitment, the City will provide reasonable accommodation to otherwise qualified individuals where appropriate to allow the individual to perform the essential functions of the job, unless doing so would create an undue hardship on the business.

If you require an accommodation because of your disability, it is your responsibility to notify your Department Head or Supervisor. You may be asked to include relevant information such as:

- A description of the proposed accommodation.
- The reason you need an accommodation.
- How the accommodation will help you perform the essential functions of your job.

After receiving your request, the City will engage in an interactive dialogue with you to determine the precise limitations of your disability and explore potential reasonable accommodations that could overcome those limitations. Where appropriate, we may need your permission to obtain additional information from your medical provider. All medical information received by the City in connection with a request for accommodation will be treated as confidential.

The City encourages you to suggest specific reasonable accommodations that you believe would allow you to perform your job. However, the City is not required to make the specific accommodation requested by you and may provide an alternative accommodation, to the extent any reasonable accommodation can be made without imposing an undue hardship on the City.

If leave is provided as a reasonable accommodation, such leave may run concurrently with leave under the federal Family and Medical Leave Act and/or any other leave where permitted by state and federal law.

The City will not discriminate or retaliate against employees for requesting an accommodation.

3.11 EEO Statement and Non-Harassment Policy

Equal Opportunity Statement

City of McCook is committed to the principles of equal employment. We are committed to complying with all federal, state, and local laws providing equal employment opportunities, and all other employment laws and regulations. It is our intent to maintain a work environment that is free of harassment, discrimination, or retaliation because of age (40 and older), race, color, national origin, ancestry, religion, sex, pregnancy (including childbirth, lactation, and related medical conditions), physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed servicemember status, or any other status protected by federal, state, or local laws. The City is dedicated to the fulfillment of this policy in regard to all aspects of employment, including but not limited to recruiting, hiring, placement, transfer, training, promotion, rates of pay, and other compensation, termination, and all other terms, conditions, and privileges of employment.

The City will conduct a prompt and thorough investigation of all allegations of discrimination, harassment, or retaliation, or any violation of the Equal Employment Opportunity Policy in a confidential manner. The City will take appropriate corrective action, if and where warranted. The City prohibits retaliation against employees who provide information about, complain about, or assist in the investigation of any complaint of discrimination or violation of the Equal Employment Opportunity Policy.

We are all responsible for upholding this policy. You may discuss questions regarding equal employment opportunity with your Department Head or Supervisor or any other designated member of management.

Policy Against Workplace Harassment

City of McCook has a strict policy against all types of workplace harassment, including sexual harassment and other forms of workplace harassment based upon an individual's age (40 and older), race, color, national origin, ancestry, religion, sex, pregnancy (including childbirth, lactation, and related medical conditions), physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed servicemember status, or any other status protected by federal, state, or local laws. All forms of harassment of, or by, employees, vendors, visitors, customers, and clients are strictly prohibited and will not be tolerated.

Sexual Harassment

Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when (1) submission to such conduct is made either explicitly or implicitly as a term or condition of an individual's employment; (2) submission to, or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment.

While it is not possible to identify every act that constitutes or may constitute sexual harassment, the following are some examples of sexual harassment:

- Unwelcome requests for sexual favors;
- Lewd or derogatory comments or jokes;
- Comments regarding sexual behavior or the body of another;
- Sexual innuendo and other vocal activity such as catcalls or whistles;
- Obscene letters, notes, emails, invitations, photographs, cartoons, articles, or other written or pictorial materials of a sexual nature;
- Repeated requests for dates after being informed that interest is unwelcome;
- Retaliating against another for refusing a sexual advance or reporting an incident of possible sexual harassment to the City or any government agency;
- Offering or providing favors or employment benefits such as promotions, favorable evaluations, favorable assigned duties or shifts, etc., in exchange for sexual favors; and
- Any unwanted physical touching or assaults or blocking or impeding movements.

Other Harassment

Other workplace harassment is verbal or physical conduct that insults or shows hostility or aversion toward an individual because of the individual's age (40 and older), race, color, national origin, ancestry, religion, sex, pregnancy (including childbirth, lactation, and related medical conditions), physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed servicemember status, or any other status protected by federal, state, or local laws.

Again, while it is not possible to list all the circumstances that may constitute other forms of workplace harassment, the following are some examples of conduct that may constitute workplace harassment:

- The use of disparaging or abusive words or phrases, slurs, negative stereotyping, or threatening, intimidating, or hostile acts that relate to the above protected categories;
- Written or graphic material that insults, stereotypes, or shows aversion or hostility toward an individual or group because of one of the above protected categories and that is placed on walls, bulletin boards, email, voicemail, or elsewhere on our premises, or circulated in the workplace; and
- A display of symbols, slogans, or items that are associated with hate or intolerance toward any select group.

Reporting Discrimination and Harassment

If you feel that you have witnessed or have been subjected to any form of discrimination or harassment, immediately notify Department Head, Supervisor or Human Resources or any member of management.

The City prohibits retaliation against employees who, based on a reasonable belief, provide information about, complain, or assist in the investigation of any complaint of harassment or discrimination.

We will promptly and thoroughly investigate any claim and take appropriate action where we find a claim has merit. To the extent possible, we will retain the confidentiality of those who report suspected or alleged violations of the harassment policy.

Discipline for violation of this policy may include, but is not limited to, reprimand, suspension, demotion, transfer, and discharge. If the City determines that harassment or discrimination occurred, corrective action will be taken to effectively end the harassment. As necessary, the City may monitor any incident of harassment or discrimination to assure the inappropriate behavior has stopped. In all cases, the City will follow up as necessary to ensure that no individual is retaliated against for making a complaint or cooperating with an investigation.

3.12 Religious Accommodation

City of McCook is dedicated to treating its employees equally and with respect and recognizes the diversity of their religious beliefs. All employees may request an accommodation when their religious beliefs cause a deviation from the City dress code or the individual's schedule, basic job duties, or other aspects of employment. The City will consider the request but reserves the right to offer its own accommodation to the extent permitted by law. Some, but not all, of the factors that will be considered are cost, the effect that an accommodation will have on current established policies, and the burden on operations – including other employees -- when determining a reasonable accommodation. At no time will the City question the validity of a person's belief.

If you require a religious accommodation, speak with your Department Head, Supervisor or Human Resources.

4.0 Wage and Hour Policies

4.1 Attendance Policy

Attendance is an important job performance factor and one indicator of employee satisfaction with his or her job and the City. All employees shall attend each day of scheduled work unless they receive authorized leave. Contact your department head prior to the first normal duty hour if you will be late or not reporting to work. Unnecessary tardiness and absence without leave will result in an appropriate pay reduction and may result in disciplinary action as outlined in this handbook.

City of McCook reserves the right to apply unused vacation, sick time, or other paid time off to unauthorized absences where permitted by applicable law. Absences resulting from approved leave, vacation, or legal requirements are exceptions to the policy.

4.2 Direct Deposit

City of McCook requires all employees to enroll in direct deposit. Typically, the bank will begin the direct deposit of your payroll within 30 calendar days after you submit your completed application. If you wish to change your bank, please request a form from Human Resources to update your banking.

A written explanation of your deductions will be given to you on paydays described in the preceding sections in lieu of a check.

4.3 Payroll Deductions

City of McCook is required by law to make certain deductions from your pay each pay period. This includes income and unemployment taxes, Federal Insurance Contributions Act (FICA) contributions (Social Security and Medicare), and any other deductions required under law or by court order for wage garnishments. The amount of your tax deductions will depend on your earnings and the number of exemptions you list on your federal Form W-4 and applicable state withholding form. You may also authorize voluntary deductions from your paycheck, including contributions for insurance premiums, retirement plans, spending accounts, or other services. Your deductions will be reflected in your wage statement.

The City will not make deductions to your pay that are prohibited by federal, state, or local law. If you have any questions about deductions from your pay, contact your Human Resources. You will be reimbursed in full for any isolated, inadvertent, or improper deductions, as defined by law. If an error is found, an adjustment will be paid no later than your next regular payday.

Aside from the affirmation required deduction, only authorized deductions (in writing and signed by the employee or withholding required by law) shall be withheld from an employee's check. The City Manager may approve deductions for an employee suspended for disciplinary reasons.

4.4 Pay Period

The City operates on a biweekly payroll. Direct deposit is mandatory. The employee's net pay shall be direct deposited into the employee's specified bank account. If an observed holiday falls on the established pay date, direct deposits will be distributed on the day prior to the pay date.

4.5 Pay Increases

Cost of Living

The City will endeavor to maintain the employees' pay at par with any increases in the cost of living on an annual basis as it is possible without jeopardizing the City's financial position. The pay schedule shall be revised to accommodate the increase or decrease in the cost of living. Such cost-of-living adjustments are subject to City Council approval during the budget process.

Merit

After an employee has completed six months in a position, the rate of pay may be increased if performance has been satisfactory. Opportunities for merit increases within the designated range will be provided again after one (1) year of employment and annually thereafter. Merit increases are given if appropriate by the City Council during the budget process and if approved by both the department head and City Manager.

Longevity

All regular, full-time employees shall receive longevity pay at the rate of one (1%) percent of base pay (from pay schedule) for each five (5) years of continuous service. The years of service shall be figured from the date of permanent, full time status.

4.6 Recording Time

City of McCook is required by applicable federal, state, and local laws to keep accurate records of hours worked by certain employees. To ensure that the City has complete and accurate time records and that employees are paid for all hours worked, nonexempt employees are required to

record all working time using City timecards/time sheets/punch clock. Exempt employees may also be required to track days or time worked at the discretion of the City Manager. Speak with your Department Head or Supervisor for specific instructions.

You must accurately record all of your time to ensure you are paid for all hours worked and must follow established City procedures for recording your hours worked. Time must be recorded as follows:

- Immediately before starting your shift.
- Immediately after finishing work, before your meal period.
- Immediately before resuming work, after your meal period.
- Immediately after finishing work.
- Immediately before and after any other time away from work.

Falsifying time entries is strictly prohibited. Falsifying time entries includes working "off the clock." If you falsify your own time records, or the time records of co-workers, or if you work off the clock, you will be subject to discipline up to and including termination. Immediately report to appropriate Department Head or Human Resources any employee, supervisor, or manager who falsifies your time entries or encourages or requires you to falsify your time entries or work off the clock.

Time sheets shall be completed for each pay period worked by the employee. Time sheets shall be completed in ink, signed, and dated by the employee. Pay may be delayed to any employee who does not complete the time sheet in full.

4.7 Compensation and Overtime

The following work periods are established for the various employee groups:

- **General** -- 7-day work period (40 hours)
- **Police** -- 7-day work period (42 hours)
- **Firefighter** -- 21-day work period (159 hours) or 7-day work period (40 hours)

The City's work period for all employees begins on Sunday at 12:01 A.M. and ends on the last Saturday of their work period at 12:00 P.M.

Non-exempt Employees who work beyond the hours in their given work period shall be compensated overtime at time and one-half (1½) their regular hourly rate. All periods during which employees are completely relieved from duty which are long enough to enable them to use the time effectively for their own purposes are not hours worked. All overtime must be approved in advance, in writing, by your Department Head or Supervisor.

At certain times City of McCook may require you to work overtime. We will attempt to give as much notice as possible in this instance. However, advance notice may not always be possible. Failure to work overtime when requested or working unauthorized overtime may result in discipline, up to and including discharge.

The regular rate is the equivalent hourly rate at which the employee is actually paid for normal non-overtime hours. The equivalent hourly rate must be computed over each work period for purposes of determining overtime pay.

The regular rate is computed by including base pay, merit pay, longevity pay, and all other pay actually received. For the purposes of computing overtime pay, the hours worked DO NOT include hours when acting as a volunteer fire or ambulance responder and pay received from employer contributions to fringe benefits such as retirement plans and insurance. Vacation, sick, or other leaves granted with pay shall NOT count as hours worked for the purpose of determining overtime pay. Compensatory time off in-lieu of overtime pay. Comp time shall be given at a rate of not less than one and one-half (1½) hours for each hour of overtime worked. Employees shall work

overtime and shall be on call when necessary. Overtime shall be worked only with specific authorization by the department head or, in the department head's absence, the employee's supervisor, and shall be allocated as evenly as possible among all employees qualified to do the work. This written notification must be submitted in advance to the department head or supervisor. If the department head or supervisor is unavailable for authorization of overtime, or if time does not allow advance written notification, the request shall be submitted for retroactive approval except in emergency situations. An employee shall be given at least twenty-four (24) hours advance notice of scheduled overtime. Compensation for overtime shall be paid to the employee at the rate of time and one-half (1½).

4.8 Compensatory Time

Department heads shall rearrange the work schedule of employees within the work period to avoid the use of compensatory time or overtime if feasible to do so. Such rescheduling is referred to as flex time. No employee is eligible for compensatory time unless the City has on file a written agreement by the employee to accept compensatory time in advance of the performance of the work. In the absence of such an agreement, the employee must be paid overtime pay.

Department heads are permitted to give eligible employees compensatory time off in-lieu of overtime pay. Comp time shall be given at a rate of not less than one and one-half (1 ½) hours for each hour of overtime worked. "Compensatory time" and "compensatory time off" are defined as hours when an employee is not working, and which are paid for at the employee's regular rate of pay. These hours are counted as hours worked in the week which they are paid.

Compensatory time shall be allowed only at the department head's discretion. An employee shall be permitted to use accrued compensatory time after it is requested if to do so would not unduly disrupt the operations of the employing public agency.

The maximum compensatory time which may be accrued by an affected employee shall be 36 hours (i.e., not more than 24 hours of actual overtime hours worked). Department heads may assign employees to take compensatory time off if such compensatory time is assigned in increments equal to at least a full shift and is assigned on a date or dates contiguous with the employee's normal scheduled days off. Employees requesting compensatory time off must request a minimum of one (1) hour. An employee who has accrued the maximum number of compensatory hours shall be paid overtime compensation in cash for any additional overtime hours of work.

Payment for accrued compensatory time upon termination of employment shall be calculated at the average regular rate of pay for the final three years of employment or the final regular rate received by the employee, whichever is higher.

Department heads are not eligible for compensatory time.

4.9 Civil Service Commission

The Civil Service Act shall apply only to all present full-time firefighters or full-time police officers of the City, including any paid full-time police chief or fire chief of such department, and future appointees to such full-time positions. Full-time police officers shall mean police officers in positions which require certification by the Nebraska Law Enforcement Training Center; who have the power to arrest; who are paid regularly by the City; and for whom law enforcement is a full-time career, but shall not include volunteer fire fighters, dispatchers, clerical, custodial or maintenance personnel. Full-time firefighters shall mean duly appointed firefighters who are paid regularly by the City and for whom firefighting is a full-time career, but shall not include dispatchers, clerical, custodial, or maintenance personnel who are not engaged in fire suppression.

4.10 Meal and Rest Periods Policy

City of McCook strives to provide a safe and healthy work environment and complies with all federal and state regulations regarding meal and rest periods. Check with your Department Head or Supervisor regarding procedures and schedules for rest and meal breaks. The City requires employees to take a minimum 30-minute lunch break each work shift.

The City requests that employees accurately observe and record meal and two 15-minute rest periods. You may not use or combine your rest periods with any lunch periods or at the beginning or end of your scheduled shift. If you know in advance that you may not be able to take your scheduled break or meal period, let your Department Head or Supervisor know; in addition, notify your Department Head or Supervisor as soon as possible if you were unable to or prohibited from taking a meal or rest period.

4.11 Accommodations for Nursing Mothers

City of McCook will provide nursing mothers reasonable paid break time to express milk for their infant child(ren) for up to one year following the child's birth. Break times exceeding 30 minutes will be unpaid.

If you are nursing, you will be provided with a space, other than a restroom, that is shielded from view and free from intrusion from co-workers and the public. If no space is readily available, please request a space for nursing from your Department Head.

Expressed milk can be stored in department refrigerators. Sufficiently mark or label your milk to avoid confusion for other employees who may share the refrigerator.

Break time should, if possible, be taken concurrently with any other break time already provided. If you are nonexempt, clock out for any time taken that does not run concurrently with normally scheduled rest periods, and such time will be paid in accordance with federal law.

You are encouraged to discuss the length and frequency of these breaks with your Department Head or Supervisor.

No provision of this policy applies, or will be enforced, if it conflicts with or is superseded by any requirement or prohibition contained in a federal, state, or local law, or regulation.

4.12 Call Back

Employees subject to an unscheduled or emergency call back shall be compensated for a minimum of one hour pay. Such call back shall be paid at the overtime rate only if the total hours in the work period exceed the defined work period hours. Call back time starts when an employee reports to duty and continues until relieved from duty.

Any and all callbacks shall be individually documented and acknowledged by the employing Department Head. Such documentation shall be filed with payroll before being paid.

4.13 Travel Time Pay/Reimbursement Rates/Meals

Some nonexempt positions within City of McCook require travel. The City pays nonexempt employees for travel time in accordance with federal and state law. For purposes of this policy, the regular workday is your regular workday as defined in this handbook.

Home to Work Travel

If you travel from home before the regular workday and return to your home at the end of the workday, you are engaged in ordinary home to work travel, which is not work time.

Home to Work on a Special One Day Assignment in Another City

If you regularly work at a fixed location in one City and you are given a special one day assignment in another City, but return home the same day, the time spent in traveling to and returning from the other City is work time, except that the City may deduct/not count that time you would normally spend commuting to the regular work site.

Travel That Is All in a Day's Work

Your time spent in travel as part of your principal activity, such as travel from job site to job site during the workday, is work time and must be counted as hours worked.

Travel Away from Home Community

Travel that keeps you away from home overnight is travel away from home. Travel away from home is clearly work time when it cuts across your workday. The time is not only hours worked on regular working days during normal working hours but also during corresponding hours on nonworking days.

Calculating and Reporting Travel Time

You are responsible for accurately tracking, calculating, and reporting your travel time.

Meals

The City will reimbursement meals based on the City of McCook Code of Ordinance.

4.14 Wage Disclosure Protection

City of McCook will not discriminate or retaliate against you for inquiring about, discussing, or disclosing information regarding employee wages, benefits, or other compensation.

This policy does not require you to disclose such information about yourself to any other employee or former employee.

However, if you have access to or knowledge of the compensation information of other employees as a part of your essential job functions, you may not disclose that information to individuals who do not otherwise have authorized access to it, unless the disclosure is:

- In response to a formal charge or complaint;
- In furtherance of an investigation, proceeding, hearing, or other action (including an investigation conducted by the City); or
- Consistent with the legal duty of the City to furnish information.

If you believe that you have been discriminated or retaliated against in violation of this policy, immediately report your concerns to your Department Head, Supervisor or Human Resources. Nothing in this policy will be enforced to interfere with, restrain or coerce, or retaliate against employees regarding their rights under the National Labor Relations Act.

4.15 Separation Pay

A terminating employee will be paid for actual hours worked during the pay period.

An employee voluntarily terminating in good standing shall also be paid for accrued vacation, floating holiday, accrued compensatory time, and ¼ accrued sick leave. Payment for accrued compensatory time upon termination of employment shall be calculated at the employees' final rate of pay.

An employee terminated NOT in good standing shall be paid for accrued vacation, floating holiday, and compensatory time.

These termination procedures are for full-time employees. Part-time employees working under 20 hours per week are not entitled to the same termination procedures set forth herein.

5.0 Performance, Discipline, Layoff, and Termination

5.1 Open Door/Conflict Resolution Policy/Grievances

City of McCook strives to provide a comfortable, productive, legal, and ethical work environment. To this end, we want you to bring any problems, concerns, or grievances you have about the workplace to the attention of your Department Head or Supervisor and, if necessary, to the City Manager. To help manage conflict resolution we have instituted the following problem solving procedures.

If you believe there is inappropriate conduct or activity on the part of the City, management, its employees, vendors, customers, or any other persons or entities related to the City, bring your concerns to the attention of your Department Head or Supervisor at a time and place that will allow the person to properly listen to your concern. Most problems can be resolved informally through dialogue between you and your immediate Department Head or Supervisor. If you have already brought this matter to the attention of your Department Head or Supervisor before and do not believe you have received a sufficient response, or if you believe that person is the source of the problem, present your concerns to the City Manager. Describe the problem, those persons involved in the problem, efforts you have made to resolve the problem, and any suggested solution you may have.

An employee may appeal any City policy, directive, or rule within five (5) working days of its occurrence or the employee's knowledge thereof by discussing the matter with his or her supervisor. If the employee is not satisfied with the response, he or she may submit a written appeal to the next higher authority within five (5) working days from the date of the supervisor's response. A written response to the employee's appeal will be required within ten (10) working days. If the matter is not resolved within the department, an employee may submit a written appeal to the City Manager within five (5) working days following the department head's response.

After reviewing the situation, the City Manager will respond to the employee within ten (10) working days following receipt of the appeal. The City Manager may support the department head's decision or reverse the decision. The decision of the City Manager is final.

5.2 Promotions

To match you with the job for which you are best suited and to meet the business needs of City of McCook, you may be transferred from your current job. It is our policy to promote open positions. All open positions will be posted inside and outside of the organization. Promotions are made on an equal opportunity basis according to employees possessing the needed skills, education, experience, and other qualifications that are required for the job.

All employees promoted into new job positions will undergo a 90-day introductory period as described in the New Hires and Introductory Periods policy. Unlike new hires, however, such employees will continue to receive City benefits for which they are eligible.

An employee not approved during the probationary period following a promotion may be reinstated to the position held previously if it is still available.

5.3 Transfers

City of McCook may transfer your employment from one position to another with or without notice, as required by production or service needs, or upon request by you and with management approval. Transfers in excess of 90 days may be considered final and your pay may be increased or decreased consistent with the pay scale for your new position.

All regular employees are entitled to request a transfer to another department. Such a transfer should be initiated by the employee by contacting the Department Heads involved. Transfers must be approved by both department heads and the City Manager.

5.4 Workforce Reductions (Layoffs)

The City Manager may require the abolition of any position or a reduction in force due to lack of work, shortage of funds or materials, and/or completion of a project. Competition for retention is limited to employees holding similar positions. Selection will be based first on performance and then on seniority of service. The City will attempt to give two weeks' notice to all employees subjected to a layoff. Layoffs are not considered a disciplinary action.

5.5 Retirement

City employees may retire pursuant to their retirement plans. An employee contemplating retirement shall give 90 days' notice to their department head. The Department Head will in turn notify the Human Resource Officer so the appropriate documents may be distributed to the employee.

5.6 Outside Employment

Outside employment that creates a conflict of interest or that affects the quality or value of your work performance or availability at City of McCook is prohibited. The City recognizes that you may seek additional employment during off hours, but in all cases expects that any outside employment will not affect your attendance, job performance, productivity, work hours, or scheduling, or would otherwise adversely affect your ability to effectively perform your duties or in any way create a conflict of interest. Any outside employment that will conflict with your duties and obligations to the City should be reported to your Department Head or Supervisor. Failure to adhere to this policy may result in discipline up to and including termination.

A "Request for Permission for Outside Employment" form shall be completed by the employee prior to beginning outside employment. The completed form will be given to the employee's department head/supervisor for his/her approval and also to the City Manager for approval. This form will be retained in the employee's personnel file and reviewed yearly at the time of the employee's evaluation.

5.7 Supervisor-Employee Conferences

A supervisor-employee conference may be defined as a tool for measuring the value of an employee in the performance of his or her job. The conference indicates the areas in which the employee is strong as well as those in which the employee is weak or average in comparison to others doing similar work.

Your initiative, effort, attitude, job knowledge, and other factors will be addressed. You must understand that a positive job performance review does not guarantee a pay raise or continued employment. Pay raises and promotions are based on numerous factors, only one of which is job performance.

Conferences will be conducted for each City employee in conjunction with merit evaluations. Conferences may also be held at other times as deemed necessary by the supervisor.

Department heads will review all employees within their department. The City Manager will review all department heads and members of his or her staff.

Written forms will be completed for summarizing the conference. A copy shall be maintained in the employee's personnel file.

5.8 Standards of Conduct

City of McCook wishes to create a work environment that promotes job satisfaction, respect, responsibility, integrity, and value for all our employees, clients, customers, and other stakeholders. We all share in the responsibility of improving the quality of our work environment. By deciding to work here, you agree to follow our rules.

While it is impossible to list everything that could be considered misconduct in the workplace, what is outlined here is a list of common-sense infractions that could result in discipline, up to and including immediate termination of employment. This policy is not intended to limit our right to discipline or discharge employees for any reason permitted by law.

Examples of inappropriate conduct include, but are not limited to:

1. Violation of the policies and procedures set forth in this handbook.
2. Possessing, using, distributing, selling, or negotiating the sale of illegal drugs or other controlled substances.
3. Being under the influence of alcohol during working hours on City property (including in vehicles), or on City business.
4. Inaccurate reporting of the hours worked by you or any other employees.
5. Providing knowingly inaccurate, incomplete, or misleading information when speaking on behalf of the City or in the preparation of any employment-related documents including, but not limited to, job applications, personnel files, employment review documents, intra-company communications, or expense records.
6. Taking or destroying City property.
7. Possession of potentially hazardous or dangerous property (where not permitted) such as firearms, weapons, chemicals, etc., without prior authorization.
8. Fighting with, or harassment of (as defined in our EEO policy), any fellow employee, vendor, or customer.
9. Disclosure of City trade secrets and proprietary and confidential commercially sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development information, customer lists, patents, trademarks, etc.) of the City or its customers, contractors, suppliers, or vendors.
10. Refusal or failure to follow directions or to perform a requested or required job task.
11. Refusal or failure to follow safety rules and procedures.
12. Excessive tardiness or absences.
13. Smoking including vaping and tobacco use in non-designated areas.
14. Working unauthorized overtime.
15. Solicitation of fellow employees on City premises during working hours.
16. Failure to dress according to City policy.
17. Use of obscene or harassing (as defined by our EEO policy) language in the workplace.
18. Engaging in outside employment that interferes with your ability to perform your job at the City.
19. Gambling on City premises.
20. Lending keys or keycards to City property to unauthorized persons.

Nothing in this policy is intended to limit your rights under the National Labor Relations Act, or to modify the at-will employment status where at-will is not prohibited by state law.

5.9 Disciplinary Process

Violation of City of McCook policies or procedures may result in disciplinary action including demotion, transfer, leave without pay, or termination of employment. The City encourages a system of progressive discipline depending on the type of prohibited conduct. However, the City is not required to engage in progressive discipline and may discipline or terminate employees who violate the rules of conduct, or where the quality or value of their work fails to meet expectations at any time. Again, any attempt at progressive discipline does not imply that your employment is anything other than on an "at-will" basis.

In appropriate circumstances, management will first provide you with a verbal warning, then with one or more written warnings, and if the conduct is not sufficiently altered, eventual demotion, transfer, forced leave, or termination of employment. Your Department Head or Supervisor will make every effort possible to allow you to respond to any disciplinary action taken. Understand that while the City is concerned with consistent enforcement of our policies, we are not obligated to follow any disciplinary or grievance procedure and that depending on the circumstances, you may be disciplined or terminated without any prior warning or procedure.

Disciplinary action will normally be initiated by the department head. In any situation where the retention of an employee may be detrimental to service or may jeopardize the safety of other employees, the department head or supervisor concerned shall immediately relieve the employee from duty until further notice. The following forms of disciplinary action may be used:

1. Oral Reprimand - a verbal notice to an employee that his or her behavior or performance must be improved or corrected. An oral reprimand may be given by the immediate supervisor and defines the improvement or corrective action required and informs the employee that failure to comply with the oral warning will result in more serious action. Supervisors shall record the date and subject of the oral reprimand.
2. Written Reprimand - a written notice to an employee that his or her performance or behavior must be improved or corrected. Such notice may be given by an immediate supervisor and shall contain a statement of the cause for the action, improvement, or corrective action required of the employee, time frames for such action, and possible results of the employee's failure to comply. Written reprimands may be placed in the employee's personnel file. An employee receiving a written reprimand may respond to that action and a copy of the response may be attached to the reprimand.
3. Suspension - the temporary removal of an employee from duty without pay. Suspension may be used when other means have been tried without success and it is believed that suspension will bring about the required improvement in the employee's behavior or performance, or when the cause is sufficiently serious to warrant such action. If a situation arises wherein an employee must be immediately removed from the work site, a supervisor may take such action to be followed by the formal action as set forth in this section.
4. Investigative Leave - the temporary removal of an employee from duty with or without pay at the City Manager's discretion while an investigation is completed.
5. Disciplinary Probation - a brief probationary period during which an employee is expected to improve in one or more areas of behavior or performance. The employee will be informed in writing of the expected improvements. This differs from a written reprimand in that the employee will be evaluated at the conclusion of the disciplinary probation to assess improvement, and to form a basis for further disciplinary action if needed. The writing will serve as a corrective action plan to ensure behavior performance is corrected.
6. Demotion - the reduction of an employee from his or her present position to a lower classification, due to the employee's inability to perform the duties of his or her present position. Any demoted employee may retain all seniority and may assume a salary commensurate with the lower classification. Demotion actions may be placed in the employee's personnel file.
7. Discharge - the removal of an employee from City service. Discharge will be used when other means of improving the employee's behavior or performance have failed, or when

the nature of the misconduct warrants this action. When considering the suspension, disciplinary probation, reduction in pay, demotion or discharge of a permanent employee, a department head may, after investigation to determine the factual basis for the allegation, take the following steps:

- a) Notify the employee of the factual allegations giving cause to possible discipline.
- b) Set a date, time, and place for an informal hearing to determine the truth or falsity of the allegations and possible discipline (no recording of proceedings need to be kept).
- c) Advise the employee of the evidence believed to support the allegations.
- d) Advise the employee of his/her right to an attorney of his choice to present evidence or challenge the evidence at the hearing.
- e) Offer the employee the opportunity to present his/her side of the facts and circumstances.
- f) Make a written recommendation to the City Manager concerning the results of the investigation, and recommended discipline. The decision concerning the disciplinary action shall be made by the City Manager. The employee shall receive adequate notice and warning of the allegations, and an objective investigation of the facts. The City Manager shall offer the employee an opportunity to present his/her side of the story before making the decision concerning discipline. The decision of the City Manager shall be final.

Nothing in this policy is intended to modify the city's employment at-will policy. The city reserves the right to discharge an employee at any time, for any reason. Similarly, employees retain the corresponding right to resign at any time. While the above rules of conduct and performance is provided as a guide for city practices, the city may discipline employee conduct and/or performance not specifically listed herein. In addition, the city is not obligated to observe any particular sequence of discipline; employees may be immediately terminated at the option of the city.

5.10 Separation

To separate employment in good standing with the City, the employee must give two weeks' notice (not including any vacation days unless otherwise approved by the Department Head); return all equipment furnished by the City (including uniforms, tools, and other articles purchased to perform your job); and settle all obligations with the City. If any City equipment is not returned before the employee's last paycheck is issued, the employee's direct deposit may be delayed until all equipment is returned. If any equipment is not returned within two weeks of separation a payroll deduction will be made to pay for the equipment. Other legal actions may be sought if all monies are not collected.

Upon written request by the employee, the money the employee is eligible for under the respective pension plan shall be paid according to the specific guidelines of the plan. A forwarding address must be left with the department head and submitted to the Human Resource Officer.

An employee terminating his/her employment with the City may be asked to complete a "City of McCook Exit Interview" form. This form will be reviewed, and any suggestions will be taken into consideration. The form will be placed in the employee's personnel file.

5.11 Exit Interview

You may be asked to participate in an exit interview when you leave City of McCook. The purpose of the exit interview is to provide management with greater insight into your decision to leave employment; identify any trends requiring attention or opportunities for improvement; and to assist the City in developing effective recruitment and retention strategies. Your cooperation in the exit interview process is appreciated.

5.12 Job Abandonment

All employees of the City shall be on duty at the times indicated by the rules and under the conditions of their employment.

An employee who is absent without leave and who fails to return to duty within 3 workdays.

For full-time sworn employees who are absent without leave and who fails to return to duty within 3 successive shifts shall be deemed to have resigned the position.

For full-time Firefighters who are absent 2 scheduled successive shifts shall be deemed to have resigned the position.

Such resignation is not in good standing, and the employee may not be eligible for future employment with the City.

5.13 Post-Employment References

City of McCook policy is to confirm dates of employment and job title only. With written authorization, the City will confirm compensation. Forward any requests for employment verification to Human Resources.

5.14 Criminal Activity/Arrests

City of McCook will report all criminal activity in accordance with applicable law. Involvement in criminal activity while employed by the City, whether on or off City property, may result in disciplinary action including suspension or termination of employment.

6.0 General Policies

6.1 Personal Appearance

Your personal appearance reflects on the reputation, integrity, and public image of City of McCook. All employees are required to report to work neatly groomed and dressed. You are expected to maintain personal hygiene habits that are generally accepted in the community, including clean clothing, good grooming and personal hygiene, and appropriate attire for the workplace and the work being performed. This may include wearing uniforms or protective safety clothing and equipment, depending upon the job. Use common sense and good judgment in determining what to wear to work.

Fragrant products, including but not limited to perfumes, colognes, and scented body lotions or hair products, should be used in moderation out of concern for others with sensitivities or allergies.

The City, in accordance with applicable law, will reasonably accommodate employees with disabilities or religious beliefs that make it difficult for them to comply fully with the personal appearance policy unless doing so would impose an undue hardship on the City. Contact your Department Head or Supervisor to request a reasonable accommodation.

Failure to comply with the personal appearance standards may result in being sent home to groom or change clothes. Frequent violations may result in disciplinary action.

6.2 Personal Data Changes

It is your obligation to provide City of McCook with your current contact information, including current mailing address and telephone number. Inform the City of any changes to your marital or

tax withholding status. Failure to do so may result in loss of benefits or delayed receipt of W-2 and other mailings. To make changes to this information, contact Human Resources.

6.3 Mail Use Policy

You are required to limit usage of the City of McCook mail service to business purposes only. You may not use the City address to receive personal mail. Do not use the City postage meter for your personal mail. Report any suspicious packages or envelopes to your Department Head, Supervisor or Human Resources immediately.

6.4 Telephone

Employees shall be required to have telephone service (or cell phone service) as a condition of their employment or otherwise be accessible in case of emergency. Such telephone number shall be provided to the City, to be placed in the personnel file of the employee as well as the Emergency Contact notebook located at the desk of the Human Resource Officer.

Use of a City telephone for personal calls during working and/or nonworking hours shall only be allowed for calls of a necessary and/or emergency nature.

6.5 Employer-Provided Cell Phone/Mobile Device Policy

City of McCook may issue certain employees a City cell phone/mobile device for work-related communications and/or operations. If you drive a vehicle during your employment, you may not use any cell phone/mobile device or other communication device while driving unless the device is equipped or configured with a "hands-free" listening/speaking option, and you in fact utilize the hands-free device.

We understand that you may use the cell phone/mobile device for personal use; however, such personal use should not exceed the plan allowance. When the cell phone/mobile device is used for personal reasons and the activity results in additional cost to the City, you are responsible for the cost of that usage, including all applicable taxes unless prohibited by law.

The City owns and remains entitled to all cell phone/mobile devices issued to employees, including all passwords controlling access to them. You may not change those passwords except with permission. At the time of employment termination, all such equipment and passwords must be returned to the City in operable condition.

Violation of this policy may result in discipline, up to and including termination of employment.

6.6 Personal Cell Phone

While City of McCook permits employees to bring personal cell phones into the workplace, you must not allow the use of such devices to interfere with your job duties or impact workplace safety and health.

Use of personal cell phones and mobile devices at work can be distracting and disruptive and cause a loss of productivity. Thus, you should primarily use such personal devices during nonworking time, such as breaks and meal periods. During this time, use devices in a manner that is courteous to those around you. Outside of nonworking time, use of such devices should be minimal. If you have a device that has a camera and/or audio/video recording capability, you are restricted from using those functions on City property unless authorized in advance by management or when they are used in a manner consistent with your right to engage in concerted activity under section 7 of the National Labor Relations Act (NLRA).

You are expected to comply with City policies regarding the protection of confidential and proprietary information when using personal devices.

While operating a vehicle on work time, the City requires that the driver's personal cell phone/mobile device be turned off. If you need to make or receive a phone call while driving, pull off the road to a safe location unless you have the correct hands-free equipment for the device that is in compliance with applicable state laws.

You may connect your personal device to the City network or to City equipment (computers, printers, etc.).

Nothing in this policy is intended to prevent employees from engaging in protected concerted activity under the NLRA. You will be subject to disciplinary action up to and including termination of employment for violation of this policy.

6.7 Use of Company Technology

This policy is intended to provide City of McCook employees with the guidelines associated with the use of the City information technology (IT) resources and communications systems.

This policy governs the use of all IT resources and communications systems owned by or available at the City, and all use of such resources and systems when accessed using your own devices, including but not limited to:

List items, such as:

- Email systems and accounts.
- Internet and intranet access.
- Telephones and voicemail systems, including wired and mobile phones, smartphones, and pagers.
- Printers, photocopiers, and scanners.
- Fax machines, e-fax systems, and modems.
- All other associated computer, network, and communications systems, hardware, peripherals, and software, including network key fobs and other devices.
- Closed-circuit television (CCTV) and all other physical security systems and devices, including access key cards and fobs.

General Provisions

City IT resources and communications systems are to be used for business purposes only unless otherwise permitted under applicable law.

All content maintained in City IT resources and communications systems are the property of the City. Therefore, employees should have no expectation of privacy in any message, file, data, document, facsimile, telephone conversation, social media post, conversation, or any other kind or form of information or communication transmitted to, received, or printed from, or stored or recorded on City electronic information and communications systems.

The City reserves the right to monitor, intercept, and/or review all data transmitted, received, or downloaded over City IT resources and communications systems in accordance with applicable law. Any individual who is given access to the system is hereby given notice that the City will exercise this right periodically, without prior notice and without prior consent.

The interests of the City in monitoring and intercepting data include, but are not limited to: protection of City trade secrets, proprietary information, and similar confidential commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.); managing the use of the computer system; and/or assisting employees in the management of electronic data during periods of absence.

You should not interpret the use of password protection as creating a right or expectation of privacy, nor should you have a right or expectation of privacy regarding the receipt, transmission, or storage of data on City IT resources and communications systems.

Do not use City IT resources and communications systems for any matter that you would like to be kept private or confidential.

Violations

If you violate this policy, you will be subject to corrective action, up to and including termination of employment. If necessary, the City will also advise law enforcement officials of any illegal conduct.

The City provides Internet/Email access to its employees to assist and facilitate business communications. It is provided for legitimate business use in the course of assigned duties only. Email communications sent from the City's server contain the City's name in the domain address (i.e. cityofmccook.com), is subject to becoming public record and must be professional in nature. Inappropriate use may result in loss of access privileges and /or disciplinary action. In the course of their duties, the City Manager and the IT Dept. may monitor use of the Internet system or review the contents of stored Internet records. Inappropriate use includes but is not limited to: Communications and uses not related to City business. - Unauthorized attempts to access another's Internet account. Transmission of sensitive or proprietary information to unauthorized persons or City's. Transmission of obscene, harassing, or inappropriate messages. Any illegal or unethical activity or any activity which could adversely affect the City. Authorized employees shall have immediate access to the Internet and Email. They may designate someone else, in special circumstances, to have access for business purposes only. A critical concern is that nothing be transported from the internet which might contaminate and compromise our computer systems. All workstations with Internet access will be provided with an internal virus scanning mechanism.

6.8 Computer Security and Copying of Software

Software programs purchased and provided by City of McCook are to be used only for creating, researching, and processing materials for City use. By using City hardware, software, and networking systems you assume personal responsibility for their use and agree to comply with this policy and other applicable City policies, as well as City, state, and federal laws and regulations.

All software acquired for or on behalf of the City, or developed by City employees or contract personnel on behalf of the City, is and will be deemed City property. It is the policy of the City to respect all computer software rights and to adhere to the terms of all software licenses to which the City is a party. The City Manager is responsible for enforcing these guidelines.

You may not illegally duplicate any licensed software or related documentation. Unauthorized duplication of software may subject you and/or the City to both civil and criminal penalties under the United States Copyright Act. To purchase software, obtain your Department Head's approval. All software acquired by the City must be purchased through appropriate purchasing policy.

You may not duplicate, copy, or give software to any outsiders including clients, contractors, customers, and others. You may use software on local area networks or on multiple machines only in accordance with applicable license agreements entered by the City.

6.9 Social Media Policy

At City of McCook, we recognize the Internet provides unique opportunities to participate in interactive discussions and share information using a wide variety of social media. However, use of social media also presents certain risks and carries with it certain responsibilities. To minimize risks to the City, you are expected to follow our guidelines for appropriate use of social media.

This policy applies to all employees who work for the City.

Guidelines

For purposes of this policy, **social media** includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web log or blog, journal or diary, personal website, social networking or affinity website, web bulletin board or a chat room, whether associated or affiliated with the City, as well as any other form of electronic communication.

City principles, guidelines, and policies apply to online activities just as they apply to other areas of work. Ultimately, you are solely responsible for what you communicate in social media. You may be personally responsible for any litigation that may arise should you make unlawful defamatory, slanderous, or libelous statements against any customer, manager, owner, or employees of the City.

Know and Follow the Rules

Ensure your postings are consistent with these guidelines. Postings that include unlawful discriminatory remarks, harassment, and threats of violence or other unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination.

Be Respectful

The City cannot force or mandate respectful and courteous activity by employees on social media during nonworking time. If you decide to post complaints or criticism, avoid using statements, photographs, video, or audio that reasonably could be viewed as unlawful, slanderous, threatening, or that might constitute unlawful harassment. Examples of such conduct might include defamatory or slanderous posts meant to harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, age, national origin, religion, veteran status, or any other status or class protected by law or City policy. Your personal posts and social media activity should not reflect upon or refer to the City.

Maintain Accuracy and Confidentiality

When posting information:

- Maintain the confidentiality of trade secrets, intellectual property, and confidential commercially sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.) related to the City.
- Do not create a link from your personal blog, website, or other social networking site to a City website that identifies you as speaking on behalf of the City.
- Never represent yourself as a spokesperson for the City. If the City is a subject of the content you are creating, do not represent yourself as speaking on behalf of the City. Make it clear in your social media activity that you are speaking on your own behalf.
- Respect copyright, trademark, third-party rights, and similar laws and use such protected information in compliance with applicable legal standards.

Using Social Media at Work

Do not use social media while on your work time, unless it is work related as authorized by your Department Head or Supervisor or consistent with policies that cover equipment owned by the City.

Media Contacts

If you are not authorized to speak on behalf of the City, do not speak to the media on behalf of the City. Direct all media inquiries for official City responses to Public Information Officer and City Manager.

Retaliation and Your Rights

Retaliation or any other negative action is prohibited against anyone who, based on a reasonable belief, reports a possible deviation from this policy or cooperates in an investigation. Those who retaliate against others for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination.

Nothing in this policy is designed to interfere with, restrain, or prevent employees from communications regarding wages, hours, or other terms and conditions of employment, or to restrain employees in exercising any other right protected by law. All employees have the right to engage in or refrain from such activities.

6.10 Driver's License

All employees required to operate a motor vehicle as part of their employment duties must maintain a valid driver's license, acceptable driving record, and appropriate insurance coverage. City of McCook may run a motor vehicle department check to determine your driving record. It is your responsibility to provide a copy of your current driver's license and insurance coverage for your personnel file. Any changes in your driving record, including, but not limited to, driving infractions or changes to your insurance policy, must be reported to the City.

If you use your personal vehicle in the course and scope of employment, you may not operate such vehicle while:

- Under the influence of drugs, alcohol, or any other substance that might impair your judgment or ability to drive; or
- Texting, emailing, or otherwise using a cell phone or other handheld device without utilizing a hands-free device.

Employees who are subject to driving a vehicle requiring the driver to hold a commercial driver's license under state or federal law must have a valid Nebraska commercial driver's license (CDL). A driver applying for a CDL may be required to take a road test in a vehicle that is representative of the type of vehicle the driver operates or expects to operate and written knowledge tests. All drivers with CDLs must meet the following requirements:

- a) The driver shall not have more than one motor vehicle driver's license.
- b) The driver must notify the Nebraska Department of Motor Vehicles of any conviction in a state other than Nebraska of a violation in any type of motor vehicle of a state or local law relating to motor vehicle traffic control (other than a parking violation). Notification must be within 30 days of the conviction.
- c) Any driver holding a CDL who is convicted of violating any state or local law relating to motor vehicle traffic control in this or any other state (other than a parking violation) must notify the City of the conviction, in writing, within 30 days of the date of the conviction.
- d) Any driver who has a driver's license suspended, revoked, or cancelled, or who loses the right to operate a commercial motor vehicle or who is disqualified from operating a commercial motor vehicle shall notify the City before the end of the business day following the day the employee received notice of the suspension, revocation, cancellation, loss of privilege, or disqualification.
- e) A driver shall not operate a City motor vehicle if the employee's driver's license has been suspended, revoked, cancelled, or if the employee has been disqualified from driving.
- f) Any applicant who is required to have a CDL must provide on the application form a list of the names and addresses of the applicant's employers during the years preceding the date the application is submitted, together with the date he/she was employed by, and his/her reason for leaving the employ of each employer.

Employees whose jobs require a CDL, will be reimbursed by the City of McCook for the cost of renewal only. The initial cost of the CDL will be the responsibility of the employee.

6.11 Use of Employer Vehicles

City of McCook desires to strike the appropriate balance between today's technologies, your desire for privacy, and our interests in protecting City vehicles, equipment, and drivers. Due to safety, efficiency, and other business purposes, the City may use GPS technology to monitor the whereabouts of our vehicles at all times. Questions concerning vehicle monitoring should be directed to Department Head or Supervisor. Questions concerning the proper use of any vehicles should be directed to your Department Head or Supervisor.

If you abuse the privilege of driving company vehicles, you will be subject to corrective action, up to and including termination of employment. If necessary, the City will also advise law enforcement officials of any illegal conduct. All infractions or violations while driving the vehicle and all restrictions, suspensions, or revocations against your driver's license must be immediately reported to your Department Head or Supervisor.

Certain City officials and employees are provided City-owned vehicles for use in discharging City business. Such City vehicles shall be used only upon the authorization of the City Manager. Employees retaining vehicles overnight shall not use such vehicles for private business other than for commuting. Unless the use of the vehicle has been approved for personal use, personal or outside business use is strictly prohibited.

Certain City officials and employees may be provided a monetary allowance for the use of personal automobiles in discharging their official duties when City-owned automobiles are not available. Such remunerations shall be in accordance with limitations as may be approved by the City Council, state statutes, and procedures established by the City Manager.

When a City vehicle cannot be operated, is unsafe for use, or has been damaged, notify your Department Head or Supervisor immediately.

As the driver of a City vehicle, you are responsible for the vehicle while in your charge and must not permit unauthorized persons to drive it. You are also responsible for the daily housekeeping of the vehicle; it is to remain clean and uncluttered.

You may not operate a motor vehicle while under the influence of alcohol or a chemical substance or other substance that can impair judgment. You may not operate a motor vehicle while texting, emailing, or otherwise using a cell phone or other handheld device without utilizing a hands-free device.

Multiple driving moving violations that appear on the annual state department of motor vehicle check will result in suspension of rights to drive a City vehicle or drive a personal vehicle on City business. Suspension of rights will continue until one year has passed with no infractions. If there are persistent and ongoing problems with driving infractions, and driving a vehicle is a part of successful execution of job responsibilities, you may be terminated.

6.12 Off-Duty Use of Employer Property or Premises

City-owned vehicles, materials, facilities, or equipment shall not be used by City employees for any personal or private use including the use of shops and tools without the express consent of the City Manager and department head. All facilities and equipment are provided by the public and should be used only for public uses. The City of McCook's name or its tax-exempt status shall NEVER be used by any employee for his or her personal advantage on any purchases.

6.13 Security

All employees are responsible for helping to make City of McCook a secure work environment. Upon leaving work, lock all desks, lockers, and doors protecting valuable or sensitive material in your work area and report any lost or stolen keys, passes, or similar devices to your Department

Head or Supervisor immediately. Refrain from discussing specifics regarding City security systems, alarms, passwords, etc. with those outside of the City.

Immediately advise your Department Head or Supervisor of any known or potential security risks and/or suspicious conduct of employees, customers, or guests of the City. Safety and security is the responsibility of all employees and we rely on you to help us keep our premises secure.

6.14 Nonsolicitation/Nondistribution Policy

To avoid disruption of business operations or disturbance of employees, visitors, and others, City of McCook has implemented a Nonsolicitation/Nondistribution Policy unless otherwise approved by the City Manager. For purposes of this policy, "solicitation" includes, but is not limited to, selling items or services, requesting contributions, and soliciting or seeking to obtain membership in or support for any City. Solicitation performed through verbal, written, or electronic means is covered by the Nonsolicitation/Nondistribution Policy.

You are prohibited from soliciting other employees during your assigned working time. For this purpose, working time means time during which either you or the employees who are the object of the solicitation are expected to be actively engaged with assigned work. You may conduct solicitations during your lunch period, coffee breaks, or other authorized nonworking time, so long as you do so when the other employees are also on nonworking time.

To avoid inappropriate litter, clutter, and safety risks, you may not distribute literature or other items that are not work related in working areas at any time. Working areas do not include break/rest areas, lunchrooms, or parking lots. Electronic distribution of materials is prohibited during work time. Literature that violates the company's equal employment opportunity (EEO) and non-harassment policies (including threats of violence), or is knowingly and recklessly false, is never permitted. Non-employees are not permitted to distribute materials on company premises at any time.

This policy is not intended to restrict the statutory rights of employees, including the right to discuss terms and conditions of employment. Violations of this policy should be reported to your Department Head or Supervisor.

6.15 Third Party Disclosures

From time to time, City of McCook may become involved in news stories or potential or actual legal proceedings of various kinds. When that happens, lawyers, former employees, newspapers, law enforcement agencies, and other outside persons may contact our employees to obtain information about the incident or the actual or potential lawsuit.

If you receive such a contact, you should not speak on behalf of the City and should refer any call requesting the position of the City to the City Manager. If you have any questions about this policy or are not certain what to do when such a contact is made, contact the City Manager.

6.16 Workplace Privacy and Right to Inspect

City of McCook property, including but not limited to lockers, phones, computers, tablets, desks, work place areas, vehicles, or machinery, remains under the control of the City and is subject to inspection at any time, without notice to any employees, and without their presence.

You should have no expectation of privacy in any of these areas. We assume no responsibility for the loss of, or damage to, your property maintained on City premises including that kept in lockers and desks.

6.17 Suggestion Policy

At City of McCook, we welcome suggestions for continued improvement and welcome your ideas for better ways to do your job, produce or sell the products or services of our City, or meet customer and client needs. Discuss your ideas with your Department Head or Supervisor or another member of the management team.

We also encourage you to offer any suggestions derived from seminars, magazines, or other outside sources of information you believe would add value to the City.

Understand that any suggestions, innovations, inventions, or other matter created by you on work time or with City tools or property are considered to be the property of the City.

7.0 Benefits

7.1 Employment Status

Regular, Full-Time Employee - employees are those who have completed their probationary period and are regularly scheduled to work 30 hours or more per week. Unless stated otherwise or specifically permitted by law, all the benefits provided to employees at the City of McCook are for regular full-time employees only. This includes vacation, holiday pay, health insurance, and other benefits coverage.

Regular, Part-Time Employee (minimum 30 hours/week) - employee is an employee who works on a regular basis a minimum of 30 hours per week. Part-time employees may be eligible for health and life insurance benefits, pension plans, and all other benefits.

Regular, Part-Time Employee (less than 30 hours/week) - a regular, part-time employee working less than 30 hours per week is an employee hired on a sporadic basis. Such part-time employees are not eligible for health or life insurance.

Temporary Employee - a temporary employee is an employee hired for seasonal or temporary employment and is not eligible for any benefits unless specifically permitted by law. When a temporary position is discontinued, the employee will be laid off regardless of the time in the position. Temporary employees may be part-time or full-time.

Departments shall observe working hours as necessary to perform the services required as determined by the City Manager and department head. Department heads shall work such hours as are required by the City Manager and as may be necessary to complete their responsibilities in a satisfactory and efficient manner.

- a) **Regular Employees** - a work week of 40 hours shall be the standard for all employees except those in the public safety area. Meal periods shall be established by the department head and will not be counted as time worked.
- b) **Police Officers** - a work week of 42 hours shall be the standard for police officers. The department operates 24 hours a day, 7 days a week. Shift assignments and meal periods shall be established by the Police Chief. Meal periods will be counted as time worked only if officers are available for assignments as required during meal periods.
- c) **Firefighters** - a work week of 40 or 56 hours shall be scheduled for firefighters. The department operates 24 hours a day, 7 days a week. Shift assignments are 8 hours or 24 hours. Meal periods shall be established by the Fire Administrator Chief. Meal periods will be counted as time worked only if the firefighters are available for assignments as required during meal periods.

- d) Volunteers - City employees may volunteer for additional work which is of benefit to the City, in compliance with applicable federal and state rules and regulations. Volunteer work must be approved by an employee's supervisor.

7.2 Exempt Personnel

If you are classified as exempt at the time of your hiring, you are not eligible for overtime pay as otherwise required by federal, state, or local laws. If you have a question regarding whether you are exempt or nonexempt, contact your Department Head or Supervisor for clarification.

7.3 Pension Plan

All eligible employees of the City are covered under one of three (3) pension plans which the City provides for its employees. The three plans are: police officer's retirement; firefighter's retirement; and a retirement plan for other City employees. The pension plans for police officers and firefighters are required and regulated by state statutes. The pension plan for regular employees is a private, mandatory plan. A brief description of each plan follows. More complete information on each pension plan is available upon request to your department head the Human Resource Officer.

- a) **Police Officer's Retirement** - All police officers covered by civil service must participate in the police officer's retirement plan as set out in state statutes. The pension plan provides retirement, death and disability benefits. For more information on the police officer's retirement plan, contact the Police Chief or Human Resources.
- b) **Firefighter's Retirement** - All firefighters covered under civil service must participate in the firefighter's retirement plan as set out in the state statutes. The pension plan provides retirement, death and disability benefits. For more information on the firefighter's retirement plan, contact the Fire Chief or Human Resources.
- c) **City of McCook Employee Retirement Plan** - The retirement plan is a type of qualified retirement plan commonly referred to as a 401(k) Plan. All regular full-time and part-time employees are eligible to participate in the Plan. As a participant in the Plan, the employee may elect to reduce his/her compensation by a specific percentage or dollar amount and have that amount contributed to the Plan on a pre-tax basis as a salary deferral. More detailed information regarding the City of McCook Employee Retirement Plan can be found in the Summary Plan Description provided to employee on hire date. Additional copy(ies) of the Summary Plan Description may be requested from the Human Resource Officer.

7.4 Health and Dental Insurance

City of McCook offers group health/dental insurance benefits to all eligible regular full-time and regular part-time (working a minimum of 30 hours per week) employees who have completed (31) days of employment and their eligible dependents. Health plan benefits are described in detail in the Summary Plan Description (SPD), which may be obtained from Human Resource Officer.

Your group health benefits are paid in part by the City. The remainder of the costs are paid by you through deductions from your pay.

Benefits may be canceled or changed at the discretion of the City, unless otherwise prohibited by law or otherwise a part of a negotiated term by a collective bargaining union.

If you or a dependent become ineligible for benefits due to a change in work hours or through a life event, or you leave employment with us, you may have the right to continue your health benefits under federal or state law. In such event, the City will provide you with information about your rights to continue your benefits coverage.

7.5 Life Insurance

The City of McCook provides a Basic Life and AD&D insurance policy to each full-time and regular part-time employee (that work a minimum of 30 hours per week) equal to one year's base salary rounded to the nearest \$10,000, up to \$172,000. Volunteer Firefighters receive a maximum benefit of \$10,000 of Life and AD&D coverage. A plan booklet will be provided to each eligible employee on their date of hire.

Each individual policy will terminate the date the employee terminates employment with the City or the date the employee ceases to be in a class that is eligible for this insurance. This insurance may be continued after the employee ceases to be eligible. (See Group Life and Accidental Death and Dismemberment Insurance Program plan booklet for additional information.)

7.6 Unemployment Compensation Insurance Policy

Unemployment compensation insurance is paid for by City of McCook and provides temporary income for employees who have lost their job under certain circumstances. Your eligibility for unemployment compensation will, in part, be determined by the reasons for your separation from the City.

7.7 Workers' Compensation Insurance Policy

Workers' compensation is a no-fault system designed to provide benefits to all employees for work-related injuries. Workers' compensation insurance coverage is paid for by employers and governed by state law. The workers' compensation system provides for coverage of medical treatment and expenses, occupational disability leave, and rehabilitation services, as well as payment for lost wages due to work related injuries. If you are injured on the job while working at City of McCook, no matter how slightly, you are to report the incident immediately to your Department Head or Supervisor. Consistent with applicable state law, failure to report an injury within a reasonable period of time could jeopardize your claim for benefits.

To receive workers' compensation benefits, notify your Department Head or Supervisor immediately of your claim. If your injury is the result of an on-the-job accident, you must follow the requirements of our insurance company within 24 hours of an accident. Contact HR for reporting requirements. You will be required to submit a medical release before you can return to work.

7.8 COBRA

The Consolidated Omnibus Budget Reconciliation Act (COBRA) provides the opportunity for eligible City of McCook employees and their beneficiaries to continue health insurance coverage under the City health plan when a "qualifying event" could result in the loss of eligibility. Qualifying events include resignation, termination of employment, death of an employee, reduction in hours, a leave of absence, divorce or legal separation, entitlement to Medicare, or where a dependent child no longer meets eligibility requirements.

Contact Human Resources Officer to learn more about your COBRA rights.

7.9 Blood Bank Donation

City employees will be paid for up to one half hour of time while attending blood drives. The employee must make every attempt to schedule their blood donation as to not interfere with their department schedule or create overtime and should get written authorization from their department head prior to attending the drive and written verification from their department after attending the drive. Permissions forms are available from the Human Resources.

7.10 Credit Union

All employees of the City, their spouse and children are eligible to participate in the Midwest Liberty Federal Credit Union. The Credit Union is owned and operated by the employee themselves and is federally insured. Savings and loan programs are offered. Employees may elect a payroll deduction savings plan. Details are available from Credit Union officers or Human Resources.

7.11 Continuing Education Policy

We believe in the continuing education of our employees. If Department Head or City Manager sends you to a class or training program during normal working hours related to your employment, you will be paid for that time. If you are interested in attending an outside class and having the City pay for your attendance, you are required to provide advance written notice to your Department Head describing the class, including the subject matter, length, and cost. Depending on the type of training, the City may reimburse some or all the fees, including materials expenses, meals, and transportation. If your Department Head or Supervisor approves of your attendance at a class that is not sponsored by the City, you will be reimbursed once you have attended and paid for the class.

7.12 Holidays

A holiday is a normal workday on which all operations of the City, with the exception of the departments whose operation is necessary to the public health and safety, are ceased and the City is closed to normal business. Employees are given the day off with pay. The following are recognized holidays:

Holiday	Day Observed
New Year's Day	January 1
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Thanksgiving Day	Fourth Thursdays in November
Day After Thanksgiving	Fourth Friday in November
Veterans Day	November 11
Christmas Eve	December 24 - Half Day
Christmas Day	December 25
Floating Holiday (2)	Employee Choice

The Floating Holidays referred to above are to be celebrated each calendar year upon the approval of the department head in full shift increments only. It is understood that it is the employee's responsibility to give the City at least one (1) weeks notice of the date when he/she intends to celebrate the Floating Holiday. The floating holidays must be taken by the employee between January 1 and December 31 of each year and will not be carried over to the following year. At least one (1) Floating Holiday day must be used by July 1 of each year or it shall be forfeited.

It is the policy of the City that all regular employees working more than 30 hours per week are awarded comparable time-off, compensation benefits, and holidays each year. The standard shall be the amount of paid leave granted to employees working a 30-hours or more a week Monday through Friday. For employees working less than 30 hours, you will be paid an average of the

last 4-weeks' pay for Holiday pay. When a holiday falls on Saturday, it shall be observed on the preceding Friday. When a holiday falls on Sunday, the following Monday shall be observed as the holiday.

Regular, part-time employees who would otherwise be scheduled to work on the day an observed holiday occurs, but due to the holiday do not work, shall be paid based upon the average hours of the past four weeks worked that day of the week. Should a prior holiday fall within said four-week calculation, the hours allowed for the prior holiday will not be considered as part of the calculation. Only actual hours worked will be considered.

Temporary and seasonal employees shall not receive paid holidays.

Regular employees who are scheduled to work on an observed holiday shall be compensated as follows:

With the exception of the December 24th holiday (Christmas Eve), employees will be credited with eight (8) hours of holiday pay for the holiday plus be paid for hours actually worked that day. Employees will be credited with a half shift of pay for the December 24th holiday plus be paid for hours actually worked that day. Time allowed off for the December 24th holiday is subject to the hours of operation set by the City of McCook.

Employees not scheduled to work on a holiday shall receive eight (8) hours holiday pay. Holiday pay shall be considered hours worked when calculating overtime. An employee must have worked or taken paid leave on the workday before and after the observed holiday to receive pay.

Police department employees excluded from the Fraternal Order of Police Lodge 57 union shall receive the same holiday pay and be subject to the same terms as are members of said union in regard to holiday pay, excluding the Office Manager.

7.13 Vacation

All regular employees are allowed a certain number of days each year for vacation. Vacation leave must be approved by the department head in advance and scheduled to insure a minimum disruption of department work.

Vacation leave shall be earned and accrued from the most recent date of employment. Vacation leave shall accrue to regular employees at the following rate per each bi-weekly pay period:

Regular, Full-time	32-Hour	40-Hour	42-Hour	56-Hour
Commencement date through 4 th year	2.47	3.08	3.23	4.31
From start of 5 th year	2.96	3.69	3.88	5.17
From start of 8 th year	3.70	4.62	4.85	6.46
From start of 13 th year	4.19	5.23	5.49	7.32
From start of 18 th year	4.92	6.15	6.46	8.61
From start of 22 nd year	5.54	6.15	7.27	8.61

Vacation leave will accrue from date of hire. However, employees are not entitled to use vacation leave accrued until they have completed six months of continuous employment with the City of McCook.

Regular, part-time employees working less than 20 hours per week and temporary employees are not allowed vacation leave. Employees beginning work within the first 15 days of the month shall accrue vacation for that month and employees terminating within the last 15 days of the month shall accrue vacation for that month.

In addition to the level of vacation accrual provided for above, all department heads shall accrue an additional 1.54 hours of vacation time per pay period, in lieu of eligibility for compensatory time.

The maximum number of vacation days which may be accrued by an employee is one and one-half (1 ½) times the number of vacation days earned in a year. Vacation days accumulated over this number must be taken within one month or they will be lost. Terminating employees may be compensated for accumulated vacation leave pursuant to Section 4.15, Separation Pay.

7.14 Sick Pay/Catastrophe Leave

Sick leave shall be earned and accrued from the most recent date of employment.

City of McCook allows its regular full-time employees who have completed their introductory period sick days per calendar year. Notify your Department Head or Supervisor as far in advance as possible if you are going to take sick time off.

There may be occasions, such as sudden illness, when you cannot notify your Department Head or Supervisor in advance. In those situations, provide notification of your circumstances as soon as possible. You may also be requested to provide a certificate of illness to your Department Head or Supervisor.

You may use sick leave benefits for dental or doctor visits or to care for immediate family members who are sick. Unused sick days may not be converted to a cash payment. You may be required to use available sick leave during family and medical leave, disability leave, or other leave.

Sick leave shall be granted to employees for the following reasons:

1. personal illness or physical incapacity resulting from causes beyond the control of the employee;
2. enforced quarantine of the employee in accordance with community health regulations;
3. doctor's or dentist's appointment; and
4. illness or condition of an immediate family member which require the employee's presence; immediate family for sick leave purposes is defined as:
 - a) Spouse/significant other and parents of employee/spouse/significant other
 - b) Children
 - c) Grandparents
 - d) Grandchildren
 - e) A person living in or considered part of the employee's household and dependent on the employee for care
 - f) Siblings

Sick leave shall accrue to regular employees at the following rate:

Employment Status	Bi-Weekly Accrual Rate	Maximum Accrual Hours
40 Hour Employee	3.69 hours	800 hours
42 Hour Employee	3.88 hours	960 hours
56 Hour Employee	11.08 hours	2,400 hours
Regular Part-Time Employee (30-40 hours per week)	2.96 hours	600 hours

Sick leave shall be granted upon the approval of the employee's Department Head and, in some cases, the City Manager. To be granted sick leave, an employee must report to his or her Department Head or immediate supervisor the reason for the absence at the beginning of the work shift for which sick leave is taken. A Sick Leave Request form must be completed by the employee upon his/her return to work, approved or denied by the Supervisor and/or Department Head and submitted to the Human Resources along with the employee's time sheet.

Terminating employees may be compensated for accumulated sick leave pursuant to Section 4.15, Separation Pay.

The City Manager/Administration reserves the right to allow/deny sick leave to avoid abuse of this policy.

Any employee who has at least 500 hours accrued in sick leave may donate up to 40 hours, per calendar year, of their sick leave to a Catastrophic Leave bank to be maintained by the Human Resource Officer. The purpose of this Catastrophic Leave bank is to assist fellow employees who have entered into hardship due to illness and/or injury and have depleted all their own leave in good faith.

To request compensation from the Catastrophic Leave bank, the employee must have 6 months of continuous employment and make application to Human Resources in an amount not to exceed 160 hours (per occurrence). The application will be reviewed by the City Manager with the applicant's Department Head and Supervisor and Human Resources to determine eligibility and allotment based upon the applicant's leave history.

Forms for donation and application may be obtained from Human Resources.

7.15 Bereavement Leave

You may use accrued but unused vacation/sick leave/paid time off if additional time is needed. Additional unpaid time off may be granted at the discretion of the City on a case-by-case basis.

Leave not to exceed twenty-four (24) consecutive working hours will be granted by the City in the event of the death of a member of the immediate family of any employee with pay.

Immediate family, for purposes of this policy, includes the following and applies both to the family of the employee and the employee's spouse: spouse, parents (including foster parents and stepparents), child (including foster child and stepchild), brother, sister, grandparents and grandchildren. For extenuating circumstances, the employee may petition the City Manager to expand the definition of immediate family. City Manager is not required to grant the petitioner's request.

Bereavement leave shall be taken within one (1) week of the date of the death, or at other times with approval of the City Manager.

You must provide notice of your need for bereavement leave as far in advance as possible. The City may require documentation supporting your need for bereavement leave.

7.16 Jury Duty Leave

City of McCook encourages employees to fulfill their civic duties related to jury duty. If you are summoned for jury duty, notify your Department Head or Supervisor as soon as possible to make scheduling arrangements.

You will receive your regular compensation for time spent on jury duty; however, your pay will be reduced by any compensation -- other than expenses -- that the court pays you for jury duty.

The City reserves the right to require employees to provide proof of jury duty service to the extent authorized by law.

The City will not retaliate against employees who request or take leave in accordance with this policy.

7.17 Voting Leave

If you do not have two consecutive hours while the polls are open during which you are not required to be working for City of McCook, the City will provide you with up to two paid hours of leave for purposes of voting. If you provide notice of your need for leave in advance of Election Day, your pay cannot be reduced or deducted in connection with your leave from work. Your Department Head or Supervisor may determine the time that you may take leave.

7.18 Leaves of Absence

Should a situation arise that temporarily prevents an employee from working, they may be eligible for a personal Leave of Absence without pay. However, employees must be employed for at least three months prior to the requested leave.

Any request for a leave of absence without pay must be submitted in writing as far in advance as possible and it will be reviewed on a case-by-case basis by the City Manager. The decision to approve or disapprove is based on the circumstances, the length of time requested, the employee's job performance and attendance and punctuality record, the reason for the leave, the effect the employee's absence will have on the work in the department and the expectation that the team member will return to work when the leave expires. Leaves of absence, whether scheduled or unscheduled, will be considered only after all personal time have been exhausted. An exception to this may be applied for major life events, such as marriage, birth/adoption, death, or with extended notice.

7.19 Family and Medical Leave (FMLA) Policy

In accordance with the Family and Medical Leave Act of 1993 (FMLA), City of McCook provides up to 12 or 26 weeks of unpaid, job-protected leave in a 12-month period to covered employees in certain circumstances.

Eligibility

To qualify for FMLA leave, you must:

1. Have worked for the City for at least 12 months, although it need not be consecutive;
2. Worked at least 1,250 hours in the last 12 months; and
3. Be employed at a worksite that has 50 or more employees within 75 miles.

Leave Entitlement

You may take up to 12 weeks of unpaid FMLA leave in a 12-month period for any of the following reasons:

- The birth of a child and in order to care for that child (leave must be completed within one year of the child's birth);
- The placement of a child with you for adoption or foster care and in order to care for the newly placed child (leave must be completed within one year of the child's placement);
- To care for a spouse, child, or parent with a serious health condition;
- To care for your own serious health condition, which makes you unable to perform any of the essential functions of your position; or

- A qualifying exigency of a spouse, child, or parent who is a military member on covered active duty or called to covered active duty status (or has been notified of an impending call or order to covered active duty).

The 12-month period is rolling back.

You may take up to 26 weeks of unpaid FMLA leave in a single 12-month period, beginning on the first day that you take FMLA leave to care for a spouse, child, or next of kin who is a covered service member and who has a serious injury or illness related to active duty service.

As used in the policy:

- **Spouse** means a husband or wife as recognized under state law for the purposes of marriage in the state or other territory or country where the marriage took place.
- **Child** means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is either under age 18 or age 18 or older and incapable of self-care because of a mental or physical disability at the time FMLA leave is to commence. A child for the purposes of military exigency or military care leave can be of any age.
- **Parent** means a biological, adoptive, step, or foster parent or any other individual who stood in loco parentis to you when you were a child.
- **Next of kin** for the purposes of military care leave is a blood relative other than a spouse, parent, or child in the following order: brothers and sisters, grandparents, aunts and uncles, and first cousins. If a military service member designates in writing another blood relative as his or her caregiver, that individual will be the only next of kin. In appropriate circumstances, you may be required to provide documentation of next of kin status.
- **Serious health condition** means an illness, injury, impairment, or physical or mental condition that involves either inpatient care or continuing treatment by a health care provider. Ordinarily, unless complications arise, cosmetic treatments and minor conditions such as the cold, flu, ear aches, upset stomach, minor ulcers, headaches (other than migraines), and routine dental problems are examples of conditions that are not serious health conditions under this policy. If you have any questions about the types of conditions that may qualify, contact Human Resources.
- **Health care provider** means a medical doctor or doctor of osteopathy, physician assistant, podiatrist, dentist, clinical psychologist, optometrist, nurse practitioner, nurse-midwife, clinical social worker, or Christian Science practitioner licensed by the First Church of Christ. Under limited circumstances, a chiropractor or other provider recognized by our group health plan for the purposes of certifying a claim for benefits may also be considered a health care provider.
- Qualifying exigencies for military exigency leave include:
 - Short-notice call-ups/deployments of seven days or less (**Note:** Leave for this exigency is available for up to seven days beginning the date of call-up notice);
 - Attending official ceremonies, programs, or military events;
 - Special childcare needs created by a military call-up including making alternative child care arrangements, handling urgent and nonroutine child care situations, arranging for school transfers, or attending school or daycare meetings;
 - Making financial and legal arrangements;
 - Attending counseling sessions for yourself, the military service member, or the military service members' son or daughter who is under 18 years of age or is 18 or older but incapable of self-care because of a mental or physical disability;
 - Rest and recuperation (**Note:** Fifteen days of leave is available for this exigency per event);
 - Post-deployment activities such as arrival ceremonies, re-integration briefings, and other official ceremonies sponsored by the military (**Note:** Leave for these events are available for 90 days following the termination of active duty status). This type of leave may also be taken to address circumstances arising from the death of a covered military member while on active duty;

- Parental care when the military family member is needed to care for a parent who is incapable of self-care (such as arranging for alternative care or transfer to a care facility); and
 - Other exigencies that arise that are agreed to by both the City and you.
- A serious injury/illness incurred by a service member in the line of active duty or that is exacerbated by active duty is any injury or illness that renders the service member unfit to perform the duties of his or her office, grade, rank, or rating.

Notice and Leave Request Process

If the need for leave is foreseeable because of an expected birth/adoption or planned medical treatment, you must give at least 30 days' notice. If 30 days' notice is not possible, give notice as soon as practicable (within one or two business days of learning of your need for leave). Failure to provide appropriate notice may result in the delay or denial of leave.

In addition, if you are seeking intermittent or reduced schedule leave that is foreseeable due to planned medical treatment or a series of treatments for yourself, a family member, or covered service member, you must consult with the City first regarding the dates of this treatment to work out a schedule that best suits your needs or the needs of the covered military member, if applicable, and the City.

If the need for leave is unforeseeable, provide notice as soon as possible. Normal call-in procedures apply to all absences from work, including those for which leave under this policy may be requested. Failure to provide appropriate notice may result in the delay or denial of leave.

Certification of Need for Leave

If you are requesting leave because of your own or a covered relative's serious health condition, you and the relevant health care provider must supply appropriate medical certification. You may obtain Medical Certification forms from Human Resources. When you request leave, the City will notify you of the requirement for medical certification and when it is due (at least 15 days after you request leave). If you provide at least 30 days' notice of medical leave, you should also provide the medical certification before leave begins. Failure to provide requested medical certification in a timely manner may result in denial of FMLA-covered leave until it is provided.

At our expense, the City may require an examination by a second health care provider designated by us. If the second health care provider's opinion conflicts with the original medical certification, we, at our expense, may require a third, mutually agreeable, health care provider to conduct an examination and provide a final and binding opinion. Subsequent medical re-certification may also be required. Failure to provide requested certification within 15 days, when practicable, may result in delay of further leave until it is provided.

The City also reserves the right to require certification from a covered military member's health care provider if you are requesting military caregiver leave and certification in connection with military exigency leave.

Call-In Procedures

In all instances of absence, the call-in procedures and standards established for giving notice of absence from work must be followed.

Intermittent Leave

If medically necessary, FMLA leave for a serious health condition may be taken intermittently (in separate blocks of time due to a serious health condition) or on a reduced leave schedule (reducing the usual number of hours you work per workweek or workday). FMLA leave may also be taken

intermittently or on a reduced leave schedule for a qualifying exigency relating to covered military service.

As FMLA leave is unpaid, the City will reduce your salary based on the amount of time actually worked. In addition, while you are on an intermittent or reduced schedule leave that is foreseeable due to planned medical treatments, the City may temporarily transfer you to an available alternative position that better accommodates your leave schedule and has equivalent pay and benefits.

Parental Leave

Leave for the birth or placement of a child must be taken in a single block and cannot be taken on an intermittent or reduced schedule basis. Parental leave must be completed within 12 months of the birth or placement of the child; however, you may use parental leave before the placement of an adopted or foster child to consult with attorneys, appear in court, attend counseling sessions, etc.

Family Care, Personal Medical, Military Exigency, and Military Care Leave

Leave taken for these reasons may be taken in a block or blocks of time. In addition, if a health care provider deems it necessary or if the nature of a qualifying exigency requires, leave for these reasons can be taken on an intermittent or reduced-schedule basis.

Paid Leave Utilization During FMLA Leave

FMLA leave is unpaid. If you are taking parental, family care, military exigency, and/or military care leave, you must utilize available vacation/PTO, personal days, and/or family illness days during this leave. If you are taking personal medical leave, you must utilize available sick, personal, and vacation/PTO days during this leave. If you are receiving short- or long-term disability or workers' compensation benefits during a personal medical leave, you will not be required to utilize these benefits. However, you may elect to utilize accrued benefits to supplement these benefits.

Fitness for Duty Requirements

If you take leave because of your own serious health condition (except if you are taking intermittent leave), you are required, as are all employees returning from other types of medical leave, to provide medical certification that you are fit to resume work. You will not be permitted to resume work until it is provided.

Health Insurance

Your health insurance coverage will be maintained by the City during leave on the same basis as if you were still working. You must continue to make timely payments of your share of the premiums for such coverage. Failure to pay premiums within 30 days of when they are due may result in a lapse of coverage. If this occurs, you will be notified 15 days before the date coverage will lapse that coverage will terminate unless payments are promptly made.

Alternatively, at our option, the City may pay your share of the premiums during the leave and recover the costs of this insurance upon your return to work. Coverage that lapses due to nonpayment of premiums will be reinstated immediately upon return to work without a waiting period. Under most circumstances, if you do not return to work at the end of leave, the City may require reimbursement for the health insurance premiums paid during the leave.

Reinstatement

Upon returning to work at the end of leave, you will generally be placed in your original job or an equivalent job with equivalent pay and benefits. You will not lose any benefits that accrued before leave was taken.

Spouse Aggregation

If you and your spouse are both employed by the City, the total number of weeks to which you are both entitled in the aggregate because of the birth or placement of a child or to care for a parent with a serious health condition will be limited to 12 weeks per leave year. Similarly, spouses employed by the City will be limited to a combined total of 26 weeks of leave to care for a military service member. This 26-week leave period will be reduced, however, by the amount of leave taken for other qualifying FMLA events. This type of leave aggregation does not apply to leave needed for your own serious health condition, to care for a spouse or child with a serious health condition, or because of a qualifying exigency.

Failure to Return

If you fail to return to work or fail to make a request for an extension of leave prior to the expiration of the leave, you will be deemed to have voluntarily terminated your employment. The City is not required to grant requests for open-ended leaves with no reasonable return date under these policies or as disability accommodations.

Alternative Employment

While on leave of absence, you may not work or be gainfully employed either for yourself or others unless express, written permission to perform such outside work has been granted by the City. If you are on a leave of absence and are found to be working elsewhere without permission, you will be subject to disciplinary action up to and including termination.

Interaction with State and Local Laws

Where state or local family and medical leave laws offer more protections or benefits to employees, the protections or benefits that are more favorable to the employee, as provided by these laws, will apply.

Abuse of Leave

If you are found to have provided a false reason for a leave, you will be subject to disciplinary action up to and including termination.

Designation of Leave

If the City becomes aware of any qualifying reason for FMLA leave, the City will designate it as such. An employee may not refuse FMLA designation under this policy.

Retaliation

The City will not retaliate against employees who request or take leave in accordance with this policy.

7.20 Family Military Leave

City of McCook provides up to 30 days of unpaid family military leave to employees who are the spouse or parent of a person called to military service. The leave must be taken during the time the federal or state deployment orders are in effect.

To be eligible for family military leave, you must:

- Have worked for the City for at least 12 months;
- Have worked for at least 1,250 hours during the 12-month period immediately preceding the start of family military leave; and

- Be the spouse or parent of a person called to military service, by the State of Nebraska or the United States, lasting 179 days or longer.

If you need to take family military leave, notify your Department Head or Supervisor as soon as practicable. If the leave is for five or more consecutive workdays, you must provide at least 14 days' notice. Consult with your Department Head or Supervisor to schedule the leave so as not to unduly disrupt the operations of the City. You may be required to provide certification from the proper military authority to verify your eligibility for leave.

You may elect to use any available paid time off for which you are eligible under City policy for the purpose of taking family military leave, and such paid time off will run concurrently with the leave afforded under this policy.

Upon returning from family military leave, you will be restored to your previous position or to a position with equivalent seniority status, employee benefits, pay, and other conditions of employment.

During family military leave, you will be able to continue your health insurance benefits at your own expense.

The City will not discriminate or retaliate against employees who request or take leave in accordance with this policy.

7.21 Military Leave (USERRA)

City of McCook complies with applicable federal and state law regarding military leave and re-employment rights. Unpaid military leave of absence will be granted to members of the uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA; with amendments) and all applicable state law. You must submit documentation of the need for leave to Human Resources. When returning from military leave of absence, you will be reinstated to your previous position or a similar position, in accordance with state and federal law. You must notify your Supervisor or Human Resources of your intent to return to employment based on requirements of the law. For more information regarding status, compensation, benefits, and reinstatement upon return from military leave, contact Human Resources.

7.22 Return-to-Work Program

The City of McCook supports the practice of bringing injured employees back to work, as soon as they are medically able, to a position in their department compatible with any physical restrictions they may have. We believe this practice serves the best interests of our employees and organization.

The prompt return of injured employees to their departmental positions within their medical restrictions will minimize the impact of work-related injuries. Coming back to work early helps employees remain functional as they recover while providing our organization with the valuable use of employees' talents. It also helps control workers' compensation costs.

Current positions may be modified to fit the medical limitations of injured employees by modifying workstations, altering specific tasks or working reduced hours. If this is not possible, temporary transitional jobs may be made available with your department. An example of a transitional job or task would include light desk duty.

This return-to-work program is an important part of our organization's commitment to manage work-related injuries in a way that's best for our employees and for this organization.

8.0 Safety and Loss Prevention

8.1 Drug and Alcohol Policy

City of McCook is committed to providing a safe, healthy, and productive work environment. Consistent with this commitment, it is the intent of the City to maintain a drug and alcohol-free workplace. Being under the influence of alcohol, illegal drugs (as classified under federal, state, or local laws), or other impairing substances while on the job may pose a serious health and safety risk to others and will not be tolerated.

Prohibited Conduct

The City expressly prohibits employees from engaging in the following activities when they are on duty or conducting City business or on City premises (whether or not they are working):

- The use, abuse, or being under the influence of alcohol, illegal drugs, or other impairing substances.
- The possession, sale, purchase, transfer, or transit of any illegal or unauthorized drug, including prescription medication that is not prescribed to the individual, or drug-related paraphernalia.
- The illegal use or abuse of prescription drugs.

Nothing in this policy is meant to prohibit your appropriate use of over-the-counter medication or other medication that can legally be prescribed under both federal and state law, if it does not impair your job performance or safety or the safety of others. If you take over-the-counter medication or other medication that can legally be prescribed under both federal and state law to treat a disability, inform your Department Head or Supervisor if you believe the medication may impair your job performance, safety, or the safety of others or if you believe you need a reasonable accommodation before reporting to work while under the influence of that medication.

Employer-Sponsored Events

From time to time, the City may sponsor social or business-related events where alcohol may be served. This policy does not prohibit the use or consumption of alcohol at these events. However, if you choose to consume alcohol at such events, you must do so responsibly and maintain your obligation to conduct yourself properly and professionally at all times.

Treatment and/or Rehabilitation

The City may assist you in seeking treatment or rehabilitation for drug or alcohol dependency. In such cases, the City may consider your continued employment as long as concerns regarding safety, health, production, communication, or other work-related matters are adequately addressed. The City may also require you to obtain a medical clearance and agree to random testing and a "one-strike" rule as a condition of continued employment.

Violations

Violation of this policy may result in disciplinary action, up to and including termination of employment.

8.2 Drug Testing Policy

Random Selection

The City of McCook has three (3) separate substance abuse policies:

1. City of McCook Public Transportation Substance Abuse Policy (FTA);
2. City of McCook Federal Highway Administration Drug and Alcohol Testing Program and Policy for Employees (FMCS);
3. City of McCook Substances of Abuse Policy.

The City of McCook will drug test employee as mandated in each of the separate drug free workplace policies.

The forementioned policies are hereby incorporated into the City of McCook's employee handbook by this reference.

Recordkeeping

All records concerning test results will be kept by the City in medical files that are maintained separately from employee personnel files. Employees have a right to obtain copies of all test results from the testing laboratory or from the City.

8.3 General Safety Policy

It is the responsibility of all City of McCook employees to maintain a healthy and safe work environment. Report all safety hazards and occupational illnesses or injuries to your Department Head or Supervisor as soon as reasonably possible and complete an occupational illness or injury form as needed. Failure to follow the City health and safety rules may result in disciplinary action, up to and including termination of employment.

8.4 Policy Against Workplace Violence

As the safety and security of our employees, vendors, contractors, and the general public is in the best interests of City of McCook, we are committed to working with our employees to provide a work environment free from violence, intimidation, and other disruptive behavior.

Zero Tolerance Policy

The City has a zero-tolerance policy regarding workplace violence and will not tolerate acts or threats of violence, harassment, intimidation, and other disruptive behavior, either physical or verbal, that occurs in the workplace or other areas. This applies to management, co-workers, employees, and non-employees such as contractors, customers, and visitors.

Workplace violence can include oral or written statements, gestures, or expressions that communicate a direct or indirect threat of physical harm, damage to property, or any intentional behavior that may cause a person to feel threatened.

Prohibited Conduct

Prohibited conduct includes, but is not limited to:

- Physically injuring another person.
- Threatening to injure a person or damage property by any means, including verbal, written, direct, indirect, or electronic means.
- Taking any action to place a person in reasonable fear of imminent harm or offensive contact.
- Possessing, brandishing, or using a firearm on City property or while performing City business except as permitted by state law.
- Violating a restraining order, order of protection, injunction against harassment, or other court order.

Reporting Incidents of Violence

Report to your Department Head, Supervisor or Human Resources in accordance with this policy, any behavior that compromises our ability to maintain a safe work environment. All reports will be investigated immediately and kept confidential, except where there is a legitimate need to know. You are expected to cooperate in any investigation of workplace violence.

Violations

Violating this policy may subject you to criminal charges as well as discipline up to and including immediate termination of employment.

Retaliation

Victims and witnesses of workplace violence will not be retaliated against in any manner. In addition, you will not be subject to discipline for, based on a reasonable belief, reporting a threat or for cooperating in an investigation.

If you initiate, participate, are involved in retaliation, or obstruct an investigation into conduct prohibited by this policy, you will be subject to discipline up to and including termination.

If you believe you have been wrongfully retaliated against, immediately report the matter to Department Head and/or Human Resources.

8.5 SEXUAL ABUSE AND MOLESTATION PREVENTION POLICY

Approved September 6, 2022 – Resolution No. 2022-10

This policy establishes how the City of McCook, will prevent the physical, emotional, and sexual abuse of children and vulnerable adults by its employees or volunteers. The City of McCook seeks to create a welcoming and nurturing environment and has "zero-tolerance" for those whose actions may jeopardize the safety, health, or innocence of a minor or vulnerable adult.

The City of McCook does not permit or allow sexual abuse or molestation to occur in the workplace or at any activity sponsored by or related to it. In order to make this "zero-tolerance" policy clear to all employees, independent contractors, and volunteers, we have adopted mandatory procedures that employees, volunteers, independent contractors, board Members, individuals, and victims must follow when they learn of or witness sexual abuse or molestation.

DEFINITIONS

Abuse - Because it takes many forms, abuse can be broken down into the following subtypes, all of which are prohibited within the scope of this policy.

- Physical abuse - Injury inflicted on a child or vulnerable adult.
- Sexual abuse - Contact or activity of a sexual nature between an adult and a child or vulnerable adult.
- Emotional abuse - Mental or emotional injury inflicted on a child or vulnerable adult by the actions of an adult.
- Neglect - Failure to provide adequate care for a child or vulnerable adults.
- Economic abuse - Deliberate misuse of the money or belongings of a child or vulnerable adult.
- Child - A child is defined as anyone under the age of 17.
- Venerable Adult - An adult who is unable to protect themselves against significant harm or exploitation.

POLICY GUIDELINES

Personnel Screenings

Safeguards in the hiring process will be used to eliminate from consideration any candidates who display characteristics that could classify them at a high risk for violating this policy. The required screenings and background information will depend on the positions and its level of involvement with children and vulnerable adults.

For those who regularly work with or around children or vulnerable adults:

Candidates for positions that involve regular interaction with children or vulnerable adults, will be screened and selected using the following:

- Standard City of McCook employment application that includes signed authorization to perform necessary background checks.
- Criminal background checks for job applicants that have a conditional offer of employment in any and all states where the candidate has lived in the past seven years.
- Sexual offender registry checks for applicants that have a conditional offer of employment for or in any and all states where the candidate has lived for the last seven years.
- Driving records and any applicable certification if the position requires the transportation of children.
- In-person interview of the candidate.
- If hired, criminal and sexual offender registry checks will be conducted every five years for those who regularly work with children or vulnerable adults.

For those who occasionally work with children or vulnerable adults:

Candidates for positions that involve occasional contact with children or youth will be screened and selected using the following:

- Standard City of McCook employment application that includes signed authorization to perform necessary background checks.
- In-person interview of the candidate.
- Driving records and any applicable certification if the position requires the transportation of children.

All information collected about a candidate will be reviewed and used to determine if they are appropriate for the respective position. If hired, all information collected during the hiring process will be included in the employee's permanent file, which will be maintained over the course of their employment with the City of McCook.

Personnel screenings are required regardless of current employment status with the City of McCook. City of McCook employees seeking to transfer into a position that involves working with children or vulnerable adults must undergo the same review process as new hires.

Structural Guidelines for Programs

All City of McCook programs are designed to encourage safe interaction between employees and volunteers and children or vulnerable adults. The following guidelines are meant to keep established safeguards effective:

- Programs for children and vulnerable adults must have a reasonable adult to child ratio.
- When feasible, employees and volunteers are restricted from being alone with a child or vulnerable adult where they cannot be easily observed by others.

- Employees are not allowed to implement new activities or programs for children or vulnerable adults without supervisors consent. Request for new activities or programs should be submitted in writing to supervisors.

General Conduct

In an effort to provide a safe and healthy environment for both mind and body, the following guidelines are meant to guide City of McCook employees, independent contractors, and volunteers during their interactions with children and vulnerable adults. These guidelines do not and cannot outline every situation that may be encountered while on the job, requiring employees, independent contractors, and volunteers to act with a certain degree of personal discretion. Because a certain action is not prohibited in this section does not mean it is acceptable behavior. The City of McCook reserves the right to take disciplinary action against employees whose actions are found to be inappropriate or prevent a person from continuing to volunteer or work as an independent contractor with the City of McCook regardless of whether they appear in this section.

- Employees, independent contractors, and volunteers will treat all children and vulnerable adults with respect and consideration. Treatment must be fair and equal, and must not be based on sex, race, religion, sexual orientation, or economic or social status. All effort must be made to avoid favoritism or the appearance of favoritism.
- Employees, independent contractors, and volunteers must not use harsh or inappropriate language, degrading punishment, or any type of restraining device in the name of behavior management.
- Employees, independent contractors, and volunteers must not participate in or allow others to engage in any form of hazing,
- Employees, independent contractors, and volunteers must not have sexual contact with children or vulnerable adults.
- Employees, independent contractors, and volunteers must not dress, undress, shower, or bathe with or in the presence of children or vulnerable adults.
- Employees, independent contractors, and volunteers must not use physical punishment in any form. The only time physical force is allowed to be used against a child or vulnerable adult is when their actions are placing others at an immediate risk for serious harm.
- Employees, independent contractors, and volunteers are prohibited from sharing sleeping locations with children or vulnerable adults. This includes beds, tents, hotel rooms, and other similar areas.
- Employees, independent contractors, and volunteers must not discuss sexual content while in the company of children or vulnerable adults.
- Employees, independent contractors, and volunteers are not allowed to possess any sexually oriented materials (books, magazines, videos, clothing) when conducting business in the name of the City of McCook.
- When one-on-one discussion or counseling is warranted, employee (and not a volunteer or independent contractor) interaction with a child or vulnerable adult will take place in an area that allows for private conversation while remaining in the view of others, with a minimum of two (2) adult employees.

If, for any reason, an employee, independent contractor, or volunteer feels there is a need to make an exception to these guidelines, they must submit to their supervisor a written description of the incident and why their actions were necessary. Their report will be reviewed. A copy of the original report along with any additional findings made by the reviewer will be included in the employee's permanent file.

Reporting Procedure

All employees, independent contractors, or volunteers who witness or learn of sexual abuse being committed must immediately report it to a Supervisor who will then report to the City Manager or Human Resource Coordinator. If the victim is an adult, the abuse will be reported by this designee

to the local or state Police Agency. If a child is the victim, the designee will report it to the local or state Police Agency. The appropriate family members/guardians of the victim must be notified immediately if child or vulnerable adult abuse is suspected.

Investigation & Follow Up

We take allegations of sexual abuse seriously. Once the allegation is reported we will promptly and thoroughly, initiate an investigation to determine whether there is a reasonable basis to believe that sexual abuse has been committed. The report may be investigated by either an internal team or we may hire an independent third party. We will cooperate fully with any investigation conducted by law enforcement or regulatory agencies and we may, depending on the serious nature of allegations, report directly to law enforcement or other regulatory agency for investigation or refer the complaint, and the result of our investigation to those agencies. We reserve the right to place the subject of the investigation on an involuntary leave of absence or reassigning that person to responsibilities that do not involve personal contact with children or vulnerable adults. To the fullest extent possible, but consistent with our legal obligation to report suspected abuse to appropriate authorities, we will endeavor to keep the identities of the alleged victims and investigation subject confidential.

If the investigation substantiates the allegation, our policy provides for disciplinary penalties, including but not limited to termination of the actor's relationship with our organization. There are a number of "red flags" that suggest someone is being sexually abused. They take the form of physical or behavioral evidence.

Physical evidence of sexual abuse includes, but is not limited to:

- Sexually transmitted diseases;
- Difficulty walking or ambulating normally;
- Stained, bloody, or torn undergarments;
- Genital pain or itching or physical injuries involving the external genitalia;
- Behavioral signals suggestive of sexual abuse include, but are not limited to:
 - Fear or reluctance about being left in the care of a particular person;
 - Recoiling from being touched;
 - Bundling oneself in excessive clothing, especially night clothes;
 - Discomfort or apprehension when sex is referred to or discussed; and
 - Nightmares or fear of night and/or darkness.

Retaliation Prohibited

The City of McCook prohibits any retaliation against anyone, including an employee, volunteer, board member, and/or individual, who in good faith reports sexual abuse, alleges that it is being committed, or participates in the investigation. Intentionally false or malicious accusations/allegations of sexual abuse are prohibited.

Anyone who improperly retaliates against someone who has made a good faith allegation of sexual abuse, or intentionally provides false information to that effect, will be subject to discipline, up to and including termination.

9.0 Confidentiality

9.1 Confidentiality

As a condition of employment, City of McCook employees are required to protect the confidentiality of proprietary information, and confidential commercially sensitive information (i.e. financial, customer lists confidential employee information, etc.) related to the City. Access to this information

should be limited to a "need to know" basis and should not be used for personal benefit, disclosed, or released without prior authorization from management.

If you have information that leads you to suspect that employees are sharing such information in violation of this policy and are obtaining such information, you are required to inform your Department Head or Supervisor or Human Resources or appropriate department. Violation of this policy may result in disciplinary action up to and including termination, and may subject the violator to civil liability.

10.0 Customer Relations

10.1 Customer, Client, and Visitor Relations

City of McCook strives to provide the best products and services possible to our customers and clients. Our customers and clients support this business and generate your wages. You are expected to treat every customer, client, or visitor with the utmost respect and courtesy during your working time. You should never argue or act in a disrespectful manner towards a visitor or customer during your working time. If you are having problems with a customer, client, or visitor, notify your Department Head or Supervisor immediately. If a customer, client, or visitor voices a suggestion, complaint, or concern regarding our products or services, inform your Department Head or Supervisor or a member of management. Lastly, make every effort to be prompt in following up on customer, client, or visitor orders or questions. Positive customer, client, and visitor relations will go a long way to establishing our City as a leader in its field.

Closing Statement

Conclusion

All City employees help provide the services that the citizens of McCook desire, pay for, and expect. Good streets, excellent water systems, enjoyable parks, good community planning, police and fire protection do not just happen. As you join this City, we know that you too will give your best effort to provide the people of this community with the services that they can expect. It is not an easy task, but it is worthwhile. Everyone with the City of McCook wishes you well on your job. We hope that your working relationship with the City is long, pleasant, and rewarding.

**CITY MANAGER'S REPORT
NOVEMBER 21, 2022 MCCOOK CITY COUNCIL MEETING**

ITEM NO. 4.I. Authorize City Manager Nathan A. Schneider to sign a Memorandum of Understanding between the City of McCook and the McCook Professional Firefighters Association, Local 2100, allowing for two additional holidays to be added per the Collective Bargaining Agreement.

BACKGROUND:

As has been discussed, the collective bargaining agreement between the City of McCook and Fraternal Order of Police adds two additional holidays to the holiday schedule: Veterans Day and one floating holiday. Staff recommends adjusting the list of recognized holidays for all employees. With respect to the McCook Professional Firefighters Association, a Memorandum of Understanding which stipulates the additional holidays is the preferred way to denote the change without the necessity of opening the agreement. Due to the fact that the changes become effective on January 1, 2023, it may be simpler to execute an MOU.

APPROVALS:



Nathan A. Schneider, City Manager

November 15, 2022



Lea Ann Doak, City Clerk

November 15, 2022

MEMORANDUM OF UNDERSTANDING

BETWEEN THE CITY OF McCOOK

AND

McCOOK PROFESSIONAL FIREFIGHTERS ASSOCIATION LOCAL 2100

Whereby the City of McCook (the "City") and the McCook Professional Firefighters Association Local 2100 (the "Union") wish to continue with a labor agreement. The following amendments to the City of McCook, Nebraska and McCook Professional Firefighters Association Local 2100 Firefighters Collective Bargaining Agreement (October 1, 2020 — September 30, 2025) (the "Agreement") have been agreed upon and the parties hereto wish to incorporate the amendments into the Agreement.

The City and Union agree to amend ARTICLE XIII — HOLIDAYS of the Agreement as follows:

Section 2. Designated Holidays. The following specific days are designated holidays for employees in the bargaining unit:

- (a) January 1 New Year's Day
- (b) May; Last Monday Memorial Day
- (c) July 4 Independence Day
- (d) September; First Monday Labor Day
- (e) November; 4th Thursday Thanksgiving Day
- (f) November; 4th Friday After Thanksgiving Day
- (g) November 11 Veterans Day
- (h) 1/2 of December 24 Christmas Eve
- (i) December 25 Christmas Day
- (j) Two floating holidays

Section 3. Floating Holidays. The Floating Holidays referred to above are to be celebrated each calendar year on a mutually agreeable date between the employee and the City. It is understood that it is the employee's responsibility to give the City at least one (1) weeks notice of the date when he/she intends to celebrate the Floating Holiday. At least one (1) Floating Holiday day must be used by July 1 of each year or it shall be forfeited. Bargaining unit employees who utilize the Floating Holiday will be compensated for the amount of hours the employee is normally assigned at their regular rate of pay.

Section 4. The terms of this Memorandum of Understanding shall commence on January 1, 2023.

All items agreed to herein shall be set forth in the Agreement.

Agreed to and approved the _____ day of November, 2022.

CITY OF MCCOOK

MCCOOK PROFESSIONAL FIREFIGHTERS
ASSOCIATION LOCAL #2100

Nathan A. Schneider, City Manager

Rick Metcalf, President

Shane Smith, Vice President

**CITY MANAGER'S REPORT
NOVEMBER 21, 2022 CITY COUNCIL MEETING**

ITEM: 5.A.

RECOMMENDATION:

Introduce and approve, under suspension of the rule, Ordinance No. 2022-3057 providing for the creation of a land bank, defining the land bank procedure, providing for the authority to use the land bank in property nuisance abatement, and defining the problem resolution team.

BACKGROUND:

The City Council has expressed interest in moving forward with the land bank process. At this time, at least four other municipalities have expressed interest in moving forward as well – even if North Platte decides not to follow suit. These municipalities are Cambridge, Holbrook, Curtis and Beaver City.

The next step in the process is to pass ordinances that give the City Council and City staff to enter into an interlocal agreement with other municipalities to create a land bank and authority to use the land bank process in abating nuisance properties. A short explanation of each proposed Section is as follows:

Section § 35.100 defines a land bank.

Section § 35.101 gives the City authority to enter into an interlocal agreement forming a land bank.

Section § 35.102 provides the process for selecting the City's representative on the voting board of the land bank and the qualifications the representative must have.

Section § 35.103 provides the process for selecting the City's representative on the nonvoting board of the land bank

Section § 35.104 provides a timeline for filling a vacancy on the land bank boards.

Section § 95.04 provides the steps for identifying and referring nuisance properties to the land bank.

Section § 35.095 creates a problem resolution team to identify nuisance properties.

Section § 95.03 needs to be amended to allow the use of a problem resolution team to identify projects for the land bank

FISCAL IMPACT: 7,356 (2021) x \$4.00 = \$29,424 annually is being proposed as the annual membership fee for the land bank. This number can be adjusted as the Council sees fit.

APPROVALS:

prepared by
Nathaniel Mustion, City Attorney

November ____, 2022


Nate Schneider, City Manager

November 17, 2022

ORDINANCE NO. 2022-3057

AN ORDINANCE PROVIDING FOR THE AMENDMENT OF THE CITY OF MCCOOK CODE OF ORDINANCES; RELATING TO THE CREATION OF A LAND BANK, DEFINING THE LAND BANK PROCEDURE, PROVIDING FOR THE AUTHORITY TO USE THE LAND BANK IN PROPERTY NUISANCE ABATEMENT, AND DEFINING THE PROBLEM RESOLUTION TEAM; TO REPEAL CONFLICTING ORDINANCES AND SECTIONS; AND TO PROVIDE AN EFFECTIVE DATE.

NO, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF MCCOOK, NEBRASKA:

Section 1. That Chapter 35: City Organizations, of the City of McCook Code of Ordinances is hereby revised, adding sections pertaining to the Land Bank; shall be added to read as follows:

"LAND BANK"

§ 35.100 DEFINITION

A separate legal entity and a public body corporate and politic and political subdivision of the State of Nebraska organized and existing under the provisions of the Land Bank Act and Interlocal Cooperation Act.

Members of the City Council shall be residents and registered voters of the city and shall hold no other employment with the city. They shall be permitted to hold other elective office as provided by state law. Any Council member who ceases to possess any of the qualifications required by this section shall forthwith forfeit the office.

(Prior Code, § 1-201) (Ord. 2005-2720, passed 2-7-2005)

§ 35.101 INTERLOCAL

The City may elect to enter into a Land Bank through an interlocal agreement pursuant to the Interlocal Cooperation Act.

§35.102 BOARD MEMBERS; VOTING; QUALIFICATIONS

The Chief Executive Officer of the City and two-thirds vote of the City Council shall select a board member who shall meet at least one of the following requirements:

- (a) Representative of chamber of commerce;
- (b) Banking experience;
- (c) Real estate development experience;
- (d) Realtor experience;
- (e) Nonprofit or affordable housing experience; and
- (f) Large-scale residential or commercial property rental experience.

The voting member shall be a resident of the City.

§35.103 BOARD MEMBERS; NONVOTING

The City Council shall designate by majority vote one of its members and one other designee of its choice to serve on the land bank's nonvoting board. The designee of the City Council's choice shall be a resident of the City.

§35.104 VACANCY

A vacancy on either the voting or nonvoting board shall be filled no later than six months after the date of such vacancy in the same manner as the original appointment.

Section 2. The City of McCook Code of Ordinances is hereby revised, amending Section 95.03 - Abatement Procedure, to read as follows:

§ 95.03 ABATEMENT PROCEDURE.

(A) It shall be the duty of every owner, occupant, lessee, or mortgagee of real estate in the municipality to keep such real estate free of public nuisances. The Board of Health and/or Problem Resolution Team shall inspect the property as shall come to its attention as being in violation of these requirements. Should the owner of any property prohibit the Board of Health and/or Problem Resolution Team from entering upon the property to make inspection, the Board and/or Problem Resolution Team shall apply to the County or District Court for an order authorizing inspection of the property.

(B) Upon determination by the Board of Health, Problem Resolution Team, or designated official that the owner or occupant of any such real estate has failed to keep the real estate free of nuisances, notice to abate and remove such nuisance and notice of the right to a hearing before the governing body and the manner in which it may be requested shall be given to each owner or owner's duly authorized agent and to the occupant, if any, by personal service or by certified mail. If notice by personal service or certified mail is unsuccessful, notice shall be given by publication in a newspaper of general circulation in the municipality or by conspicuously posting the notice on the real estate upon which the nuisance is to be abated and removed. The notice shall describe the condition as found by the Board of Health, Problem Resolution Team, or designated official and state that the condition has been declared a nuisance and must be remedied at once.

(C) If within five days after receipt of such notice or publication or posting, whichever is applicable, the owner or occupant of the real estate does not request a hearing with the municipality or fails to comply with the order to abate and remove the nuisance, the municipality may have such work done.

(D) If within five days after receipt of such notice or publication or posting,

whichever is applicable, the owner or occupant requests in writing a hearing with the governing body, the governing body shall fix a time and place at which a hearing will be held. Notice of the hearing shall be given by personal service or certified mail and require the owner or occupant to appear before the governing body to show cause why such condition should not be found to be a nuisance and remedied. The notice shall be given not less than seven nor more than 14 days before the time of the hearing. Upon the date fixed for the hearing and pursuant to the notice, the governing body shall hear all objections made by the owner or occupant and shall hear evidence submitted by the Board of Health, [Problem Resolution Team](#), or designated official. If after consideration of all the evidence, the governing body finds that the condition is a nuisance, it shall, by resolution, order and direct the owner or occupant to remedy the nuisance at once. If the owner or occupant refuses or neglects to promptly comply with the order to abate and remove the nuisance, the governing body may have such [work done or proceed under McCook Code of Ordinances § 95.04](#).

(E) The costs and expenses of any such work shall be paid by the owner. If unpaid for two months after such work is done, the municipality may either:

(1) Levy and assess the costs and expenses of the work upon the real estate so benefitted as a special assessment in the same manner as other special assessments for improvements are levied and assessed; or

(2) Recover in a civil action the costs and expenses of the work upon the real estate and the adjoining streets and alleys.

(Prior Code, § 4-303) (Ord. 1701, passed 9-19-1983; Ord. 2018-2965, passed 5-7-2018; Ord. 2020-3002, passed 4-6-2020)

Statutory reference:

Authority, see Neb. RS 18-1720

Section 3. The City of McCook Code of Ordinances is hereby revised, moving and amending current Section 95.04 - Jurisdiction, to read as follows:

§ 95.19 JURISDICTION.

The City Manager and Chief of Police of the City are directed to enforce this city code against all nuisances. The jurisdiction of the Mayor, Chief of Police, and court shall extend to, and the territorial application of this chapter shall include, all territory adjacent to the limits of the city within two miles thereof and all territory within the corporate limits.

(Prior Code, § 4-304)

Statutory reference:

Authority, see Neb. RS 16-901, 18-1720

Section 4. The City of McCook Code of Ordinances is hereby revised, amending Section 95.04 - Land Bank Procedure, to read as follows:

§ 95.04 LAND BANK PROCEDURE.

(A) The Problem Resolution Team shall identify nuisance properties within the City that could be acquired by a land bank to design, develop, construct, demolish, reconstruct, rehabilitate, renovate, relocate, or otherwise improve the nuisance property.

(B) If the Problem Resolution Team determines that a nuisance property should be acquired by a land bank, it shall present its determination to the City Council. The City Council shall approve or deny the determination by majority vote. Should the City Council vote to approve the determination, the Problem Resolution Team shall make application to the land bank for the nuisance property.

(C) The land bank shall draft a project agreement for each nuisance property acquired within the City's boundaries. The project agreements shall be presented to the City Council for approval by majority vote.

Section 5. The City of McCook Code of Ordinances is hereby revised, adding Section 35.095 - Problem Response Team, to read as follows:

§ 35.095 PROBLEM RESOLUTION TEAM.

(A) Purpose: The City Council of the City of McCook hereby determines it is in the best interest of the City of McCook that a Problem Resolution Team be established to abate nuisances and mitigate properties that are deteriorating, damaged or substandard, or that present housing code or building code violations, or health and sanitary concerns.

(B) Organization: The Problem Resolution Team shall consist of at least four members. These members shall include, but not be limited to the City Manager, Building Inspector, City Attorney and a representative from the McCook Police Department.

(C) Function: The function of the Problem Resolution Team is to gather relevant information, share information among City departments, conduct appropriate investigations, respond to citizen complaints, identify nuisance issues, code violations, and other concerns within the City to insure the health and safety of the public is maintained and make recommendations to the Board of Health and/or land bank for resolution of issues that cannot be resolved through the mediation process adopted by the Problem Resolution team.

(D) Process: The Problem Resolution Team shall receive complaints submitted by city staff, citizens or other public agencies, conduct appropriate investigations, refer matters to the McCook Police Department, Fire Department or Building Inspector for inspection, meet and confer with property owners, tenants or other citizens and representatives from other agencies to develop solutions to complaints; direct enforcement of routine code violations such as weed or tall grasses by city staff; follow-up on inspections; and agree to resolutions.

(E) Referral: In the event that the Problem Resolution Team is unable to resolve complaints, the matter shall be referred to the City of McCook Board of Health and/or land bank for enforcement based upon the City Code and state statute.

Section 6. Any other ordinance or code section passed and approved prior to passage, approval, and publication or posting of this ordinance and in conflict with its provisions is repealed.

Section 7. This ordinance shall take effect and be in full force from and after its passage, approval, and publication as required by law in its entirety or in pamphlet form.

PASSED AND APPROVED this 21st day of November, 2022.

Michael D. Gonzales, Mayor

ATTEST:

Lea Ann Doak, City Clerk

Publish: March 1, 2022

CITY MANAGER'S REPORT
NOVEMBER 21, 2022 CITY COUNCIL MEETING

ITEM: 5.B.

RECOMMENDATION:

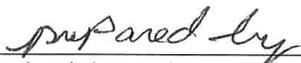
Approve Resolution No. 2022 - 19 approving the Interlocal Agreement and authorizing the Mayor to sign.

BACKGROUND:

Ordinance § 39.02 gives the City authority to enter into an interlocal agreement forming a land bank. The interlocal agreement is the initial agreement between the municipalities that form the land bank. It sets forth the basic structure of the land bank, how the land bank will be funded, how land bank funds will be handled and how projects are approved and completed.

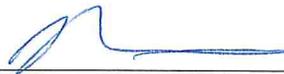
FISCAL IMPACT: 7,356 (2021) x \$4.00 = \$29,424 annually is being proposed as the annual membership fee for the land bank. This number can be adjusted as the Council sees fit.

APPROVALS:



Nathaniel Mustion, City Attorney

November ____, 2022



Nate Schneider, City Manager

November 17, 2022

RESOLUTION NO. 2022-19

**A RESOLUTION OF THE CITY OF MCCOOK, NEBRASKA,
APPROVING THE SOUTHWEST NEBRASKA LAND BANK**

Recitals

WHEREAS, vacant, abandoned, and tax-delinquent properties represent lost revenue to municipalities and large costs associated with demolition, safety hazards, and the deterioration of neighborhoods.

WHEREAS, there is an overriding public need to confront the problems caused by vacant, abandoned, and tax-delinquent properties through the creation of tools to turn vacant spaces into vibrant places;

WHEREAS, land banks are one of the tools that can be utilized by municipalities to facilitate the return of vacant, abandoned, and tax-delinquent properties to productive use;

WHEREAS, the purpose of the Land Bank Act is to permit Nebraska municipalities to address the public need to confront the problems caused by vacant, abandoned, and tax-delinquent properties through the use of land banks by municipalities to facilitate the return of vacant, abandoned, and tax delinquent properties to productive use;

WHEREAS, the Land Bank Act authorizes two or more municipalities to enter into an agreement under the Interlocal Cooperation Act to create a single land bank to act on behalf of such municipalities;

WHEREAS, the City of McCook wishes to enter into an interlocal agreement with neighboring municipalities to form the Southwest Nebraska Municipal Land Bank.

NOW, THEREFORE, BE IT RESOLVED by the McCook City Council that the Interlocal Agreement Establishing the Southwest Nebraska Municipal Land Bank is hereby approved and the Mayor is authorized to sign.

RESOLVED this 21st of November, 2022.

ATTEST:

Michael D. Gonzales, Mayor

Lea Ann Doak, City Clerk

INTERLOCAL AGREEMENT ESTABLISHING THE
SOUTHWEST NEBRASKA MUNICIPAL
LAND BANK

EFFECTIVE the ____ day of _____, 202__.

INTERLOCAL AGREEMENT
ESTABLISHING THE SOUTHWEST
NEBRASKA MUNICIPAL LAND BANK

This Interlocal Agreement Establishing the Southwest Nebraska Municipal Land Bank, dated and effective the ____ day of _____, 202__, (hereafter the "Agreement") is made and entered into by the municipalities that are parties to this Agreement (collectively, the "Member Municipalities") identified herein in Section 1.10 and Section 8, and as may be from time to time amended.

RECITALS

WHEREAS, each of the Member Municipalities is a city of the first class, city of the second class, or village in the State of Nebraska, a municipality within the meaning of the Nebraska Municipal Land Bank Act, Neb. Rev. Stat. §§ 18-3401 to 18-3418 (the "Land Bank Act") and a public agency within the meaning of the Nebraska Interlocal Cooperation Act, Neb. Rev. Stat. §§ 13-801 to 13-827 (the "Interlocal Cooperation Act" and together with the Land Bank Act, the "Acts");

WHEREAS, vacant, abandoned, and tax-delinquent properties represent lost revenue to municipalities and large costs associated with demolition, safety hazards, and the deterioration of neighborhoods;

WHEREAS, there is an overriding public need to confront the problems caused by vacant, abandoned, and tax-delinquent properties through the creation of tools to turn vacant spaces into vibrant places;

WHEREAS, land banks are one of the tools that can be utilized by municipalities to facilitate the return of vacant, abandoned, and tax-delinquent properties to productive use;

WHEREAS, the purpose of the Land Bank Act is to permit Nebraska municipalities to address the public need to confront the problems caused by vacant, abandoned, and tax-delinquent properties through the use of land banks by municipalities to facilitate the return of vacant, abandoned, and tax delinquent properties to productive use;

WHEREAS, the Land Bank Act authorizes two or more municipalities to enter into an agreement under the Interlocal Cooperation Act to create a single land bank to act on behalf of such municipalities;

WHEREAS, pursuant to the Interlocal Cooperation Act, any power or powers, privileges or authority exercised or capable of exercise by a public agency of the State of Nebraska may be exercised jointly with any other public agency of the State of Nebraska;

WHEREAS, each of the Member Municipalities desires to enter into this Agreement under the authority contained in the Acts to provide for the creation and organization of the Southwest Nebraska Municipal Land Bank (the "Land Bank") as a separate legal entity, a public body corporate and politic of the State of Nebraska, and an instrumentality of the Member Municipalities under the provisions of the Acts to accomplish their joint and cooperative action, and to provide for delegation to the Land Bank of certain common powers of the Member Municipalities and the exercise by the Land Bank of the powers conferred by the Acts.

Now, for and in consideration of the terms and provisions of this Agreement and the mutual obligations and undertakings of the Member Municipalities contained in this Agreement, the Member Municipalities hereby agree as follows:

Section 1. Definitions

1.1. "Acts" means, collectively, the Land Bank Act and the Interlocal Cooperation Act.

- 1.2. "Additional Member Municipality" means any Municipality that becomes a party to this Agreement and a member of the Land Bank as provided in Section 8.
- 1.3. "Administrative and General Costs" means the administrative and general costs and expenses of the Land Bank, including if applicable, salaries, wages and benefits, costs of management and administration, costs of preparation of the annual budget and financial statements required by Section 6, and any other costs and expenses relating to the general organization, management, and administration of the Land Bank, all to the extent not allocable to any Project as determined by the Board.
- 1.4. "Agreement" means this Interlocal Cooperation Agreement entitled "Interlocal Agreement Establishing the Southwest Nebraska Municipal Land Bank" as dated above, and as it may be amended or supplemented from time to time in accordance with its terms.
- 1.5. "Board" means the Board of the Land Bank established under Section 5, consisting of an odd number of voting members equal to or exceeding seven.
- 1.6. "Bylaws" means the Bylaws of the Land Bank, if applicable.
- 1.7. "Effective Date" means the date on which this Agreement shall be fully effective, which shall be the date, following the approval and execution of this Agreement by two of the Initial Member Municipalities, as first written above.
- 1.8. "Eligible Municipality" means a city or village in the State of Nebraska, other than a city of the metropolitan class or a city of the primary class.
- 1.9. "General Fund" means the fund established under Section 6.1.
- 1.10. "Initial Member Municipalities" means the following Eligible Municipalities:
 - 1.10.1. McCook
- 1.11. "Interlocal Cooperation Act" means the Nebraska Interlocal Cooperation Act, Neb. Rev. Stat. §§ 13-801 to 13-827, as amended from time to time.
- 1.12. "Land Bank" means the Southwest Nebraska Municipal Land Bank, a separate legal entity and a public body corporate and politic and political subdivision of the State of Nebraska organized and existing under the provisions of the Acts and this Agreement.
- 1.13. "Land Bank Act" means the Nebraska Municipal Land Bank Act, Neb. Rev. Stat. §§ 18-3401 to 18-3418, as amended from time to time.
- 1.14. "Member Municipalities" means, collectively, the Initial Member Municipalities and any Additional Member Municipalities.
- 1.15. "Member Municipality Funds" means, collectively, the individual funds established for each of the Member Municipalities under Section 6.3.
- 1.16. "Member Municipality Percentage" means the percentage of population an individual Member Municipality is of the overall population base of the Member Municipalities of the Land Bank. The populations used for the calculation will be the Member Municipality's population published in the United States Census Bureau's 2020 Census. By way of example, if the overall population base of the Land Bank is 100,000 and an individual member Municipality has a population of 10,000, that Member Municipality's "Member Municipality Percentage" would be 10%.

- 1.17. "Membership Fees" means the initial and annual fees that Membership Municipalities pay under Section 6.2 for being a member of the Land Bank.
- 1.18. "Nuisance Abatement Officer" means the person(s) responsible for coordinating nuisance abatement within the Member Municipalities. This can include Member Municipality's problem resolution teams or any other agent designated by the Member Municipalities.
- 1.19. "Program" means the acquisition, rehabilitation, demolition, development, construction, reconstruction, renovation, relocation, and other improvements in Real Property or rights therein, including the undertaking and financing of one or more Projects, and related services and functions which are necessary or desirable to the Member Municipalities for the purpose of returning vacant, abandoned, and tax-delinquent properties to productive use, all of which shall be undertaken by the Land Bank as the instrumentality of the Member Municipalities as provided in this Agreement.
- 1.20. "Project" means any undertaking of the Land Bank to design, develop, construct, demolish, reconstruct, rehabilitate, renovate, relocate, or otherwise improve specific Real Property or rights and interests in Real Property.
- 1.21. "Project Agreement" means a contract under which the Land Bank provides services consistent with the Program to a Member Municipality or a Project Participant. Reference to a Project Agreement includes any amendments or supplements to such agreement.
- 1.22. "Project Committee" means a committee of Project Participants described in Section 7.4.
- 1.23. "Project Costs" means all costs incurred or payable by the Land Bank in connection with a Project, including all Project development costs, operating expenses, debt service, and all other costs relating to a Project, as determined by the Board.
- 1.24. "Project Participants" means the Member Municipalities and any other parties that participate in a Project with the Land Bank.
- 1.25. "Project Property" means the Real Property involved in a Project.
- 1.26. "Real Property" means any of the following within a Member Municipality's jurisdictional boundaries: land, land under water, structures, and any and all easements, air rights, franchises, and incorporeal hereditaments and every estate and right therein, legal or equitable, including terms for years and liens by way of judgment, mortgage, or otherwise, and any and all fixtures and improvements located thereon. For this purpose, a Member Municipality's jurisdictional boundaries do not include its extraterritorial zoning jurisdiction.

Section 2. Findings and Determinations; Purpose of and Authority for this Agreement

- 2.1. Findings, Determinations. Each of the Member Municipalities hereby finds, determines, and declares that:
 - 2.1.1. Addressing vacant, abandoned, and tax-delinquent properties through the Land Bank is appropriate for the accomplishment of the governmental purposes of the Member Municipalities;
 - 2.1.2. Land Banks are a tool that facilitates the return of vacant, abandoned, and tax delinquent properties to productive use;
 - 2.1.3. It is appropriate, desirable, and in the best interest of the Member Municipality to enter into this Agreement and to provide for the joint and cooperative action and organization of the Land Bank for the purposes provided herein; and

- 2.1.4. Subject to the specific limitations of the Land Bank Act, the Land Bank in the exercise of the powers delegated to it under this Agreement and as set forth in the Interlocal Cooperation Act shall be performing essential government functions as a “joint entity” under the Interlocal Cooperation Act and as an agency, instrumentality, and constituted authority of the Member Municipalities.
- 2.2. Purpose. The purpose of this Agreement is to set forth the agreement of the Member Municipalities for their joint and cooperative action with respect to the Program; and to provide for the creation and organization of the Land Bank under the Acts to undertake and give effect to the Program. Each of the Member Municipalities hereby declares and agrees that the purposes of this Agreement are appropriate, desirable, and reasonable.
- 2.3. Authority. This Agreement is entered into under authority conferred by the Acts and the laws of the State of Nebraska.

Section 3. Creation and Organization of the Land Bank

- 3.1. Creation and Organization. Under the authority contained in the Acts, the Member Municipalities hereby create and organize the Land Bank as a separate legal entity and a joint entity under the Interlocal Cooperation Act, and as a public body corporate and politic of the State of Nebraska to accomplish their joint and cooperative action with respect to the Program, all under the terms, provisions, and limitations in this Agreement.
- 3.2. Name. The name of the Land Bank shall be the Southwest Nebraska Municipal Land Bank.
- 3.3. Principal Place of Business. The Land Bank’s principal place of business shall be 101 West C Street, McCook, Nebraska.
- 3.4. Management. The management of the affairs of the Land Bank will be vested in the Board and the Member Municipalities, as provided in the Acts, this Agreement, and the Bylaws.
- 3.5. Fiscal Year. The fiscal year of the Land Bank shall be the twelve month period ending on September 30.
- 3.6. Duration. The Land Bank shall have permanent and perpetual duration until terminated and dissolved according to Section 9.1 and the Land Bank Act.
- 3.7. Manner of Financing. The activities of the Land Bank shall be financed through contributions from its Member Municipalities, funding through grants and loans from any public or private source; property taxes received under the Land Bank Act; consideration for disposition of real and personal property; rents and leasehold payments; proceeds from insurance; income from investments; payments for services rendered; and any other asset or activity permitted by law.

Section 4. Purposes and Powers of the Land Bank

- 4.1. Purpose. The purpose of the Land Bank is to implement and give effect to the Program for the benefit of the Member Municipalities. Each of the Member Municipalities declares, acknowledges, and agrees that, in carrying out the Program, the Land Bank will be exercising powers for and on behalf of the Member Municipalities as their instrumentality.
- 4.2. Powers. In furtherance of the Program, the Land Bank shall have the power to engage in any and all lawful acts and activities concerning the acquisition, rehabilitation, demolition, development, construction, reconstruction, renovation, relocation, and other improvements in Real Property or rights therein, as and to the same extent that such power is possessed and capable of exercise by

any of the Member Municipalities under applicable law. The powers so conferred upon and delegated to the Land Bank shall include the power:

- 4.2.1. To acquire Real Property or interests in Real Property by gift, devise, transfer, exchange, foreclosure, purchase, or otherwise, using such methods and on such terms and conditions the Land Bank considers proper;
- 4.2.2. To receive Real Property or interests in Real Property by transfer from a political subdivision, on such terms and conditions and according to the procedures determined by the political subdivision and the Land Bank;
- 4.2.3. By resolution of the Board, to discharge and extinguish any and all liens or claims for real property taxes or special assessments owed to any political subdivision of the State of Nebraska with respect to Real Property acquired by the Land Bank, except that no lien or claim represented by a tax sale certificate held by a private third party shall be extinguished or discharged;
- 4.2.4. To bid on Real Property at any sale of the same for nonpayment of taxes or in connection with foreclosure, pursuant the applicable terms of the Land Bank Act.
- 4.2.5. To adopt, amend, and repeal Bylaws for the regulation of its affairs and the conduct of its business;
- 4.2.6. To contract with and/or employ such agents and employees, permanent or temporary, as it may require, and determine the qualifications and fix the compensation and benefits of such persons;
- 4.2.7. To sue and be sued in its own name and plead and be impleaded in all civil actions;
- 4.2.8. To borrow money from private lenders, from municipalities, from the State of Nebraska, or from federal government funds as may be necessary for the operation and work of the Land Bank;
- 4.2.9. To procure insurance or guarantees from the State of Nebraska or federal government of the payments of any debts or parts thereof incurred by the Land Bank and to pay premiums in connection therewith;
- 4.2.10. To enter into contracts and other instruments necessary, incidental, or convenient to the performance of its duties and the exercise of its powers, including, but not limited to, agreements under the Interlocal Cooperation Act for the joint administration of multiple land banks or the joint exercise of powers under the Nebraska Municipal Land Bank Act;
- 4.2.11. To enter into contracts and other instruments necessary, incidental, or convenient to the performance of functions by the Land Bank on behalf of Member Municipalities or agencies or departments of Member Municipalities, or the performance by Member Municipalities or agencies or departments of Member Municipalities of functions on behalf of the Land Bank;
- 4.2.12. To make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the Land Bank;
- 4.2.13. To provide foreclosure prevention counseling and re-housing assistance;
- 4.2.14. To procure insurance against losses in connection with the Real Property, assets, or activities of the Land Bank;

- 4.2.15. To invest money of the Land Bank, at the discretion of the Board, in instruments, obligations, securities, or property determined proper by the Board and name and use depositories for its money, except that a Land Bank shall not invest its money in any instrument, obligation, security, or property in which a direct or indirect interest is held by a voting member or non-voting member of the Board or an employee of the Land Bank, by a Board member's or an employee's immediate family, or by a business or entity in which a Board member or an employee has a financial interest;
 - 4.2.16. To enter into contracts for the management of, the collection of rent from, or the sale of Real Property of the Land Bank;
 - 4.2.17. To design, develop, construct, demolish, reconstruct, rehabilitate, renovate, relocate, and otherwise improve Real Property or rights or interests in Real Property of the Land Bank;
 - 4.2.18. To fix, charge, and collect fees and charges for services provided by the Land Bank;
 - 4.2.19. To fix, charge, and collect rents and leasehold payments for the use of Real Property of the Land Bank for a period not to exceed twelve months, except that such twelve month limitation shall not apply if the Real Property of the Land Bank is subject to a lease with a remaining term of more than twelve months at the time such Real Property is acquired by the Land Bank;
 - 4.2.20. To grant or acquire a license, easement, lease, as lessor and as lessee, or option with respect to Real Property of the Land Bank;
 - 4.2.21. To enter into partnerships, joint ventures, and other collaborative relationships with municipalities and other public and private entities for the ownership, management, development, and disposition of Real Property, provided that the Land Bank shall not enter into an agreement with any nonprofit corporation or other private entity for the purpose of temporarily holding Real Property for such nonprofit corporation or private entity, except for such agreements not exceeding one year for the purpose of providing clear title to such property; and
 - 4.2.22. To do all other things necessary or convenient to achieve the objectives and purposes of the Land Bank or other laws that relate to the purposes and responsibilities of the Land Bank.
- 4.3. All the powers of the Land Bank shall be exercised by or under the control, supervision and direction of the Board. The foregoing enumeration of powers shall not be construed as limitation on the powers of Land Bank, and the Land Bank shall have the ability to exercise all other powers necessary or desirable to the accomplishment of its purposes. The foregoing delegation of powers to the Land Bank is non-exclusive; the exercise of any or all of these powers by the Land Bank shall not preclude any Member Municipality from contemporaneously exercising the same or similar powers, provided that the Member Municipality has such powers independent of the Land Bank.
- 4.4. Specific Limitations. In addition to limitations set forth elsewhere in this Agreement, and pursuant to the Land Bank Act, the Land Bank shall not:
- 4.4.1. Have the power to issue negotiable revenue bonds and notes;
 - 4.4.2. Possess or exercise the power of eminent domain;
 - 4.4.3. Have the authority to levy property taxes; or
 - 4.4.4. Receive property tax revenue from a political subdivision under an agreement entered into under the Joint Public Agency Act.
- 4.4. General Limitations. In addition to the limitations and restrictions contained elsewhere in this Agreement, this Agreement is not intended to, and shall not be construed or interpreted to,

expand or increase in any manner the powers, duties, and authority of any Member Municipality under the Acts or other applicable law.

Section 5. Board

- 5.1. Initial Board. The initial individuals to serve as voting and non-voting members of the Board and the terms for which they are to serve are set forth in Exhibit A, attached hereto and incorporated fully herein by reference.
- 5.2. Subsequent Board Members. Subsequent voting members and non-voting members of the Board shall be chosen as provided in the Bylaws.
- 5.3. Qualifications of Voting Members. Each voting member of the Board must be a resident of one of the Member Municipalities. A voting member of the Board may, but need not be, a public official or employee.
- 5.4. Skills, Knowledge, and Expertise of Voting Members. Collectively, the voting members of the Board must have verifiable skills, expertise, and knowledge in market-rate and affordable residential, commercial, industrial, and mixed-use real estate development, financing, law, purchasing and sales, asset management, economic and community development, and the acquisition of tax sale certificates.
- 5.5. Representation and Experience. The voting members of the Board shall include the following:
 - 5.5.1. At least one individual representing a chamber of commerce;
 - 5.5.2. At least one individual with experience in banking;
 - 5.5.3. At least one individual with experience in real estate development;
 - 5.5.4. At least one individual with experience as a realtor;
 - 5.5.5. At least one individual with experience in nonprofit or affordable housing; and
 - 5.5.6. At least one individual with experience in large-scale residential or commercial property rental. A single voting member may satisfy more than one of the requirements in this Section if he or she has the required qualifications. It is not necessary that there be a different member to fulfill each such requirement.
- 5.6. No Compensation. The voting and non-voting members of the Board shall serve without compensation.
- 5.7. Officers. The voting members of the Board shall select annually from among themselves a chairperson, a vice-chairperson, a treasurer, and such other officers as the Board may determine, as provided in the Bylaws.
- 5.8. Resignation, Removal, Vacancies. Voting and non-voting members of the Board and officers of the Land Bank may resign or be removed as provided in the Bylaws. Vacancies shall be filled in the same manner as the original appointment, as provided in the Bylaws.

Section 6. General Fund; Member Municipality Membership Fees; Member Municipality Funds; Allocation and Collection of Costs; Annual Budget; Audit

- 6.1. General Fund. There is hereby established a General Fund consisting of the initial contributions and Membership Fees shown on Exhibit B, attached hereto and incorporated fully herein by reference. Except as otherwise provided by a Project Agreement or restrictions placed on a

contribution, all future contributions, Membership Fees and revenue received by the Land Bank shall initially be held in the General Fund. The General Fund shall be used for Administrative and General Costs. After accounting for Administrative and General Costs, all proceeds held in the General Fund shall be allocated amongst the Member Municipality Funds according to the percentages set forth in Exhibit C, attached hereto and incorporated fully herein by reference. Administrative and General Costs shall be apportioned to the Member Municipality's Member

- 6.2. Member Municipality Membership Fees. Each Member Municipality shall be assessed a fee upon becoming a member of the Land Bank and yearly thereafter. The amount of the fees shall be determined on a per capita basis and shall be set by the Board. By way of example: If the Board set the fee at \$10.00 per capita, a Member Municipality with a population of 1,000 would pay a membership fee of \$10,000.00.
- 6.3. Member Municipality Funds. There are hereby established individual funds for each of the Member Municipalities. Said funds shall be used for Project Costs on Projects within the Member Municipality's corporate limits.
 - 6.3.1. Administrative and General Costs shall be paid from the General Fund. Alternatively, the Land Bank may allocate Administrative and General Costs among the Member Municipalities in the percentages set forth in Exhibit D. Any costs so allocated shall be billed to the Member Municipalities not more frequently than monthly.
 - 6.3.2. Unless otherwise provided in the Project Agreement, Project Costs of each Project shall be allocated solely to the Project Participants participating in that Project, and billed not more frequently than monthly.
 - 6.3.3. Project Costs shall not exceed the sum of money held in the participating Member's Municipality Fund unless alternative funding for the Project has been arranged and unanimously approved by the Board.
- 6.4. Allocation of Costs. The Land Bank shall maintain complete and accurate books and records of all of its costs and expenses, which shall be classified as either Administrative and General Costs or Project Costs.
 - 6.4.1. Administrative and General Costs shall be paid from the General Fund. Alternatively, the Land Bank may allocate Administrative and General Costs among the Member Municipalities in the percentages set forth in Exhibit D. Any costs so allocated shall be billed to the Member Municipalities not more frequently than monthly.
 - 6.4.2. Unless otherwise provided in the Project Agreement, Project Costs of each Project shall be allocated solely to the Project Participants participating in that Project, and billed not more frequently than monthly.
 - 6.4.3. Project Costs shall not exceed the sum of money held in the participating Member's Municipality Fund unless alternative funding for the Project has been arranged and unanimously approved by the Board.
- 6.4. Annual Budget. The Land Bank shall prepare an annual budget of Administrative and General Costs and shall prepare a separate annual budget of the Project Costs for each Project. The annual budget of Administrative and General Costs and the annual budgets of Project Costs shall be consolidated into a comprehensive budget that reflects all of the Land Bank's activities.
- 6.5. Audit. At the discretion of the Board, the financial records and activities of the Land Bank may be audited by an independent certified public accountant at the close of each fiscal year.
- 6.6. Reports. The Land Bank shall make and file such financial and other reports as shall be required by law, including but not limited to: monthly reports to the member municipalities, and annual reports by March 1 of each year to the member municipalities, Speaker of the Legislature, Chairperson of the Executive Board of the Legislative Council, the Revenue Committee of the Legislature, and the Urban Affairs Committee, pursuant to Neb. Rev. Stat. 18-3413.

Section 7. Projects; Project Participants; Project Committees

- 7.1. Projects. Each Project shall be initiated by a Member Municipality's Nuisance Abatement Officer identifying a Project within its corporate boundaries and filling out an application with the Land Bank for the Project. Once the Land Bank receives an application, it will generate a Project Agreement for the Project. The Project Agreement will then be sent to the Member Municipality's City Council or Village Board for approval. If the City Council or Village Board approves the Project Agreement, they shall forward the approved Project Agreement back to the

Land Bank where it will be voted on by the Board. The Board should not unreasonably withhold approval of a Project Agreement. Each Project shall be governed by a Project Agreement with the Land Bank.

- 7.2. Outside Project Participants. Any public or private person authorized by law to participate in a Project may become a Project Participant under a Project Agreement with the Land Bank. The Board must approve and accept any Project Participant that is not a Member Municipality by the affirmative vote of at least two-thirds the total number of voting members of the Board then serving. Project Participants who are not Member Municipalities of the Land Bank shall not have the right to participate in the selection, election, and approval of voting or non-voting members of the Board, but may, at the discretion of the Board, be represented on a Project Management Committee. The Project Agreement may, in the discretion of the Board, require each non-Member Municipality Project Participant to pay a portion of the Land Bank's Administrative and General Costs, and in such event shall specify how such payments offset the Administrative and General Costs otherwise allocated to Member Municipalities according to its Member Municipality Percentage.
- 7.3. Project Agreements. Each Project Agreement shall provide for the scope and execution of the Project, the composition and selection of the Project Committee (if any), allocation of Project Costs and responsibilities of the Project among Project Participants, and contain such provisions relating to termination of the Project as necessary or appropriate to dispose of the Project Property upon termination.
- 7.4. Project Committee. In the Board's discretion, a separate Project Committee may be established for any Project in order to provide the Project Participants with direct representation and voting rights with respect to such Project.
 - 7.4.1. The Member Municipalities intend that the Board shall consider the particular concerns and objectives of each Project Committee with respect to the Project governed by that committee; and the Board, in its discretion, may act upon and in furtherance of the recommendations of each such Project Committee with respect to the Project they govern.
 - 7.4.2. Except for those matters described in Section 7.5, if the Board disapproves of a decision of a Project Committee, it shall state its reasons and refer the matter back to the Project Committee for further consideration.
 - 7.4.3. Unless otherwise provided in the Project Agreement, voting on Project Committees shall be by a majority vote of the representatives of the Project Participants, with each Project Participant entitled to one vote.
 - 7.4.4. In the event a Project Committee is unable to reach a decision on any matter, the matter shall be referred to the Board for resolution.
- 7.5. Authority Reserved to Board. All decisions shall be made solely by the Board without regard to any decision by a Project Committee, including but not limited to:
 - 7.5.1. Decisions on all matters relating or not relating to any Project or relating to more than one Project;
 - 7.5.2. Organizational and membership matters including matters relating to this Agreement and the Bylaws;
 - 7.5.3. Legal matters, including any litigation to which the Land Bank is a party;
 - 7.5.4. Financial and accounting matters, including risk management policies and decisions;

- 7.5.5. General and administrative matters relating to the Land Bank, including the approval of the Land Bank's annual budget and Administrative and General Costs, and employment matters.

Section 8. Additional Member Municipalities

- 8.1. Additional Member Municipalities Permitted. One or more Eligible Municipalities may become Additional Member Municipalities of the Land Bank in accordance with this Section 8.
- 8.2. Admission of Additional Member Municipalities. Any Eligible Municipality may become a Member Municipality of the Land Bank upon satisfaction of the following conditions:
 - 8.2.1. This Agreement is duly authorized and approved by appropriate action of the governing body of such Eligible Municipality and the appropriate officers of such Eligible Municipality duly execute a supplement to or counterpart of this Agreement;
 - 8.2.2. Such Eligible Municipality is approved and accepted as an Additional Member Municipality of the Land Bank by the affirmative vote of at least two-thirds of the total number of voting members of the Board;
 - 8.2.3. Any additional voting members of the Board must be approved by the chief executive officers of each Member Municipality and confirmed by a two-thirds vote of the Member Municipalities; and
 - 8.2.4. Such Eligible Municipality delivers to the Land Bank's officers certificates and opinions of legal counsel reasonably necessary to establish the matters addressed in Section 8.2.1, and all other required filings, submittals, approvals, consents, and permits that may be required by the Acts or other applicable law prior to the full effectiveness of this Agreement with respect to the Additional Member Municipality.
- 8.3. Effect of Joinder. Any Eligible Municipality which becomes a Member Municipality in accordance with the foregoing provisions shall be bound by the terms and conditions of this Agreement.

Section 9. Dissolution

- 9.1. Complete Termination and Dissolution. This Agreement shall be effective from and after the Effective Date and shall continue in full force and effect until such time as all of the Member Municipalities elect to dissolve the Land Bank.
 - 9.1.1. The Member Municipalities may elect to dissolve the Land Bank in accordance with this Section only if each of the following conditions are met:
 - 9.1.1.1. No Project Agreement is then in effect between the Land Bank and any other party;
 - 9.1.1.2. The Land Bank either will not receive any additional property taxes with respect to Real Property conveyed by the Land Bank, or the Board by resolution has elected not to receive such taxes, and has notified the treasurer of the county in which the property is located by filing a copy of the resolution with such treasurer; and
 - 9.1.1.3. A majority of the members of the governing body of each Member Municipality has approved the dissolution and has provided notice as required by the Land Bank Act.
 - 9.1.2. Upon dissolution, the affairs of the Land Bank shall be wound up and its obligations discharged. Any funds or assets of the Land Bank not distributed or allocated in accordance with the provisions of a Project Agreement shall be distributed to the Land Bank's Member

Municipalities at the time of dissolution, with each Member Municipality receiving the Real Property within its jurisdictional boundaries, and with any remaining funds or assets distributed equally between Member Municipalities, provided that the Member Municipalities shall have the right at any time to agree unanimously on any other method of distribution.

- 9.2. Partial Termination by Withdrawal. Any Member Municipality may withdraw from this Agreement and terminate its membership in the Land Bank by providing no less than sixty days' written notice of such withdrawal to the Land Bank, if all of the following conditions are met:
 - 9.2.1. No Project Agreement between the Member Municipality and the Land Bank is then in effect, and the Member Municipality is not a Project Participant in any Project;
 - 9.2.2. The Member Municipality is not in default of any of its obligations under this Agreement or any agreement or contract with the Land Bank;
 - 9.2.3. The Land Bank does not currently own any Real Property within the Member Municipality's jurisdictional boundaries;
 - 9.2.4. The Land Bank does not currently receive any real property taxes collected on Real Property within the Member Municipality's jurisdictional boundaries;
 - 9.2.5. The withdrawing Member Municipality's governing body gave sixty calendar days' advance written notice of the withdrawal by publishing notice in a newspaper of general circulation within the withdrawing Member Municipality; and
 - 9.2.6. After the sixty-day period in Section 9.2.5 has elapsed, a majority of the members of the governing body of the withdrawing Member Municipality approves the withdrawal. The Member Municipality's withdrawal becomes effective upon satisfaction of all of the conditions set forth in this Section. The Board will determine, in its sole discretion, the personal property, money, or other assets, which shall become the property of the withdrawing Member Municipality, and will convey such property, money, or assets to the withdrawn Member Municipality within 60 days following the effective date of withdrawal.

Section 10. Miscellaneous

- 10.1. Limitations on Liability. The obligations of any Member Municipality to make payments to the Land Bank are limited by the terms of this Agreement, the Bylaws, any Project Agreement to which the Member Municipality is a party, the Land Bank Act, and other contracts entered into between the Land Bank and the Member Municipality. Except as provided under such documents and agreements, none of the Member Municipalities, voting or non-voting members of the Board, Land Bank officers or employees, or Member Municipality officers, officials, employees or governing body members, officers, officials or employees shall be subject to or in any way liable for any debt or contract entered into or any obligation or liability incurred by the Land Bank under this Agreement, the Program, or any Project. The rights of the Land Bank's creditors shall be solely against the Land Bank.
- 10.2. Privileges and Immunities. The privileges and immunities enjoyed by the Member Municipalities of the Land Bank by reason of their governmental and public status shall inure to the Land Bank and voting members of the Board.
- 10.3. Amendments to this Agreement. This Agreement may be amended only by a written instrument, specifically denominated as an amendment to this Agreement, duly approved and executed by each of the Member Municipalities, which amendment shall be effective only after execution by all Member Municipalities.

- 10.4. Governing Law and Construction. This Agreement is made under and shall be subject to and construed in accordance with the laws of the State of Nebraska, particularly the Acts. The rule of construction to be followed in the event of a conflict between provisions of various clauses is the one which favors the Agreement as in compliance with the Acts, and this rule governs over any other interpretations. Except where context otherwise requires, words importing the singular number include the plural number and vice versa; the term "person" includes any of the Member Municipalities, individuals, corporations, firms, associations, trusts, and federal, state, and local governments and agencies; and the term "include" and its derivations are not limiting.
- 10.5. Jurisdiction and Venue. The District Court of Red Willow County, Nebraska is the agreed jurisdiction and venue for any disputes arising from or related to this Agreement.
- 10.6. Counterparts. This Agreement and any amendment hereto may be executed in two or more counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.
- 10.7. Open Meetings and Public Records. The Land Bank is subject to the Nebraska Open Meetings Act (Neb.Rev.Stat. 84-1407 et. seq.) and Nebraska Public Records Act (Neb.Rev.Stat. 84-712 et. seq.).

[SIGNATURE PAGE TO FOLLOW]

WITNESS WHEREOF, the Member Municipalities have each caused this Agreement to be executed as of the date first written above.

INTERLOCAL AGREEMENT PROVIDING
FOR THE SOUTHWEST NEBRASKA
MUNICIPAL LAND BANK

EXHIBIT A
Initial Board

1. Initial Voting Board Members. The following individuals shall serve as the initial voting members of the Land Bank's Board, and shall serve for the terms indicated:

[Insert name] - Term ending [insert date]

2. Initial Non-Voting Board Members. The following individuals shall serve as the initial non-voting members of the Land Bank's Board, and shall serve for the terms indicated:

[Insert name] - Term ending [insert date]

INTERLOCAL AGREEMENT PROVIDING
FOR THE SOUTHWEST NEBRASKA
MUNICIPAL LAND BANK

EXHIBIT B
Initial General Fund Contributions

The General Fund shall initially consist of the following amounts:

Contributor	Amount
[Insert name]	[Insert amount] [Insert name]

INTERLOCAL AGREEMENT PROVIDING
FOR THE SOUTHWEST NEBRASKA
MUNICIPAL LAND BANK

EXHIBIT C

Administrative and General Cost

Allocation Effective as of the ___ day of _____, 202__.

As contemplated under Section 6.2.1 of the Agreement, Administrative and General Costs shall be allocated among the Member Municipalities as follows:

Member Municipality
[Insert name]

Percentage City
[Insert percentage]

INTERLOCAL AGREEMENT PROVIDING
FOR THE SOUTHWEST NEBRASKA
MUNICIPAL LAND BANK

EXHIBIT D

Member Municipality Percentage

The percentage of population an individual Member Municipality is of the overall population base of the Land Bank are as follows:

<u>Member Municipality</u>	<u>Percentage</u>
McCook	100%

**CITY MANAGER'S REPORT
NOVEMBER 21, 2022 MCCOOK CITY COUNCIL MEETING**

5.C.
ITEM NO. ___ Approve on first reading, and under suspension of the rules, Ordinance No. 2022-____ authorizing and imposing an additional one half of one percent (0.50%) city sales and use tax as approved by a majority of the qualified electors of the City of McCook at the general election held on November 8, 2022.

BACKGROUND:

On November 8, 2022, at a general election held pursuant to the Local Option Revenue Act and the election laws of Nebraska, a majority of the qualified electors of the City of McCook voting at the general election voted in favor of a ballot question which increased the local option sales and use tax rate by one-half of one percent (0.50%) upon transactions within the City of McCook on which the State of Nebraska is authorized to impose a tax, with all revenues generated by the additional sales tax to be used for public infrastructure projects, which included a swimming pool and ballpark facilities. The effective date of the tax will be the first day of the next calendar quarter that is at least 120 days after the Nebraska Department of Revenue receives statutorily required documents, including this Ordinance. In order to start collection of the additional sales tax, this Ordinance and the other required documents must be delivered to the Nebraska Department of Revenue by December 2, 2022.

A copy of a letter received from the Nebraska Department of Revenue is included with this report.

APPROVALS:



Nathan A. Schneider, City Manager

November 15, 2022



Lea Ann Doak, City Clerk

November 15, 2022

**ORDINANCE NO 2022-3058
CITY OF McCOOK, NEBRASKA**

AN ORDINANCE AUTHORIZING AND IMPOSING AN ADDITIONAL ONE HALF OF ONE PERCENT (0.50%) CITY SALES AND USE TAX AS APPROVED BY A MAJORITY OF THE QUALIFIED ELECTORS OF THE CITY OF MCCOOK AT THE GENERAL ELECTION HELD ON NOVEMBER 8, 2022; TO REPEAL CONFLICTING ORDINANCES AND SECTIONS; TO PROVIDE FOR PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM; AND TO PROVIDE A TIME WHEN THIS ORDINANCE SHALL TAKE EFFECT.

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

Section 1. On November 8, 2022, at a general election held pursuant to the Local Option Revenue Act (Neb. Rev. Stat. § 77-24,142, et seq.) and the election laws of Nebraska, a majority of the qualified electors of the City of McCook voting at the general election voted in favor of the following Ballot Question which was submitted on the ballot at that election:

BALLOT QUESTION

Shall the City Council of the City of McCook, Nebraska, increase the local sales and use tax rate by one-half of one percent (0.50%) upon the same transactions within the City of McCook on which the State of Nebraska is authorized to impose a tax, with all revenues generated by the additional one-half percent (0.5 %) to be used for public infrastructure projects under the following terms and conditions?

- (1) Use of Additional Sales Tax. Revenues generated by the additional one-half of one percent (0.50%) shall be used to pay the costs to construct, acquire, improve, furnish, and equip public infrastructure projects, which shall include swimming pool and ballpark facilities.
- (2) Expiration of Tax Rate Change. The increased sales and use tax rate will be implemented and related revenues collected beginning as soon as practicable after voter approval and continuing for a period of ten (10) years, unless bonds are issued with some or all of the additional revenues pledged for payment of such bonds, in which case the increased sales and use tax rate will remain in effect and additional revenues will be collected until payment in full of such bonds and any refunding bonds.
- (3) Interlocal Agreement. The City of McCook and Red Willow County School District 0017 have entered into an Interlocal Agreement for the long-term development of unified governance of public infrastructure projects in the City. Additional revenue collected from the additional one-half percent (0.5%) sales and use tax will not be used for the purposes of such Interlocal Agreement, but will be used for the public infrastructure projects of the City of McCook as described above.

SECTION 2. As a result of the above ballot question being approved by the voters, a sales and use tax in the amount of an additional one half of one percent (0.50%) upon the same transactions within the City of McCook on which the State of Nebraska is authorized to impose a tax shall be imposed effective April 1, 2023, in addition to the one and one half per cent (1.5%) sales and use tax currently imposed pursuant to Ordinance No. 2018-2964, and the Nebraska Local Option Revenue Act.

SECTION 3. The net proceeds of the additional one half of one percent (0.50%) City Sales and Use Tax shall be appropriated and expended in accordance the Local Option Revenue Act (Neb. Rev. Stat. §77-24,142, et seq.) as amended, and the Ballot Question approved by voters at the November 8, 2022 general election.

SECTION 4. The additional one half of one percent (0.50%) City Sales and Use Tax imposed by this Ordinance shall be administered as provided in the Local Option Revenue Act, Neb. Rev. Stat. §77-27,142, et seq., as amended.

SECTION 5. The City Clerk shall cause a certified copy of this Ordinance, together with a certified copy of a map showing the corporate limits of the City of McCook, Nebraska, to be delivered to the Nebraska State Tax Commissioner not later than one hundred twenty days prior to April 1, 2023.

SECTION 6. Any ordinance or part of any ordinance of the City of McCook, Nebraska in conflict with this Ordinance is hereby repealed to the extent of such conflict and should any part or section of this Ordinance be declared void and unenforceable, such declaration shall not render any other part void and unenforceable.

SECTION 7. This Ordinance shall be published in pamphlet form and shall be in full force and effective from after its passage, approval, and publication or posting as required by law and city ordinance.

Passed and approved this 21st day of November, 2022

CITY OF MCCOOK, NEBRASKA

ATTEST:

Mayor

City Clerk

(SEAL)

NEBRASKA

Good Life. Great Service.

September 14, 2022

DEPARTMENT OF REVENUE

Lea Ann Doak
McCook City Clerk
PO Box 1059
McCook, NE 69001-1059

Dear City Clerk:

This is being sent as a follow-up to information I received about McCook planning to vote in the November, 2022 general election to increase its local (city) sales and use tax from 1.5% to 2%. This letter will explain the procedures which are necessary to change a local sales and use tax rate, and provide information on the special requirements related to a local sales and use tax in excess of 1.5%. **Please keep this in a safe place to refer to after the election. There is information here regarding what you need to send, and when it is required, if the vote passes or fails.**

I suggest you refer to our website “revenue.nebraska.gov” to review the Local Government link with specific links to the Local Sales and Use Tax Regulations (Title 316, Chapter 9) as well as the Local Option Revenue Act, where the statutory language is at Neb. Rev. Stat. §77-27,142 through 77-27,148. These all relate to changing a local sales and use tax. Also, on our website, under Local Government, we have a document titled Local Sales and Use Tax Information - What Happens After the Election. Reg. 9-003 and Section 77-27,142 explain the unique requirements for a city sales and use tax rate in excess of 1.5%.

Upon approval by a majority of the votes cast in an election, the following documents must be received by this Department:

- (1) A copy of the Ordinance adopted by the city to impose the new sales and use tax;
- (2) a map of the city that you certify is correct;
- (3) a certified copy of the election results from the county election commissioner; and
- (4) a certified statement from the county election commissioner that the question of imposing a city tax has not failed in the previous 23 months.

The effective date of the tax will be the first day of the next calendar quarter that is at least 120 days after this Department **receives** the above documents. There are only four dates in a year that a city sales tax rate can start, change, or terminate, namely, January 1, April 1, July 1, and October 1 of any year.

If the vote is held in the November general election and passes, the Ordinance, a map of the city boundaries that you certify is correct, and from the county election commissioner; submitted through the clerk, a copy of the certified election results and a statement that the tax question has

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not been presented to the voters and failed within the last 23 months must be **received by Dec. 2, 2022** in order for the new tax rate to be effective on April 1, 2023. The Dec. 2, 2022 date is 120 days prior to April 1, 2023.

With the many holidays in November, you may need to schedule a special meeting to adopt the Ordinance in time to get it and the other documents to me by the December 2, 2022 deadline to start on April 1, 2023.

Upon receipt of these documents, we will issue an acknowledgment to you of the filing and confirmation of the rate and effective date of the new tax rate. These documents should be sent to: Attention Karen Barrett, Policy Division, Nebraska Department of Revenue, PO Box 94818, Lincoln, NE 68509-4818.

Additionally, we encourage anyone involved with taxes to sign up on our "Subscribe to Notifications" link to receive notices whenever changes occur for specific tax programs. You actually select the tax programs you want to be notified of, for instance sales tax, and when we post changes to this program you will automatically get notified of these changes.

The task of implementing a new city tax rate will involve, among other things, coordination of various functions within the Department of Revenue to facilitate the collection of the tax, letters to national tax publications that provide information on local developments in the taxation field, and notifying the public of the tax changes.

If you have any other questions on this matter, please feel free to contact me at 402-471-5980 or by email at karen.barrett@nebraska.gov.

For the Tax Commissioner

Sincerely,

Karen K. Barrett
Tax Specialist
Policy Section

KKB