

MCCOOK CITY COUNCIL

REGULAR MEETING

**Monday, January 15, 2024
5:30 PM - City Council Chambers**

Roll Call.

Excuse Absences.

Open Meetings Act Announcement.

Invocation - McCook Ministerial Association - Walter Ray, McCook Baptist Church.

Pledge of Allegiance.

Call to Order.

Items.

1. Announcements & Recognitions.
2. Presentation.
 - A. Accept the Financial Statements and Supplemental Information for Fiscal Year ending September 30, 2023 prepared by AMGL CPAs and Advisors.
3. 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 January 2, 2024 regular City Council meeting.
 - B. Approve the specifications for the 2024 Armor Coating Project and set the time and date to receive bids as 2:30 P.M. February 6, 2024.
 - C. Approve the bid specifications for Ballpark Concessions at Felling Field for the Calendar Years 2024, 2025, and 2026 and set the date to receive bids as February 6, 2024 at 2:00 P.M.
 - D. Adopt the Disadvantaged Business Enterprise (DBE) Program for McCook Ben Nelson Regional Airport for the years 2022, 2023, and 2024 and authorize the Mayor to sign.
 - E. Receive and file the claims for the month of December 2023, published January 9, 2024.
 - F. Forward to the City's insurance carrier for review and appropriate action a property damage claim from Larry Fields.
 - G. Set a meeting of the Comprehensive Plan & Zoning Regulations Steering committee for February 20, 2024 at 6:00 P.M.

- H. Approve the plans and specifications for the McCook Business Park Phase II Grading and Paving Project and set the time and date to receive bids as 2:30 P.M. February 6, 2024.
 - I. Reject the one bid received for the 2024 Crack Sealing Project and authorize staff to readvertise the project and receive bids at 2:30 P.M. on January 30, 2024.
4. Regular Agenda.
- A. Update regarding the swimming pool project.
 - B. Council Comments.
 - C. An Executive Session may be held upon a majority vote of the Council for the protection of public interest for a strategy session with respect to potential litigation against Manitex International, Inc. regarding equipment purchased by the City of McCook.
 - 1. Nebraska Open Meetings Act statement, if the motion to close passes.
 - 2. Close Executive Session.
 - D. An Executive Session may be held upon a majority vote of the Council for the protection of public interest for a strategy session with respect to potential litigation - property located at 1111 East "H" Street, Cindy and Ron Sabin.
 - 1. Nebraska Open Meetings Act statement, if the motion to close passes.
 - 2. Close Executive Session.
 - E. An Executive Session may be held upon a majority vote of the Council for the protection of public interest for a strategy session with respect to real estate purchase for Sports Complex.
 - 1. Nebraska Open Meetings Act statement, if the motion to close passes.
 - 2. Close Executive Session.

Adjournment.

**CITY MANAGER'S REPORT
JANUARY 15, 2024 CITY COUNCIL MEETING**

ITEM: 2.A.

Accept the Financial Statements and Supplemental Information for Fiscal Year ending September 30, 2023 prepared by AMGL CPAs and Advisors.

BACKGROUND:

At Monday's meeting a representative from AMGL CPAs and Advisors will present, via zoom, to review the audit report and address any questions from the Council.

A pdf of the audit is attached to the packet, if you would like to review a paper report before Monday, you may pick up a copy at the City Office.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk-Treasurer

January 10, 2024



Tera Koetter, Assistant City Manager

January 10, 2024



Nathan A. Schneider, City Manager

January 10, 2024



To the Honorable Mayor and City Council
City of McCook
McCook, Nebraska

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of McCook for the year ended September 30, 2023, and have issued our report thereon dated December 28, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 3, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of McCook are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended September 30, 2023. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the collectability of accounts receivable is based on historical utility revenues, historical loss levels, and an analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the collectability of accounts receivable in determining that it is reasonable in relation to the financial statements taken as a whole.

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Management's estimate of the depreciation of capital assets is based on the estimated useful life of the capital asset. We evaluated the key factors and assumptions used to develop the depreciation of capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Six audit adjustments increased the fund balances of the City's governmental funds by \$128,253. Sixteen audit adjustments increased the net position of the City's business-type funds by \$719,507. Two audit adjustments did not change the net position of the City's component units. The following material misstatements detected as a result of audit procedures were corrected by management:

1. Depreciation expense of \$1,464,485 was recorded on the business-type funds, decreasing capital assets and increasing expenses.
2. Capital asset additions of \$1,684,574 were reclassified on the business-type funds, increasing capital assets and decreasing expenses.
3. Accounts payable and various expenses were increased \$33,894 on the business-type funds.
4. Accrued time off and salaries were both increased \$29,397 on the business-type funds.
5. Principal payments were reclassified, decreasing long-term debt \$583,957 on the business-type funds.
6. Self-insurance claims incurred but not paid and claims expense were decreased \$137,400.
7. TIF receivables and TIF payables were both decreased \$191,561.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 28, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the City’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

In connection with our audit of the financial statements of the City of McCook as of September 30, 2023, we noted certain matters that we believe you should consider. Our observations were formed as a by-product of our audit procedures, which did not include a comprehensive review for the purpose of submitting detailed recommendations.

1. Upon completing the utility billing testing procedures, we noticed there was an error where a customer with residential property was charged sales tax on water consumption. We suggest adjusting settings in the utility billing software so sales tax is not charged for water usage on residential properties.

Other Matters

We were engaged to report on the Fiduciary Funds combining statement of assets and liabilities, General Fund departmental combining statement of revenues and expenditures, and component unit combining statements, which accompany the financial statements but are not RSI. With respect to the supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the management’s discussion and analysis and budgetary comparison schedules, which accompany the financial statements but are not RSI. Such

information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the City Council and management of the City of McCook and is not intended to be and should not be used by anyone other than these specified parties.

AMGL, INC.

Grand Island, Nebraska
December 28, 2023

To the Honorable Mayor and City Council
City of McCook
McCook, Nebraska

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of McCook as of and for the year ended September 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in the City of McCook's internal control to be significant deficiencies:

The size of the City's accounting and administrative staff precludes certain internal controls that would be preferred if the office staff were large enough to provide optimum segregation of duties. This lack of segregation of duties creates an opportunity for employees to commit fraud that may go undetected. This situation suggests that the City Council remain involved in the financial affairs of the City to provide oversight and independent review functions.

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This communication is intended solely for the information and use of management, the City Council, and others within the City, and is not intended to be and should not be used by anyone other than these specified parties.

AMGLIAC.

Grand Island, Nebraska
December 28, 2023

CITY OF MCCOOK, NEBRASKA

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

September 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
City of McCook, Nebraska

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities - modified cash basis, the business-type activities - accrual basis, the aggregate discretely presented component units - accrual basis, each major fund - modified cash basis for the governmental funds and accrual basis for the proprietary funds, and the aggregate remaining fund information - modified cash basis for the governmental funds of the City of McCook, Nebraska, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities - modified cash basis, the business-type activities - accrual basis, the aggregate discretely presented component units - accrual basis, each major fund - modified cash basis for the governmental funds and accrual basis for the proprietary funds, and the aggregate remaining fund information - modified cash basis for the governmental funds of the City of McCook, Nebraska as of September 30, 2023, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with the basis of accounting described in Note A.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of McCook, Nebraska and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter—Basis of Accounting

We draw attention to Note A of the financial statements, which describes the basis of accounting for the governmental activities and governmental funds. The governmental financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

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A PROFESSIONAL
CORPORATION

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash and accrual basis of accounting described in Note A, and for determining that the modified cash and accrual basis of accounting are acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of McCook, Nebraska's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of McCook, Nebraska's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of McCook, Nebraska's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of McCook, Nebraska's financial statements. The combining fiduciary fund statement, the statement of general fund departmental revenue and expenditures, the combining component unit financial statements, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information described in the second sentence of this paragraph and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the management's discussion and analysis and budgetary comparison schedules, but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2023, on our consideration of the City of McCook, Nebraska's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of McCook's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of McCook, Nebraska's internal control over financial reporting and compliance.

AMGL, PC

Grand Island, Nebraska
December 28, 2023

CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2023

This discussion and analysis of the City of McCook's financial performance provides an overall review of the City's financial activities for the fiscal year ended September 30, 2023. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

For FY 22/23 the City reduced the General Fund levy to .340814. The FY 21/22 levy was increased by \$0.01, to \$.359044. The FY16/17 levy was increased by \$0.03, to \$.349044, which was the first increase since 2002. In total since 2002, the City levy has increased by \$0.02177. The City does not have a levy for bonded debt.

Pursuant to a 2015 sales tax ballot question, McCook's residents approved a 1.5% local option sales tax. 1/6 of the total sales tax receipts are utilized to fund economic development through a voter approved LB 840 Program administered by the McCook Economic Development Corporation. The remaining 5/6 of the total sales tax receipts generated are utilized for the following purposes: property tax relief, capital improvement projects, capital outlay purchases, and debt reduction.

At the November 2022 General Election, voters approved an additional 0.5% local option sales tax with all revenues generated to be used for public infrastructure projects, which includes a swimming pool and ballpark/sports complex facilities. The effective date of the tax was April 1, 2023.

Total sales tax receipts were \$3,525,044, of which, \$308,804 were from motor vehicle sales restricted to Street Department use. This marks the highest sales tax receipts recognized by the City of McCook since the inception of McCook's local option sales tax in 2001. Sales Tax receipts for the Recreation Bonds totaled \$353,575.

For Capital Improvement Projects the Council committed \$350,000 for One & Longer Street Plan Improvements; \$150,000 for annual street maintenance, \$40,000 for drainage maintenance; and \$100,000 of uncommitted to be designated for future projects. A final payment of \$58,000 was made for the North Cherokee Paving Project and the Overlay Project for a portion of East 1st Street, which was completed using sales tax revenues and State of Nebraska Buyback dollars. Installation of City of McCook entry signs was completed utilizing \$32,500 of previously committed funds.

The 1/6th sales tax receipts generated \$528,367 for funding of the LB 840, which included \$51,447 from motor vehicle sales restricted to Street Department use. The MEDC focused on development of workforce housing on land they own in the North Pointe subdivision and in the Seminole/Park area and expansion of the McCook Business Industrial Park. Funds were utilized for electricity to the Seminole/Park Development area, infant childcare incentives, and a housing study. A \$17,500 loan was issued to Willow & Co., LLC.

In FY 20/21 the MEDC created a Rural Workforce Housing Investment Fund to be used for low interest, deferred loans with the hope of lowering the cost of construction of homes and to provide housing rehabilitation assistance. Funding was received through a \$250,000 Rural Workforce Housing Fund grant, a \$167,000 grant from the Nebraska Investment Finance Authority, plus \$250,000 of locally funded dollars. Contributions from the City were \$54,300 from LB840 funds and \$25,000 from the City's ACE funds.

In FY 22/23 the MEDC utilized \$145,500 of LB840 funds as part of the \$351,000 local match for a Rural Workforce Housing (RWFH) grant for housing projects. The DED awarded MEDC \$702,000 in housing funds for community housing needs.

The City elected to use the Construction Manager at Risk process for construction of the municipal swimming pool and selected Carrothers Construction Company to serve as the construction manager for the project in an amount not to exceed \$6,399,567. In August, Municipal Improvement Bonds, Series 2023, were issued in the amount of \$5,680,000. Bond payments will be made utilizing revenues generated from the 0.5% local option sales tax. The

CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2023

City received a \$250,000 donation from the McCook Masonic Templecraft and were awarded a Civic and Community Center Financing Fund (CCCCF) grant for \$562,000 for this project.

In March 2021, the Council extended for another five-year term the agreement with McCook Keno, LLC for the operation of Keno within the City of McCook. Kiosks are located at three locations. The annual revenue for FY 22/23 was \$82,000, a decrease of 15% from last year. Of note, keno revenues have declined across the state of Nebraska. Revenues derived from the keno operation are to be used for "community betterment purposes". A transfer of \$75,000 was made to offset General Fund expenses.

The City received \$684,600 from the Coronavirus Relief Fund for presumptive payroll reimbursement for our Police, Firefighters, Paramedics, and E911 Dispatchers. The City designated these funds for an E911 console, radios, and equipment - \$150,000; Equipped Police vehicle \$47,900; Public Works Bucket Truck - \$125,000; Fire/Ambulance Extrication equipment - \$130,000; and a \$200,000 transfer to the City of McCook Self Insurance Fund. The balance of these funds on September 30, 2023 was \$150,000.

The City received \$1,338,000 from the American Rescue Plan Act. The Council designated these funds to E911 console, radios, and equipment - \$440,000; internet to the Water Treatment Plant - \$20,000; Fan Press for the Wastewater Treatment Plant - \$500,000; and a drainage project along North Highway 83- \$300,000. After completion of these projects an estimated \$200,000 remains to be designated by the Council before December 31, 2024.

The Fire Department was awarded a grant through the FEMA/Department of Homeland Security Assistance to Firefighters Fire Prevention and Safety Grant in the amount of \$189,246 for the purchase of a Fire Safety Trailer Simulator to be used for training and public education.

In October 2018, the City renewed the Professional Retail Operations Agreement with Nebraska Public Power District (NPPD) for the lease of its electric system. The term was extended from fifteen years to twenty-five years, commencing on January 1, 2019, with the City being paid 12.5% of the retail revenues. The agreement allows for the City to implement additional one-half percent incremental increases to an overall cap of 14%. Any one-half percent increase, if opted in the future, must be done annually. The current year's lease generated \$1,341,500. Of this amount, the City transferred \$375,000 to the Self Insured Health Insurance Fund and \$966,500 to the General Fund.

The natural gas franchise agreement with Black Hills Energy is for a term of 10 years with the franchise fee paid to the City quarterly. The franchise fee is \$0.018 per therm delivered. The annual revenue received was \$60,600.

The 4% Hotel Occupation tax established by the Council in April 2018 generated \$158,500 for the General Fund.

The City provides medical and dental insurance for eligible employees using a self-insurance fund. The fund is financed by operating transfers from the Governmental and Proprietary Fund of an average amount per employee, which is based on management's previous experience. Employee premiums per two-week period are \$20.00 for a single member, \$47.00 for an employee and spouse, \$40.00 for an employee and children, and \$80.00 for an employee and family. In FY 22/23, the fund covered up to \$35,000 in costs per employee. Any expenses over that amount are covered by an insurance carrier. The City uses a claims service to handle the insurance claims. For the current fiscal year the City budgeted \$24,725 per employee for insurance. The actual cost per employee averaged \$25,400 due to the increased cost of medications and services provided. The City continues to work with Brown & Brown to monitor these costs and assist in developing options to help contain these costs.

In March 2015 the City approved a disability pension annuity distribution for a former police officer. The City will pay the former employee \$1,573 per month for the remainder of the individual's life, per the disability annuity agreement.

CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2023

During FY 22/23 the Community Development Agency approved the Engineering International Redevelopment Project to renovate and rehabilitate a commercial building to create professional office and retail space and the Elevate Wellness Project to construct a commercial health and wellness facility.

The North Pointe Properties, Phase I Plan was modified - the 2013 Redevelopment plan, the 2021 Redevelopment plan, and the 2023 Minor Modification shall collectively be referred to as the "Redevelopment Plan". The purpose of the Substantial Modification is to authorize the issuance of additional TIF Indebtedness for the Project to assist in paying for installation of infrastructure in Phases II and III. The Minor Modification: (1) amended the legal description of the Project Site; (2) updated the phasing schedule for the Project; (3) updated the construction schedule for the Project; and (4) updated the projected TIF sources and uses for the project. The developer intends to construct 17 residential dwelling units to be in six sub-phases.

Redevelopment Area #6 was created and a redevelopment plan was approved for McCook Business Park, Phase II. The McCook Economic Development Corporation contracted to purchase the Project Site and intends to develop the Project Site into Phase II of the McCook Business Park. The Project Site is anticipated to be developed in up to four phases. The first phase will involve the construction of a commercial building for the operations of a liquid livestock feeding company.

In October 2017 the City issued \$8,605,000 of Series 2016 Combined Utilities Revenue Refunding Bonds to refinance the Water Department 2006 loan from the Nebraska Department of Environmental Quality Safe Water State Revolving Loan for \$9,922,000 to construct an Ion Exchange drinking water treatment facility to remove unsafe levels of Arsenic, Uranium, and Nitrate from the municipal water supply and the Wastewater Treatment Department loan from the Clean Water State Revolving Loan for \$3,930,000 for construction and improvements to meet Ammonia limits required by the National Pollutant Discharge Elimination System (NPDES) Permit. The S&P Global Ratings assigned its 'A+' long-term rating to these refunding bonds.

In April 2021, the Council called for the early redemption of the Series 2015 Combined Utilities Revenue Refunding Bonds and authorized the issuance of the Series 2021 Combined Utilities Revenue Refunding Bonds, in an amount not to exceed \$6,600,000. The proposed savings was an estimated \$545,000 over the course of the 15 year bond. The final bond issued was \$6,555,000.

In June 2015, the Water Department received a Nebraska Department of Environmental Quality Safe Water State Revolving Loan for \$1,320,072 for 16" transmission main replacement, East "H" Street water main replacement, and East "C" Street water main improvements. Total disbursements were \$1,650,090, with loan forgiveness of \$330,018. This loan is to be repaid over twenty years and was not included in the refinance because of loan terms that allow for no prepayment within five years of the Loan Date for those receiving loan forgiveness.

In May 2022, the Water Department received a Nebraska Department of Environment and Energy Safe Drinking Water State Revolving Loan for \$2,490,000 to replace the East 14th water main, the West 5th 16" Water Main, the 12" water main from South Street north to "A" Street, and a portion of the South Street water main. This loan includes Loan Forgiveness of up to 15% of eligible Project Costs (maximum \$373,500) plus an additional \$79,601 for Loan Forgiveness and is to be repaid over thirty years.

Ordinance No. 2023-3065 provided for a 6% per month rate increase for the base and 100 cubic feet charge, for both residential and commercial Sewer Use Charges. Ordinance No. 2023-3064 provided for a 6% per month rate increase for the base and 100 cubic feet charge, for both residential and commercial Water Use Charges. These rates are monitored and adjusted annually if necessary, to insure funds are available for payment of the State Revolving Loans for the sewer and water improvements, Combined Utilities Bond, and to offset any increases in operating costs. This annual monitoring will continue now that these loans have been refinanced with refunding bonds.

Ordinance No. 2022-3048 provided for increases in Solid Waste Collection. Residential Trash Collection increased from \$24.50 to \$26.25 per month and Household/Commercial increased from \$67.00 to \$77.00 per ton. The last rate increase for Solid Waste Collection occurred in April 2022.

CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2023

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of McCook's financial statements. The City's financial statements comprise:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements
- Supplementary and other information which further explains and supports the information in the financial statements

Government-wide Financial Statements. The *government-wide financial statements* report information about the City as a whole using accounting methods similar to those used by a private-sector business.

The government-wide financial statements distinguish the following functions of the City:

- *Governmental activities* are primarily supported by taxes and intergovernmental revenues. The governmental activities of the City include general government, economic development, public safety, public works, parks, cultural activities, and human service.
- *Business-type activities* are supported by user fees and charges which are intended to recover all or a significant portion of their costs. The City's electric, water, wastewater, and solid waste collection services are all included as business-type activities.

Fund Financial Statements. The fund financial statements provide detailed information about the City's most significant funds, not the City as a whole. Funds are groupings of activities that enable the City to maintain control over resources that have been segregated for particular purposes or objectives. All of the funds of the City of McCook can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- *Governmental Funds.* The governmental funds are used to account for the financial activity of the City's basic services, similar to that described for the governmental activities in the government-wide financial statements. However, unlike the government-wide statements, which provide a long-term focus of the City, the fund financial statements focus on a short-term view of the inflows and outflows of spendable resources, as well as on the balances of spendable resources available at the end of the fiscal year.
- *Proprietary Funds.* The proprietary funds are used to account for the financial activity of the City's operations for which customers are charged a user fee; they provide both a long- and short-term view of financial information. The City maintains four enterprise funds which are a type of proprietary fund - the electric, water, wastewater, and solid waste operations. These enterprise funds are the same as the business-type activities in the government-wide financial statements.
- *Fiduciary Funds.* The City maintains fiduciary funds, which are used to account for resources held by the City in a trustee capacity or as a custodian for the benefit of parties outside the

CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2023

government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the City's own programs.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in both the government-wide and fund financial statements. The notes can be found immediately following the financial statements.

Government-wide Financial Analysis

Summary Statements of Net Position

	<u>Year Ended September 30, 2023</u>			<u>Year Ended September 30, 2022</u>		
	<u>Governmental Activities (Modified Cash Basis)</u>	<u>Business-type Activities (Accrual Basis)</u>	<u>Total</u>	<u>Governmental Activities (Modified Cash Basis)</u>	<u>Business-type Activities (Accrual Basis)</u>	<u>Total</u>
Current and Other Assets	\$ 15,992,939	\$ 11,527,176	\$ 27,520,115	\$ 9,653,358	\$ 11,255,043	\$ 20,908,401
Capital Assets	23,673,984	15,522,021	39,196,005	23,763,517	15,301,932	39,065,449
Total Assets	<u>39,666,923</u>	<u>27,049,197</u>	<u>66,716,120</u>	<u>33,416,875</u>	<u>26,556,975</u>	<u>59,973,850</u>
Long-term Liabilities	5,609,478	6,554,869	12,164,347	189,199	7,123,748	7,312,947
Other Liabilities	357,873	1,073,790	1,431,663	166,523	1,006,581	1,173,104
Total Liabilities	<u>5,967,351</u>	<u>7,628,659</u>	<u>13,596,010</u>	<u>355,722</u>	<u>8,130,329</u>	<u>8,486,051</u>
Net Position:						
Net Investment in						
Capital Assets	17,804,733	9,167,343	26,972,076	23,468,995	8,363,297	31,832,292
Restricted	11,087,386	1,014,841	12,102,227	4,717,398	1,009,943	5,727,341
Unrestricted	<u>4,807,453</u>	<u>9,238,354</u>	<u>14,045,807</u>	<u>4,874,760</u>	<u>9,053,406</u>	<u>13,928,166</u>
Total Net Position	<u>\$ 33,699,572</u>	<u>\$ 19,420,538</u>	<u>\$ 53,120,110</u>	<u>\$ 33,061,153</u>	<u>\$ 18,426,646</u>	<u>\$ 51,487,799</u>

Net position may serve over time as a useful indicator of a government's financial position. At the close of the current fiscal year, the City of McCook's assets exceeded its liabilities by \$53,120,110.

Capital assets (land, infrastructure, buildings, streets, improvements, and equipment), net of any debt issued to acquire these assets, comprise 50.8 percent of the City's net position. Although these capital assets assist the City in providing services to its citizens, they are generally not available to fund the operations of future periods.

An additional 22.8 percent of the City's net position is subject to external restrictions as to how it may be used. The remaining component of net position (\$14,045,807) is the unrestricted net position.

CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2023

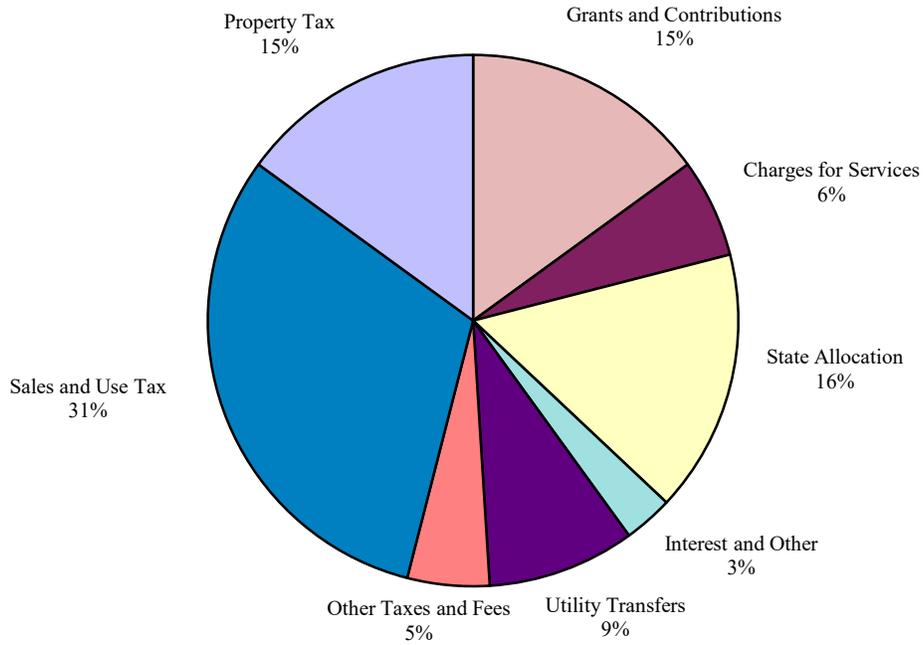
Changes in Net Position

The following table presents a summary of revenues and expenses of the governmental and business-type activities:

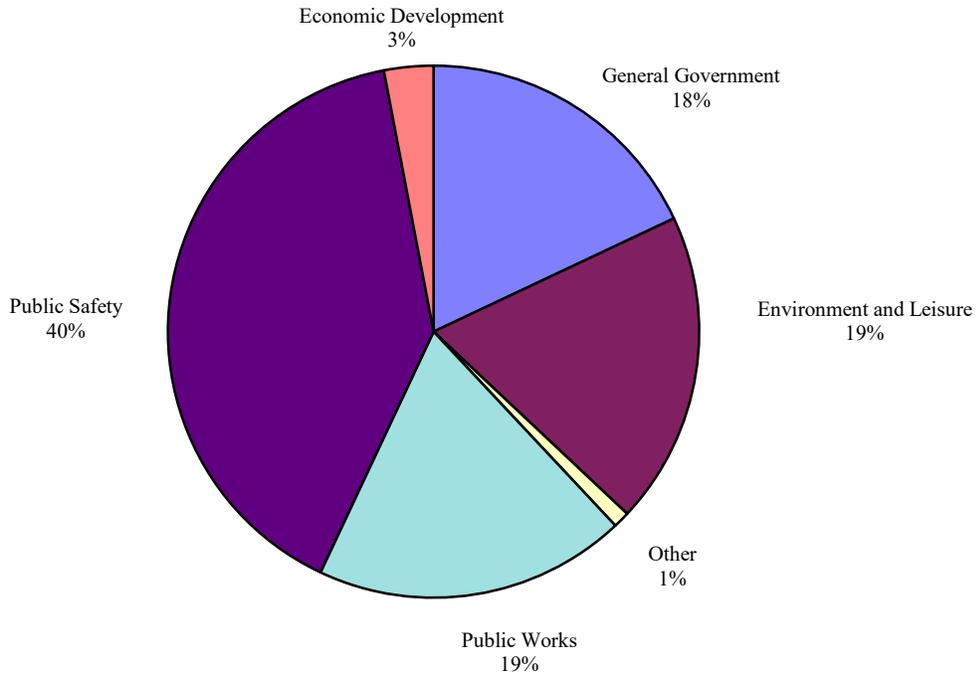
	<u>September 30, 2023</u>			<u>September 30, 2022</u>		
	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
Revenues						
Program Revenues:						
Charges for Services	\$ 697,472	\$ 8,042,372	\$ 8,739,844	\$ 668,968	\$ 7,952,806	\$ 8,621,774
Operating Grants and Contributions	688,777	-	688,777	356,063	-	356,063
Capital Grants and Contributions	983,146	-	983,146	1,139,069	129,754	1,268,823
General Revenues:						
Property Taxes	1,678,346	-	1,678,346	1,641,751	-	1,641,751
Sales and Use Taxes	3,525,044	-	3,525,044	3,005,859	-	3,005,859
Other Taxes and Fees	577,481	-	577,481	562,320	-	562,320
State Allocation	1,802,958	-	1,802,958	1,837,321	-	1,837,321
Interest Income	372,463	386,248	758,711	77,972	73,379	151,351
Other	(73,428)	-	(73,428)	207,881	-	207,881
Total Revenues	<u>10,252,259</u>	<u>8,428,620</u>	<u>18,680,879</u>	<u>9,497,204</u>	<u>8,155,939</u>	<u>17,653,143</u>
Expenses						
General Government	1,921,640	-	1,921,640	1,542,937	-	1,542,937
Economic Development	352,735	-	352,735	485,264	-	485,264
Public Safety	4,232,883	-	4,232,883	3,647,393	-	3,647,393
Public Works	2,001,727	-	2,001,727	1,909,638	-	1,909,638
Environmental and Leisure	2,053,580	-	2,053,580	1,667,197	-	1,667,197
Interest Expense	132,025	-	132,025	18,643	-	18,643
Electric Utility	-	3,539	3,539	-	3,540	3,540
Water	-	2,690,483	2,690,483	-	2,514,660	2,514,660
Sewer	-	1,253,553	1,253,553	-	1,195,248	1,195,248
Solid Waste	-	2,406,403	2,406,403	-	2,205,666	2,205,666
Total Expenses	<u>10,694,590</u>	<u>6,353,978</u>	<u>17,048,568</u>	<u>9,271,072</u>	<u>5,919,114</u>	<u>15,190,186</u>
Increase in Net Position Before Transfers	(442,331)	2,074,642	1,632,311	226,132	2,236,825	2,462,957
Net Transfers	<u>1,080,750</u>	<u>(1,080,750)</u>	<u>-</u>	<u>1,534,106</u>	<u>(1,534,106)</u>	<u>-</u>
Increase in Net Position	<u>\$ 638,419</u>	<u>\$ 993,892</u>	<u>\$ 1,632,311</u>	<u>\$ 1,760,238</u>	<u>\$ 702,719</u>	<u>\$ 2,462,957</u>

CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2023

2023 Revenues by Source - Governmental Activities

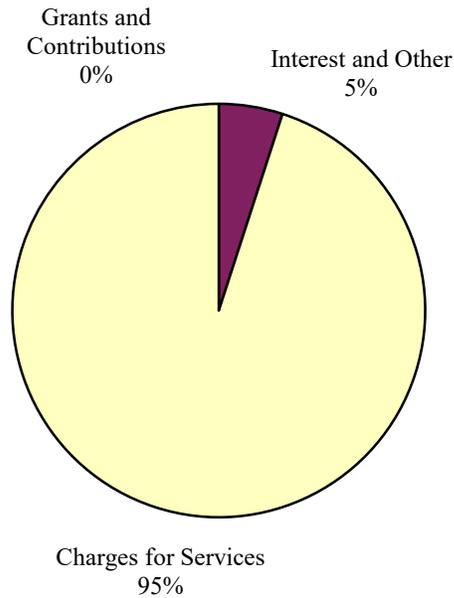


2023 Expenses - Governmental Activities

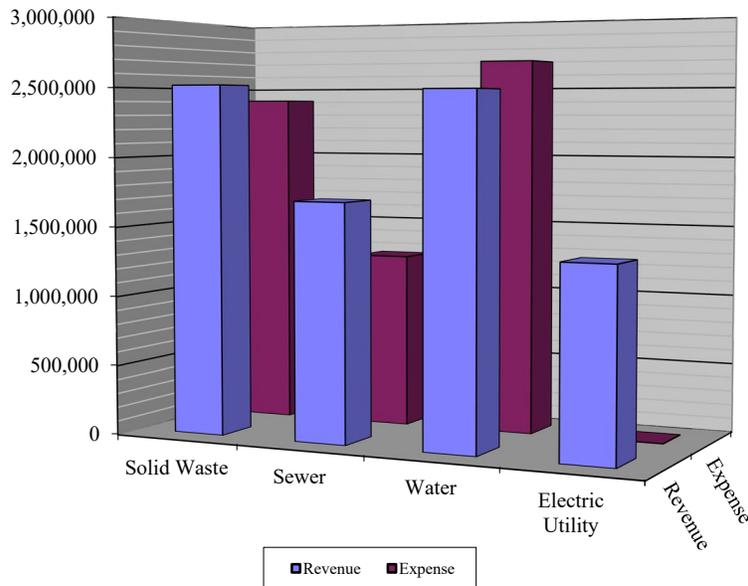


CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2023

2023 Revenues by Source - Business-type Activities



2023 Expenses and Program Revenues - Business-type Activities



CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2023

Financial Analysis of the Government's Funds

As noted earlier, the City of McCook used fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City of McCook's *governmental* funds is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of McCook's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of McCook's governmental funds reported combined ending fund balances of \$14,607,961. Approximately 7.5 percent of this total amount (\$1,100,847) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balances is not available for new spending because it has already been 1) restricted to pay debt service (\$413,572), 2) restricted to fund capital projects (\$1,505,816), 3) endowed as nonspendable to fund perpetual care (\$119,205), 4) restricted for community betterment (\$26,991), 5) restricted to fund economic development projects (\$1,313,478), 6) restricted for federal projects (\$684,813), 7) restricted for street projects (\$1,230,762), 8) restricted for the pool project (\$5,792,749), 9) committed for capital projects (\$579,501), 10) assigned for storm/hail repairs (\$438,418), or 11) assigned for budgetary stabilization (\$1,401,809).

The General Fund is the chief operating fund of the City of McCook. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,100,847, while total fund balance reached \$3,201,362. As a measure of the General Fund's liquidity, it may be useful to compare unassigned and total fund balance to total fund expenditures. Unassigned fund balance represents 14.7 percent of General Fund total expenditures, while total fund balance represents 42.8 percent of General Fund total expenditures.

The fund balance of the City of McCook's General Fund increased by \$16,120 during the current fiscal year.

Proprietary funds. The City of McCook's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the proprietary funds at the end of the year were as follows: Electric and Emergency Fund - \$0, Water Fund - \$6,275,478, Sewer Fund - \$2,695,028, and Solid Waste Fund - \$267,848. The growth (decrease) in net position for the proprietary funds was as follows: Electric and Emergency Fund - decrease of \$(3,539), Water Fund – increase of \$4,392, Sewer Fund – increase of \$894,608, and Solid Waste Fund – increase of \$98,431. Other factors concerning the finances of these four funds have already been addressed in the discussion of the City of McCook's business-type activities.

CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2023

Budgetary Highlights

No amendments to the 2022-2023 budget were made.

Capital Asset and Debt Administration

Capital Assets. The City of McCook's investment in capital assets for its governmental and business-type activities as of September 30, 2023, amounts to \$39,196,005 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, distribution systems, buildings and improvements, machinery and equipment, office furniture and equipment, and vehicles.

Major capital asset events during the current fiscal year included the following:

- North Highway 83 drainage project - \$201,221
- MMC keyless entry - \$31,480
- North Cherokee & East 1st paving project - \$58,036
- Airport master plan - \$32,498
- Construction in progress on swimming pool facility - \$631,326
- Frontier flex-wing grooming mower - \$27,800
- John Deere tractor with snow blower - \$35,283
- 2020 John Deere 5115M utility tractor - \$88,000
- Columbarium niche #2 - \$50,264
- 2023 Dodge Durango and equipment - \$58,297
- Safety training trailer - \$199,624
- Dry storage building - \$101,151
- 2023 Truvac flex hydro truck - \$444,277
- 2022 Ford F150 pickup for water department - \$44,350
- Fire hydrant replacement - \$43,754
- South Street water main replacement - \$85,875
- Drinking water cell – 34,548
- Tonka system controls - \$93,602
- Well radio upgrade - \$95,492
- Three 6" team valves - \$33,863
- Fan press - \$425,009
- 2023 container replacement - \$38,195

CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2023

City of McCook's Capital Assets
(net of depreciation)

	<u>Year Ended September 30, 2023</u>			<u>Year Ended September 30, 2022</u>		
	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
Land	\$ 776,893	\$ 485,735	\$ 1,262,628	\$ 776,893	\$ 485,735	\$ 1,262,628
Construction in Progress	913,969	-	913,969	1,026,476	-	1,026,476
Infrastructure	12,095,639	-	12,095,639	11,390,982	-	11,390,982
Buildings and Improvements	7,474,574	2,701,568	10,176,142	8,121,755	2,709,793	10,831,548
Machinery and Equipment	419,115	681,780	1,100,895	316,380	685,999	1,002,379
Distribution Systems	-	11,652,938	11,652,938	-	11,420,405	11,420,405
Office Furniture and Equipment	1,092,735	-	1,092,735	1,244,409	-	1,244,409
Vehicles	901,059	-	901,059	886,622	-	886,622
Total	<u>\$ 23,673,984</u>	<u>\$ 15,522,021</u>	<u>\$ 39,196,005</u>	<u>\$ 23,763,517</u>	<u>\$ 15,301,932</u>	<u>\$ 39,065,449</u>

Additional information on the City of McCook's capital assets can be found in Note C4 on pages 51-53 of this report.

Long-term Debt

Outstanding Long-term Debt

	<u>Year Ended September 30, 2023</u>			<u>Year Ended September 30, 2022</u>		
	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
Notes Payable	\$ 189,251	\$ -	\$ 189,251	\$ 294,522	\$ -	\$ 294,522
Revenue Bonds	-	5,435,000	5,435,000	-	5,985,000	5,985,000
Municipal Imp Bonds	5,680,000	-	5,680,000	-	-	-
Water SRF Loan	-	919,678	919,678	-	953,635	953,635
Total Long-term Outstanding Debt	<u>\$ 5,869,251</u>	<u>\$ 6,354,678</u>	<u>\$ 12,223,929</u>	<u>\$ 294,522</u>	<u>\$ 6,938,635</u>	<u>\$ 7,233,157</u>

The City's long-term debt increased \$4,990,772 (69.0 percent) during the year ended September 30, 2023, due primarily to the issuance of \$5,680,000 of Municipal Improvement Bonds for the swimming pool project.

Additional information on the City of McCook's long-term debt can be found in Note C5 on pages 53-60 of this report.

CITY OF MCCOOK, NEBRASKA
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
For The Year Ended September 30, 2023

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the City of McCook compares favorably to the State's average unemployment and the national average rate.
- Inflationary trends in the region compare favorably to national indices.
- Property tax asking for the year ending September 30, 2024, is \$1,897,419, a \$214,158 (12.7 percent) increase over the prior year.
- The City had a contractual commitments of \$1,090,427 on the South Street water main replacement. As of September 30, 2023, \$81,375 had been paid on these contracts, leaving remaining commitments of \$1,009,052 expected to be completed by September 2024.
- The City had contractual commitments totaling \$6,725,567 for the swimming pool. As of September 30, 2023, \$615,609 had been paid on this project, leaving remaining commitments totaling \$6,109,958 expected to be completed by May 2024.
- The City had a \$108,000 contractual commitment for the controls integration project. As of September 30, 2023, \$25,750 had been paid on this project, leaving a remaining commitment of \$82,250 expected to be completed by December 2023.
- The City had the following additional contractual commitments with no amounts paid as of September 30, 2023: \$347,359 for a 2024 Ford ambulance expected to be received April 2025, \$375,382 for an airport rescue and fire vehicle expected to be received March 2025, and \$814,748 for North Point and West C Street paving expected to be completed by June 2024.

All of these factors were considered in preparing the City of McCook's budget for the 2024 fiscal year.

Financial Contact

This financial report is designed to provide the citizens, taxpayers, customers, investors, and creditors with a general overview of the City of McCook's finances and to demonstrate the City's accountability for the money with which the City is entrusted. If you have questions concerning any of the information presented in this report or requests for additional information, contact the City of McCook, 505 West C Street, P.O. Box 1059, McCook, NE 69001-1059, or call (308) 345-2022.

CITY OF MCCOOK, NEBRASKA
STATEMENT OF NET POSITION
September 30, 2023

	Primary Government			Component Units (Accrual Basis)
	Governmental Activities (Modified Cash Basis)	Business-type Activities (Accrual Basis)	Total	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 4,277,759	\$ 9,217,115	\$ 13,494,874	\$ 83,322
County treasurer cash	55,082	-	55,082	-
Current portion of notes receivable	85,169	-	85,169	555,557
Accounts receivable	-	91,896	91,896	-
Unbilled revenue	-	739,018	739,018	-
Reinsurance receivable	226,200	-	226,200	-
Inventory	-	305,862	305,862	-
Total current assets	<u>4,644,210</u>	<u>10,353,891</u>	<u>14,998,101</u>	<u>638,879</u>
Noncurrent assets:				
Restricted cash and cash equivalents	11,087,386	1,173,285	12,260,671	-
Noncurrent portion of notes receivable	261,343	-	261,343	2,687,781
Capital assets:				
Land	776,893	485,735	1,262,628	-
Construction in progress	913,969	-	913,969	-
Other capital assets, net of depreciation	21,983,122	15,036,286	37,019,408	-
Net capital assets	<u>23,673,984</u>	<u>15,522,021</u>	<u>39,196,005</u>	<u>-</u>
Total noncurrent assets	<u>35,022,713</u>	<u>16,695,306</u>	<u>51,718,019</u>	<u>2,687,781</u>
Total assets	<u>39,666,923</u>	<u>27,049,197</u>	<u>66,716,120</u>	<u>3,326,660</u>
LIABILITIES				
Current liabilities:				
Accounts payable	-	152,401	152,401	-
Accrued expenses	-	227,524	227,524	-
Customer deposits	-	98,614	98,614	-
Accrued interest	-	20,612	20,612	-
Claims incurred not paid	98,100	-	98,100	-
Current portion of long-term obligations	259,773	574,639	834,412	555,557
Total current liabilities	<u>357,873</u>	<u>1,073,790</u>	<u>1,431,663</u>	<u>555,557</u>
Noncurrent liabilities:				
Accrued landfill closure costs	-	715,000	715,000	-
Accrued deep well abandonment costs	-	59,830	59,830	-
Noncurrent portion of long-term obligations	5,609,478	5,780,039	11,389,517	2,687,781
Total noncurrent liabilities	<u>5,609,478</u>	<u>6,554,869</u>	<u>12,164,347</u>	<u>2,687,781</u>
Total liabilities	<u>5,967,351</u>	<u>7,628,659</u>	<u>13,596,010</u>	<u>3,243,338</u>
NET POSITION				
Net investment in capital assets	17,804,733	9,167,343	26,972,076	-
Restricted for:				
Street improvements	1,230,762	-	1,230,762	-
Landfill postclosure	-	96,170	96,170	-
Deep injection well closure	-	29,200	29,200	-
Debt service	413,572	889,471	1,303,043	-
Economic development	1,313,478	-	1,313,478	-
Perpetual care	119,205	-	119,205	-
Capital projects	1,505,816	-	1,505,816	-
Federal projects	684,813	-	684,813	-
Pool project	5,792,749	-	5,792,749	-
Community betterment	26,991	-	26,991	-
Unrestricted	<u>4,807,453</u>	<u>9,238,354</u>	<u>14,045,807</u>	<u>83,322</u>
Total net position	<u>\$ 33,699,572</u>	<u>\$ 19,420,538</u>	<u>\$ 53,120,110</u>	<u>\$ 83,322</u>

See notes to financial statements.

CITY OF MCCOOK, NEBRASKA
STATEMENT OF ACTIVITIES
For the year ended September 30, 2023

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues Operating Grants and Contributions</u>
Primary government:			
Governmental activities			
(modified cash basis):			
General government	\$ 1,912,370	\$ 49,727	\$ 25,000
Economic development	352,735	-	-
Public safety	3,693,898	460,848	7,596
Public works	1,497,134	79,481	-
Environment and leisure	1,665,347	107,416	371,644
Depreciation - unallocated	1,441,081	-	-
Interest and fees on long-term debt	132,025	-	284,537
Total governmental activities	10,694,590	697,472	688,777
Business-type activities			
(accrual basis):			
Electric and emergency	3,539	1,341,511	-
Water	2,690,483	2,483,276	-
Sewer	1,253,553	1,700,508	-
Solid waste	2,406,403	2,517,077	-
Total business-type activities	6,353,978	8,042,372	-
Total primary government	\$ 17,048,568	\$ 8,739,844	\$ 688,777
Component units:			
Community Development Agency	\$ 777,055	\$ 7,357	\$ 239,504
McCook Leasing Corporation	-	-	-
Total component units	\$ 777,055	\$ 7,357	\$ 239,504

See notes to financial statements.

Net (Expenses) Revenues and Changes in Net Position				
Primary Government				
Capital Grants and Contributions	Governmental Activities (Modified Cash Basis)	Business-type Activities (Accrual Basis)	Total	Component Units (Accrual Basis)
\$ -	\$ (1,837,643)		\$ (1,837,643)	
-	(352,735)		(352,735)	
194,925	(3,030,529)		(3,030,529)	
190,570	(1,227,083)		(1,227,083)	
597,651	(588,636)		(588,636)	
-	(1,441,081)		(1,441,081)	
-	152,512		152,512	
<u>983,146</u>	<u>(8,325,195)</u>	\$ -	<u>(8,325,195)</u>	
-		1,337,972	1,337,972	
-		(207,207)	(207,207)	
-		446,955	446,955	
-		110,674	110,674	
-		<u>1,688,394</u>	<u>1,688,394</u>	
<u>\$ 983,146</u>	<u>(8,325,195)</u>	1,688,394	<u>(6,636,801)</u>	
\$ -				\$ (530,194)
-				-
<u>\$ -</u>				<u>(530,194)</u>
General revenues:				
Taxes:				
Property	1,678,346	-	1,678,346	-
Motor vehicle	183,815	-	183,815	-
Payments in lieu of taxes	108,244	-	108,244	464
Occupation	184,778	-	184,778	-
Sales tax	3,525,044	-	3,525,044	-
Franchise	100,644	-	100,644	-
State allocation	1,802,958	-	1,802,958	-
TIF proceeds	-	-	-	537,277
Keno proceeds	81,945	-	81,945	-
Loss on disposal of capital assets	(179,689)	-	(179,689)	-
Miscellaneous	24,316	-	24,316	-
Interest income	372,463	386,248	758,711	2,829
Net transfers	1,080,750	(1,080,750)	-	-
Total general revenues	<u>8,963,614</u>	<u>(694,502)</u>	<u>8,269,112</u>	<u>540,570</u>
Change in net position	638,419	993,892	1,632,311	10,376
Net position - September 30, 2022	<u>33,061,153</u>	<u>18,426,646</u>	<u>51,487,799</u>	<u>72,946</u>
Net position - September 30, 2023	<u>\$ 33,699,572</u>	<u>\$ 19,420,538</u>	<u>\$ 53,120,110</u>	<u>\$ 83,322</u>

CITY OF MCCOOK, NEBRASKA
BALANCE SHEET - MODIFIED CASH BASIS -
GOVERNMENTAL FUNDS

September 30, 2023

	<u>General Fund</u>	<u>Street Fund</u>	<u>Economic Development Fund</u>
ASSETS			
Cash and cash equivalents	\$ 3,146,280	\$ 1,230,762	\$ 1,313,478
County treasurer cash	55,082	-	-
	<u>3,201,362</u>	<u>1,230,762</u>	<u>1,313,478</u>
Total assets	<u>\$ 3,201,362</u>	<u>\$ 1,230,762</u>	<u>\$ 1,313,478</u>
LIABILITIES AND FUND BALANCES			
Liabilities:	\$ -	\$ -	\$ -
Fund balances:			
Nonspendable:			
Perpetual care	119,205	-	-
Restricted for:			
Capital projects	-	-	-
Street improvements	-	1,230,762	-
Economic development	-	-	1,313,478
Debt service	-	-	-
Federal projects	-	-	-
Pool project	-	-	-
Community betterment	-	-	-
Committed for:			
Capital projects	579,501	-	-
Assigned for:			
Budgetary stabilization	1,401,809	-	-
Storm/hail repairs	-	-	-
Unassigned	1,100,847	-	-
	<u>3,201,362</u>	<u>1,230,762</u>	<u>1,313,478</u>
Total fund balances	<u>3,201,362</u>	<u>1,230,762</u>	<u>1,313,478</u>
Total liabilities and fund balances	<u>\$ 3,201,362</u>	<u>\$ 1,230,762</u>	<u>\$ 1,313,478</u>

See notes to financial statements.

<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Grant Fund</u>	<u>Other Governmental Fund (Keno)</u>	<u>Total Governmental Funds</u>
\$ 413,572	\$ 1,505,816	\$ 6,915,980	\$ 26,991	\$ 14,552,879
-	-	-	-	55,082
<u>\$ 413,572</u>	<u>\$ 1,505,816</u>	<u>\$ 6,915,980</u>	<u>\$ 26,991</u>	<u>\$ 14,607,961</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	119,205
-	1,505,816	-	-	1,505,816
-	-	-	-	1,230,762
-	-	-	-	1,313,478
413,572	-	-	-	413,572
-	-	684,813	-	684,813
-	-	5,792,749	-	5,792,749
-	-	-	26,991	26,991
-	-	-	-	579,501
-	-	-	-	1,401,809
-	-	438,418	-	438,418
-	-	-	-	1,100,847
<u>413,572</u>	<u>1,505,816</u>	<u>6,915,980</u>	<u>26,991</u>	<u>14,607,961</u>
<u>\$ 413,572</u>	<u>\$ 1,505,816</u>	<u>\$ 6,915,980</u>	<u>\$ 26,991</u>	<u>\$ 14,607,961</u>

CITY OF MCCOOK, NEBRASKA

**RECONCILIATION OF THE BALANCE SHEET - MODIFIED
CASH BASIS - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION**

September 30, 2023

Total fund balances - governmental funds	\$ 14,607,961
Amounts reported for <i>governmental activities</i> in the statement of net position are different because:	
The Internal Service Fund is included as a governmental activity in the statement of changes in net position.	940,366
LB840 notes receivables are not due in the current period and therefore are not reported as assets in the governmental funds.	346,512
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$46,989,394 and the accumulated depreciation is \$23,315,410.	23,673,984
Long-term liabilities, including notes payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:	
Notes payable	<u>(5,869,251)</u>
Total net position - governmental activities	<u><u>\$ 33,699,572</u></u>

See notes to financial statements.

CITY OF MCCOOK, NEBRASKA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS**

For the year ended September 30, 2023

	<u>General Fund</u>	<u>Street Fund</u>	<u>Economic Development Fund</u>
REVENUES			
Taxes:			
Property	\$ 1,678,346	\$ -	\$ -
Motor vehicle	183,815	-	-
Payments in lieu of taxes	108,244	-	-
Occupation	184,778	-	-
Sales tax	1,745,744	257,358	528,367
Franchise	100,644	-	-
Intergovernmental	614,601	1,188,357	-
Grants	443,799	185,570	-
Keno proceeds	-	-	-
Charges for services	908,333	22,386	-
Contributions	129,687	-	-
Interest income	128,620	16,631	22,769
Loan collections	-	-	101,703
Sale of assets	23,029	-	-
Bond proceeds	-	-	-
Bond premium	-	-	-
Other revenue	11,782	-	-
Total revenues	<u>6,261,422</u>	<u>1,670,302</u>	<u>652,839</u>
EXPENDITURES			
General government	1,719,577	-	-
Economic development	-	-	352,735
Public safety	3,423,585	-	-
Public works	267,874	1,483,229	-
Environment and leisure	1,573,061	-	-
Capital outlay	444,669	173,836	-
Principal payments on debt	46,169	59,102	-
Interest on long-term debt	6,126	6,434	-
Bond fees	-	-	-
Total expenditures	<u>7,481,061</u>	<u>1,722,601</u>	<u>352,735</u>
Excess (deficiency) of revenues over expenditures	(1,219,639)	(52,299)	300,104
OTHER FINANCING SOURCES (USES)			
Transfers in	1,242,011	239,229	-
Transfers out	<u>(6,252)</u>	<u>-</u>	<u>-</u>
Net transfers	<u>1,235,759</u>	<u>239,229</u>	<u>-</u>
Net change in fund balances	16,120	186,930	300,104
Fund balances - September 30, 2022	<u>3,185,242</u>	<u>1,043,832</u>	<u>1,013,374</u>
Fund balances - September 30, 2023	<u>\$ 3,201,362</u>	<u>\$ 1,230,762</u>	<u>\$ 1,313,478</u>

See notes to financial statements.

<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Grant Fund</u>	<u>Other Governmental Funds (Keno)</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,678,346
-	-	-	-	183,815
-	-	-	-	108,244
-	-	-	-	184,778
-	993,575	-	-	3,525,044
-	-	-	-	100,644
-	-	46,170	-	1,849,128
-	-	356,032	-	985,401
-	-	-	81,945	81,945
-	-	19,622	-	950,341
-	-	266,620	-	396,307
14,827	37,181	102,619	1,330	323,977
-	-	-	-	101,703
-	-	-	-	23,029
-	-	5,680,000	-	5,680,000
-	-	284,537	-	284,537
-	-	12,534	-	24,316
<u>14,827</u>	<u>1,030,756</u>	<u>6,768,134</u>	<u>83,275</u>	<u>16,481,555</u>
-	-	82,299	24,455	1,826,331
-	-	-	-	352,735
-	-	69,556	-	3,493,141
-	-	-	-	1,751,103
-	-	14,442	-	1,587,503
-	18,911	911,171	-	1,548,587
-	-	-	-	105,271
-	-	-	-	12,560
-	-	119,465	-	119,465
<u>-</u>	<u>18,911</u>	<u>1,196,933</u>	<u>24,455</u>	<u>10,796,696</u>
14,827	1,011,845	5,571,201	58,820	5,684,859
-	-	-	-	1,481,240
<u>-</u>	<u>(239,229)</u>	<u>(455,009)</u>	<u>(75,000)</u>	<u>(775,490)</u>
<u>-</u>	<u>(239,229)</u>	<u>(455,009)</u>	<u>(75,000)</u>	<u>705,750</u>
14,827	772,616	5,116,192	(16,180)	6,390,609
<u>398,745</u>	<u>733,200</u>	<u>1,799,788</u>	<u>43,171</u>	<u>8,217,352</u>
<u>\$ 413,572</u>	<u>\$ 1,505,816</u>	<u>\$ 6,915,980</u>	<u>\$ 26,991</u>	<u>\$ 14,607,961</u>

CITY OF MCCOOK, NEBRASKA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

For the year ended September 30, 2023

Total net change in fund balances - governmental funds \$ 6,390,609

Amounts reported for *governmental activities* in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay (\$1,554,266) exceeded depreciation expense (\$1,441,081). Asset additions of \$5,679 were funded directly by donations.

113,185

Basis remaining on capital asset disposals does not impact the fund financial statements. However, the remaining basis is reported as a loss on disposal of capital assets in the statement of activities.

(202,718)

Principal payments received on LB840 loans are reported as revenue in the governmental fund statements, but these payments decrease the note receivable balance in the statement of activities.

(87,554)

The increase in net position of the Internal Service Fund is included as a governmental activity in the government wide statements.

(374)

The issuance of bonds is reported as revenue in the governmental funds, but the issuance of bonds increases long-term liabilities in the statement of net position.

(5,680,000)

Repayment of bond and note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

105,271

Change in net position of governmental activities

\$ 638,419

See notes to financial statements.

CITY OF MCCOOK, NEBRASKA
STATEMENT OF FUND NET POSITION - PROPRIETARY FUNDS
September 30, 2023

	Electric and Emergency Fund	Water Fund
ASSETS		
Current assets:		
Cash and cash equivalents	\$ -	\$ 5,757,319
Accounts receivable	-	6,970
Unbilled revenue	-	388,290
Reinsurance receivable	-	-
Inventory	-	305,862
Total current assets	-	6,458,441
Noncurrent assets:		
Restricted cash and cash equivalents	-	848,220
Capital assets:		
Land	-	295,625
Distribution systems	170,000	23,707,148
Buildings and improvements	-	639,392
Tools and equipment	-	868,074
Accumulated depreciation	(154,956)	(17,149,147)
Net capital assets	15,044	8,361,092
Total noncurrent assets	15,044	9,209,312
Total assets	15,044	15,667,753
LIABILITIES		
Current liabilities:		
Accounts payable	-	73,717
Sales tax payable	-	9,052
Claims incurred not paid	-	-
Accrued payroll	-	21,511
Accrued vacation	-	40,229
Accrued sick leave	-	19,230
Customer deposits	-	98,614
Accrued interest	-	19,224
Current portion of long-term obligations	-	364,639
Total current liabilities	-	646,216
Noncurrent liabilities:		
Accrued landfill postclosure costs	-	-
Accrued deep well abandonment costs	-	59,830
Noncurrent portion of long-term obligations	-	5,220,039
Total noncurrent liabilities	-	5,279,869
Total liabilities	-	5,926,085
NET POSITION		
Net investment in capital assets	15,044	2,776,414
Restricted for:		
Landfill postclosure	-	-
Deep injection well closure	-	29,200
Debt service	-	660,576
Unrestricted	-	6,275,478
Total net position	\$ 15,044	\$ 9,741,668

See notes to financial statements.

<u>Business-type Activities - Enterprise Funds</u>			Governmental
<u>Sewer</u>	<u>Solid Waste</u>	<u>Total</u>	Activities -
<u>Fund</u>	<u>Fund</u>		<u>Internal Service</u>
			<u>Fund</u>
\$ 2,489,268	\$ 970,528	\$ 9,217,115	\$ 812,266
18,755	66,171	91,896	-
225,089	125,639	739,018	-
-	-	-	226,200
-	-	305,862	-
<u>2,733,112</u>	<u>1,162,338</u>	<u>10,353,891</u>	<u>1,038,466</u>
228,895	96,170	1,173,285	-
-	190,110	485,735	-
10,677,625	-	34,554,773	-
4,047,922	926,210	5,613,524	-
1,090,090	1,949,185	3,907,349	-
(9,440,108)	(2,295,149)	(29,039,360)	-
<u>6,375,529</u>	<u>770,356</u>	<u>15,522,021</u>	<u>-</u>
<u>6,604,424</u>	<u>866,526</u>	<u>16,695,306</u>	<u>-</u>
9,337,536	2,028,864	27,049,197	1,038,466
9,735	68,949	152,401	-
9,426	-	18,478	-
-	-	-	98,100
7,453	22,663	51,627	-
8,320	55,460	104,009	-
1,762	32,418	53,410	-
-	-	98,614	-
1,388	-	20,612	-
210,000	-	574,639	-
<u>248,084</u>	<u>179,490</u>	<u>1,073,790</u>	<u>98,100</u>
-	715,000	715,000	-
-	-	59,830	-
560,000	-	5,780,039	-
<u>560,000</u>	<u>715,000</u>	<u>6,554,869</u>	<u>-</u>
<u>808,084</u>	<u>894,490</u>	<u>7,628,659</u>	<u>98,100</u>
5,605,529	770,356	9,167,343	-
-	96,170	96,170	-
-	-	29,200	-
228,895	-	889,471	-
2,695,028	267,848	9,238,354	940,366
<u>\$ 8,529,452</u>	<u>\$ 1,134,374</u>	<u>\$ 19,420,538</u>	<u>\$ 940,366</u>

CITY OF MCCOOK, NEBRASKA

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS**

For the year ended September 30, 2023

	Electric and Emergency Fund	Water Fund
Operating revenues:		
Charges for services	\$ 1,341,511	\$ 2,329,324
Miscellaneous revenues	-	153,952
Total operating revenues	1,341,511	2,483,276
Operating expenses:		
Salaries and benefits	-	719,860
Insurance and bonds	-	88,355
Utilities and telephone	-	145,465
Repairs and maintenance	-	265,214
Equipment rent	-	13,667
Contracted services	-	35,370
Supplies	-	19,654
Plant chemicals	-	270,673
Transportation	-	20,965
Professional fees	-	8,848
Sales tax	-	20,510
Miscellaneous	-	78,923
Depreciation	3,539	931,424
Insurance claims and health premiums	-	-
Total operating expenses	3,539	2,618,928
Operating income (loss)	1,337,972	(135,652)
Nonoperating revenues (expenses):		
Interest income	-	254,136
Interest expense	-	(67,174)
Loan fees	-	(4,381)
Total nonoperating revenues (expenses)	-	182,581
Income (loss) before transfers	1,337,972	46,929
Interfund transfers:		
Transfers in	-	17,463
Transfers out	(1,341,511)	(60,000)
Net transfers	(1,341,511)	(42,537)
Change in net position	(3,539)	4,392
Net position - September 30, 2022	18,583	9,737,276
Net position - September 30, 2023	\$ 15,044	\$ 9,741,668

See notes to financial statements.

Business-type Activities - Enterprise Funds

<u>Sewer Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>	Governmental Activities - <u>Internal Service Fund</u>
\$ 1,685,561	\$ 2,507,667	\$ 7,864,063	\$ 2,686,414
14,947	9,410	178,309	-
<u>1,700,508</u>	<u>2,517,077</u>	<u>8,042,372</u>	<u>2,686,414</u>
392,710	892,375	2,004,945	-
56,180	60,741	205,276	-
105,955	8,003	259,423	-
78,209	146,438	489,861	-
3,018	1,697	18,382	-
12,580	957,162	1,005,112	-
16,437	12,402	48,493	-
-	-	270,673	-
8,851	213,430	243,246	-
12,499	7,957	29,304	-
97,860	-	118,370	-
25,895	14,141	118,959	-
437,465	92,057	1,464,485	-
-	-	-	3,096,124
<u>1,247,659</u>	<u>2,406,403</u>	<u>6,276,529</u>	<u>3,096,124</u>
452,849	110,674	1,765,843	(409,710)
92,993	39,119	386,248	34,336
(5,370)	-	(72,544)	-
(524)	-	(4,905)	-
<u>87,099</u>	<u>39,119</u>	<u>308,799</u>	<u>34,336</u>
539,948	149,793	2,074,642	(375,374)
425,009	-	442,472	375,000
(70,349)	(51,362)	(1,523,222)	-
<u>354,660</u>	<u>(51,362)</u>	<u>(1,080,750)</u>	<u>375,000</u>
894,608	98,431	993,892	(374)
<u>7,634,844</u>	<u>1,035,943</u>	<u>18,426,646</u>	<u>940,740</u>
<u>\$ 8,529,452</u>	<u>\$ 1,134,374</u>	<u>\$ 19,420,538</u>	<u>\$ 940,366</u>

CITY OF MCCOOK, NEBRASKA
STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS

For the year ended September 30, 2023

	Electric and Emergency Fund
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers	\$ 1,341,511
Receipts from other funds	-
Payments to suppliers	-
Payments to employees	-
Net cash provided (used) by operating activities	1,341,511
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Transfers from other funds	-
Transfers to other funds	(1,341,511)
Net cash provided (used) by noncapital financing activities	(1,341,511)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchase of property and equipment	-
Increase in accrued deep well abandonment costs	-
Principal payments on capital debt	-
Interest paid on capital debt	-
Loan fees paid	-
Net cash used by capital and related financing activities	-
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest received	-
Increase (decrease) in cash and cash equivalents	-
Cash and cash equivalents - beginning of the year	-
Cash and cash equivalents - end of the year	\$ -
Composition of cash and cash equivalents:	
Cash and cash equivalents	\$ -
Restricted cash and cash equivalents	-
Total cash and cash equivalents	\$ -

See notes to financial statements.

Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>	
\$ 2,510,428	\$ 1,682,313	\$ 2,507,770	\$ 8,042,022	\$ -
-	-	-	-	2,512,114
(929,395)	(416,046)	(1,420,101)	(2,765,542)	(3,059,224)
(703,508)	(385,853)	(876,690)	(1,966,051)	-
<u>877,525</u>	<u>880,414</u>	<u>210,979</u>	<u>3,310,429</u>	<u>(547,110)</u>
17,463	425,009	-	442,472	375,000
(60,000)	(70,349)	(51,362)	(1,523,222)	-
<u>(42,537)</u>	<u>354,660</u>	<u>(51,362)</u>	<u>(1,080,750)</u>	<u>375,000</u>
(968,315)	(598,598)	(117,661)	(1,684,574)	-
5,760	-	-	5,760	-
(368,957)	(215,000)	-	(583,957)	-
(67,763)	(5,621)	-	(73,384)	-
(4,381)	(524)	-	(4,905)	-
<u>(1,403,656)</u>	<u>(819,743)</u>	<u>(117,661)</u>	<u>(2,341,060)</u>	<u>-</u>
254,136	92,993	39,119	386,248	34,336
(314,532)	508,324	81,075	274,867	(137,774)
<u>6,920,071</u>	<u>2,209,839</u>	<u>985,623</u>	<u>10,115,533</u>	<u>950,040</u>
<u>\$ 6,605,539</u>	<u>\$ 2,718,163</u>	<u>\$ 1,066,698</u>	<u>\$ 10,390,400</u>	<u>\$ 812,266</u>
\$ 5,757,319	\$ 2,489,268	\$ 970,528	\$ 9,217,115	\$ 812,266
848,220	228,895	96,170	1,173,285	-
<u>\$ 6,605,539</u>	<u>\$ 2,718,163</u>	<u>\$ 1,066,698</u>	<u>\$ 10,390,400</u>	<u>\$ 812,266</u>

CITY OF MCCOOK, NEBRASKA

**STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS, Continued**

For the year ended September 30, 2023

	<u>Electric and Emergency Fund</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ 1,337,972
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	3,539
Change in assets and liabilities:	
Accounts receivable	-
Reinsurance receivable	-
Inventories	-
Customer deposits	-
Accounts payable	-
Claims incurred not paid	-
Sales tax payable	-
Accrued expenses	-
Net cash provided (used) by operating activities	<u>\$ 1,341,511</u>

See notes to financial statements.

Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>	
\$ (135,652)	\$ 452,849	\$ 110,674	\$ 1,765,843	\$ (409,710)
931,424	437,465	92,057	1,464,485	-
23,545	(18,724)	(9,307)	(4,486)	-
-	-	-	-	(174,300)
7,220	-	-	7,220	-
227	-	-	227	-
31,029	1,438	1,870	34,337	-
-	-	-	-	36,900
3,380	529	-	3,909	-
16,352	6,857	15,685	38,894	-
<u>\$ 877,525</u>	<u>\$ 880,414</u>	<u>\$ 210,979</u>	<u>\$ 3,310,429</u>	<u>\$ (547,110)</u>

CITY OF MCCOOK, NEBRASKA

**STATEMENT OF ASSETS AND LIABILITIES - MODIFIED CASH BASIS -
FIDUCIARY FUNDS**

September 30, 2023

	Custodial <u>Funds</u>
ASSETS	
Cash	<u>\$ 196,603</u>
LIABILITIES HELD FOR OTHERS	
Held for other purposes	<u>\$ 196,603</u>

See notes to financial statements.

CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

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CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of McCook, Nebraska (City) are prepared in accordance with the modified cash basis of accounting for governmental and fiduciary funds and the accrual basis for the proprietary funds and discretely presented component unit. The City’s reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of this Note.

1. Financial Reporting Entity

The City of McCook, Nebraska, was incorporated as a City of the first class in 1933. The City operates under a City Manager form of government. The Mayor is elected by the Council. All members of the City Council are elected on four-year terms. The administration of the City government is performed under the direction of the Council by the City Manager. Services provided to residents include public safety, highways and streets, parks, recreation, water and sanitary sewer systems, garbage collection, and general administrative services.

The City’s financial reporting entity comprises the following:

Primary Government:	City of McCook
Discretely Presented Component Units:	Community Development Authority McCook Leasing Corporation

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 61, and has addressed all potential component units (traditionally separate reporting entities) for which the City may be financially accountable, and, as such, should be included within the City’s financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization’s governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

1. Financial Reporting Entity, continued

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the City Council or the component unit provides services entirely to the City. These component units' funds are blended into those of the City by appropriate activity type to compose the primary government presentation. Currently, the City has no blended component units.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending. The following are the discretely presented component units:

**Brief Description of Activities
and Relationship to the City**

McCook Community

Development Agency

On February 20, 2006, the City Council passed an ordinance repealing the CRA and creating a CDA for the City of McCook. The Mayor and the members of the City Council shall constitute the Agency and the City Manager shall serve as the director of the CDA.

McCook Leasing Corporation

Created in 2011 to provide for the construction and issuance of bonds for the construction of the combined Administration and Public Safety building. This entity had no activity during the year ended September 30, 2023.

2. Basis of Presentation

Government-wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. Basis of Presentation, continued

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type.
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund

The General Fund is the primary operating fund of the City and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain purposes.

Capital Project Funds

Capital Project Funds are used to account for resources restricted for the acquisition or construction of specific capital projects.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. Basis of Presentation, continued

Governmental Funds, continued

Debt Service Fund

The Debt Service Fund accounts for the accumulation of financial resources for the payment of interest and principal on the general long-term debt of the City other than debt-service payments made by enterprise funds. Ad valorem taxes are used for the payment of principal and interest on the City's general obligation bonds.

Proprietary Funds

Enterprise Funds

Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

Internal Service Fund

The Internal Service Fund accounts for activities that provide goods and services to other funds, departments or agencies of the primary government and its component units on a cost-reimbursement basis.

Fiduciary Funds (Not included in government-wide statements)

Custodial Funds

Custodial funds account for assets held by the City in a purely custodial capacity. The reporting entity includes ten custodial funds. Since these funds are custodial in nature (i.e., assets equal liabilities), they do not involve the measurement of results of operations.

CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. Basis of Presentation, continued

Major and Nonmajor Funds

The funds are further classified as major or nonmajor as follows:

<u>Major:</u>	<u>Fund</u>	<u>Brief Description</u>
Governmental:		
	General Fund	See page 32 for description.
	Street Fund	The Street Fund is a Special Revenue Fund that accounts for the City’s share of highway allocation from the State of Nebraska.
	Debt Service Fund	See page 33 for description.
	Capital Projects Fund	See page 32 for description.
	Grant Fund	The Grant Fund is a Special Revenue Fund that accounts for grant revenue and expenditures.
	Economic Development Fund	The Economic Development Fund is a Special Revenue Fund that accounts for sales tax proceeds to be used for LB840 economic development.
Proprietary:		
Enterprise:		
	Electric and Emergency, Water, Sewer, and Solid Waste	See page 33 for description.
<u>Nonmajor:</u>		
Governmental:		
	Keno Fund	The Keno Fund is a Special Revenue Fund that accounts for Keno proceeds and community betterment expenditures.

3. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

3. Measurement Focus and Basis of Accounting, continued

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b, below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.
- c. Fiduciary funds are not involved in the measurement of results of operations; therefore, the measurement focus is not applied to them.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the modified cash basis of accounting. This basis recognizes assets, liabilities, net position, revenues, and expenses when they result from cash transactions with a provision for depreciation. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) *are not recorded* in these financial statements. Under the modified cash basis of accounting, proceeds from the issuance of long-term debt increase liabilities and payment of long-term debt reduces liabilities. Capital assets are capitalized and depreciation is recognized over the estimated lives of the related assets. Right of use assets and related lease liabilities, as defined by GASB 87 and 96, are not reflected in the accompanying modified cash basis financial statements.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

3. Measurement Focus and Basis of Accounting, continued

Basis of Accounting, continued

Business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified cash basis of accounting using a flow of current financial resources measurement focus. Proceeds from issuance of long-term debt are recognized as revenue when received and payment of long-term debt principal is reported as an expenditure when paid. Capital asset purchases are recorded as expenditures and depreciation is not recognized.

All proprietary funds and the discretely presented component units utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or the economic asset is used.

4. Assets, Liabilities, and Equity

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America and the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Investments

For the purpose of the Statement of Net Position, “cash and cash equivalents” include all demand accounts and savings accounts. For the purpose of the proprietary fund Statement of Cash Flows, “cash and cash equivalents” include all cash on hand, demand accounts, savings accounts, and equity in pooled cash which has an original maturity of three months or less. The County Treasurer’s cash represents revenues collected not yet remitted to the City.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Cash and Investments, continued

Investments are carried at fair value. Fair value is based on quoted market price. Additional cash and investment disclosures are presented in Notes B2, C1, and D2.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Business-type activities report utility billings as their major receivables.

In the fund financial statements, proprietary fund receivables consist of all revenues earned at year end and not yet received. Utility accounts receivable compose the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

Inventory

All inventories are valued at cost using the first-in/first-out (FIFO) method.

Restricted Assets

Restricted assets include cash and investments that are legally restricted as to their use. The primary restricted assets are related to debt service and proceeds of specific revenue sources that are legally restricted to expenditures for certain purposes.

Capital Assets

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Capital Assets, continued

Government-wide Statements

In the government-wide financial statements, property and equipment are accounted for as capital assets. The City has a \$5,000 capitalization threshold. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation. The City has elected the depreciation approach for reporting infrastructure.

Depreciation for capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The ranges of estimated useful lives by type of asset are as follows:

Buildings	25-50 years
Improvements	10-50 years
Machinery and Equipment	3-20 years
Utility System	25-50 years

Beginning October 1, 2003, governmental funds' infrastructure assets were capitalized under the retroactive capitalization method. These assets have been valued at cost. The cost of normal maintenance, preservation, and repairs that do not add to the value of the assets or materially extend the assets' lives are not capitalized.

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Compensated Absences

The City's policies regarding vacation time and sick leave permit employees to accumulate earned but unused leave. In the event of termination, an employee is paid for all unused accumulated vacation time, accumulated compensatory time, and one-fourth of accumulated sick leave. Accumulated leave is accrued in the accompanying proprietary funds financial statement but not in the governmental funds.

Long-term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-wide Statements

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes payable.

Fund Financial Statements

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund financial statements as it is in the government-wide statements.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Equity Classifications

Government-wide Statements

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

Effective October 1, 2010, the City adopted GASB Statement No. 54, which redefined how fund balances of the governmental funds are presented in the financial statements. Fund balances are classified as follows:

Nonspendable—Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

Restricted—Amounts that can be spent only for specific purposes because of the City Charter, City Code, state or federal laws or externally imposed conditions by grantors or creditors.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Assets, Liabilities, and Equity, continued

Equity Classifications, continued

Fund Financial Statements, continued

Committed—Amounts that can be used only for specific purposes determined by a formal action by City Council ordinance or resolution.

Assigned—Amounts that are designated by the Mayor for a specific purpose but are not spendable until a budget ordinance is passed by the City Council.

Unassigned—All amounts not included in other spendable classifications.

The details of the fund balances are included in the Governmental Funds Balance Sheet (page 20). Restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted by the City Council or the Assignment has been changed by the Mayor. Decreases to fund balance first reduce Unassigned Fund balance; in the event that Unassigned Fund Balance becomes zero, then Assigned and Committed Fund Balances are used in that order.

5. Revenues, Expenditures, and Expenses

Sales and Use Tax

The City presently levies a 2.0 cent sales tax on taxable sales within the City. The sales tax is collected by the Nebraska Department of Revenue and remitted to the City in the month following receipt. The Nebraska Department of Revenue receives the sales tax approximately one month after collection by vendors. As of October 1, 2006, sales tax collected on the sale of motor vehicles is recorded in the Street Fund as required by LB904. During November 2022, voters approved 0.5 percent for payment of the recreational bonds. The LB840 Fund receives 16.67 percent of the non-motor vehicle sales tax collections for economic development. The balance of the sales tax may be used for budgeted General Fund appropriations and capital projects; purchase of capital equipment; improving, repairing or replacing the City's infrastructure, including but not limited to water quality improvements, City streets, parks, and other public facilities; and repaying or redeeming water, sewer and other City debt.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

5. Revenues, Expenditures, and Expenses, continued

Property Taxes

The City has the power to levy taxes each year sufficient to pay any judgment existing against the City, the interest on bonded debt, and the principal on bonded debt maturing during the fiscal year or within six months thereafter, as well as taxes authorized by state law.

The tax levies for all political subdivisions in Red Willow County are certified by the County Board on or before October 15. Real estate taxes are due on December 31 and attach as an enforceable lien and become delinquent in two equal installments on May 1 and September 1. Personal property taxes are due in the same manner as real estate taxes. Delinquent taxes bear 14 percent interest.

Property taxes levied for 2022-2023 are recorded as revenue when received by the County.

Electrical Distribution System Lease and Wholesale Power Contract

The City of McCook, Nebraska, recognizes revenue under a net lease of the electric distribution system. Rental payments are equal to 12.5 percent of retail revenues from the distribution system, adjusted to eliminate revenues from tax-supported agencies and fuel cost and similar adjustments. The lessee will maintain the electric distribution system pursuant to prudent utility practice and provide insurance thereon.

The lease, entered into on January 1, 2019, is for a 25-year period. The lease is annually renewable thereafter, unless terminated by a minimum of five years prior written notice.

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

5. Revenues, Expenditures, and Expenses, continued

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds – by Character and Function

Proprietary Funds – by Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

Interfund Transfers

Permanent reallocation of resources between funds of the reporting entity is classified as transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

By its nature as a local government unit, the City and its component units are subject to various federal, state, and local laws and contractual regulations. An analysis of the City's compliance with significant laws and regulations and demonstration of its stewardship over City resources follows:

1. Fund Accounting Requirements

The City complies with all state and local laws and regulations requiring the use of separate funds. The legally required funds used by the City include Special Revenue, Debt Service, Capital Projects, and Agency Funds.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, continued

2. Deposit Laws and Regulations

Custodial credit risk is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The City's deposit policy for custodial credit risk requires compliance with the provisions of state law.

State law requires collateralization of all deposits with federal depository insurance or with U.S. Treasury and U.S. agency securities having an aggregate value at least equal to the amount of the deposits. The City's demand deposits are insured up to \$250,000 and certificates of deposit/savings accounts are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). Any cash deposits or certificates of deposit in excess of the FDIC limits are insured by collateral held by the pledging institution in the City's name.

3. Revenue Restrictions

The City has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources are described in Note A2 for the various funds.

4. Debt Restrictions and Covenants

Bonds Payable

The various bond ordinances relating to the bonds payable contain some restrictions or covenants that are financial-related. These include covenants such as debt-service coverage requirements and required reserve account balances. The City is in compliance with the bond restrictions and covenants.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, continued

4. Debt Restrictions and Covenants, continued

Sewer Loans

The City has established the following accounts to comply with the covenants listed in the sewer loan agreements.

1. Dedicated Source of Revenue for Repayment of the Loans – The City pledges the sewer user charge as the dedicated source of revenue for repayment of the loans.
2. Loan Principal and Interest Redemption Account - Out of the McCook Sewer Fund there shall be credited monthly, on or before the 15th day of each month to the Loan Principal and Interest Redemption Account, the following amounts:
 - a) An amount equal to 1/6th of the next maturing semi-annual interest payments. The loan interest reserve was \$1,388 at September 30, 2023.
 - b) An amount equal to 1/12th of the next maturing annual principal payments. The loan principal reserve was \$61,250 at September 30, 2023.
3. Debt Service Reserve – The debt service reserve was \$166,257 at September 30, 2023.

Water Loans

The City has established the following accounts to comply with the covenants listed in the water loan agreements.

1. Dedicated Source of Revenue for Repayment of the Loans – The City pledges the water user charge as the dedicated source of revenue for repayment of the loans.
2. Loan Principal and Interest Redemption Account - Out of the McCook Water Fund there shall be credited monthly, on or before the 15th day of each month to the Loan Principal and Interest Redemption Account, the following amounts:
 - a) An amount equal to 1/6th of the next maturing semi-annual interest payments. The loan interest reserve was \$20,205 at September 30, 2023.
 - b) An amount equal to 1/6th of the next maturing semi-annual principal payments. The loan principal reserve was \$106,303 at September 30, 2023.
3. Debt Service Reserve – The debt service reserve was \$534,068 at September 30, 2023.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, continued

5. Budgetary Data

The City is required by state laws to adopt annual budgets for all fund types. Each budget is presented on the cash basis of accounting, which is consistent with the requirements of the state budget act.

The Nebraska Budget Act provides the prescribed budget practices and procedures that governing bodies are required to follow. The amounts that may be budgeted for certain specific funds are subject to various expenditure and/or tax levy limitations.

The City follows these procedures in establishing the budgetary data reflected in the accompanying financial statements.

- a. On or before August 1, the City prepares a budget for the fiscal year commencing October 1. The budget includes proposed expenditures and resources available.
- b. The budget is published with subsequent public hearings to obtain taxpayer comments.
- c. Prior to September 30, the City Council adopts the budget, which is then filed with the appropriate state and county officials.
- d. Total expenditures may not legally exceed total appropriations. Appropriations lapse at year end and any revisions require board approval.
- e. Appropriations lapse at the end of the fiscal year, except for capital improvement appropriations and certain encumbrances against operating budgets.
- f. The County Clerk certifies a preliminary property tax levy for each fund of the City which levied property taxes in the county the previous year based on the combined valuation and amount required for the City the prior year. The preliminary levy becomes the final levy unless the governing board passes, by a majority vote, a resolution setting the levy at a different amount.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, continued

5. Budgetary Data, continued

- g. The property tax requirements resulting from the budget process are utilized by the County Assessor to establish the tax levy. Taxes are levied annually on or before October 20. Real property taxes and personal property taxes are due December 31 with the first half delinquent May 1 and the second half delinquent September 1.
- h. The City of McCook adopts a budget by ordinance for all funds.

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS

The following notes present detail information to support the amounts reported in the financial statements for the City’s various assets, liabilities, equity, revenues, and expenditures/expenses.

1. Cash

Deposits

The City’s policies regarding deposits of cash are discussed in Note A4. The table presented below is designed to disclose how its deposits were insured or secured with collateral at September 30, 2023. The categories of collateral are defined as follows:

Category 1 – Insured by FDIC or collateralized with securities held by the City (or public trust) or by its agent in its name.

Category 2 – Uninsured but collateralized with securities held by the pledging financial institution’s trust department or agent in the City’s name.

Category 3 – Uninsured and uncollateralized; or collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the City’s name; or collateralized with no written or approved collateral agreement.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

1. Cash, continued

Deposits, continued

<u>Types of Deposits</u>	<u>Total Bank Balance</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Total Carrying Value</u>
Demand deposits	\$ 26,615,260	\$ 250,000	\$ 26,365,260	\$ -	\$ <u>26,035,470</u>

Reconciliation to Government-wide Statement of Net Position:

Primary Government –	
Unrestricted cash and cash equivalents	\$ 13,494,874
Restricted cash and cash equivalents	12,260,671
Fiduciary Funds –	
Custodial Funds cash	196,603
Component Unit –	
Unrestricted cash and cash equivalents	<u>83,322</u>
	<u>\$ 26,035,470</u>

2. Restricted Assets

The restricted assets as of September 30, 2023, are as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Type of Restricted Assets:			
Cash and cash equivalents	\$ <u>11,087,386</u>	\$ <u>1,173,285</u>	\$ <u>12,260,671</u>

The General Fund has \$119,205 of cash restricted for cemetery perpetual care. The Street Fund has \$1,230,762 of cash restricted for street improvements. The Economic Development Fund has \$1,313,478 of cash restricted for economic development. The Debt Service Fund has \$413,572 of cash restricted for debt service. The Capital Projects Fund has \$1,505,816 of cash restricted for Capital Projects. The Grant Fund has \$684,813 of cash restricted for Federal programs and \$5,792,749 of cash restricted for the pool project. The Keno Fund has \$26,991 of cash restricted for community betterment.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

2. Restricted Assets, continued

The Water Fund has \$89,030 restricted for future closure costs on the deep injection well, \$98,614 restricted for customer deposits, and \$660,576 restricted for debt service. Funds of \$228,895 are restricted in the Sewer Fund for debt service. The Solid Waste Fund has funds of \$96,170 that are restricted for the future landfill postclosure costs. See Note B4 for additional disclosures.

3. Accounts and Notes Receivable

Accounts receivable of the business-type activities consist of utilities receivables. Receivables detail at September 30, 2023, is as follows:

	<u>Business-type Activities</u>
Accounts receivable	\$ 91,896
Unbilled revenue	<u>739,018</u>
Total accounts receivable	<u>\$ 830,914</u>

As of September 30, 2023, the City had the following LB840 notes receivable:

	<u>Balance</u>	<u>Terms</u>
Clary Village	\$ 116,315	4%; due as TIF proceeds are collected; final maturity 3/31/31
McCook Economic Development Corporation	38,194	0%; due as TIF proceeds are collected over 15 years
McCook Economic Development Corporation	87,612	0%; due as TIF proceeds are collected over 15 years

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

3. Accounts and Notes Receivable, continued

Hot Tub Brokers	83,858	2%; 120 monthly payments of \$919.56 due 1/1/21 – 12/1/31
Early Morning Cackle	38,469	3%; 120 monthly payments of \$538.42 due 5/1/20 – 4/1/30
Straight Align LLC	32,179	3%; 120 monthly payments of \$482.80 due 11/1/19 – 10/1/29
Young Bison Daycare	39,517	3%; 120 monthly payments of \$545.61 due 6/1/20 – 5/1/30
American Agricultural Laboratory	26,683	2%; 120 monthly payments of \$690.10 due 2/5/17 – 1/5/27
Allowance for uncollectible notes	<u>(116,315)</u>	
	<u>\$ 346,512</u>	

The Community Development Agency had the following TIF receivables and payables as of September 30, 2023:

	<u>TIF Receivable</u>	<u>TIF Payable</u>
North Pointe	\$ 38,194	\$ 38,194
Clary Village	78,780	78,780
Cobblestone	449,100	449,100
Quillan Courts	71,196	71,196
N-Stant Convenience	65,100	65,100
Blackwood Enterprises	149,800	149,800
Infill Housing	39,504	39,504
Holiday Inn	1,003,779	1,003,779
Next Generation	<u>1,347,885</u>	<u>1,347,885</u>
	<u>\$ 3,243,338</u>	<u>\$ 3,243,338</u>
Current portion	\$ 555,557	\$ 555,557
Long-term portion	<u>2,687,781</u>	<u>2,687,781</u>
	<u>\$ 3,243,338</u>	<u>\$ 3,243,338</u>

CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

4. Capital Assets

Capital asset activity for the year ended September 30, 2023, was as follows:

	Balance at October 1, <u>2022</u>	<u>Additions</u>	<u>Disposals</u>	<u>Reclass</u>	Balance at September 30, <u>2023</u>
<u>Governmental Activities:</u>					
Capital assets not being depreciated:					
Land	\$ 776,893	\$ -	\$ -	\$ -	\$ 776,893
Construction in progress	<u>1,026,476</u>	<u>681,403</u>	<u>-</u>	<u>(793,910)</u>	<u>913,969</u>
Total capital assets not being depreciated	1,803,369	681,403	-	(793,910)	1,690,862
Other capital assets being depreciated:					
Infrastructure	16,708,479	259,757	-	793,910	17,762,146
Buildings and improvements	19,378,489	36,665	(457,126)	-	18,958,028
Machinery and equipment	1,136,887	179,157	-	-	1,316,044
Furniture and equipment	3,365,464	139,363	(11,673)	-	3,493,154
Vehicles	<u>3,589,007</u>	<u>257,921</u>	<u>(77,768)</u>	<u>-</u>	<u>3,769,160</u>
Total other capital assets at historical cost	44,178,326	872,863	(546,567)	793,910	45,298,532
Less accumulated depreciation for:					
Infrastructure	(5,317,497)	(349,010)	-	-	(5,666,507)
Buildings and improvements	(11,256,734)	(481,128)	254,408	-	(11,483,454)
Machinery and equipment	(820,507)	(76,422)	-	-	(896,929)
Furniture and equipment	(2,121,055)	(291,037)	11,673	-	(2,400,419)
Vehicles	<u>(2,702,385)</u>	<u>(243,484)</u>	<u>77,768</u>	<u>-</u>	<u>(2,868,101)</u>
Total accumulated depreciation	<u>(22,218,178)</u>	<u>(1,441,081) *</u>	<u>343,849</u>	<u>-</u>	<u>(23,315,410)</u>
Other capital assets, net	<u>21,960,148</u>	<u>(568,218)</u>	<u>(202,718)</u>	<u>793,910</u>	<u>21,983,122</u>
Governmental activities capital assets, net	<u>\$ 23,763,517</u>	<u>\$ 113,185</u>	<u>\$ (202,718)</u>	<u>\$ -</u>	<u>\$ 23,673,984</u>

* Depreciation expense was incurred by the following governmental activities:

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

4. Capital Assets, continued

General Fund:

General government:

Administration	\$ 9,270
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Public safety:

Fire	122,429
Civil defense	9,383
Ambulance	72,003
Municipal Center	131,803
Public safety	505
Police	<u>202,862</u>
Total public safety	538,985

Public works:

Public works	2,332
Cemetery	<u>16,135</u>
Total public works	18,467

Environment and leisure:

Airport	156,043
Library	53,045
Parks	80,878
Ball park	18,609
Pool	11,169
Auditorium	22,649
Public transportation	8,120
Senior Center	<u>37,720</u>
Total environment and leisure	<u>388,233</u>

Total General Fund	954,955
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Special Revenue Funds:

Street	<u>486,126</u>
Total Governmental Activities depreciation expense	\$ <u>1,441,081</u>

Construction in progress at September 30, 2023 consists of \$251,270 of costs incurred on the airport master plan update project, \$645,119 of costs incurred on the swimming pool project, and \$17,580 of costs incurred on the four City entry signs. See note D3 for additional details regarding commitments remaining on these projects.

CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

4. Capital Assets, continued

	Balance at October 1, <u>2022</u>	<u>Additions</u>	<u>Disposals</u>	Balance at September 30, <u>2023</u>
<u>Business-type Activities:</u>				
Capital assets not being depreciated:				
Land	\$ 485,735	\$ -	\$ -	\$ 485,735
Other capital assets being depreciated:				
Distribution systems	33,134,755	1,420,018	-	34,554,773
Buildings and improvements	5,487,764	125,760	-	5,613,524
Machinery and equipment	3,805,781	138,796	(37,228)	3,907,349
Total other capital assets at historical cost	<u>42,428,300</u>	<u>1,684,574</u>	<u>(37,228)</u>	<u>44,075,646</u>
Less accumulated depreciation for:				
Distribution systems	(21,714,350)	(1,187,485)	-	(22,901,835)
Buildings and improvements	(2,777,971)	(133,985)	-	(2,911,956)
Machinery and equipment	(3,119,782)	(143,015)	37,228	(3,225,569)
Total accumulated depreciation	<u>(27,612,103)</u>	<u>(1,464,485) *</u>	<u>37,228</u>	<u>(29,039,360)</u>
Other capital assets, net	<u>14,816,197</u>	<u>220,089</u>	<u>-</u>	<u>15,036,286</u>
Business-type capital assets, net	<u>\$ 15,301,932</u>	<u>\$ 220,089</u>	<u>\$ -</u>	<u>\$ 15,522,021</u>

* Depreciation expense was charged to functions as follows:

Electric and Emergency	\$ 3,539
Water	931,424
Sewer	437,465
Solid Waste	<u>92,057</u>
Total Business-type Activities depreciation expense	<u>\$ 1,464,485</u>

5. Long-term Debt

The reporting entity's long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

5. Long-term Debt, continued

Changes in Long-term Debt

The following is a summary of changes in long-term debt for the year ended September 30, 2023:

<u>Type of Debt</u>	Balance October 1, <u>2022</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>2023</u>	Amounts Due Within <u>One Year</u>
Governmental Activities:					
Bonds payable	\$ -	\$ 5,680,000	\$ -	\$ 5,680,000	\$ 150,000
Notes payable	294,522	-	(105,271)	189,251	109,773
Total Governmental-type Activities	<u>\$ 294,522</u>	<u>\$ 5,680,000</u>	<u>\$ (105,271)</u>	<u>\$ 5,869,251</u>	<u>\$ 259,773</u>
Business-type Activities:					
Bonds payable	\$ 5,985,000	\$ -	\$ (550,000)	\$ 5,435,000	\$ 540,000
Notes payable	953,635	-	(33,957)	919,678	34,639
Deep well abandonment costs	54,070	5,760	-	59,830	-
Landfill closure costs	715,000	-	-	715,000	-
Total Business-type Activities	<u>\$ 7,707,705</u>	<u>\$ 5,760</u>	<u>\$ (583,957)</u>	<u>\$ 7,129,508</u>	<u>\$ 574,639</u>
Component Units:					
CDA notes payable	<u>\$ 3,434,899</u>	<u>\$ 239,504</u>	<u>\$ (431,065)</u>	<u>\$ 3,243,338</u>	<u>\$ 555,557</u>

Governmental Activities

The General and Street Funds are making the principal and interest payments on the governmental notes payable and the Capital Projects Fund is making the principal and interest payments on the bonds payable. As of September 30, 2023, the governmental long-term liabilities consisted of the following:

Bonds payable:

On August 15, 2023, the City issued \$5,680,000 of Series 2023 Municipal Improvement Bonds to finance the swimming pool project. The bonds are due in annual principal payments commencing September 15, 2024 through September 15, 2043. Interest of 5.0 percent is due in semi-annual payments on March 15 and September 15.

\$ 5,680,000

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

5. Long-term Debt, continued

Governmental Activities, continued

Notes payable:

Note payable of \$127,451 due to Horizon Bank, bearing interest of 3.99 percent. Annual principal and interest payments of \$21,227 are due commencing November 1, 2018, through November 1, 2024. The note is secured by self-contained breathing apparatuses. 37,095

Note payable of \$159,955 due to McCook National Bank, bearing interest of 4.50 percent. Annual principal and interest payments of \$31,068 are due commencing April 1, 2020, through April 1, 2025. The note is secured by a 2019 Ford F-550 ambulance. 57,977

Note payable of \$114,040 due to McCook National Bank, bearing interest of 3.75 percent. Annual principal and interest payments of \$31,170 are due commencing November 1, 2020, through November 1, 2023. The note is secured by a 2020 Caterpillar 926M wheel loader. 30,067

Note payable of \$178,691 due to McCook National Bank, bearing interest of 4.50 percent. Annual principal and interest payments of \$34,365 are due commencing November 1, 2019, through November 1, 2024. The note is secured by a 2019 Mac Queen street sweeper. 64,112

\$ 5,869,251

Current portion \$ 259,773
Noncurrent portion 5,609,478
Total \$ 5,869,251

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

5. Long-term Debt, continued

Business-type Activities

As of September 30, 2023, the long-term debt payable from proprietary fund resources consisted of the following:

Notes payable:

\$1,650,090 Nebraska Department of Environment and Energy (DEE) water note payable, due in semi-annual principal and interest payments of \$41,195 commencing June 15, 2015, through June 15, 2032. The note bears interest of 2.0 percent. \$ 336,372

During the year ended September 30, 2022, the City drew \$583,306 on a \$2,036,899 Nebraska DEE water note payable, due in semi-annual principal payments of \$33,948 commencing December 15, 2024, through June 15, 2054. The note is non-interest bearing. 583,306

Bond payable:

On August 24, 2021, the City issued \$6,555,000 of Series 2021 Combined Utility Revenue Refunding Bonds to refinance the Series 2016 Combined Utility Revenue Refunding Bonds. The bonds are due in annual principal payments commencing June 15, 2022 through June 15, 2036. Interest ranging from 0.35 percent to 2.0 percent is due in semi-annual payments on December 15 and June 15. At September 30, 2023, the Water Fund owed \$4,665,000 and the Sewer Fund owed \$770,000 of the outstanding bonds. 5,435,000

Total business-type activity notes payable \$ 6,354,678

Current portion \$ 574,639

Noncurrent portion 5,780,039

Total \$ 6,354,678

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

5. Long-term Debt, continued

Component Units:

Community Development Agency:

During the year ended September 30, 2015, the CDA issued a \$208,000 note payable to McCook Economic Development Corporation (MEDC) to finance North Pointe redevelopment expenses. This note is non-interest bearing and will be paid off as North Pointe TIF proceeds are collected over 15 years. \$ 38,194

During the year ended September 30, 2015, the CDA issued a \$180,000 note payable to MEDC to finance Clary Village redevelopment expenses. This note will be paid off as Clary Village TIF proceeds are collected over 15 years. 78,780

During the year ended September 30, 2016, the CDA entered into a TIF agreement with McCook Hotel Group, LLC for the Cobblestone Hotel Project. This note will be paid to the redeveloper as TIF proceeds are collected over 15 years. 449,100

During the year ended September 30, 2016, the CDA issued a \$110,000 note payable to MEDC to finance the Quillan Courts Project. This note will be paid to the redeveloper as Quillan Courts TIF proceeds are collected over 15 years. 71,196

During the year ended September 30, 2020, the CDA entered into a TIF agreement with N-Stant Convenience to finance up to \$196,500 on the N-Stant project. This note will be paid to the redeveloper as N-Stant TIF proceeds are collected over 15 years. 65,100

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

5. Long-term Debt, continued

Component Units, continued:

Community Development Agency, continued:

During the year ended September 30, 2020, the CDA entered into a TIF agreement with Blackwood Enterprises to finance up to \$200,000 on the Blackwood Enterprises project. This note will be paid to the redeveloper as Blackwood Enterprises TIF proceeds are collected over 15 years. 149,800

During the year ended September 30, 2022, the CDA entered into a TIF agreement with Infill Housing to finance up to \$45,225 on the Infill Housing project. This note will be paid to the redeveloper as Infill Housing TIF proceeds are collected over 15 years. 39,504

During the year ended September 30, 2016, the CDA entered into a TIF agreement with McCook Lodging, LLC to finance up to \$1,400,000 on the Holiday Inn project. TIF collections were deferred until the 2019 tax year due to delays on this project. This note will be paid to the redeveloper as Holiday Inn TIF proceeds are collected over 15 years. 1,003,779

During the year ended September 30, 2018, the CDA entered into a TIF agreement with Next Generation, Inc. to finance up to \$1,744,000 on the Next Generation project. This note will be paid to the redeveloper as Next Generation TIF proceeds are collected over 15 years. 1,347,885

Total component unit debt \$ 3,243,338

Current portion \$ 555,557

Noncurrent portion 2,687,781

Total \$ 3,243,338

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

5. Long-term Debt, continued

Annual debt service requirements to maturity, including principal and interest, for long-term debt as of September 30, 2023, are as follows:

Year Ending September 30,	Business-type Activities				
	Direct Placement - Notes Payable			Other Debt Issues - Bonds	
	<u>Principal</u>	<u>Interest</u>	<u>Fees</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 34,639	\$ 6,555	\$ 3,278	\$ 540,000	\$ 63,945
2025	103,232	5,859	2,929	545,000	61,245
2026	103,943	5,149	2,574	680,000	57,975
2027	104,667	4,424	2,212	330,000	53,215
2028	105,406	3,685	1,842	330,000	50,410
2029-2033	467,791	7,047	3,524	1,655,000	195,880
2034-2037	-	-	-	1,355,000	58,855
	<u>\$ 919,678</u>	<u>\$ 32,719</u>	<u>\$ 16,359</u>	<u>\$ 5,435,000</u>	<u>\$ 541,525</u>

Year Ending September 30,	Governmental Activities				Component Units	
	Direct Placement - Notes		Other Debt Issues-Bonds		Direct Placement Debt	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 109,773	\$ 8,057	\$ 150,000	\$ 307,667	\$ 555,557	\$ -
2025	79,478	3,913	180,000	276,500	415,894	-
2026	-	-	190,000	267,500	415,500	-
2027	-	-	200,000	258,000	415,500	-
2028	-	-	210,000	248,000	415,500	-
2029-2033	-	-	1,220,000	1,071,750	876,687	-
2034-2038	-	-	1,550,000	735,000	148,700	-
2039-2043	-	-	1,980,000	306,500	-	-
	<u>\$ 189,251</u>	<u>\$ 11,970</u>	<u>\$ 5,680,000</u>	<u>\$ 3,470,917</u>	<u>\$ 3,243,338</u>	<u>\$ -</u>

Municipal Solid Waste Landfill Postclosure

The City recognizes a proportionate share of the estimated total current cost of closure and postclosure care costs of the municipal solid waste landfill as an expense and a liability in each period that the landfill accepts solid waste.

CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

5. Long-term Debt, continued

Municipal Solid Waste Landfill Postclosure, continued

Under an agreement with the Nebraska Department of Environmental Quality, the City of McCook discontinued acceptance of solid waste after the completion of the current cell on September 1, 1996. According to the engineering study performed for the municipal solid waste landfill, the revised closure costs for the landfill were estimated at \$36,000. The postclosure care costs were estimated at \$48,085 annually for 30 years after closure as required by EPA rule “Solid Waste Disposal Facility Criteria.” The amount accrued has been adjusted for inflation. The total closure and postclosure cost estimate is \$1,478,550. The cumulative liability, which is based on the capacity of the landfill used to date, was \$715,000 at September 30, 2023. The City of McCook considers this amount available through the normal annual budgeting process. The City has a restricted cash reserve of \$96,170 as of September 30, 2023, consisting of a landfill postclosure reserve of \$96,170. The City was released from its landfill remedial action reserve in December 2016, so it no longer restricts cash for the remedial action reserve.

Deep Well Abandonment Costs

The City recognizes a proportionate share of the estimated total current cost of well abandonment for the deep injection well as an expense and a liability in each period that the well operates.

Under an agreement with the Nebraska Department of Environmental Quality, the City of McCook established an escrow account with a balance at September 30, 2023, of \$89,030 to be used for future deep well abandonment costs. The estimated cost of abandonment is being recognized over the 30-year estimated life of the well. The accrued deep well abandonment cost was \$59,830 at September 30, 2023.

6. Interfund Transactions and Balances

Operating transfers:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund:		
Keno	\$ 75,000	\$ -
Grant Fund	30,000	-
Electric and Emergency	966,511	-
Water	60,000	(6,252)
Sewer	60,000	-
Solid Waste	<u>50,500</u>	<u>-</u>
Total General Fund	1,242,011	(6,252)

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE C – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS, continued

6. Interfund Transactions and Balances, continued

Operating transfers, continued:

	<u>Transfers In</u>	<u>Transfers Out</u>
Street Fund:		
Capital Projects	239,229	-
Keno Fund:		
General	-	(75,000)
Internal Service Fund:		
Electric	375,000	-
Grant Fund:		
General	-	(30,000)
Capital Projects Fund:		
Street	-	(239,229)
Water Fund:		
General	6,252	(60,000)
Sewer	10,349	-
Solid Waste	<u>862</u>	<u>-</u>
Total Water Fund	17,463	(60,000)
Electric Fund:		
Internal Service Fund	-	(375,000)
General	<u>-</u>	<u>(966,511)</u>
Total Electric Fund	-	(1,341,511)
Sewer Fund:		
General	-	(60,000)
Water	<u>-</u>	<u>(10,349)</u>
Total Sewer Fund	-	(70,349)
Solid Waste Fund:		
General	-	(50,500)
Water	<u>-</u>	<u>(862)</u>
Total Solid Waste Fund	<u>-</u>	<u>(51,362)</u>
Total Operating Transfers	<u>\$ 1,873,703</u>	<u>\$ (1,873,703)</u>

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE D – OTHER NOTES

1. Employee Pension and Other Benefit Plans

The City participates in three employee benefit plans as follows:

<u>Name of Plan</u>	<u>Type of Plan</u>
City General Plan	Defined Contribution Plan
City Manager Plan	Defined Contribution Plan
Police and Firefighters Plan	Defined Contribution Plan

The City Manager Plan is administered by the City, and the Police and Firefighters Plan and the City General Plan are administered by a third party. None of the plans are included in these financial statements.

City General Plan

The City provides pension benefits for substantially all of the full-time employees (excluding all uniformed personnel covered under other retirement plans) through a defined contribution plan. The defined contribution plan includes all General and Proprietary Fund employees. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings.

Public employees are eligible to participate on the first day of the month following the date on which the employee meets the eligibility requirements. The City contributes up to six percent of the participant's base salary and the employee contributes from six percent to 15 percent of his or her base salary. The City's contributions for each employee (and interest allocated to the employee's account) are fully vested after seven years of continuous service. The City's total payroll and eligible compensation (excluding uniformed personnel) in the year ended September 30, 2023, was \$3,410,910 and \$2,917,089, respectively. All contributions, including \$194,578 in employee contributions and \$172,063 in City contributions, have been transferred to the plan's trustee during the year ended September 30, 2023.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE D – OTHER NOTES, continued

1. Employee Pension and Other Benefit Plans, continued

City General Plan, continued

The Public Employee Plan, which is administered by CPI Qualified Plan Consultants, Inc., had plan assets with a market value of \$6,237,953 at September 30, 2023.

City Manager Plan

The City Manager currently participates in the City General pension plan. No contributions were made to the City Manager Plan during the year ended September 30, 2023. The balance of \$231,609 in the plan at September 30, 2023 represents balances for former City Managers.

Police and Firefighters Plan

The City provides pension benefits for the policemen and the firemen under separate defined contribution plans established by statutes of the State of Nebraska, effective January 1, 1984. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment. The City contributes 7 percent to the policemen's fund and 13 percent to the firemen's fund while the policemen contribute 7 percent and the firemen contribute 6.5 percent. The City's contributions for each fire employee (and interest allocated to the employee's account) are fully vested after seven years of continuous service. The City contributions for each police employee (and interest allocated to the employee's account) vest as follows: 40 percent after 2 years, 60 percent after 4 years, 80 percent after 6 years, and 100 percent after 7 years.

The City's total payroll and eligible compensation for policemen and firemen in the year ended September 30, 2023, was \$1,077,664 and \$794,046, respectively. All contributions, including \$75,437 and \$51,613, respectively, in employee contributions and \$75,437 and \$103,226, respectively, in City contributions, have been transferred to the plan's trustee during the year ended September 30, 2023. The City did not use any of the unallocated account in the policemen's and firemen's pension funds for the City's contribution during the year ended September 30, 2023.

The policemen and firemen plans had plan assets with a market value of \$1,498,929 and \$3,683,932, respectively, at September 30, 2023.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE D – OTHER NOTES, continued

2. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance to minimize the effect of possible exposure to these risks. There have been no significant reductions in insurance coverage from coverage in the prior year. During the past three fiscal years, there have been no settlements exceeding the amount of the City's insurance coverage.

Deposits and Investments

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All of the underlying securities for the City's investments at September 30, 2023, are held by the counterparties not in the name of the City. The underlying securities consist of cash, direct obligations of or guaranteed by the full faith and credit of the U.S. Government, and other similar obligations of the U.S. Government or its agencies.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy requires that market conditions and investment securities be analyzed to determine the maximum yield to be obtained and to minimize the impact of rising interest rates. The City had no certificates of deposit as of September 30, 2023.

Credit Risk. Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The City's investments consist of certificates of deposit, money market funds, and other securities backed by U.S. Government obligations, minimizing credit risk associated with the City's investment portfolio.

Concentration of Credit Risk. The City's investment policy places no limit on the amount that may be invested in any one issuer. At September 30, 2023, the City's bank balances, totaling \$26,035,470, were all held at McCook National Bank.

Foreign Currency Risk. This risk relates to adverse effects on the fair value of an investment from changes in exchange rates. The City's investments had no exposure to foreign currency risk and the City held no investments denominated in foreign currency at September 30, 2023.

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE D – OTHER NOTES, continued

3. Commitments and Contingencies

Claims and Lawsuits

Various claims and lawsuits are pending against the City. In the opinion of City management, the potential loss on all claims and lawsuits as of September 30, 2023, will not be significant to the City’s financial statements.

Construction Commitments

As of September 30, 2023, the City had the following construction/contractual obligations:

<u>Project</u>	<u>Contract Amount</u>	<u>Paid Through 9/30/23</u>	<u>Remaining Commitment</u>	<u>Expected Date of Completion</u>
Airport master plan	\$ 360,291	\$ 251,269	\$ 109,022	March 2024
Four City entrance signs	29,875	17,580	12,295	November 2023
2024 Ford ambulance	347,359	-	347,359	April 2025
Rotary fan press equipment	458,790	396,531	62,259	December 2023
Swimming pool plan:				
Engineer	326,000	195,600	130,400	
Contractor	<u>6,399,567</u>	<u>420,009</u>	<u>5,979,558</u>	
	6,725,567	615,609	6,109,958	May 2024
Airport fire/rescue vehicle	375,382	-	375,382	March 2025
North Pointe/West C St paving	814,748	-	814,748	June 2024
South Street water main:				
Engineer	108,500	81,375	27,125	
Contractor	<u>981,927</u>	<u>-</u>	<u>981,927</u>	
	1,090,427	81,375	1,009,052	September 2024
Waste water treatment facility:				
Engineer	45,900	24,610	21,290	June 2026
Controls integration	108,000	25,750	82,250	December 2023
WWTP storage building	135,700	101,151	34,549	November 2023

CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

NOTE D – OTHER NOTES, continued

3. Commitments and Contingencies, continued

Self-Insurance Fund

The City provides medical and dental insurance for eligible employees using a self-insurance fund. The fund is reported in the Internal Service Fund and is financed by operating transfers from the Proprietary and General Funds of an average amount per employee, which is based on management's previous experience. The Self-Insurance Fund covers up to \$35,000 in costs per employee. Any expenses over that amount are covered by an insurance carrier. The City also uses a claims service to handle the insurance claims.

Disability Pension Annuity

On March 16, 2015, the City approved a disability pension annuity distribution for a former police officer. Under terms of the disability annuity agreement, the City will pay the former employee \$1,573 per month for the rest of the individual's life.

Other Commitments

The City is party to additional commitments for six copiers with monthly payments totaling \$1,023, a digital mailing system for \$200 per month, a telecommunications site for \$150 per month, and tower space from McCook Public Power District for \$50 per month. Also, the City has a commitment for \$2,000 per year for landfill land.

CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

NOTE D – OTHER NOTES, continued

4. Interlocal Agreements

The City has the following interlocal agreements in effect as of September 30, 2023:

<u>Parties to Agreement</u>	<u>Term</u>	<u>Description</u>
Red Willow County	8/7/06 - indefinite	Establish and provide E-911 services
McCook Public Schools and Red Willow County	10/1/11 - indefinite	Joint grant writer services
Red Willow Western Rural Fire Protection District	3/2/02 - indefinite	Hazmat response team assistance
Red Willow County Fire Districts and Municipal Fire Departments	6/18/01 - indefinite	Mutual fire assistance
Red Willow County	10/1/96 - indefinite	Ambulance services
Red Willow County	3/16/20 - 3/16/30	Building inspection and permitting services for Calabria Subdivision
McCook Public Schools	1/19/02 - indefinite	School resource officer
Red Willow County	4/1/05 - indefinite	Fuel purchases
Nebraska First Class Cities	10/18/10 - indefinite	Federal transportation funding
Public Alliance for Community Energy	2/19/88 - indefinite	Acquisition, management, distribution, and sale of energy
Red Willow County	10/1/11 - indefinite	Snow removal
Hitchcock and Hayes Counties	3/20/23 - indefinite	Providing NCIC services

5. Union Agreements

The City is subject to the following union contracts:

- McCook Professional Firefighters Association Local 2100, Lieutenants CBA
- McCook Professional Firefighters Association Local 2100, Firefighters CBA
- McCook Fraternal Order of Police Lodge 57

CITY OF MCCOOK, NEBRASKA

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

NOTE D – OTHER NOTES, continued

6. Tax Abatements

The Community Development Agency (CDA), who is authorized by Nebraska statutes to enter into property tax abatement agreements for the purpose of developing properties in blighted areas, has entered into tax increment financing (TIF) agreements with various redevelopers. The TIF program has the stated purpose of increasing valuation, business activity and employment in the community.

Under the TIF program, redevelopers can apply for TIF financing whereby the property tax they pay on the increased valuation of property under a TIF agreement is returned to the redeveloper by the CDA to finance the project for a period of up to 15 years.

Information relevant to the abatements granted by the CDA for the year ended September 30, 2023 is as follows:

<u>TIF Project:</u>	<u>Date of TIF Agreement</u>	<u>2023 TIF Valuation</u>	<u>TIF Proceeds Received during the year ended 9/30/2023</u>
Keystone	May 2009	\$ 1,680,592	\$ 27,475
North Pointe	July 2014	2,152,657	44,111
Clary Village	March 2015	421,346	3,951
Cobblestone Hotel	May 2015	2,840,226	50,276
Quillan Courts	June 2016	427,166	4,147
Holiday Inn	March 2016	4,967,146	94,053
Next Generation, Inc.	February 2017	13,480,206	308,334
N-Stant Convenience	April 2020	264,672	4,740
Blackwood Enterprises	March 2020	610,147	190
Infill Housing	October 2021	259,046	-
			<u>\$ 537,277</u>

7. Subsequent Events

Management has evaluated subsequent events through December 28, 2023, the date on which the financial statements were available for issue.

On November 20, 2023, Council approved the purchase of a 2024 Caterpillar 926M high lift wheel loader from Nebraska Machinery for \$278,000 for the solid waste department.

On November 20, 2023, Council awarded a bid for \$248,055 for the McCook Business Park Phase II sanitary sewer and water main extensions to Midlands Contracting.

CITY OF MCCOOK, NEBRASKA
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2023

NOTE D – OTHER NOTES, continued

7. Subsequent Events, continued

On November 20, 2023, Council approved an agreement with the McCook Economic Development Corporation assigning financial responsibility for the North Pointe paving project to the McCook Economic Development Corporation.

On November 20, 2023, Council approved an agreement with the Southwest Public Health Department assigning financial responsibility for the West C Street paving project to the Southwest Public Health Department.

SUPPLEMENTARY AND OTHER INFORMATION

CITY OF MCCOOK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
GENERAL FUND**

Year ended September 30, 2023

	Budget (Original and Final)	Actual	Variances - Actual Over (Under) Final Budget
RESOURCES (INFLOWS)			
Taxes:			
Property	\$ 1,688,261	\$ 1,678,346	\$ (9,915)
Motor vehicle	170,000	183,815	13,815
Payments in lieu of taxes	115,000	108,244	(6,756)
Occupation	152,000	184,778	32,778
Franchise	87,500	100,644	13,144
Sales	1,457,998	1,745,744	287,746
Intergovernmental	612,600	614,601	2,001
Grants	969,000	443,799	(525,201)
Charges for services	511,125	908,333	397,208
Interest income	15,000	128,620	113,620
Contributions	108,500	129,687	21,187
Sale of assets	-	23,029	23,029
Loan proceeds	295,000	-	(295,000)
Other	165,000	11,782	(153,218)
Total resources	<u>6,346,984</u>	<u>6,261,422</u>	<u>(85,562)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
General government:			
Administrative	817,193	759,761	(57,432)
Publicity	8,750	5,229	(3,521)
City Council	574,381	93,333	(481,048)
Health operating	861,250	861,252	2
Total general government	<u>2,261,574</u>	<u>1,719,575</u>	<u>(541,999)</u>
Public safety:			
Fire	2,479,053	1,441,726	(1,037,327)
Ambulance	181,576	153,415	(28,161)
Police	2,383,211	2,140,757	(242,454)
Civil defense	9,709	54,547	44,838
Total public safety	<u>5,053,549</u>	<u>3,790,445</u>	<u>(1,263,104)</u>
Public works:			
Building and zoning	101,414	91,873	(9,541)
Cemetery	255,032	269,449	14,417
Total public works	<u>356,446</u>	<u>361,322</u>	<u>4,876</u>
Environment and leisure:			
Public transportation	197,007	191,458	(5,549)
Senior Center	509,676	470,196	(39,480)
Library	377,218	362,268	(14,950)
Parks	266,425	255,484	(10,941)
Ballparks	129,638	116,918	(12,720)
Auditorium	52,201	45,602	(6,599)
Pool	13,372	5,893	(7,479)
Airport	176,011	161,900	(14,111)
Total environment and leisure	<u>1,721,548</u>	<u>1,609,719</u>	<u>(111,829)</u>
Total charges to appropriations	<u>9,393,117</u>	<u>7,481,061</u>	<u>(1,912,056)</u>

CITY OF MCCOOK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
GENERAL FUND, Continued**

Year ended September 30, 2023

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
Resources under charges to appropriations	(3,046,133)	(1,219,639)	1,826,494
OTHER FINANCING SOURCES (USES)			
Transfers in	1,230,500	1,242,011	11,511
Transfers out	-	<u>(6,252)</u>	<u>(6,252)</u>
Net transfers	<u>1,230,500</u>	<u>1,235,759</u>	<u>5,259</u>
 RESOURCES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) CHARGES TO APPROPRIATIONS	 <u>\$ (1,815,633)</u>	 <u>\$ 16,120</u>	 <u>\$ 1,831,753</u>

CITY OF MCCOOK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
STREET FUND**

Year ended September 30, 2023

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Sales tax	\$ 191,200	\$ 257,358	\$ 66,158
Intergovernmental	1,149,356	1,188,357	39,001
Grants	150,000	185,570	35,570
Charges for services	-	22,386	22,386
Interest income	-	16,631	16,631
	<hr/>	<hr/>	<hr/>
Total resources	1,490,556	1,670,302	179,746
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
Public works	1,050,333	1,483,229	432,896
Capital outlay	603,602	173,836	(429,766)
Principal payments on debt	59,102	59,102	-
Interest expense	6,434	6,434	-
	<hr/>	<hr/>	<hr/>
Total charges to appropriations	1,719,471	1,722,601	3,130
Resources under charges to appropriations	(228,915)	(52,299)	176,616
OTHER FINANCING SOURCES			
Transfers in	-	239,229	239,229
	<hr/>	<hr/>	<hr/>
RESOURCES AND OTHER FINANCING SOURCES OVER (UNDER) CHARGES TO APPROPRIATIONS	<u>\$ (228,915)</u>	<u>\$ 186,930</u>	<u>\$ 415,845</u>

CITY OF MCCOOK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
ECONOMIC DEVELOPMENT FUND**

Year ended September 30, 2023

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Sales tax	\$ 460,802	\$ 528,367	\$ 67,565
Interest income	-	22,769	22,769
Loan collections	<u>130,000</u>	<u>101,703</u>	<u>(28,297)</u>
Total resources	590,802	652,839	62,037
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
Economic development	<u>1,554,742</u>	<u>352,735</u>	<u>(1,202,007)</u>
RESOURCES OVER (UNDER)			
CHARGES TO APPROPRIATIONS	<u>\$ (963,940)</u>	<u>\$ 300,104</u>	<u>\$ 1,264,044</u>

CITY OF MCCOOK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
CAPITAL PROJECTS FUND**

Year ended September 30, 2023

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Sales tax	\$ 640,000	\$ 993,575	\$ 353,575
Interest income	-	37,181	37,181
Total resources	<u>640,000</u>	<u>1,030,756</u>	<u>390,756</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
Capital projects	<u>1,239,153</u>	<u>18,911</u>	<u>(1,220,242)</u>
Resources over (under) charges to appropriations	(599,153)	1,011,845	1,610,998
OTHER FINANCING USES			
Transfers out	<u>-</u>	<u>(239,229)</u>	<u>(239,229)</u>
RESOURCES AND OTHER FINANCING USES OVER (UNDER) CHARGES TO APPROPRIATIONS	<u>\$ (599,153)</u>	<u>\$ 772,616</u>	<u>\$ 1,371,769</u>

CITY OF MCCOOK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
GRANT FUND**

Year ended September 30, 2023

	Budget (Original and <u>Final</u>)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Intergovernmental	\$ 42,000	\$ 46,170	\$ 4,170
Grant revenue	194,700	356,032	161,332
Charges for services	25,000	19,622	(5,378)
Contributions	-	266,620	266,620
Interest income	-	102,619	102,619
Bond proceeds	-	5,680,000	5,680,000
Bond premiums	-	284,537	284,537
Other revenues	-	12,534	12,534
Total resources	<u>261,700</u>	<u>6,768,134</u>	<u>6,506,434</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
General government	471,025	82,299	(388,726)
Public safety	217,860	69,556	(148,304)
Environment and leisure	134,168	14,442	(119,726)
Capital outlay	1,194,559	911,171	(283,388)
Bond issuance costs	-	119,465	119,465
Total charges to appropriations	<u>2,017,612</u>	<u>1,196,933</u>	<u>(820,679)</u>
Resources over (under) charges to appropriations	(1,755,912)	5,571,201	7,327,113
OTHER FINANCING USES			
Transfers out	-	(455,009)	(455,009)
RESOURCES AND OTHER FINANCING USES OVER (UNDER) CHARGES TO APPROPRIATIONS	<u>\$ (1,755,912)</u>	<u>\$ 5,116,192</u>	<u>\$ 6,872,104</u>

CITY OF MCCOOK, NEBRASKA

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
DEBT SERVICE FUND**

Year ended September 30, 2023

	Budget (Original and Final)	<u>Actual</u>	Variances - Actual Over (Under) Final <u>Budget</u>
RESOURCES (INFLOWS)			
Interest	\$ -	\$ 14,827	\$ 14,827
CHARGES TO APPROPRIATIONS (OUTFLOWS)	<u>-</u>	<u>-</u>	<u>-</u>
RESOURCES OVER CHARGES TO APPROPRIATIONS	<u>\$ -</u>	<u>\$ 14,827</u>	<u>\$ 14,827</u>

CITY OF MCCOOK, NEBRASKA

**COMBINING STATEMENT OF ASSETS AND LIABILITIES -
MODIFIED CASH BASIS - FIDUCIARY FUNDS**

September 30, 2023

	<u>Special Fire</u>	<u>Senior Center Contributions</u>	<u>School</u>	<u>Library Memorial</u>
ASSETS				
Cash	<u>\$ 1,158</u>	<u>\$ 81,661</u>	<u>\$ 1,214</u>	<u>\$ 53,164</u>
LIABILITIES HELD FOR OTHERS				
Held in trust for other purposes	<u>\$ 1,158</u>	<u>\$ 81,661</u>	<u>\$ 1,214</u>	<u>\$ 53,164</u>

<u>Von Reissen Library</u>	<u>McCook Volunteer Fire and Rescue</u>	<u>Ambulance</u>	<u>Public Works</u>	<u>Community Paramedic Program</u>	<u>Police</u>	<u>Fire Safety Trailer</u>	<u>Police/ DARE</u>	<u>Total Custodial Funds</u>
<u>\$ 1</u>	<u>\$ 1,674</u>	<u>\$ 10,604</u>	<u>\$ 5,370</u>	<u>\$ 4,316</u>	<u>\$ 24,892</u>	<u>\$ 10,848</u>	<u>\$ 1,701</u>	<u>\$ 196,603</u>
<u>\$ 1</u>	<u>\$ 1,674</u>	<u>\$ 10,604</u>	<u>\$ 5,370</u>	<u>\$ 4,316</u>	<u>\$ 24,892</u>	<u>\$ 10,848</u>	<u>\$ 1,701</u>	<u>\$ 196,603</u>

CITY OF MCCOOK, NEBRASKA

**COMBINING STATEMENT OF REVENUES AND EXPENDITURES -
MODIFIED CASH BASIS - GENERAL FUND DEPARTMENTS**

Year ended September 30, 2023

	<u>Administrative</u>	<u>Publicity</u>	<u>Auditorium</u>	<u>City Council</u>
REVENUES				
Taxes:				
General property tax	\$ 1,678,346	\$ -	\$ -	\$ -
Motor vehicle tax	183,815	-	-	-
Payments in lieu of taxes	108,244	-	-	-
Occupation tax	184,778	-	-	-
Franchise	100,644	-	-	-
Sales	1,745,744	-	-	-
Intergovernmental revenue:				
State assistance	433,015	-	-	-
County assistance	-	-	-	-
Rural fire	-	-	-	-
School resource officer	-	-	-	-
Licenses and permits	3,376	-	-	-
Rental and fees	342,840	-	-	-
Admission fees and concessions	-	-	-	-
Grants	-	-	-	-
Contributions	5,000	-	-	-
Interest income	122,970	-	-	-
Sale of assets	23,029	-	-	-
Other receipts	11,782	-	-	-
Total revenues	<u>4,943,583</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Personnel services:				
Salaries and benefits	515,811	-	11,884	9,689
Operating expenses:				
Insurance	11,207	-	11,975	8,170
Interlocal agreement	-	-	-	51,429
Contract services	13,788	-	152	4,447
Professional fees	81,184	-	-	-
Meetings, seminars, and dues	28,732	500	-	4,496
Repairs and maintenance	41,301	-	5,779	-
Printing, postage, and publications	10,970	-	-	-
Transportation	7,977	-	-	3,819
Utilities and telephone	3,812	-	15,812	-
Total operating expenses	<u>198,971</u>	<u>500</u>	<u>33,718</u>	<u>72,361</u>
Supplies	13,922	2,644	-	93
Other expenses	15,118	2,085	-	11,190
Capital outlay	-	-	-	-
Principal payments	-	-	-	-
Interest on long-term debt	-	-	-	-
Total expenditures	<u>743,822</u>	<u>5,229</u>	<u>45,602</u>	<u>93,333</u>
Excess (deficiency) of revenues over expenditures before transfers	4,199,761	(5,229)	(45,602)	(93,333)
TRANSFERS FROM (TO) OTHER FUNDS	<u>1,212,011</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AFTER TRANSFERS	<u>\$ 5,411,772</u>	<u>\$ (5,229)</u>	<u>\$ (45,602)</u>	<u>\$ (93,333)</u>

<u>Police</u>	<u>Fire</u>	<u>Ambulance</u>	<u>Civil Defense</u>	<u>Building and Zoning</u>	<u>Library</u>	<u>Cemetery</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	3,840	-
69,669	-	-	-	-	-	-
-	55,140	-	-	-	-	-
34,000	-	-	-	-	-	-
-	-	-	-	44,101	-	-
9,242	5,965	379,549	-	-	5,119	1,350
-	-	-	-	-	-	22,770
7,596	-	-	189,246	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>120,507</u>	<u>61,105</u>	<u>379,549</u>	<u>189,246</u>	<u>44,101</u>	<u>8,959</u>	<u>24,120</u>
1,631,763	998,535	-	-	80,316	236,137	99,816
104,627	96,529	7,386	389	3,895	12,571	10,954
-	-	-	-	-	-	-
10,138	6,167	60,661	-	2,500	-	285
867	474	-	-	353	-	-
15,107	15,583	5,789	-	145	105	-
120,641	44,611	13,122	22,299	2,136	24,562	16,098
-	-	528	-	-	911	-
45,910	12,598	7,129	-	262	706	2,258
<u>77,647</u>	<u>5,672</u>	<u>5,322</u>	<u>379</u>	<u>977</u>	<u>15,087</u>	<u>32,779</u>
<u>374,937</u>	<u>181,634</u>	<u>99,937</u>	<u>23,067</u>	<u>10,268</u>	<u>53,942</u>	<u>62,374</u>
25,126	4,790	4,852	-	630	6,891	13,782
45,453	17,839	15,652	-	659	65,298	30
63,478	217,701	1,906	31,480	-	-	43,183
-	19,007	27,162	-	-	-	-
-	2,220	3,906	-	-	-	-
<u>2,140,757</u>	<u>1,441,726</u>	<u>153,415</u>	<u>54,547</u>	<u>91,873</u>	<u>362,268</u>	<u>219,185</u>
(2,020,250)	(1,380,621)	226,134	134,699	(47,772)	(353,309)	(195,065)
<u>30,000</u>	<u>(6,252)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (1,990,250)</u>	<u>\$ (1,386,873)</u>	<u>\$ 226,134</u>	<u>\$ 134,699</u>	<u>\$ (47,772)</u>	<u>\$ (353,309)</u>	<u>\$ (195,065)</u>

CITY OF MCCOOK, NEBRASKA

**COMBINING STATEMENT OF REVENUES AND EXPENDITURES -
MODIFIED CASH BASIS - GENERAL FUND DEPARTMENTS, Continued**

Year ended September 30, 2023

	<u>Parks</u>	<u>Ballparks</u>	<u>Pool</u>	<u>Airport</u>
REVENUES				
Taxes:				
General property tax	\$ -	\$ -	\$ -	\$ -
Motor vehicle tax	-	-	-	-
Payments in lieu of taxes	-	-	-	-
Occupation tax	-	-	-	-
Franchise	-	-	-	-
Sales	-	-	-	-
Intergovernmental revenue:				
State assistance	-	-	-	-
County assistance	-	-	-	-
Rural fire	-	-	-	-
School resource officer	-	-	-	-
Licenses and permits	-	-	-	-
Rental and fees	-	-	-	85,921
Admission fees and concessions	-	-	-	-
Grants	-	-	-	-
Contributions	-	-	-	-
Interest income	-	-	-	-
Sale of assets	-	-	-	-
Other receipts	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>85,921</u>
EXPENDITURES				
Personnel services:				
Salaries and benefits	140,661	57,238	-	79,688
Operating expenses:				
Insurance	13,535	6,098	540	19,127
Interlocal agreement	-	-	-	-
Contract services	-	-	-	-
Professional fees	325	5,487	1,230	751
Meetings, seminars, and dues	502	-	-	1,100
Repairs and maintenance	30,542	11,064	-	17,780
Printing, postage, and publications	-	-	-	-
Transportation	4,366	1,762	-	3,212
Utilities and telephone	30,005	26,545	1,521	17,453
Total operating expenses	<u>79,275</u>	<u>50,956</u>	<u>3,291</u>	<u>59,423</u>
Supplies	16,548	8,724	29	1,870
Other expenses	-	-	2,573	3,262
Capital outlay	19,000	-	-	17,657
Principal payments	-	-	-	-
Interest on long-term debt	-	-	-	-
Total expenditures	<u>255,484</u>	<u>116,918</u>	<u>5,893</u>	<u>161,900</u>
Excess (deficiency) of revenues over expenditures before transfers	(255,484)	(116,918)	(5,893)	(75,979)
TRANSFERS FROM (TO) OTHER FUNDS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AFTER TRANSFERS	<u>\$ (255,484)</u>	<u>\$ (116,918)</u>	<u>\$ (5,893)</u>	<u>\$ (75,979)</u>

<u>Unemployment</u>	<u>Uncollectible Tax</u>	<u>Senior Center</u>	<u>HandiBus</u>	<u>Health Operating</u>	<u>Perpetual Care</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,678,346
-	-	-	-	-	-	183,815
-	-	-	-	-	-	108,244
-	-	-	-	-	-	184,778
-	-	-	-	-	-	100,644
-	-	-	-	-	-	1,745,744
-	-	343	18,594	-	-	455,792
-	-	-	-	-	-	69,669
-	-	-	-	-	-	55,140
-	-	-	-	-	-	34,000
-	-	-	-	-	-	47,477
-	-	-	3,600	-	4,500	838,086
-	-	-	-	-	-	22,770
-	-	180,356	66,601	-	-	443,799
-	-	112,654	12,033	-	-	129,687
-	-	-	-	-	5,650	128,620
-	-	-	-	-	-	23,029
-	-	-	-	-	-	11,782
-	-	<u>293,353</u>	<u>100,828</u>	-	<u>10,150</u>	<u>6,261,422</u>
-	-	199,096	150,290	861,252	-	5,072,176
-	-	10,567	8,881	-	-	326,451
-	-	10,886	-	-	-	62,315
-	-	212	-	-	-	98,350
-	-	2,000	1,884	-	-	94,555
-	-	527	1,425	-	-	74,011
-	-	10,025	3,415	-	-	363,375
-	-	1,053	2	-	-	13,464
-	-	716	11,664	-	-	102,379
-	-	<u>16,925</u>	<u>2,380</u>	-	-	<u>252,316</u>
-	-	52,911	29,651	-	-	1,387,216
-	-	26,697	7,086	-	-	133,684
-	15,939	191,492	4,431	-	-	391,021
-	-	-	-	-	50,264	444,669
-	-	-	-	-	-	46,169
-	-	-	-	-	-	6,126
-	<u>15,939</u>	<u>470,196</u>	<u>191,458</u>	<u>861,252</u>	<u>50,264</u>	<u>7,481,061</u>
-	(15,939)	(176,843)	(90,630)	(861,252)	(40,114)	(1,219,639)
-	-	-	-	-	-	1,235,759
<u>\$ -</u>	<u>\$ (15,939)</u>	<u>\$ (176,843)</u>	<u>\$ (90,630)</u>	<u>\$ (861,252)</u>	<u>\$ (40,114)</u>	<u>\$ 16,120</u>

CITY OF MCCOOK, NEBRASKA

**COMBINING STATEMENT OF NET POSITION -
COMPONENT UNITS**

September 30, 2023

	Community Development Agency	McCook Leasing Corporation	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 83,322	\$ -	\$ 83,322
Current portion of note receivable	555,557	-	555,557
Total current assets	638,879	-	638,879
Noncurrent assets:			
Noncurrent portion of note receivable	2,687,781	-	2,687,781
Total assets	3,326,660	-	3,326,660
LIABILITIES			
Current liabilities:			
Current portion of long-term obligations	555,557	-	555,557
Noncurrent liabilities:			
Noncurrent portion of long-term obligations	2,687,781	-	2,687,781
Total liabilities	3,243,338	-	3,243,338
NET POSITION			
Unrestricted	\$ 83,322	\$ -	\$ 83,322

See notes to financial statements.

CITY OF MCCOOK, NEBRASKA

**COMBINING STATEMENT OF ACTIVITIES -
COMPONENT UNITS**

For the year ended September 30, 2023

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues Operating Grants and Contributions</u>
Component units:			
Community Development Agency	\$ 777,055	\$ 7,357	\$ 239,504
McCook Leasing Corporation	-	-	-
Total component units	\$ 777,055	\$ 7,357	\$ 239,504

See notes to financial statements.

	Net (Expenses) Revenues and Changes in Net Position		
	Primary Government		
<u>Capital Grants and Contributions</u>	<u>Community Development Agency</u>	<u>McCook Leasing Corporation</u>	<u>Total</u>
\$ -	\$ (530,194)	\$ -	\$ (530,194)
-	-	-	-
<u>\$ -</u>	<u>(530,194)</u>	<u>-</u>	<u>(530,194)</u>
General revenues:			
TIF proceeds	537,277	-	537,277
Payments in lieu of tax	464	-	464
Interest income	2,829	-	2,829
	<u>10,376</u>	<u>-</u>	<u>10,376</u>
Change in net position	10,376	-	10,376
Net position - September 30, 2022	<u>72,946</u>	<u>-</u>	<u>72,946</u>
Net position - September 30, 2023	<u>\$ 83,322</u>	<u>\$ -</u>	<u>\$ 83,322</u>

SINGLE AUDIT REPORTS

CITY OF MCCOOK, NEBRASKA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended September 30, 2023

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal AL Number</u>	<u>Pass-Through Identifying Number</u>	<u>Expenditures</u>
<u>Department of Transportation</u>			
Passed Through Nebraska Department of Transportation:			
Public Transportation for Nonurbanized Areas	20.509	71120N	\$ 96,142
Airport Improvement Program	20.106	3-31-052-018	32,498
Highway Safety Cluster:			
State and Community Highway Safety	20.600	47-6006273	<u>7,596</u>
Total Department of Transportation			136,236
<u>Department of Health and Human Services</u>			
Passed Through West Central Nebraska Area Agency on Aging:			
Aging Cluster:			
Title III, Part B - Supportive Services and Senior Centers	93.044	47-6006273	25,579
Title III, Part C - Nutrition Services	93.045	47-6006273	113,937
Nutrition Services Incentive Program	93.053	47-6006273	<u>31,051</u>
Total Aging Cluster/Total Passed Through West Central Nebraska Area Agency on Aging/Total Department of Health and Human Services			170,567
<u>Federal Emergency Management Agency</u>			
Fire Prevention and Safety Grant Program	97.044	n/a	189,246
<u>Department of the Treasury</u>			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	n/a	<u>645,971</u> *
Total Federal Awards			<u><u>\$ 1,142,020</u></u>

*Major Program

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant and loan activity of the City of McCook, Nebraska, and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the financial statements

The City has not elected to use the 10 percent de minimis cost rate.

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor and
Members of the City Council
City of McCook, Nebraska

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities - modified cash basis, the business-type activities - accrual basis, the aggregate discretely presented component units - accrual basis, each major fund - modified cash basis for the governmental funds and accrual basis for the proprietary funds, and the aggregate remaining fund information - modified cash basis for the governmental funds of the City of McCook, Nebraska, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City’s financial statements, and have issued our report thereon dated December 28, 2023. Our report on the financial statements disclosed that, as described in Note A to the financial statements, the City of McCook, Nebraska, prepares its financial statements for the governmental funds on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of McCook’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal

SHAREHOLDERS:

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control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as 2023-001, that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of McCook's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of McCook's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of McCook's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

AMGL, P.C.

Grand Island, Nebraska
December 28, 2023

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

To the Honorable Mayor and
Members of the City Council
City of McCook, Nebraska

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of McCook, Nebraska’s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City’s major federal programs for the year ended September 30, 2023. The City of McCook, Nebraska’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of McCook, Nebraska complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of McCook, Nebraska and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of McCook, Nebraska’s compliance with the compliance requirements referred to above.

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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of McCook, Nebraska's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of McCook, Nebraska's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of McCook, Nebraska's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of McCook, Nebraska's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of McCook, Nebraska's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of McCook, Nebraska's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

AMGL, PC.

Grand Island, Nebraska
December 28, 2023

CITY OF MCCOOK, NEBRASKA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended September 30, 2023

1. A summary of auditor's results:
 - (i) Unmodified opinions were issued on all opinion units of the City of McCook, Nebraska, as of September 30, 2023, and for the year then ended.
 - (ii) One significant deficiency disclosed during the audit of the financial statements is reported in the "Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*." The significant deficiency is not reported as a material weakness.
 - (iii) The audit disclosed no instances of noncompliance that are material to the financial statements of the City of McCook, Nebraska.
 - (iv) The audit did not disclose any significant deficiencies in the internal control over major programs for the City of McCook, Nebraska.
 - (v) An unmodified opinion was issued on compliance for major programs.
 - (vi) The audit did not disclose any audit findings that we are required to report under 2 CFR section 200.516(a).
 - (vii) Major Program: #21.027 – COVID-19 – Coronavirus State and Local Fiscal Recovery Funds.
 - (viii) The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
 - (ix) The City of McCook, Nebraska did not qualify as a low-risk auditee.

CITY OF MCCOOK, NEBRASKA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS, Continued

Year ended September 30, 2023

2. Findings relating to the financial statements that are required to be reported in accordance with GAGAS.

2023-001

Condition: There is not adequate segregation of duties.

Criteria: Adequate segregation of duties should be in place to ensure internal control over cash receipts, disbursements, and recording of transactions.

Cause: There are a limited number of accounting personnel.

Effect: Because of the lack of segregation, the same employees may participate in multiple facets of a transaction.

Recommendation: Management should remain aware of this lack of segregation and continue diligence in oversight and review of transactions.

Views of Responsible Officials and Planned Corrective Actions: It is impractical to further segregate duties due to the limited number of accounting personnel. However, management will continue to review/oversight of transactions.

3. Findings and questioned costs for Federal awards that shall include audit findings as defined in 2 CFR section 200.516(a).

None

CITY OF MCCOOK, NEBRASKA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year ended September 30, 2023

Findings noted during the audit of the financial statements and reported in accordance with GAGAS for the year ended September 30, 2022:

2022-001 - Significant Deficiency

Condition: There is not adequate segregation of duties.

Status: This condition still exists, as it is impractical to further segregate duties due to the limited number of accounting personnel. However, management will continue to review/provide oversight of transactions.



P.O. BOX 1059 · 505 West C Street · McCOOK, NE 69001 · PHONE (308) 345-2022 · FAX (308) 345-1461

<u>Finding Number</u>	<u>Planned Corrective Action</u>	<u>Anticipated Completion Date</u>	<u>Responsible Contact Person</u>
2023-001	While it is impractical to further segregate duties due to the limited number of accounting personnel, management and the City Council will continue to review, monitor and provide oversight of transactions.	Ongoing monitoring	Lea Ann Doak

**CITY MANAGER'S REPORT
JANUARY 15, 2024 CITY COUNCIL MEETING**

ITEM: 3.A.

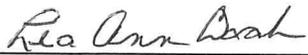
Approve the minutes of the January 2, 2024 regular City Council meeting.

BACKGROUND:

Receive and approve the minutes.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk

January 10, 2024

McCook City Council
January 2, 2024
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 Taylor, Councilmembers Calvin, Weedon, Rambali.

Absent: Councilmember Muehlenkamp.

Motion to excuse the absence of Councilmember Muehlenkamp. This motion, made by Calvin and seconded by Weedon, passed.

Taylor: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: ABSENT, Rambali: YEA
YEA: 4, NAY: 0, ABSENT: 1

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

Notice of the meeting was given in advance thereof by publication in the McCook Daily Gazette on December 28, 2023, 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 Taylor announced that a copy of the Open Meetings Act was posted by the entrance to the Council Chambers and available for public review. Councilmember Weedon provided the invocation. Following the Pledge of Allegiance to the flag of the United States of America, Mayor Taylor called the meeting to order.

1. Announcements & Recognitions.

There were no announcements or recognitions.

2. Consent Agenda.

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

Muehlenkamp: ABSENT, Taylor: YEA, Calvin: YEA, Weedon: YEA, Rambali: YEA
YEA: 4, NAY: 0, ABSENT: 1

2.A. Approve the minutes of the December 18, 2023 regular City Council meeting.

2.B. Adopt Resolution No. 2024-02, approving the updated City of McCook Public Transportation Drug and Alcohol Zero Tolerance Testing Policy.

2.C. Authorize the Mayor to sign the Certificate of Compliance for the 2023 Maintenance Agreement between the City of McCook and the Nebraska Department of Transportation.

3. Regular Agenda.

3.A. Approve Resolution No. 2024-01 authorizing city staff to submit a letter of intent to the Nebraska Department of Economic Development Civic and Community Center Financing Fund for preliminary planning purposes.

Matt Sehnert and Ronda Graff, representatives for the McCook Creative District, were present to address questions from the Council. Application for a Creative District was submitted by the Local Arts Council, with approval of the McCook Creative District in October 2023. The State has appropriated through NDED's CCCFF program to allow Creative Districts to plan for potential improvement projects within their districts. The City of McCook would be the applicant for the grant. The minimum grant award is \$100,000, with a match of \$100,000. The City, Community Hospital, MEDC, Graff Charitable Foundation, and the McCook Arts Council have met to discuss the proposed application. The group intends for each entity to donate \$20,000 toward the planning grant, alleviating the burden on the City to fund the match. A MOU will need to be executed outlining each parties' obligation. The entities will work to determine priority projects within the district to be included in the application. A preliminary application is due January 15, with the full application due February 15.

Motion to approve Resolution No. 2024-01 authorizing city staff to submit a letter of intent to the Nebraska Department of Economic Development Civic and Community Center Financing Fund for preliminary planning purposes. This motion, made by Calvin and seconded by Taylor, passed.
Muehlenkamp: ABSENT, Taylor: YEA, Calvin: YEA, Weedin: YEA, Rambali: YEA
YEA: 4, NAY: 0, ABSENT: 1

3.B. Council Comments.

There were no council comments.

City Manager Schneider requested that Item 3.D. be considered before Item 3.C. to allow staff to meet previously scheduled family commitments.

3.D. An Executive Session may be held upon a majority vote of the Council for the protection of public interest for a strategy session with respect to real estate purchase for Sports Complex.

Motion to go into executive session for the protection of public interest for a strategy session with respect to real estate purchase for a Sports Complex at 5:51 P.M. This motion, made by Calvin and seconded by Weedin, passed.
Muehlenkamp: ABSENT, Taylor: YEA, Calvin: YEA, Weedin: YEA, Rambali: YEA
YEA: 4, NAY: 0, ABSENT: 1

Mayor Taylor stated for the record that at this time, pursuant to the Nebraska Open Meetings Act, a closed session will be held for the purpose of the protection of public interest for a strategy session with respect to real estate purchase for a Sports Complex. The Council will reconvene in public session following this closed session.

3.C. An Executive Session may be held upon a majority vote of the Council for the protection of public interest for a strategy session with respect to potential litigation - property located at 1111 East "H" Street, Cindy and Ron Sabin.

Motion to go into executive session for the protection of public interest for a strategy session with respect to potential litigation - property located at 1111 East "H" Street, Cindy and Ron Sabin at 6:23 P.M. This motion, made by Calvin and seconded by Taylor, passed.

Muehlenkamp: ABSENT, Taylor: YEA, Calvin: YEA, Weedin: YEA, Rambali: YEA
YEA: 4, NAY: 0, ABSENT: 1

Mayor Taylor stated for the record that at this time, pursuant to the Nebraska Open Meetings Act, a closed session will be held for the purpose of the protection of public interest for a strategy session with respect to potential litigation - property located 1111 East "H" Street, Cindy and Ron Sabin. The Council will reconvene in public session following this closed session.

City Manager Schneider, City Attorney Mustion, Assistant City Manager Koetter, and City Clerk Doak.

Motion to come out of executive session at 6:57 P.M. This motion, made by Calvin and seconded by Weedin, passed.

Muehlenkamp: ABSENT, Taylor: YEA, Calvin: YEA, Weedin: YEA, Rambali: YEA
YEA: 4, NAY: 0, ABSENT: 1

Adjournment.

There being no further business to come before the Council, Mayor Taylor declared the meeting adjourned at 6:58 P.M.

Linda Taylor, Ex-officio Mayor
and Council President

ATTEST:

Lea Ann Doak, City Clerk-Treasurer

**CITY MANAGER'S REPORT
JANUARY 15, 2024 CITY COUNCIL MEETING**

ITEM: 3.B.

**RECOMMENDATION:
APPROVE THE SPECIFICATIONS FOR THE 2024 ARMOR COATING
PROJECT AND SET THE TIME AND DATE TO RECEIVE BIDS AS 2:30 P.M.
FEBRUARY 6, 2024**

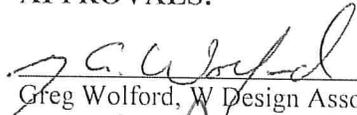
BACKGROUND

This is the annual armor coating maintenance done by the City.

As has been done in the past, the City will receive bids for the contractor to supply oil in full transport loads. Included in the contractor's bid is applying the oil; then placing and rolling the gravel. The gravel is supplied by the City. The Specifications call for two complete transports of oil with the option of adding a third if funds are available.

FISCAL IMPACT: None.

APPROVALS:



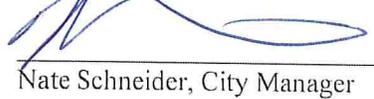
Greg Wolford, W Design Associates

Date: 4 Jan 24



Kyle Potthoff, Public Works Director

Date: 1/5/24



Nate Schneider, City Manager

Date: 1-9-24

ADVERTISEMENT FOR BIDS

The CITY OF McCOOK, Nebraska will receive sealed bids for the 2024 Armor Coating Project and associated work as described in the Plans and Specifications until 2:30 P.M. CST at the Office of the City Clerk, McCook Municipal Center, P.O. Box 1059, 505 West "C" Street, McCook, Nebraska on February 6, 2024 and then such bids shall be publicly opened and read aloud in the City Council Chambers, McCook Municipal Center.

All bids must be made on the Proposal Form provided with the Plans and Specifications as prepared by W DESIGN ASSOCIATES, Consulting Engineers and Architects. Bids received after the closing will be returned unopened and shall not be considered.

Contractors may obtain paper copies of the Plans and Specifications from W Design Associates, 214 East 1st Street, McCook, Nebraska 69001 upon payment of \$15.00 for each set requested. Electronic copies may be obtained by email from Breanna@wdesignea.com at no cost.

Each bid shall be accompanied by a certified check, cashier's check, or bid bond in an amount of not less than five percent (5%) of the total bid amount, and shall be made payable to the City of McCook, Nebraska as security that the bidder to whom the contract may be awarded will enter into contract to construct the project and give bond in the sum of the total contract amount for the construction of the project. Checks accompanying bids not accepted shall be returned to the bidders. Performance and Payment Bonds will be required for this project.

This project is the armor coating of various City streets in McCook.

No bid shall be withdrawn after opening the bids without the consent of the McCook City Council for a period of 45 days.

The City of McCook reserves the right to accept or reject any or all bids and to waive any informalities in the bidding.

Date: January 15, 2024.

-s- Lea Ann Doak
City Clerk

Publish: January 18, 25 and February 1, 2024.

SPECIFICATIONS

FOR

CITY STREET ARMOR COATING

McCOOK, NEBRASKA

2024 ARMOR COATING PROJECT

JANUARY, 2024



CERTIFICATE OF AUTHORIZATION: CA0011

**W DESIGN ASSOCIATES
CONSULTING ARCHITECTS & ENGINEERS
McCOOK/HASTINGS, NEBRASKA**

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ALTERNATE MATERIALS OR METHODS	01100
EXISTING FACILITIES	01800
CHANGES TO STANDARD SPECIFICATIONS - TECHNICAL	01805

** *These NDOT Documents shall be considered a part of these written Contract Documents as if attached hereto and herein written.*

SECTION 00020 - ADVERTISEMENT FOR BIDS

The CITY OF McCOOK, Nebraska will receive sealed bids for the 2024 Armor Coating Project and associated work as described in the Plans and Specifications until 2:30 P.M. CDST at the Office of the City Clerk, McCook, Nebraska on February 6, 2024 and then such bids shall be publicly opened and read aloud in the City Council Chambers, McCook Municipal Center.

All bids must be made on the Proposal Form provided with the Plans and Specifications as prepared by W DESIGN ASSOCIATES, Consulting Engineers and Architects. Bids received after the closing will be returned unopened and shall not be considered.

Contractors may obtain paper copies of the Plans and Specifications from W Design Associates, 214 East 1st Street, McCook, Nebraska 69001 upon payment of \$15.00 for each set requested. Electronic copies may be obtained by email from Breanna@wdesignea.com at no cost.

Each bid shall be accompanied by a certified check, cashier's check or bid bond in an amount of not less than five percent (5%) of the total bid amount and shall be made payable to the City of McCook, Nebraska as security that the bidder to whom the contract may be awarded will enter into contract to construct the project and give bond in the sum of the total contract amount for the construction of the project. Checks accompanying bids not accepted shall be returned to the bidders. Performance and Payment Bonds will be required for this project.

This project is the armor coating of various City streets in McCook.

No bid shall be withdrawn after opening the bids without the consent of the McCook City Council for a period of 45 days.

The City of McCook reserves the right to accept or reject any or all bids and to waive any informalities in the bidding.

Date: January 4, 2024
-s- Lea Ann Doak, City Clerk
City of McCook, NE

Publish: January 18, 25 and February 1, 2024

SECTION 00100 - INSTRUCTIONS TO BIDDERS

To be considered, Proposals must be made in accord with these Instructions to Bidders.

1. EXAMINATION

Bidders shall carefully examine the documents and the construction site to obtain first-hand knowledge of existing conditions. Contractors will not be given extra payments for conditions which can be determined by examining the site and documents.

2. QUESTIONS

Submit all questions about the Plans and Specifications to the Engineer in writing. The Engineer and the Owner will not be responsible for oral clarification.

3. SUBSTITUTIONS

To obtain approval to use unspecified products, bidders shall submit written requests at least ten (10) days before the bid date. Requests received after this time may not be considered. Requests shall clearly describe the product for which approval is asked, including all data necessary to demonstrate acceptability. If the product is acceptable, the Engineer will approve it in an Addendum issued to all prime bidders on record.

4. PROPOSALS

Proposals shall be made on unaltered Proposal Forms furnished by the Engineer. Fill in all blank spaces and submit one copy. Proposals shall be signed with name typed below signature. Where bidder is a corporation, Proposals must be signed with the legal name of the corporation followed by the name of the State of Incorporation and the legal signature of an officer authorized to bind the corporation to a contract.

5. BID SECURITY

Bid security shall be made payable to the City of McCook in the amount of five percent (5%) of the Proposal sum. Security shall be either certified check, cashier's check or bid bond issued by surety licensed to conduct business in the State of Nebraska. The successful bidder's security will be retained until he has signed the contract. The Owner reserves the right to retain the security of the next two lowest bidders until the lower bidder enters into contract or until ten days after bid opening whichever is the shorter. All other bid security will be returned as soon as practicable. If a bidder refuses to enter into a Contract, the Owner will retain his Bid Security as liquidated damages, but not as a penalty.

6. BONDS

Performance and Payment Bonds are required in the amount of 100% of the contract price.

7. SUBMITTAL

Submit Proposal and Bid Security in an opaque, sealed envelope. Identify the envelope with: (1) Project name; (2) Name of Bidder. Submit Proposals in accord with the Advertisement for Bids.

8. MODIFICATION AND WITHDRAWAL

Proposals may not be modified after submittal. Bidders may withdraw at any time before bid opening but may not resubmit them. No Proposal may be withdrawn or modified after the bid opening except where the award of Contract has been delayed for 45 days.

9. DISQUALIFIED

The Owner reserves the right to disqualify Proposals, before or after opening, upon evidence of collusion with intent to defraud or other illegal practices upon the part of the bidder.

10. OPENING

Proposals will be opened as announced in the Advertisement for Bids.

11. AWARD

The Contracts will be awarded on the basis of lowest responsible bid and the time of completion bid.

12. SALES TAX

The Contractor who is awarded the construction contract shall be appointed to act as a "Purchasing Agent" for the Exempt Organization for all materials to be incorporated into the Project. The Contractor will be supplied with a combination Purchasing Agent Appointment and Exempt Sale Certificate by the Exempt Organization. In turn the Contractor and/or his subcontractors shall provide their suppliers with copies of the document to enable them to purchase materials to be incorporated into the Project without payment of sales/use tax.

Billings from suppliers must be made out in the name of the Exempt Organization which appointed the Contractor as its Purchasing Agent and shall also show the name of the Contractor.

13. SPECIAL INSTRUCTIONS TO BIDDERS

During the performance of this contract, the Contractor agrees as follows:

- a. The Contractor will not discriminate against any employee or applicant for employment because of race, creed, sex, color, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, sex, color or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or

termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

b. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, sex, color or national origin.

c. The Contractor agrees to abide by the provisions of the Nebraska Fair Employment Practices Act, as provided by Neb. Rev. Stat. §48-1101 through 48-1126 (Reissue 1998). The Contractor shall include this requirement in all subcontracts entered into pursuant to this agreement.

d. The Contractor shall comply with Fair Labor Standards as required by Neb. Rev. Stat. Sections 73-101 through 73-104 in the pursuit of his business and in the execution of this agreement.

SECTION 00310 – PROPOSAL FORM

_____, 2024

City Council
505 W. C St.
McCook, NE 69001

The undersigned, having inspected the site for the proposed construction and being familiar with all conditions of the work, including Drawings and Specifications thereof entitled "2024 ARMOR COATING PROJECT", McCook, Nebraska dated January, 2024 and including Addenda or Instructions issued during the estimate period, all as prepared by W DESIGN ASSOCIATES, hereby offers to furnish all plant, labor, equipment, materials and operations required for the complete and prompt execution of all work described in, or shown in, or reasonably implied by the above mentioned documents for such sums as detailed hereinafter:

ITEM	DESCRIPTION	QUANTITY	UNITS	PRICE EA.	TOTALS
1.	Armor Coat Oil*	1	Gal.	\$ _____	\$ _____

* The City of McCook armor coat streets based on "Full Transport Loads" of oil applied. The city will purchase two transport loads with an option for a third. The bid price per gallon of oil includes the cost of the oil, application of gravel, labor and equipment required to armor coat the streets. See Section 01805.

Proposed START DATE _____

Proposed COMPLETION DATE _____

Receipt of Addenda is hereby acknowledged:

No. ____ Date ____ No. ____ Date ____ No ____ Date ____

I (we) acknowledge that the Owner reserves the right to reject any or all bids, to waive any informalities or technical defects or negotiate with any of the Contractors who have submitted Proposals if the Owner deems it to be for his best interests.

If written notice of the acceptance of this bid is mailed or delivered to the undersigned within thirty days after the date set for the opening of this bid, or at any other time thereafter before it is withdrawn, the undersigned will execute and deliver the contract Documents and Bonds to the Owner in accordance with this bid as accepted, and will also furnish and deliver to the Owner proof of insurance coverage, all within ten days after personal delivery or after deposit in the mails of the notification of acceptance of this bid.

Time is of the essence, and it is the Owner's desire to have this work complete before the start of school. The Contractor agrees to complete the work no later than the completion date bid. The Contractor further agrees that if work is completed after that date, he/she will pay to the Owner liquidated damages in the amount of \$100.00 per calendar day after the completion date required to complete the work.

This Proposal shall remain in effect for a period of forty-five (45) days after the closing time for the receipt of bids.

By

Address

Seal (If Corporation)

SECTION 00500 – 2024 SAMPLE ARMOR COATING CONTRACT

THIS AGREEMENT entered into this _____ day of _____ in the year TWO THOUSAND AND TWENTY-FOUR by and between _____ of _____ hereinafter referred to as the "CONTRACTOR" and the CITY OF McCOOK, McCook, Nebraska hereinafter referred to as the "OWNER".

WITNESSETH: That the parties under the CONTRACT agree that the CONTRACTOR shall carry out the following generally described work on the owner’s property in consideration of the unit prices as hereby set forth. 2024 ARMOR COATING PROJECT

ITEM DESCRIPTION	EST. QUANTITY	UNITS	PRICE EA.	TOTALS
1. Armor Coat Oil	1	Gal.	\$ _____	\$ _____

The City of McCook agrees to purchase two full transport loads of Armor Coat Oil at the above unit price per gallon with the option to purchase a third full load.

All work shall be done in accordance with the Plans and Specifications provided to the CONTRACTOR and dated January, 2024.

Payment requests shall be made monthly and shall be sent to the ENGINEER.

TO WIT: The CONTRACTOR shall at his cost and under his sole responsibility furnish all labor, tools, materials, transportation, equipment and perform all work required for the completion of the work.

Further, the CONTRACTOR agrees to complete all work by _____, 2024 and accepts the liquidated damages clause included in the Proposal Form.

The CONTRACTOR shall comply with all of the State and Federal laws governing and shall hold the OWNER blameless for any and all liabilities arising out of his operations under the Contract. The CONTRACTOR shall provide the OWNER with a Certificate of Insurance for

Worker's Compensation, Comprehensive General Liability, Contractual Liability, Personal Injury and Comprehensive Automobile Liability.

IN WITNESS WHEREOF, the parties to this contract have severally affixed their signatures executing this instrument this _____ day of _____ 2024.

APPROVED:

By _____

By _____

Date _____

Date _____

City of McCook
P. O. Box 1059
McCook, NE 69001

SECTION 00800 - SUPPLEMENTARY CONDITIONS

INTRODUCTION

The following supplements modify, change, delete from or add to the "General Conditions of the Contract for Construction". Where any Article of the General Conditions is modified or any Paragraph, Subparagraph or Clause thereof is modified or deleted by these Supplementary Conditions, the unaltered provisions of that Article, Paragraph, Subparagraph or Clause shall remain in effect.

1. All such variations shall be shown on the field documents which shall be delivered to the Engineer before final payment is made.
2. The Contractor shall provide a Certificate of Insurance of the following types and in amounts not less than the following:
 - A. Worker's Compensation:
 - (a) State: Statutory
 - (b) Applicable Federal: Statutory
 - (c) Employer's Liability: \$1,000,000.00
 - B. Comprehensive General Liability (including Premises-Operations; Independent Contractors' Protective; Products and Completed Operations; Broad Form Property Damage):
 - (a) Bodily Injury:

\$1,000,000.00	Each Occurrence
\$1,000,000.00/\$1,000,000	Annual Aggregate
 - (b) Property Damage:

\$1,000,000.00	Each Occurrence
\$1,000,000.00	Annual Aggregate
 - (c) Products and Completed Operations to be maintained for one year after final payment.
 - (d) Property Damage Liability Insurance will provide X, C or U coverage, as applicable.
 - C. Contractual Liability:
 - (a) Bodily Injury:

\$1,000,000.00/\$1,000,000	Each Occurrence
----------------------------	-----------------
 - (b) Property Damage:

\$1,000,000.00	Each Occurrence
\$1,000,000.00	Annual Aggregate
 - D. Personal Injury, with Employment Exclusion deleted:

\$1,000,000.00	Annual Aggregate
----------------	------------------

- E. Comprehensive Automobile Liability:
 - (a) Bodily Injury:

\$1,000,000.00	Each Person
\$1,000,000.00/\$1,000,000	Each Occurrence
 - (b) Property Damage:

\$1,000,000.00	Each Occurrence
----------------	-----------------
- F. Umbrella Liability Coverage
 - (a) \$1,000,000.00

This umbrella coverage shall be over and above the stated coverages and amounts.

- G. Additional insurance required. Contractor shall carry in addition to that specifically named by the 'General Conditions', as follows:
 - (a) Completed Operations and Products Liability.
 Maintained for one (1) year, commencing with issuance of Final Certificate for Payment.

3. FORM OF AGREEMENT

The form of agreement to be used for this project shall be as provided in the specifications.

4. SANITARY CONVENIENCES

Sanitary conveniences for use of all persons employed on the work shall be provided by the contractor.

5. SCHEDULING OF WORK

Insofar as is practicable, the contractor shall confine his operations to those parts of the site in which the construction work is located.

SECTION 01010 - SUMMARY OF THE WORK

GENERAL

The general contractor and its subcontractors will be required to follow these specifications as well as all Federal, State and local laws, ordinances, rules and regulations.

PROJECT DESCRIPTION

This project involves armor coating various city streets in accordance with the NDOT 2017 Standard Specifications for Highway Construction. The City Staff will direct the Contractor as to which streets will be armor coated.

NOTIFICATION OF RESIDENTS

The Contractor shall provide the City with a schedule of construction 10 days prior to starting the armor coating. The City will be responsible for notifying affected residents through media outlets five (5) days prior to construction.

In addition, the Contractor shall be responsible for hanging flyers on the doors of residences along streets being armor coated the day before armor coating to inform the residents to move vehicles off the streets.

SECTION 01100 - ALTERNATE MATERIALS OR METHODS

1. ALTERNATE MATERIALS

A. Standard Manufacturer

Wherever the terms "Standard", "Recognized" or "Reputable" manufacturer are used, they shall be construed as meaning manufacturers who have been engaged in the business of fabricating materials, equipment or supplies for a period of over twelve months prior to the date fixed for opening bids.

B. "Or Equal" Clause

Whenever, in any section of the contract documents, plans or specifications, any article, material, or equipment is defined by describing a proprietary product, or by using the name of a manufacturer or vendor, the term "or approved equal", if not inserted, shall be implied. The specific article, material or equipment mentioned shall be understood as indicating the type, function, minimum standard of design, efficiency and quality desired and shall not be construed in such a manner as to exclude manufacturers of comparable quality, design and efficiency.

A bidder wishing to substitute a material or product in lieu of an item specified shall submit all appropriate information as called out in the Instructions to Bidders. No changes shall be accepted after submission of proposals unless they result in an improvement to the project and are accepted in writing by the Architect/Engineer or result in an acceptable credit to the owner without prejudice to the project and then only if accepted in writing by the Architect/Engineer.

SECTION 01800 - EXISTING FACILITIES

1. GENERAL

Attention is called to the existence of buried water lines, gas lines, sewer lines and telephone lines within the project limits. The Contractor assumes full responsibility for the location and protection of all utilities, buried or overhead, during the construction operations.

SECTION 01805 – CHANGES TO STANDARD SPECIFICATIONS - TECHNICAL

GENERAL

This section describes the changes to technical portions of the NDOT 2017 Standard Specifications for Highway Construction.

MATERIALS

1. Oil for Armor Coating. The Contractor shall provide all oil for armor coating. The oil shall be Grade CRS-2P. The city will complete this project using full transport loads of oil only. The city realizes that the Contractor will run out of oil before completing all streets desired. Those streets not completed will be done in next year's project.

The City will provide the Contractor with a list of streets to be armor coated upon arrival to begin work.

2. Gravel/Chips. The City shall provide all gravel or chips for the project. The city will stockpile the gravel/chips at the City street shop on South Street in McCook. The Contractor will be responsible for loading the gravel/chips into his trucks at that point. Any gravel/chips left over after completion of the project shall remain the property of the City.

WORKMANSHIP

1. The City of McCook will be responsible for cleaning and killing all grass and weeds in the cracks of streets to be armor coated.
2. The Contractor shall be responsible for all other street cleaning.
3. The City shall "pre-advertise" the streets to be armor coated, as well as the Contractor's schedule. The Contractor shall be responsible for all traffic control.
4. The Contractor shall notify residents via flyers per Section 01010, Summary of the Work.
5. The Contractor shall be responsible for placing the oil and gravel; initial rolling of the armor coat and repair of "bleeding" for 24 hours after the armor coat is placed.
6. The City of McCook shall maintain the streets after the 24-hour period as well as being responsible for removal of excess gravel on armor coated streets.

MEASUREMENT AND PAYMENT

1. The Engineer shall approve rates of application for oil and gravel on the streets.
2. The only item for which direct payment will be made is "Armor Coat Oil." This item will be paid for by the gallon as provided on transport weight tickets, adjusted to 60° F. All other items shall be subsidiary to this item.

END OF ...

SPECIFICATIONS

FOR

CITY STREET ARMOR COATING

McCOOK, NEBRASKA

2024 ARMOR COATING PROJECT

JANUARY, 2024



CERTIFICATE OF AUTHORIZATION: CA0011

**W DESIGN ASSOCIATES
CONSULTING ARCHITECTS & ENGINEERS
McCOOK/HASTINGS, NEBRASKA**

**CITY MANAGER'S REPORT
JANUARY 15, 2024 CITY COUNCIL MEETING**

ITEM: 3.C.

RECOMMENDATION:

APPROVE THE BID SPECIFICATIONS FOR BALLPARK CONCESSIONS AT FELLING FIELD FOR CALENDAR YEARS 2024, 2025 AND 2026 AND SET THE DATE TO RECEIVE BIDS AS FEBRUARY 6, 2024 AT 2:00 P.M.

BACKGROUND:

The concession contract at both the Jaycees Ball Complex and Felling Field terminated on December 31, 2023. The previous concessionaire at Felling Field has decided not to continue providing that service moving forward. The concessionaire at the Jaycees Ball Complex, Michelle Seeker, has done a great job over the past few years. Michelle would like to continue providing concessions at the Jaycees. Due to the fact that we have had difficulty getting interest in providing this service in the past, staff proposes to extend her contract thru 2026.

In the past we have bid the concessions for a 3 year period. We would like to continue with this time frame. This specification is for concessions at Felling Field only and will cover calendar years 2024, 2025 and 2026.

We would like to open bids on Tuesday February 6, 2024 at 2:00 p.m.

**FISCAL
IMPACT:** None.

RECOMMENDATION:

APPROVE THE BID SPECIFICATIONS FOR BALLPARK CONCESSIONS AT FELLING FIELD FOR CALENDAR YEARS 2024, 2025 AND 2026 AND SET THE DATE TO RECEIVE BIDS AS FEBRUARY 6, 2024 AT 2:00 P.M.

APPROVALS:



Kyle Potthoff, Public Works Director

January 4, 2024



Nate Schneider, City Manager

January 4, 2024

CITY OF McCOOK
BID SPECIFICATIONS
FOR
FELLING FIELD CONCESSIONS

JANUARY 15, 2024

NOTICE TO BIDDERS

The City of McCook is accepting sealed bids for exclusive concession rights at the Felling Field for a three (3) year contract.

The official bid form and additional information may be obtained at the Office of the City Clerk.

Bids will be received until 2:00 P.M., February 6, 2024 at the Office of the City Clerk, McCook Municipal Facility, 505 West "C" Street, McCook, NE 69001. The bids will be opened publicly in the City Council Chambers and read aloud shortly thereafter.

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

Publish: January 19 and 26 and February 2, 2024

INSTRUCTIONS TO BIDDERS

1. The successful bidder will provide concessions for all events scheduled at the Felling Field for all scheduled events throughout each calendar year.
2. The City will provide the concession buildings in good serviceable condition and will maintain the buildings in such condition throughout the course of the ball season. The City will provide an ice machine that will be located at the Jaycee Complex that can be used for both facilities. All other equipment shall be provided by the successful bidder.
3. **The Bidder shall keep the concession stand clean and sanitary during the course of the season and at the end of each season shall clean the facilities and shall call for inspection by the City. All food products shall be removed within 10 days of the completion of each season. The City reserves the right to inspect the concession stands at any time.**
4. Bid amounts and the deposit of \$500.00 for each facility for the right to conduct concession operations at Felling Field are due in advance of conducting concession operations. (deposit will be returned if contract is followed)
5. Bidders will be expected to provide a relatively complete line of concessions at reasonable prices including but not limited to soft drinks, sandwiches, popcorn, and candy. All products shall be used within the expiration date and in no way shall expired product be sold/served.
6. The City reserves the right to review and prohibit the sale of certain products at the concession facility which may cause a problem in the operation of the ballpark facilities. SALE OF ALL GUM IS SPECIFICALLY PROHIBITED.
7. Bidders will have the exclusive right and will be expected to provide concession service for all scheduled games, scheduled and non-scheduled tournaments, and all other events and activities taking place at the Felling Field. The concession stand will be open prior to the first contest each day and **adequately** staffed during all times that scheduled activity is being conducted at the Felling Field. The Bidder may consider the requests from different organizations for special promotional events.
8. The Bidder shall police the areas in and around the concession stand, bleacher areas and walkways during all events, depositing all litter, **including sunflower seeds**, in appropriate trash receptacles and maintaining the area in a neat and orderly condition, by noon each day. Bidder shall see that all trash is removed from the concession stand daily and placed in city provided trash containers.
9. The Bidder shall allow access to the Automated External Defibrillator (AED), which is located in the concession stands, if needed during games and other events.
10. Concessionaire shall be responsible for keeping the restrooms clean and well stocked throughout the duration of all events on weekdays, weekends and holidays. Cleaning supplies will be furnished by the City.
11. The bids shall be submitted for a three (3) year term. The successful bidder and the City will execute a Letter of Agreement upon award of the bid. Either the City or the bidder shall have the right to terminate the concession contract for the upcoming year

for failure to comply with the terms of the Agreement or with the conditions of the bid set out in paragraphs 1 - 10 above. Written notice of the decisions to terminate shall be mailed to the other party by January 1st.

12. Bidder must meet all local, state and federal requirements.

BID FORM FOR BALLPARK CONCESSIONS
City of McCook, Nebraska
Three (3) Year Term

FELLING FIELD

2024

2025

2026

Bid for Concessions \$ _____

Operated by: _____

The City of McCook reserves the right to reject any or all bids and to waive any irregularities and to exercise its own judgement as to the best bids received.

**CITY MANAGER'S REPORT
JANUARY 15, 2024 CITY COUNCIL MEETING**

ITEM: 3.D.

RECOMMENDATION:

ADOPT THE DISADVANTAGED BUSINESS ENTERPRISE(DBE) PROGRAM FOR MCCOOK BEN NELSON REGIONAL AIRPORT FOR THE YEARS 2022, 2023 AND 2024 AND AUTHORIZE THE MAYOR TO SIGN.

BACKGROUND:

The DBE program has been updated and is a Federal requirement for each fiscal year that we anticipate awarding contracts totaling \$250,000 or more for airport planning or development. This program ensures that DBE's have an equal opportunity to receive and participate in Department of Transportation assisted contracts.

Since we did not complete any projects at the airport in years 2022 and 2023, this program was not required to be approved in those years. We do have a project scheduled for 2024, therefore the need to approve the plan at this time.

**FISCAL
IMPACT:** None.

RECOMMENDATION:

ADOPT THE DISADVANTAGED BUSINESS ENTERPRISE(DBE) PROGRAM FOR MCCOOK BEN NELSON REGIONAL AIRPORT AND AUTHORIZE THE MAYOR TO SIGN.

APPROVALS:



Kyle Potthoff, Public Works Director

January 3, 2024



Nate Schneider, City Manager

January 3, 2024

**DISADVANTAGED BUSINESS ENTERPRISE (DBE)
PROGRAM**

FOR FAA FISCAL YEARS 2022, 2023 & 2024

McCook Ben Nelson Regional Airport

McCook, Nebraska

January 2024

DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM
McCook Ben Nelson Regional Airport
McCook, Nebraska

POLICY STATEMENT

Section 26.1, 26.23 Objectives/Policy Statement

The **City of McCook**, McCook, Nebraska, Sponsor of McCook Ben Nelson Regional Airport has established a Disadvantaged Business Enterprise (DBE) Program in accordance with regulations of the U.S. Department of Transportation (U.S. DOT), 49 CFR Part 26. The **City of McCook** has received Federal financial assistance from the U.S. Department of Transportation, and as a condition of receiving this assistance, the **City of McCook** has signed an assurance that it will comply with 49 CFR Part 26 (hereafter referred to as "Part 26").

It is the policy of the **City of McCook** to ensure that DBEs as defined in Part 26, have an equal opportunity to receive and participate in U.S. DOT-assisted contracts. It is also the **City of McCook's** policy to engage in the following actions on a continuing basis:

1. Ensure nondiscrimination in the award and administration of U.S. DOT- assisted contracts.
2. Create a level playing field on which DBEs can compete fairly for U.S. DOT-assisted contracts.
3. Ensure that the DBE Program is narrowly tailored in accordance with applicable law.
4. Ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs.
5. Help remove barriers to the participation of DBEs in U.S. DOT assisted contracts;
6. Promote the use of DBEs in all types of federally assisted contracts and procurement activities;
7. Assist the development of firms that can compete successfully in the marketplace outside the DBE Program; and
8. Make appropriate use of the flexibility afforded to recipients of Federal financial assistance in establishing and providing opportunities for DBEs.

Kyle Potthoff, Public Works Director, City of McCook, has been delegated as the DBE Liaison Officer. In that capacity, **Kyle Potthoff, Public Works Director** is responsible for implementing all aspects of the DBE program. Implementation of the DBE program is accorded the same priority as compliance with all other legal obligations incurred by the **City of McCook** in its financial assistance agreements with the Department of Transportation.

The **City of McCook** has disseminated this policy statement to the **City of McCook's governing officials** and all of the components of our organization. This statement has been distributed to DBE and non-DBE business communities that may perform work on **City of McCook** U.S. DOT-assisted contracts. The distribution was accomplished by **inclusion in bid specifications**.

Mayor: _____

Date: _____

GENERAL REQUIREMENTS

Section 26.1 Objectives

The objectives are elaborated in the policy statement on the first page of this program.

Section 26.3 Applicability

The **City of McCook** is the recipient of Federal airport funds authorized by 49 U.S.C. 47101, *et seq.*

Section 26.5 Definitions

The **City of McCook** will use terms in this program that have their meanings defined in Part 26, §26.5.

Section 26.7 Non-discrimination Requirements

The **City of McCook** will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR Part 26 on the basis of race, color, sex, or national origin.

In administering its DBE program, the **City of McCook** will not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the DBE program with respect to individuals of a particular race, color, sex, or national origin.

Section 26.11 Record Keeping Requirements

Reporting to NDOT

The **City of McCook** will provide data about its DBE Program to the Department as directed by U.S. DOT operating administrations.

DBE participation will be reported to Nebraska Department of Transportation - Division of Aeronautics (NDOT-A) as follows:

The **City of McCook** will transmit to **NDOT-A** annually, by or before December 1, the information required for the "Uniform Report of DBE Awards or Commitments and Payments", as described in Appendix B to Part 26. The **City of McCook** will similarly report the required information about participating DBE firms. All reporting will be done through the **NDOT-A** official reporting system, or another format acceptable to **NDOT-A** as instructed thereby.

The **Nebraska Department of Transportation – Division of Aeronautics (NDOT-A)**, acting as agent for the **City of McCook**, will create a bidders list, consisting of information about all DBE and non-DBE firms that bid or quote on U.S. DOT-assisted contracts. The purpose of this requirement may allow use of the bidder's list approach to calculate overall goals. The bidders list will include the name, address, DBE/non-DBE status, age, and annual gross receipts of firms.

We will collect this information by requesting that prime bidders report the names and addresses of all firms who quote to them on subcontracts. We will collect this information using forms included in **Attachment 3**.

Records retention and reporting:

The **City of McCook** will maintain records documenting a firm's compliance with the requirements of this part. At a minimum, the **City of McCook** will keep a complete application package for each certified firm and all affidavits of no-change, change notices, and on-site reviews. These records will be retained in accordance with all applicable record retention requirements of the **City of McCook** financial assistance agreement. Other certification or compliance related records will be retained for a minimum of three (3) years unless otherwise provided by applicable record retention requirements for the financial assistance agreement, whichever is longer.

Section 26.13 Federal Financial Assistance Agreement

The **City of McCook** has signed the following assurances, applicable to all U.S. DOT-assisted contracts and their administration:

Assurance: - Each financial assistance agreement the **City of McCook** signs with a NDOT operating administration (or a primary recipient) will include the following assurance:

The **City of McCook** shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any U.S. DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The **City of McCook** shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of U.S. DOT-assisted contracts. The **City of McCook's** DBE program, as required by 49 CFR Part 26 and as approved by U.S. DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the **City of McCook** of its failure to carry out its approved program, the Department may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 *et seq.*).

Contract Assurance: The **City of McCook** will ensure that the following clause is included in each U.S. DOT-funded contract it signs with a contractor (and each subcontract the prime contractor signs with a subcontractor):

The contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR part 26 in the award and administration of U.S. DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:

- 1) Withholding monthly progress payments;
- 2) Assessing sanctions;
- 3) Liquidated damages; and/or
- 4) Disqualifying the contractor from future bidding as non-responsible.

ADMINISTRATIVE REQUIREMENTS

Section 26.21 DBE Program Updates

The City of McCook is required to have a DBE program meeting the requirements of this part as it will receive grants for airport planning or development and will award prime contracts, cumulative total value of which exceeds \$250,000 in FAA funds in a federal fiscal year. The City of McCook is not eligible to receive U.S. DOT financial assistance unless U.S. DOT has approved this DBE program and the City of McCook is in compliance with it and Part 26. The City of McCook will continue to carry out this program until all funds from U.S. DOT financial assistance have been expended. The City of McCook does not have to submit regular updates of the DBE program document, as long as it remains in compliance. However, significant changes in the program, including those required by regulatory updates, will be submitted for U.S. DOT approval.

Section 26.23 Policy Statement

The Policy Statement is elaborated on the first page of this DBE Program.

Section 26.25 DBE Liaison Officer (DBELO)

The following individual has been designated as the DBE Liaison Officer for the **City of McCook**:

Name: Kyle Potthoff, Public Works Director
Address: P.O. Box 1059
City: McCook, Nebraska 69001
Telephone: (308) 345-2022 Ext. 231
Email: potthoff@cityofmccook.com

In that capacity, the DBELO is responsible for implementing all aspects of the DBE program and ensuring that the **City of McCook** complies with all provision of 49 CFR Part 26. The DBELO has direct, independent access to the **Mayor of the City of McCook** concerning DBE program matters. An organizational chart displaying the DBELO's position in the organization is included in **Attachment 2** to this program.

The DBELO is responsible for developing, implementing, and monitoring the DBE program, in coordination with other appropriate officials. However, the **City of McCook** does not have a dedicated civil rights department. The **City of McCook** uses staff from NDOT-A and the **Nebraska Department of Transportation (NDOT)** Civil Rights Office for guidance on matters concerning the DBE program and to assist in the administration of the program. The duties and responsibilities include the following:

1. Gathers and reports statistical data and other information as required by U.S. DOT.
2. Reviews third party contracts and purchase requisitions for compliance with this program.
3. Works with all departments to set overall annual goals.
4. Ensures that bid notices and requests for proposals are available to DBEs in a timely manner.
5. Identifies contracts and procurements so that DBE goals are included in solicitations (both race-neutral methods and contract specific goals) and monitors results.
6. Analyzes the **City of McCook's** progress toward attainment and identifies ways to improve progress.
7. Participates in pre-bid meetings.
8. Advises the CEO/governing body on DBE matters and achievement.
- ~~9. Chairs the DBE Advisory Committee.~~
10. Determine contractor compliance with good faith efforts.
11. Provides DBEs with information and assistance in preparing bids, obtaining bonding and insurance.
- ~~12. Plans and participates in DBE training seminars.~~
- ~~13. Acts as liaison to the Uniform Certification Process.~~
14. Provides outreach to DBEs and community organizations to advise them of opportunities.
- ~~15. Maintains the agency's updated directory on certified DBEs.~~

NOTES*

Item 9: Given the very small size of the Sponsor organization, there is no defined DBE Advisory Committee. The DBELO does, however, advise the entire organization on DBE matters and achievements, per Item 8.

Item 12: Given the very small size of the Sponsor organization, the organization does not have the resources to plan and participate in DBE training seminars. For this duty or responsibility, the organization relies on the resources of the NDOT and their Civil Rights Office to provide appropriate training opportunities.

Item 13: Per Section 26.31 below, the Sponsor is a non-certifying member of the Nebraska Unified Certification Program (UCP). As a non-certifying, or Signatory, member, the Sponsor agrees to

designate the NDOT Highway Civil Rights Office (HCRO) as the sole certifying agency of the NUCP.

Item 15: Per Sections 26.31, the **City of McCook** is a non-certifying member of the Nebraska Unified Certification Program (UCP). The UCP maintains a directory identifying all firms eligible to participate as DBEs, which contains all the elements required by §26.31. This is the directory used by the Sponsor.

Section 26.27 DBE Financial Institutions

It is the policy of the **City of McCook** to investigate the full extent of services offered by financial institutions owned and controlled by socially and economically disadvantaged individuals in the community, to make reasonable efforts to use these institutions, and to encourage prime contractors on U.S. DOT-assisted contracts to make use of these institutions.

Utilizing a list of Nebraska banks provided by the Nebraska Department of Banking and Finance, we determined that there are seven (7) banks in McCook as of June 21, 2021: MNB Investment Bank, First Central Bank, Midwest Liberty Federal Credit Union, Great Western Bank, Horizon Bank, Pinnacle Bank, Lincoln Federal Savings Bank. Following the process used by the Nebraska Department of Transportation, the **City of McCook** investigated the availability of socially and economically disadvantaged financial institutions in Nebraska, including the 7 institutions noted above, using the following reports/lists:

- Federal Deposit Insurance Corporation 2019 report to Congress “Preservation and Promotion of Minority Depository Institutions”
(<https://www.fdic.gov/regulations/resources/minority/congress/report-2019/2-summary-profile.pdf>)
- Federal Deposit Insurance Corporation Minority Depository Institutions List
(<https://www.fdic.gov/regulations/resources/minority/mdi.html>)
- Federal Deposit Insurance Corporation Minority Depository Institutions MDI and CDFI Ban Locator (<https://fdic-gis.maps.arcgis.com/apps/webappviewer/index.html?id=76c05acdf50f4e3db35cd042103e998e>)
- Office of the Comptroller of the Currency Minority and Women-Owned Depository List (<https://www.occ.treas.gov/topics/consumers-and-communities/minority-outreach/locations-list-view-minority.html?category=ho&type=people>)

From this review, only one depository institution in the state, The First National Bank of Gordon, is noted on the Office of the Comptroller of the Currency’s Minority and Women-Owned Depository list, as a Women Owned business. No other lists included the First National Bank of Gordon, or any other socially or economically disadvantaged financial institutions. None of the 7 local institutions noted above were listed on any minority list.

According to Part 26.27, the **City of McCook** is required to “thoroughly investigate ... financial institutions ... in your community.” McCook is a city with a population of less than 8,000. It is located in an area with no suburbs. McCook constitutes the **City of McCook’s** community. The **City of McCook** has investigated all financial institutions within their community and thus met the requirements of Part 26.27.

The **City of McCook’s** community under 26.27 and the **City of McCook’s** market area under 26.45 are not the same areas. Due to the area’s low population density, contractors typically travel hundreds of miles to participate on U.S. DOT-assisted contracts. Therefore, the **City of McCook’s** market area that was used to establish their overall DBE goal is discussed in **Attachment 5**. It would be impractical, infeasible, and unreasonable for the **City of McCook** to use a financial institution outside of their community.

Section 26.29 Prompt Payment Mechanisms

The **City of McCook** requires that all subcontractors performing work on U.S. DOT-assisted contracts shall be promptly paid for work performed pursuant to their agreements, in accordance with all relevant federal, state, and local law.

In accordance with 49 CFR §26.29, the **City of McCook** established a contract clause implementing this requirement and requires prime contractors to pay subcontractors for satisfactory performance of their contracts no later than 30 days from the prime contractor’s receipt of each payment from the **City of McCook**.

The **City of McCook** ensures prompt and full payment of retainage from the prime contractor to the subcontractor within no later than 30 days after the subcontractor's work is satisfactorily completed. Pursuant to §26.29, the **City of McCook** has selected the following method to comply with this requirement:

(1) We will hold retainage from prime contractors and provide for prompt and regular incremental acceptances of portions of the prime contract, pay retainage to prime contractors based on these acceptances, and require a contract clause obligating the prime contractor to pay all retainage owed to the subcontractor for satisfactory completion of the accepted work within 30 days after your payment to the prime contractor.

To implement this measure, the **City of McCook** includes the following clause from FAA Advisory Circular 150/5370-10 in each U.S. DOT-assisted prime construction contract:

- (a) The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance no later than 30 days from receipt of payment from the **City of McCook**. The prime contractor agrees further to return retainage payments to each subcontractor within 30 days after the subcontractor’s work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the **City of McCook**. This clause applies to both DBE and non-DBE subcontractors.

- (b) In the event of noncompliance with this provision, the **City of McCook** may impose appropriate penalties in accordance with terms and conditions of this contract.
- (c) The prime contractor will not be reimbursed for work performed by subcontractors unless and until the prime contractor has paid for work performed by such subcontractors in accordance with this provision and contract terms.

Section 26.31 Directory

The **City of McCook** is a non-certifying member of the Nebraska Unified Certification Program (UCP). The UCP maintains a directory identifying all firms eligible to participate as DBEs, which contains all the elements required by §26.31. The directory is available from:

Minority Business Coordinator
Nebraska Department of Transportation
P.O. Box 94759
Lincoln, NE 68509
402-479-3728
<https://dot.nebraska.gov/business-center/civil-rights/>

The directory lists firms that have passed NDOT's certification process. The listing includes the firm's name, address, phone number and the type of work the firm has been certified to perform as a DBE. NDOT updates the directory at least quarterly.

Section 26.33 Over-concentration

The **City of McCook** has not identified that over-concentration exists the types of work that DBEs perform and has not implemented a Business Development Program

Section 26.35 Business Development Programs

The **City of McCook** has not established a Business Development Program.

Section 26.37 Monitoring Responsibilities

The **City of McCook** implements and carries out appropriate mechanisms to ensure compliance with 49 CFR Part 26 program requirements by all program participants, including prompt payment, and describes and set forth these mechanisms in the **City of McCook's** DBE program.

The **City of McCook** actively monitors participation by maintaining a running tally of actual DBE attainments (e.g., payments actually made to DBE firms), including a means of comparing these attainments to commitments.

Monitoring Payments to DBEs and Non-DBEs

The **City of McCook** undertakes ongoing monitoring of prime payments to subcontractors over the course of any covered contract. Such monitoring activities will be accomplished through the following method(s):

- Entering into an agreement for construction observation services, which will include reviewing compliance with Labor and Civil Rights provisions in accordance with FAA AIP Sponsor Guide No. 1070.
- Keeping a running tally of actual payments to DBE firms for work committed to them at the time of contract award.

The **City of McCook** requires prime contractors to maintain records and documents of payments to subcontractors, including DBEs, for a minimum of three (3) years unless otherwise provided by applicable record retention requirements for the **City of McCook's** financial assistance agreement, whichever is longer. These records will be made available for inspection upon request by any authorized representative of the **City of McCook** or U.S. DOT. This reporting requirement extends to all subcontractors, both DBE and non-DBE.

- The **City of McCook** proactively reviews contract payments every quarter to subcontractors including DBEs. Payment reviews will evaluate whether the actual amount paid to DBE subcontractors is equivalent to the amounts reported to the **City of McCook** by the prime contractor.

Prompt Payment Dispute Resolution

The **City of McCook** will take the following steps to resolve disputes as to whether work has been satisfactorily completed for purposes of §26.29.

In the event of a dispute as to whether work has been satisfactorily completed or not, the DBELO shall schedule and attend a meeting between the **City of McCook, Engineering Consultant, the project prime contractor and the DBE subcontractor**. Attendees for the prime contractor and DBE subcontractor shall have an appropriate authority to enter into decisions obligating their respective company.

The **City of McCook** has established, as part of its DBE program, the following mechanism(s) to ensure prompt payment and return of retainage:

- (1) A contract clause providing that the prime contractor will not be reimbursed for work performed by subcontractors unless and until the prime contractor ensures that the subcontractors are promptly paid for the work they have performed:
 - (a) The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance no later than 30 days from receipt of payment from the Sponsor. The prime contractor agrees further to return retainage payments to each subcontractor within 30 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time

frame may occur only for good cause following written approval of the Sponsor. This clause applies to both DBE and non-DBE subcontractors.

- (b) In the event of noncompliance with this provision, the Sponsor may impose appropriate penalties in accordance with terms and conditions of this contract.
- (c) Subject to the approval of the Sponsor, the prime contractor shall use appropriate alternative dispute resolution mechanisms to resolve any payment disputes that may arise.
- (d) The prime contractor will not be reimbursed for work performed by subcontractors unless and until the prime contractor has paid for work performed by such subcontractors in accordance with this provision and contract terms.

Prompt Payment Complaints

Complaints by subcontractors regarding the prompt payment requirements are handled according to the following procedure.

- If affected subcontractor is not comfortable contracting prime directly regarding payment or unable to resolve payment discrepancies with prime, subcontractor should contact DBELO to initiate complaint.
- If filing a prompt payment complaint with the DBELO does not result in timely and meaningful action by the **City of McCook** to resolve prompt payment disputes, affected subcontractor may contact the responsible NDOT-A contact.
- Pursuant to Sec. 157 of the FAA Reauthorization Act of 2018, all complaints related to prompt payment will be reported in a format acceptable to the FAA, including the nature and origin of the complaint and its resolution.

Enforcement Actions for Noncompliance of Participants

The **City of McCook** will provide appropriate means to enforce the requirements of §26.29. These means include:

In the event of non-compliance with the DBE regulation by a participant in our procurement activities, the **City of McCook** has available several remedies to enforce the DBE requirements contained in its contract, including, but not limited to, the following:

- Breach of contract action, pursuant to the terms of the contract.
- Breach of contract action, pursuant to Nebraska Statute
- 3-504 City Airport Authority
- 3-116, 3-120, 3-125 NDA
- Other sections of Nebraska Statutes that may be applicable and could be used to enforce DBE requirements include unemployment compensation fund contributors and interest due under the provisions of Nebraska Statute 48-601 to 48-669 on wages paid to individuals

employed. Conditions regarding fair employment practices as contained in Nebraska Statutes 48-1101 through 48-225 and to comply with minimum wage scale and nondiscrimination as defined in Nebraska Statutes 48-1201 through 48-1277.

In addition, the federal government has available several enforcement mechanisms that it may apply to firms participating in the DBE program, including, but not limited to, the following:

- Suspension or debarment proceedings pursuant to 49 CFR Part 26.
- Enforcement action pursuant to 49 CFR Part 31.
- Prosecution pursuant to 18 USC 1001.

The **City of McCook** will actively implement the enforcement actions detailed above.

Monitoring Contracts and Work Sites

The **City of McCook** reviews contracting records and has engaged with a professional consultant to assist in actively monitoring work sites to ensure that work committed to DBEs at contract award or subsequently (e.g., as the result of modification to the contract) is actually performed by the DBEs to which the work was committed. Work site monitoring is performed by the professional consultant. Contracting records are maintained by the professional consultant and reviewed by Kyle Potthoff, Public Works Director. The **City of McCook** will maintain written certification that contracting records have been reviewed and work sites have been monitored for this purpose.

Section 26.39 Fostering small business participation

The **City of McCook** has created a Small Business element to structure contracting requirements to facilitate competition by small business concerns, taking all reasonable steps to eliminate obstacles to their participation, including unnecessary and unjustified bundling of contract requirements that may preclude small business participation in procurements as prime contractors or subcontractors.

The small business element is incorporated as **Attachment 10** to this DBE Program. The program elements will be actively implemented to foster small business participation. **Implementation of the small business element is required in order for the City of McCook to be considered by U.S. DOT as implementing this DBE program in good faith.**

SUBPART C – GOALS, GOOD FAITH EFFORTS, AND COUNTING

Section 26.43 Set-asides or Quotas

The **City of McCook** does not use quotas in any way in the administration of this DBE program.

Section 26.45 Overall Goals

The City of McCook will establish an overall DBE goal covering a three-year federal fiscal year period if it anticipates awarding U.S. DOT -funded prime contracts the cumulative total value of which exceeds \$250,000 in U.S. DOT funds during any one or more of the reporting fiscal years within the three-year goal period. In accordance with §26.45(f), the City of McCook will submit its Overall Three-year DBE Goal to the FAA by August 1st of the year in which the goal is due, as required by the schedule established by and posted to the website of NDOT.

NDOT:

<https://dot.nebraska.gov/business-center/civil-rights/>

FAA:

https://www.faa.gov/about/office_org/headquarters_offices/acr/bus_ent_program/media/Schedule_of_DBE_and_ACDBE_Reporting_Requirements_Dec_2017_Issue.pdf

The DBE goals will be established in accordance with the 2-step process as specified in 49 CFR Part 26.45. If the **City of McCook** does not anticipate awarding prime contracts the cumulative total value of which exceeds \$250,000 in DOT funds during any of the years within the three-year reporting period, an overall goal will not be developed. However, this DBE Program will remain in effect and the **City of McCook** will seek to fulfill the objectives outlined in 49 CFR Part 26.1.

Method: The following is a summary of the method we used to calculate this goal:

We consulted with NDOT-A to establish the geographical area from which we could reasonably expect ready, willing, and able prime contractors and subcontractors to be obtained. After identifying the geographical area, we search the US Census Bureau's data base to obtain the total number of businesses that correspond to the NAICS code related to the prime scope of work for the project. We review the NDOT data base to identify the number of certified DBE's in the geographical area with work codes similar to the NAICS codes.

Step 1: The first step is to determine a base figure for the relative availability of DBEs in the market area. The **City of McCook** will use a Bidders List, the goal of another NDOT recipient, DBE Directory information and Census Bureau Data, or other alternative method that complies with §26.45 as a method to determine the base figure. The base figure was determined by dividing the number of DBE firms on this list by the total number of firms. See **Attachment 5**: "Step 1: Goal Setting Process for details". The **City of McCook** understands that the exclusive use of a list of prequalified contractors or plan holders, or a bidders list that does not comply with the requirements of 49 CFR Part 26.45(c)(2), is not an acceptable alternative means of determining the availability of DBEs.

Step 2: The second step is to adjust, if necessary, the "base figure" percentage from Step 1 so that it reflects as accurately as possible the DBE participation the recipient would expect in the absence of discrimination. Adjustments may be made based on past participation, and/or information about barriers to entry to past competitiveness of DBEs on contracts. The **City of McCook** will examine all of the evidence available in its jurisdiction to determine what adjustment, if any, is needed. If the evidence does not suggest an adjustment is necessary, then no adjustment shall be made.

We have been unable to find evidence of past discrimination and have not identified any barriers in our local market area research. In addition, NDOT-A is not aware of past discrimination and has not identified any barriers in our local market area research to adjust their base figure for over utilization or under-utilization to warrant adjustments to their base figure. Therefore, we have not adjusted our base figure due to discrimination.

Any methodology selected will be based on demonstrable evidence of local market conditions and be designed to ultimately attain a goal that is rationally related to the relative availability of DBEs in the **City of McCook's** market.

Process: Before establishing the overall goal each year, the **City of McCook** will consult with NDOT-A to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the **City of McCook's** efforts to establish a level playing field for the participation of DBEs. The **City of McCook** may also consult with United Minority Contractors Association of Nebraska and the Urban League of Nebraska to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the **City of McCook's** efforts to establish a level playing field for the participation of DBEs.

Following this consultation, NDOT-A, as agent for the **City of McCook**, will post the airport DBE program and its overall goal on the NDOT website and notify agencies and organizations, indicating that the **City of McCook** is interested in obtaining relevant information regarding goal setting and goal methodology. The link to the airport's program and its overall goal online and the list of agencies and organizations selected are available in **Attachment 5**, under Public Participation. Each notice will contain an explicit invitation to meet with the NDOT-A face-to-face or via conference call (i.e., a "scheduled, direct, interactive exchange") to discuss any questions or comments on DBE participation goal setting.

In establishing the overall goal, the **City of McCook** will provide for consultation and publication. This includes consultation with minority, women's and general contractor groups, community organizations, and other officials or organizations which could be expected to have information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the efforts by the **City of McCook** to establish a level playing field for the participation of DBEs. The consultation will include a scheduled, direct, interactive exchange (e.g., a face-to-face meeting, video conference, teleconference) with as many interested stakeholders as possible focused on obtaining information relevant to the goal setting process, and it will occur before the **City of McCook** is required to submit the goal methodology to the operating administration for review pursuant to §26.45(f). The goal submission will document the consultation process in which the **City of McCook** engaged. Notwithstanding paragraph (f)(4) of §26.45, the proposed goal will not be implemented until this requirement is met.

In addition to the consultation described above, the **City of McCook** will publish a notice announcing the proposed overall goal before submission to the FAA. The notice will be published in the local newspaper, posted on NDOT's official internet web site, and may be directly mailed to other local interested agencies. The list of potential agencies interested can be found in **Attachment 5**, under "Public Participation". If the proposed goal changes following review by FAA, the revised goal will be posted on the official internet web site.

The public will also be informed that the proposed overall goal and its rationale are available for inspection during normal business hours at the **McCook City Clerk's Office, 505 West C Street, McCook, NE 69001**. The link to the proposed goal is found below:

<https://dot.nebraska.gov/business-center/civil-rights/airport-dbe/>

This notice will provide that the **City of McCook** and U.S. DOT will accept comments on the goals for 30 days from the date of the notice. Notice of the comment period will include the addresses to which comments may be sent (including offices and websites) where the proposal may be reviewed.

The Overall Three-Year DBE Goal submission to U.S. DOT will include a summary of information and comments received, if any, during this public participation process and the **City of McCook's** responses.

The **City of McCook** will establish its overall goal based on one or more projects. Our overall goal will be submitted to FAA at least 30 days prior to the first solicitation for a U.S. DOT-assisted contract for a project that contains a goal, including professional services, construction, or other contracts. Unless we have received other instructions from U.S. DOT, we will establish a goal on a project basis and begin using our overall goal by the time of the first solicitation for a contract that contains a goal.

The **City of McCook** will begin using the overall goal on October 1 of the relevant period, unless other instructions from U.S. DOT have been received.

Project Goals

If permitted or required by the U.S. DOT Administrator, an overall goal may be expressed as a percentage of funds for a particular grant or project or group of grants and/or projects, including entire projects. Like other overall goals, a project goal may be adjusted to reflect changed circumstances, with the concurrence of the appropriate operating administration. A project goal is an overall goal and must meet all the substantive and procedural requirements of this section pertaining to overall goals. A project goal covers the entire length of the project to which it applies. The project goal will include a projection of the DBE participation anticipated to be obtained during each fiscal year covered by the project goal. The funds for the project to which the project goal pertains are separated from the base from which the regular overall goal, applicable to contracts not part of the project covered by a project goal, is calculated.

If a goal is established on a project basis, the goal will be used by the time of the first solicitation for a U.S. DOT-assisted contract for the project.

Prior Operating Administration Concurrence

The **City of McCook** understands that prior U.S. DOT concurrence with the overall goal is not required. However, if the U.S. DOT review suggests that the overall goal has not been correctly calculated or that the method employed by the **City of McCook** for calculating goals is inadequate, U.S. DOT may, after consulting with the **City of McCook**, adjust the overall goal or require that the

goal be adjusted by the **City of McCook**. The adjusted overall goal is binding. In evaluating the adequacy or soundness of the methodology used to derive the overall goal, the U.S. DOT operating administration will be guided by the goal setting principles and best practices identified by the Department in guidance issued pursuant to §26.9.

A description of the methodology to calculate the overall goal and the goal calculations can be found in **Attachment 5** to this program.

Section 26.47 Failure to meet overall goals

The City of McCook cannot be penalized or treated by the Department as being in noncompliance with Part 26, because DBE participation falls short of an overall goal, unless the City of McCook fails to administer its DBE program in good faith.

The City of McCook understands that to be considered to be in compliance with this part, an approved DBE Program and overall DBE goal, if applicable, must be maintained, and this DBE Program must be administered in good faith.

The **City of McCook** understands that if the awards and commitments shown on the Uniform Report of Awards or Commitments and Payments at the end of any fiscal year are less than the overall goal applicable to that fiscal year, the following actions must be taken in order to be regarded by the Department as implementing this DBE Program in good faith:

- (1) Analyze in detail the reasons for the difference between the overall goal and the awards and commitments in that fiscal year.
- (2) Establish specific steps and milestones to correct the problems identified in the analysis to enable the goal for the new fiscal year to be fully met.
- (3) The **City of McCook** will prepare, within 90 days of the end of the fiscal year, the analysis and corrective actions developed under paragraph (c)(1) and (2) of this section. We will retain copy of analysis and corrective actions in records for a minimum of three years and will make it available to FAA upon request.

Section 26.49 How are overall goals established for transit vehicle manufacturers?

The **City of McCook** will require transit vehicle manufacturers (TVM), as a condition of being authorized to bid or propose on any FTA-assisted transit vehicle procurements, to certify that they have complied with the requirements of §26.49.

- (1) The **City of McCook** affirms that only those transit vehicle manufacturers listed on FTA's certified list of Transit Vehicle Manufacturers, or that have submitted a goal methodology to FTA that has been approved or has not been disapproved, at the time of solicitation are eligible to bid.
- (2) A TVM's failure to implement the DBE Program in the manner as prescribed in this section and throughout Part 26 will be deemed as non-compliance, which will result in removal from FTA's certified TVMs list, resulting in that manufacturer becoming ineligible to bid.

- (3) The **City of McCook** is aware that failure to comply with the requirements set forth in Part 26, §26.49(a) may result in formal enforcement action or appropriate sanction as determined by FTA (e.g., FTA declining to participate in the vehicle procurement).
- (4) **The City of McCook** will submit, within 30 days of making an award, the name of the successful bidder and the total dollar value of the contract in the manner prescribed in the grant agreement.

Section 26.51 Means Recipients Use to Meet Overall Goals

Breakout of Estimated Race-Neutral & Race-Conscious Participation

The **City of McCook** will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating race-neutral DBE participation. Race-neutral DBE participation includes any time a DBE wins a prime contract through customary competitive procurement procedures or is awarded a subcontract on a prime contract that does not carry a DBE contract goal.

Race-neutral means include, but are not limited to the following:

- (1) Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate participation by DBEs and other small businesses and by making contracts more accessible to small businesses, by means such as those provided under §26.39.
- (2) Providing assistance in overcoming limitations such as inability to obtain bonding or financing (e.g., by such means as simplifying the bonding process, reducing bonding requirements, eliminating the impact of surety costs from bids, and providing services to help DBEs, and other small businesses, obtain bonding and financing).
- (3) Providing technical assistance and other services.
- (4) Carrying out information and communications programs on contracting procedures and specific contract opportunities (e.g., ensuring the inclusion of DBEs, and other small businesses, on recipient mailing lists for bidders; ensuring the dissemination to bidders on prime contracts of lists of potential subcontractors; provision of information in languages other than English, where appropriate);
- (5) Implementing a supportive services program to develop and improve immediate and long-term business management, record keeping, and financial and accounting capability for DBEs and other small businesses;(6) Providing services to help DBEs, and other small businesses, improve long-term development, increase opportunities to participate in a variety of kinds of work, handle increasingly significant projects, and achieve eventual self-sufficiency;
- (6) Establishing a program to assist new, start-up firms, particularly in fields in which DBE participation has historically been low;

- (7) Ensuring distribution of the DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors; and
- (8) Assisting DBEs, and other small businesses, to develop their capability to utilize emerging technology and conduct business through electronic media.

The breakout of estimated race-neutral and race-conscious participation can be found in **Attachment 5** to this program.

The **City of McCook** will arrange solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate participation by DBEs and other small businesses and by making contracts more accessible to small businesses, by means such as those provided under §26.39.

Contract Goals

If the approved projection under paragraph (c) of §26.51 estimates that the entire overall goal for a given year can be met through race-neutral means, contract goals will not be set during that year, unless the use of contract goals becomes necessary in order meet the overall goal.

Contract goals will be established only on those U.S. DOT-assisted contracts that have subcontracting possibilities. A contract goal need not be established on every such contract, and the size of contract goals will be adapted to the circumstances of each such contract (e.g., type and location of work, availability of DBEs to perform the particular type of work).

Contract goals will be expressed as a percentage of the Federal share of a U.S. DOT-assisted contract.

Section 26.53 Good Faith Efforts Procedures in Situations where there are Contract Goals

Demonstration of good faith efforts (pre-award)

In cases where a contract goal has been established, the contract in question will only be awarded to a bidder/offeror that has made good faith efforts to meet the contract goal. The bidder/offeror can demonstrate that it has made good faith efforts by either meeting the contract goal or documenting that it has made adequate good faith efforts to do so. Examples of good faith efforts are found in Appendix A to Part 26.

The DBE Liaison Officer is responsible for determining whether a bidder/offeror who has not met the contract goal has documented sufficient good faith efforts to be regarded as responsive.

The **City of McCook** will ensure that all information is complete and accurate and adequately documents the bidder/offeror's good faith efforts before committing to the performance of the contract by the bidder/offeror.

In all solicitations for U.S. DOT-assisted contracts for which a contract goal has been established, the following information will be required of every bidder/offeror:

- (1) Award of the contract will be conditioned on meeting the requirements of this section.
- (2) All bidders or offerors will be required to submit the following information to the recipient, at the time provided in paragraph (3) of this section:
 - (i) The names and addresses of DBE firms that will participate in the contract.
 - (ii) A description of the work that each DBE will perform. To count toward meeting a goal, each DBE firm must be certified in a NAICS code applicable to the kind of work the firm would perform on the contract.
 - (iii) The dollar amount of the participation of each DBE firm participating.
 - (iv) Written documentation of the bidder/offeror's commitment to use a DBE subcontractor whose participation it submits to meet a contract goal; and
 - (v) Written confirmation from each listed DBE firm that it is participating in the contract in the kind and amount of work provided in the prime contractor's commitment.
 - (vi) If the contract goal is not met, evidence of good faith efforts (as elaborated in Appendix A of Part 26). The documentation of good faith efforts must include copies of each DBE and non-DBE subcontractor quote submitted to the bidder when a non-DBE subcontractor was selected over a DBE for work on the contract; and
- (3) The bidder/offeror will be required to present the information stipulated in paragraph (2) of this section:
- (4) Under sealed bid procedures, as a matter of **responsiveness**, or with initial proposals, under contract negotiation procedures;

Provided that, in a negotiated procurement, including a design-build procurement, the bidder/offeror may make a contractually binding commitment to meet the goal at the time of bid submission or the presentation of initial proposals but provide the information required by paragraph (2) of this section before the final selection for the contract is made by the recipient.

Administrative reconsideration

Within three days of being informed by the **City of McCook** that it is not responsive because it has not documented adequate good faith efforts, a bidder/offeror may request administrative reconsideration. Bidder/offerors should make this request in writing to the following reconsideration official:

Nathaniel Mustion, City Attorney
101 West C Street
McCook, Nebraska 69001

The reconsideration official will not have played any role in the original determination that the bidder/offeror did not document sufficient good faith efforts.

As part of this reconsideration, the bidder/offeror will have the opportunity to provide written documentation or argument concerning the issue of whether it met the goal or made adequate good faith efforts to do so. The bidder/offeror will have the opportunity to meet in person with the

reconsideration official to discuss the issue of whether the goal was met, or the bidder/offeror made adequate good faith efforts to do. The bidder/offeror will be sent a written decision on reconsideration, explaining the basis for finding that the bidder did or did not meet the goal or make adequate good faith efforts to do so. The result of the reconsideration process is not administratively appealable to the Department of Transportation.

Good Faith Efforts procedural requirements (post-solicitation)

The awarded contractor will be required to make available upon request a copy of all DBE subcontracts. The contractor shall ensure that all subcontracts or agreements with DBEs to supply labor or materials include all required contract provisions and mandate that the subcontractor and all lower tier subcontractors perform in accordance with the provisions of Part 26.

Prime contractors will be prohibited from terminating a DBE subcontractor listed in response to a covered solicitation (or an approved substitute DBE firm) without the prior written consent of the **City of McCook**. This includes, but is not limited to, instances in which a prime contractor seeks to perform work originally designated for a DBE subcontractor with its own forces or those of an affiliate, a non-DBE firm, or another DBE firm.

Such written consent will be provided only if the **City of McCook** agrees, for reasons stated in the concurrence document, that the prime contractor has good cause to terminate the DBE firm. For purposes of this paragraph, good cause includes the following circumstances:

- (1) The listed DBE subcontractor fails or refuses to execute a written contract;
- (2) The listed DBE subcontractor fails or refuses to perform the work of its subcontract in a way consistent with normal industry standards. Provided however, that good cause does not exist if the failure or refusal of the DBE subcontractor to perform its work on the subcontract results from the bad faith or discriminatory action of the prime contractor;
- (3) The listed DBE subcontractor fails or refuses to meet the prime contractor's reasonable, non-discriminatory bond requirements.
- (4) The listed DBE subcontractor becomes bankrupt, insolvent, or exhibits credit unworthiness;
- (5) The listed DBE subcontractor is ineligible to work on public works projects because of suspension and debarment proceedings pursuant to 2 CFR Parts 180, 215 and 1,200 or applicable state law;
- (6) The **City of McCook** determined that the listed DBE subcontractor is not a responsible contractor;
- (7) The listed DBE subcontractor voluntarily withdraws from the project and provides the **City of McCook** written notice of its withdrawal;
- (8) The listed DBE is ineligible to receive DBE credit for the type of work required;
- (9) A DBE owner dies or becomes disabled with the result that the listed DBE contractor is unable to complete its work on the contract;
- (10) Other documented good cause that the **City of McCook** has determined compels the termination of the DBE subcontractor. Provided, that good cause does not exist if the prime

contractor seeks to terminate a DBE it relied upon to obtain the contract so that the prime contractor can self-perform the work for which the DBE contractor was engaged or so that the prime contractor can substitute another DBE or non-DBE contractor after contract award.

Before transmitting to the **City of McCook**, a request to terminate and/or substitute a DBE subcontractor, the prime contractor must give notice in writing to the DBE subcontractor, with a copy to the **City of McCook**, of its intent to request to terminate and/or substitute the DBE, and the reason(s) for the request.

The prime contractor must give the DBE five days to respond to the prime contractor's notice and advise the **City of McCook** and the prime contractor of the reasons, if any, why the DBE objects to the proposed termination of its subcontract and why the prime contractor's action should not be approved. If required in a particular case as a matter of public necessity (e.g., safety), a response period shorter than five days may be provided.

In addition to post-award terminations, the provisions of this section apply to pre-award deletions of or substitutions for DBE firms put forward by offerors in negotiated procurements.

Each prime contract will include a provision stating:

The contractor shall utilize the specific DBEs listed in the contractor's bid response to perform the work and supply the materials for which each is listed unless the contractor obtains prior written consent of the **City of McCook** as provided in 49 CFR Part 26, §26.53(f). Unless such consent is provided, the contractor shall not be entitled to any payment for work or material unless it is performed or supplied by the listed DBE.

The **City of McCook** will require a contractor to make good faith efforts to replace a DBE that is terminated or has otherwise failed to complete its work on a contract with another certified DBE. These good faith efforts shall be directed at finding another DBE to perform at least the same amount of work under the contract as the DBE that was terminated, to the extent needed to meet the contract goal that was established for the procurement. The good faith efforts shall be documented by the contractor. If the **City of McCook** requests documentation from the contractor under this provision, the contractor shall submit the documentation within 7 days, which may be extended for an additional 7 days if necessary, at the request of the contractor. The **City of McCook** shall provide a written determination to the contractor stating whether or not good faith efforts have been demonstrated.

If the contractor fails or refuses to comply in the time specified, the contracting office/representative of the **City of McCook** may issue an order stopping all or part of payment/work until satisfactory action has been taken. If the contractor still fails to comply, the contracting officer may issue a termination for default proceeding.

Section 26.55 Counting DBE Participation

DBE participation will be counted toward overall and contract goals as provided in §26.55. The participation of a DBE subcontractor will not be counted toward a contractor's final compliance with its DBE obligations on a contract until the amount being counted has actually been paid to the DBE.

In the case of post-award substitutions or additions, if a firm is not currently certified as a DBE in accordance with the standards of subpart D of this part at the time of the execution of the contract, the firm's participation will not be counted toward any DBE goals, except as provided for in §26.87(j).

Pursuant to Sec. 150 of the FAA Reauthorization Act of 2018, firms that exceed the business size standard in § 26.65(b) will remain eligible for DBE certification and credit on FAA-funded projects as long as they do not exceed the small business size standard, as adjusted by the United States Small Business Administration, for the NAICS code(s) in which they are certified.

SUBPART D – CERTIFICATION STANDARDS

Section 26.61 – 26.73 Certification Process

The **City of McCook** is a non-certifying member of the Nebraska Unified Certification Program (UCP). Nebraska UCP will use the certification standards of Subpart D of Part 26 to determine the eligibility of firms to participate as DBEs in NDOT-assisted contracts. To be certified as a DBE, a firm must meet all certification eligibility standards. Certifying Nebraska UCP members make all certification decisions based on the facts as a whole.

For information about the certification process or to apply for certification, firms should contact:

Nebraska Department of Transportation
Minority Business Coordinator
P.O. Box 94759
Lincoln, NE 68509-4759.

The Uniform Certification Application form and documentation requirements are found in **Attachment 8** to this program.

SUBPART E – CERTIFICATION PROCEDURES

Section 26.81 Unified Certification Programs

The **City of McCook** accepts the certification procedures adopted by the NUCP for DBE contractors. The NUCP uses the certification standards of Subpart D of Part 26 and the certification procedures of Subpart E of Part 26 to determine the eligibility of firms to participate as DBEs in NDOT-assisted contracts. If a contractor is certified on NUCP's current list, that contractor will be acceptable to the **City of McCook**.

SUBPART F – COMPLIANCE AND ENFORCEMENT

Section 26.101 Compliance Procedures Applicable to the City of McCook

The **City of McCook** understands that if it fails to comply with any requirement of this part, the **City of McCook** may be subject to formal enforcement action under §26.103 or §26.105 or appropriate program sanctions by the concerned operating administration, such as the suspension or termination of Federal funds, or refusal to approve projects, grants or contracts until deficiencies are remedied. Program sanctions may include, in the case of the FHWA program, actions provided for under 23 CFR 1.36; in the case of the FAA program, actions consistent with 49 U.S.C. 47106(d), 47111(d), and 47122; and in the case of the FTA program, any actions permitted under 49 U.S.C. chapter 53 or applicable FTA program requirements.

Section 26.109 Information, Confidentiality, Cooperation and intimidation or retaliation

Information that may reasonably be regarded as confidential business information, consistent with Federal, state, and local law will be safeguarded from disclosure to third parties.

Notwithstanding any provision of Federal or state law, information that may reasonably be construed as confidential business information will not be released to any third party without the written consent of the firm that submitted the information, including applications for DBE certification and supporting information. However, this information will be transmitted to U.S. DOT in any certification appeal proceeding under §26.89 or to any other state to which the individual's firm has applied for certification under §26.85.

All participants in the Department's DBE program (including, but not limited to, recipients, DBE firms and applicants for DBE certification, complainants and appellants, and contractors using DBE firms to meet contract goals) are required to cooperate fully and promptly with U.S. DOT and recipient compliance reviews, certification reviews, investigations, and other requests for information. Failure to do so shall be a ground for appropriate action against the party involved (e.g., with respect to recipients, a finding of noncompliance; with respect to DBE firms, denial of certification or removal of eligibility and/or suspension and debarment; with respect to a complainant or appellant, dismissal of the complaint or appeal; with respect to a contractor which uses DBE firms to meet goals, findings of non-responsibility for future contracts and/or suspension and debarment).

The **City of McCook**, contractor, or any other participant in the program will not intimidate, threaten, coerce, or discriminate against any individual or firm for the purpose of interfering with any right or privilege secured by this part or because the individual or firm has made a complaint, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under this part. The **City of McCook** understands that it is in noncompliance with Part 26 if it violates this prohibition.

McCook Ben Nelson Regional Airport
McCook, Nebraska
DBE Program FY22-23-24
January 2024

ATTACHMENTS

Attachment 1	Regulations: 49 CFR Part 26 or website link
Attachment 2	Organizational Chart
Attachment 3	Bidder's List Collection Form
Attachment 4	DBE Directory or link to DBE Directory
Attachment 5	Overall Goal Calculations
Attachment 6	Demonstration of Good Faith Efforts or Good Faith Effort Plan - Forms 1 & 2
Attachment 7	DBE Monitoring and Enforcement Mechanisms
Attachment 8	DBE Certification Application Form
Attachment 9	State's UCP Agreement
Attachment 10	Small Business Element Program

McCook Ben Nelson Regional Airport
McCook, Nebraska
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Attachment 1

Regulations: 49 CFR Part 26

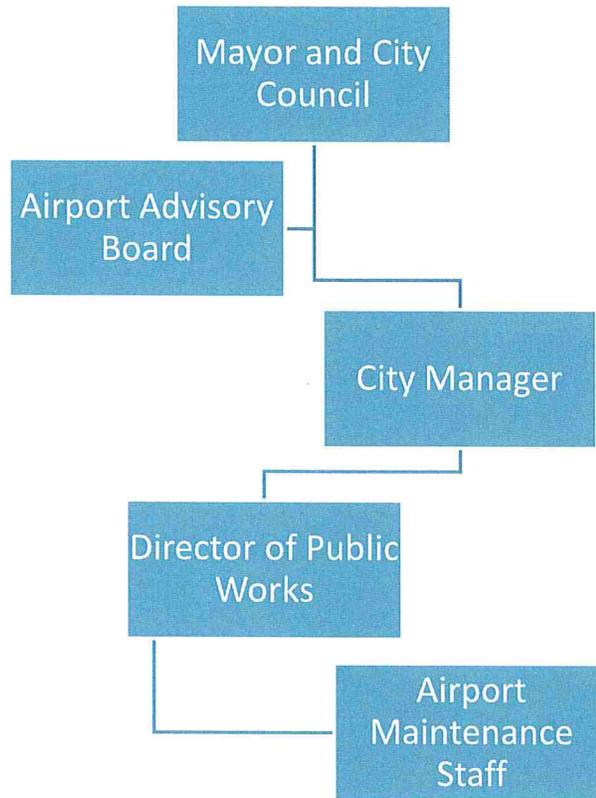
Regulations: 49 CFR Part 26,

The U.S. DOT published 49 CFR Part 26 is available at the following website:

<https://www.govinfo.gov/content/pkg/CFR-2010-title49-vol1/pdf/CFR-2010-title49-vol1-part26.pdf>

Attachment 2

Organizational Chart



Mr. Kyle Potthoff, Public Works Director, City of McCook, is the designated Liaison Officer. Thus, Mr. Potthoff, has frequent contact, and direct, independent access to the Mayor, City Manager, and Airport Maintenance Staff.

Attachment 3

Bidder's List Collection Form

The following form is to be completed with the Bid Proposal.

AIP Project: _____

Airport: _____

Location: _____

The Airport Sponsor is required to submit subcontract information about DBE and non-DBE subcontractors who perform work on their federally-assisted contracts. Therefore, the Airport Sponsor requires that the prime contractor submit the following information related to this project. The DBE rules described in the Information to Bidders and Special Provisions must be followed in regard to the firms listed on the DBE Participation Statement.

PROPOSED SUBCONTRACTORS

SUBCONTRACTOR	WORK TO BE PERFORMED	ADDRESS (City, State)
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____
6. _____	_____	_____
7. _____	_____	_____
8. _____	_____	_____
9. _____	_____	_____
10. _____	_____	_____

SIGNED _____ COMPANY _____

BY _____ DATE _____
(Printed name)

McCook Ben Nelson Regional Airport
McCook, Nebraska
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Attachment 4

State of Nebraska DBE Directory.

State of Nebraska DBE Directory,

A directory of Nebraska DBE's is available at the following website:

<https://dot.nebraska.gov/business-center/civil-rights/>

Attachment 5

Overall DBE Three-Year Goal Methodology For FY 2022, 2023, 2024

DBE Goal Summary

Airport: McCook Municipal Airport, McCook, Nebraska
Sponsor: City of McCook

Goal Period: Fiscal Years 2022, 2023, 2024; October 1, 2021, through September 30, 2024

Anticipated U.S. DOT-Assisted Contracts:

Contract	Contract Amount	Project Name	Type of Work
FY 2022:	\$0	No Project	No Project
Subtotal FY 2022	\$0		
FY 2023:	\$0	No Project	No Project
Subtotal FY 2023	\$0		
FY 2024:	\$61,594	Displace Runway 4	Engineering Services
	\$307,972	Displace Runway 4	Construction
Subtotal FY 2023	\$369,566		
Total:	\$369,566		

The Sponsor's overall 3-year DBE goal is: 2.98%

On U.S. DOT assisted contracts, the goal is to expend 2.98% of the Federal financial assistance on DBE's. It is anticipated that our overall DBE goal will be achieved through 0% race-neutral participation and 2.98% being achieved through race-conscious participation.

Total amount to be expended on DBE's: \$11,013

The following is a summary of our DBE expenditures for each fiscal year by contract:

Fiscal Year	Contract Type	Contract Amount	DBE Amount	Total DBE Participation	Race Neutral	Race Conscious
2022	No Project	\$0	\$0	0%	0%	0%
2023	No Project	\$0	\$0	0%	0%	0%
2024	Consultant/Engineering Services – Disp. RWY 4	\$61,594	\$0	0%	0%	0%
2024	Construction – Disp. RWY 4	\$307,972	\$11,013	3.58%	0%	3.58%
FY22, 23 & 24 TOTALS		\$369,566	\$11,013	2.98%	0%	2.98%

Step 1: Goal Setting Process (26.45 c)

The goal was calculated using the method described in our DBE program. We selected the following geographical areas (counties) that will be used to seek contractors for the projects during the various years. The specific geographical areas were selected based on information from Nebraska Department of Transportation - Division of Aeronautics. Specifically, we selected those contractors within the following Counties for the projects for the various years:

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FY2022	FY2023	FY2024
No Project (No contractors needed)	No Project (No contractors needed)	Arthur, Banner, Blaine, Box Butte, Brown, Cherry, Cheyenne, Dawes, Deuel, Garden, Grant, Hooker, Keith, Keya Paha, Kimball, Lincoln, Logan, McPherson, Morrill, Perkins, Scotts Bluff, Sheridan, Sioux, Thomas

In addition to construction contracts, we anticipate contracts for consulting/engineering services. In establishing DBE participation by DBE consulting/engineering firms, we were unable to locate certified DBE's that provide consulting/engineering services. Based on our past experience and information from the Nebraska Department of Transportation - Division of Aeronautics, we anticipate 4 to 6 consulting/engineering firms submitting statements of qualification for providing services at our airport. It should be noted that our engineering selection will be a qualification-based selection and we do not anticipate DBE consulting/engineering firms submitting qualifications during the selection process. Therefore, during this 3-year period, we anticipate no DBE participation on consulting/engineering services contracts. We will continually review/evaluate DBE participation by consulting/engineering firms and update as necessary.

FY2022

We are anticipating no projects or federal grants during FY2022; therefore, our DBE participation is zero (0).

FY2022 No Projects
 (0 DBE Firms/ 0 total firms) = 0% DBE Participation
 0% x \$0 Contract Amount = \$0 DBE Participation

FY2022 Overall DBE Goal
 \$0 Total DBE Participation / \$0 Total Contract Amount = 0% DBE Participation for FY2022

FY2023

We are anticipating no projects or federal grants during FY2023; therefore, our DBE participation is zero (0).

FY2023 No Projects
 (0 DBE Firms/ 0 total firms) = 0% DBE Participation
 0% x \$0 Contract Amount = \$0 DBE Participation

FY2023 Overall DBE Goal
 \$0 Total DBE Participation / \$0 Total Contract Amount = 0% DBE Participation for FY2023

FY2024

Displace Runway 4

We anticipate one contract for consulting/engineering services in the total contract amount of \$61,594 and we anticipate no DBE participation on consulting/engineering services contracts, as previously discussed. The DBE participation for consulting/engineering service contracts is calculated as follows:

FY2024 Engineering Services Goal – Displace Runway 4
 (0 DBE Firms/ 6 total firms) = 0% DBE Participation for Consulting/Engineering Services
 0% x \$61,594 Contract Amount = \$0 DBE Participation for Consulting/Engineering Services

We anticipate a prime contract for the construction itself. We identified 14 firms in our selected geographical area from the US Census Bureau that included NAICS codes 237310-Highway, Street, and Bridge Construction, and 237990-Other Heavy and Civil Engineer Construction. In addition, we identified 1 certified DBE in our selected geographical area with NDOT category D9-Mainline Paving. The DBE participation for this contract is calculated as follows:

FY2024 Construction Contract Goal - Displace Runway 4
 (1 DBE Firms/ 14 total firms) = 7.14% DBE Participation for Construction Contract
 7.14% x \$307,972 Contract Amount = \$21,989 DBE Participation for Construction Contract

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Based on the above discussions, our overall FY2024 DBE goal is as follows:

FY2024 Overall DBE Goal
 \$21,989 Total DBE Participation / \$369,566 Total Grant Amount = 5.95% DBE Participation for FY2024

The following is summary of our anticipated work with DBE participation by fiscal year:

Summary of FY2022, 2023 and 2024 DBE Participation

The following is a summary of our anticipated work with DBE participation by fiscal year:

Fiscal Year	Contract Type	Contract Amount	DBE Amount
2022	No Project	\$0	\$0
2023	No Project	\$0	\$0
2024	Consultant/Engineering Services – Displace Runway 4	\$61,594	\$0
2024	Construction – Displace Runway 4	\$307,972	\$21,989
FY22, 23 & 24 TOTALS		\$369,566	\$21,989

The calculation for our 3-year base figure is as follows:

$$(\$21,989 \text{ Total Contract Amount}) / (\$369,566 \text{ Total Contract Amount}) = 5.95\%$$

Step 2: Adjustments to Base Figure (26.45(d))

Our historical data is summarized as follows:

FY	AIP Project	Description of Work	CONTRACT GOAL		CONTRACT ACHIEVE		GOAL		ACHIEVE
			Race Neutral	Race Conc.	Race Neutral	Race Conc.	Overall Goal	Overall Achieve	Over/Under Achievement
91	03	Taxiways	0%	4.5%	1.9%	4.5%	4.5%	6.4%	+1.9%
92	04	Signs/Electrical	0%	0%	0%	0%	0%	0%	0%
96	05	AARF	0%	0%	0%	0%	0%	0%	0%
99	06	Runway Extension	0%	11.5%	88.5%	11.5%	11.5%	100.0%	+88.5%
01	07	Taxiways	*	*	0%	0%	*	0%	0%
04	08	Pavement Rehabilitation	0%	1.1%	0.3%	1.1%	1.1%	1.4%	+0.3%
06	09	Electrical, AC Pavement Rehabilitation	0%	6.3%	1.6%	6.3%	6.3%	7.9%	+1.6%
07	10	Snow Removal Equipment	**	**	0%	0%	*	0%	0%
09	11	Wildlife Study	*	*	0%	0%	*	0%	0%
11	12	Wildlife Fence Construction	0%	3.1%	0.5%	3.1%	3.1%	3.6%	+0.5%
11	13	Land Acquisition	0%	0%	0%	0%	0%	0%	0%
16	14	Hangar 14	0%	2.81%	0%	0%	2.81%	0%	-2.81%
19	15	Pavement Rehabilitation	0%	3.57%	0.03%	3.57%	3.57%	3.60%	+0.03%
20	16	No Project (CARES) ▲	▲	▲	▲	▲	▲	▲	▲
21	17	No Project (CRSSA) ▲	▲	▲	▲	▲	▲	▲	▲
21	18	Master Plan Update	0%	0%	0%	0%	0%	0%	0%
22	19	No Project (ARPA) ▲	▲	▲	▲	▲	▲	▲	▲

* Project costs < \$250,000; therefore, no goal
 ** DBE not applicable
 *** No data available
 ▲ COVID Relief Grant

Using the data from the above table for completed years, the Step 1 figure was adjusted. An average of the Step 1 figure (5.95%) and the median of past participation (0%) was calculated. This defined our Step 1 base figure, adjusted for past participation, as **2.98%**.

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Taking 2.98% as the final goal value, adjusted for past participation, and applying it to the original dollar amount of the contracted work (\$369,566), yields a final DBE participation goal of **\$11,013**.

Step 3: Breakout of Estimated Race-Neutral and Race-Conscious Participation (26.51 a-c)

Referring again to the table above, the median "Over/Under Achievement" is **0.00%**. This is the amount of participation we would expect in a race-neutral goal.

Ultimately, our Step 2 adjustments have left us with a **2.98%** adjusted goal, with a **0.0%** race-neutral component.

PUBLIC PARTICIPATION

Consultation:

In establishing the overall goal, the Sponsor, and the Nebraska Department of Transportation – Division of Aeronautics (NDOT-A), as agent for the Sponsor, will provide consultation/outreach services and publication. The consultation/outreach services included posting the airport's DBE program and its overall goal on the NDOT website at:

<https://dot.nebraska.gov/business-center/civil-rights/airport-dbe/>

Besides that, NDOT-A would notify the following agencies and organizations indicating that the Sponsor is interested in obtaining relevant information regarding goal setting and goal methodology. These organizations include minority, women's, and general contractor groups, community organizations, and other officials or organizations which could be expected to have information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the Sponsor efforts to establish a level playing field for the participation of DBEs.

South Omaha Business Association
Associated General Contractors of America, Nebraska Chapter
Nebraska Center for Rural Affairs
Nebraska Hispanic Chamber of Commerce
Greater Omaha Economic Development Partnership
Nebraska Business Development Center
Nebraska Concrete Paving Association
City of Omaha – Department of Human Rights and Relations
City of Lincoln – Commission on Human Rights
Urban League of Nebraska
Metro Omaha Women's Business Center
Omaha Opportunities Industrialization Center

These agencies and organizations were selected because of the likelihood that they could provide information concerning the availability of disadvantaged and non-disadvantaged businesses; the effects of discrimination on opportunities for DBEs; and efforts to establish a level playing field for the participation of DBEs. Each notification will contain an explicit invitation to meet with the NDOT-A face-to-face or via conference call (i.e., a "scheduled, direct, interactive exchange") to discuss any questions or comments on DBE participation goal-setting.

If the proposed goal changes following review by FAA Civil Rights, the revised goal will be updated, and a revised Public Notice will be issued.

Notwithstanding paragraph (f)(4) of §26.45, Sponsor's proposed goals will not be implemented until this requirement has been met.

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PUBLIC NOTICE

Below is the public notice which the **City of McCook** will publish in the local newspapers and will be posted on the Nebraska Department of Transportation (NDOT) webpage:

Public Notice DBE Program

The **City of McCook** hereby announces its proposed Disadvantaged Business Enterprise (DBE) participation goal of **2.98%** for Federal Aviation Administration (FAA) funded contracts/agreements. The proposed goal pertains to federal fiscal years 2022 through 2024.

The DBE goal and methodology is available for inspection until 30 days following the date of the notice. These items may be seen at the McCook City Clerk's Office, 505 West C Street, McCook, Nebraska 69001, during regular office hours.

A meeting could be arranged with the Nebraska Department of Transportation - Division of Aeronautics (NDOT-A) office for the purpose of obtaining information relevant to the goal-setting process through the phone number (402-471-2371). Comments will be accepted until 30 days following the date of the notice and can be sent to the followings:

City of McCook

P.O. Box 1059

McCook, Nebraska 69001

OR

Compliance Specialist

Disadvantaged Business Enterprise Program

FAA Office of Civil Rights

777 S. Aviation Blvd, Suite #150

El Segundo, CA 90245

Attachment 6

Demonstration of Good Faith Efforts - Forms 1 & 2

FORM 1: Disadvantaged Business Enterprise (DBE) Utilization

UTILIZATION STATEMENT *Disadvantaged Business Enterprise*

The undersigned bidder/offoror has satisfied the requirements of the bid specification in the following manner. *(Please mark the appropriate box)*

- The bidder/offoror is committed to a minimum of _____% DBE utilization on this contract.
- The bidder/offoror, while unable to meet the DBE goal of _____%, hereby commits to a minimum of _____% DBE utilization on this contract and also submits documentation, as an attachment demonstrating good faith efforts (GFE).

The undersigned hereby further assures that the information included herein is true and correct, and that the DBE firm(s) listed herein have agreed to perform a commercially useful function in the work items noted for each firm. The undersigned further understands that no changes to this statement may be made without prior approval from the Civil Right Staff of the Federal Aviation Administration.

 Bidder's/Offeror's Firm Name

 Signature

 Date

DBE UTILIZATION SUMMARY

Percentage	Contract Amount	DBE Amount	Contract
DBE Prime Contractor	\$ _____ x 1.00 =	\$ _____	_____ %
DBE Subcontractor	\$ _____ x 1.00 =	\$ _____	_____ %
DBE Supplier	\$ _____ x 0.60 =	\$ _____	_____ %
DBE Manufacturer	\$ _____ x 1.00 =	\$ _____	_____ %
Total Amount DBE		\$ _____	_____ %
DBE Goal		\$ _____	_____ %

If the total proposed DBE participation is less than the established DBE goal, Bidder must provide written documentation of the good faith efforts as required by 49 CFR Part 26.

END FORM 1

ATTACHMENT 7

DBE Monitoring and Enforcement Mechanisms

The City of McCook has the following remedies to enforce the DBE requirements contained in its contracts, including, but not limited to, the following:

- Breach of contract action, pursuant to the terms of the contract.
- Breach of contract action, pursuant to Nebraska Statute
- 3-504 City Airport Authority
- 3-116, 3-120, 3-125 NDA
- Other sections of Nebraska Statutes that may be applicable and could be used to enforce DBE requirements include unemployment compensation fund contributors and interest due under the provisions of Nebraska Statute 48-601 to 48-669 on wages paid to individuals employed. Conditions regarding fair employment practices as contained in Nebraska Statutes 48-1101 through 48-225 and to comply with minimum wage scale and nondiscrimination as defined in Nebraska Statutes 48-1201 through 48-1277.

In addition, the Federal government has available several enforcement mechanisms that it may apply to firms participating in the DBE problem, including, but not limited to, the following:

- Suspension or debarment proceedings pursuant to 49 CFR Part 26
- Enforcement action pursuant to 49 CFR Part 31
- Prosecution pursuant to 18 USC 101.

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McCook, Nebraska
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Attachment 8

DBE Certification Application Form

State of Nebraska DBE Certification Application

The DBE Certification Application is available at the following website.

<https://dot.nebraska.gov/media/5821/c-users-royleach-desktop-it-umbraco-docs-dbe-cert-application.pdf>

McCook Ben Nelson Regional Airport
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Attachment 9

State's UCP Agreement

State of Nebraska DBE Unified Certification Program

The DBE Unified Certification Program is available at the following website:

https://dot.nebraska.gov/media/113234/nebraska_ucp.pdf

ATTACHMENT 10

Small Business Element

A. Objective (49 CFR Part 26.39)

Recognizing that the DBE Program goals are met through a mixture of race conscious and race neutral methods and, that by definition, DBE firms are small businesses; the Airport Sponsor seeks to implement a small business element into its current DBE policy. The Airport Sponsor is including this element to facilitate competition by and expand opportunities for small businesses. The City of McCook is committed to taking all reasonable steps to eliminate obstacles to small businesses that may preclude their participation in procurements as prime contractors or subcontractors. If necessary, the City of McCook will meet its objectives using a combination of the following methods and strategies:

1. Set asides: Where feasible, the City of McCook will establish a percentage of the total value of all prime contract and subcontract awards to be set aside for participation by small businesses on FAA-assisted contracts. A "set-aside" is the reserving of a contract or a portion of a contract exclusively for participation by small businesses. This requires that the City of McCook and its prime contractors/ consultants set aside a portion of the value of each contract for participation by small businesses. A small business set-aside is open to all small businesses regardless of the owner's gender, race, or geographic location. The project manager and DBELO will review FAA-assisted purchases and contracts to assess the small business opportunities, giving consideration to the size and scope of each purchase or contract to establish the set aside percentage. This set aside is in addition to the DBE contract goals which may be required pursuant to applicable law or policy. In the event that a set-aside is not established on an FAA-assisted contract, the project manager and small business officer will document why a small business set-aside is inappropriate.
2. Unbundling: The City of McCook, where feasible, may "unbundle" projects or separate large contracts into smaller contracts which may be more suitable for small business participation. The City of McCook will conduct contract reviews on each FAA-assisted contract to determine whether portions of the project could be "unbundled" or bid separately. Similarly, the City of McCook will encourage its prime contractors or prime consultants to unbundle contracts to facilitate participation by small businesses.

However, based on data from the Nebraska Department of Transportation (NDOT), current procedures utilized to structure contracting requirements not only facilitate competition by small business concerns, but have enabled small business concerns to be very successful in securing work both as prime contractors and subcontractors. Because of the high level of success small businesses have had in competing for and performing prime contracts, the sponsor does not feel it is necessary at this time to alter or restructure its contracting requirements in order to foster small business participation.

It has been determined that contractors (primes and sub) doing airport projects in Nebraska are included in NDOT contractor lists. The Nebraska Department of Transportation – Division of Aeronautics (NDOT-A) and airport sponsors will continue to monitor DBE and small business participation.

The City of McCook, NDOT and NDOT-A will continue to ensure that prime contracts are available for small businesses. The assessment will be conducted by personnel from the NDOT-A. If an assessment shows that the level of participation by small businesses has decreased significantly, the City of McCook and NDOT-A will promptly take all reasonable steps to increase the level of participation.

NDOT currently requires all firms (prime and subcontractors) that participate on NDOT projects to provide average annual gross receipts information. The NDOT requires firms to indicate if their average annual gross receipts exceed \$22.41 million to better verify that only eligible firms are identified as small businesses.

The City of McCook will continue to actively conduct outreach with organizations in accordance with procedures of the DBE program.

B. Definitions

1. Small Business:

A small business is a business that is independently owned and operated, is organized for profit, and is not dominant in its field. Depending on the industry, size standard eligibility is based on the average number of employees for the preceding twelve months or on sales volume averaged over a three-year period. Small businesses must meet the definitions specified in Section 3 of the Small Business Act and the Small Business Administration regulations implementing it (13 CFR Part 121).

C. Implementation Schedule

The small business element was last reviewed on July 15, 2021, and will be reviewed concurrently to regular program updates.

D. Assurances

The City of McCook makes the following assurances:

1. The DBE Program, including its small business element is not prohibited by state law;
2. Certified DBEs that meet the size criteria established under the DBE Program are presumptively eligible to participate in the small business element of the DBE Program;
3. There are no geographic or local preferences or limitations imposed on FAA-assisted contracts and the DBE Program is open to small businesses regardless of their location;
4. There are no limits on the number of contracts awarded to firms participating in the DBE Program, and;
5. Outreach to those minority and women owned firms participating in the small business element of the DBE Program that are eligible for DBE certification to become certified.

**CITY MANAGER'S REPORT
JANUARY 15, 2024 CITY COUNCIL MEETING**

ITEM: 3.E.

Receive and file the claims for the month of December 2023, published January 9, 2024.

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

January 10, 2024



Tera Koetter, Assistant City Manager

January 10, 2024



Nathan A. Schneider, City Manager

January 10, 2024

CITY OF MCCOOK
CLAIMS FOR DECEMBER 2023

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

20/20 TECHS-SC 4713.25; ABDO PUBLISHING-S 139.80; ACE-S 1619.87; ACME PRINTING-S 563.50; AKRS-S 451.21; AMERICAN AG LAB-SC 1732.64; AMERICAN ELECTRIC-S 788.91; AMERITAS-CLAIMS-SC 5672.12; ANYTIME TRI STATE TOWING-SC 335.00; ARROW CAR WASH-S 39.38; AT&T MOBILITY-SC 13.50; ATCO INT'L-S 184.00; ATR LIGHTING ENT-SC 112.07; AURORA COOP-S 13076.56; BARCO MUN PRODUCTS-S 1952.48; BETTER HOMES & GARDENS-S 38.60; BLACK HILLS ENERGY-SC 7031.40; BLUE360 MEDIA-SC 281.78; BRICO-S 490.00; BROWN'S SHOE FIT-S 34.36; BW TELECOM-SC 144.14; C&K-S 506.26; CAMBRIDGE TELEPHONE-SC 234.12; CARQUEST-S 1565.22; CARROTHERS CONST-CO 583222.95; CASH WA-S 16905.92; CDW-G-SC 1005.10; CENGAGE LEARNING-S 24.79; CENTRAL NE BOBCAT-S 117.36; CENTURY LINK-SC 788.57; CITY OF MCCOOK-PS 427661.31; CITY SELF INS-BT ; SALES TAX-49118.20; UTILITIES-SC 3824.41; CLINE WILLIAMS, WRIGHT JOHNSTON-SC 1679.30; J CROCKER-SC 84.00; CUMMINS SALES & SRVC-S 1481.08; D&S HARDWARE-S 132.77, SC 100.54; DAS ACCT-SC 382.00,S 66.00; DIAMOND LAKE BOOKS-S 558.91; DOLAN CONSULTING-SC 95.00; EAKES-SC 1410.00, SC 2969.20; ENDRESS & HAUSER-S 6429.16; ENGINEERED CONTROLS-S 7120.00; ENVIRONMENTAL ANALYSIS-SC 220.30; FICA-PS 21721.51; FRASER STRYKER PC-SC 516.27; FRONTIER COMMUNICATIONS-SC 34.19; GALLS-S 372.24; GARRISONS-S 340.00; GERIH CONCRETE-CO 34549.22; GOOGLE SVCS-SC 534.00 GPM ENVIRONMENTAL-SC 34.00, S 1050.00; GRAINGER S 932.06; GREAT PLAINS COMM-SC 2958.03; I HART-SC 311.00; HAYS COMPANIES-SC 10000.00; HENNING BROS-SC 59.00; HERBST TOWING & RECOVERY-S 966.00; HIGH PLAINS RADIO-SC 180.00; HOA SOLUTIONS-S 85758.99; SC 194266.91; HOMETOWN FAMILY RADIO-S 200.00; IDEAL LINEN-S 87.69; J BAR J LANDFILL-SC 43948.41; KIDS REF CO-S 268.84; LAMP RYNEARSON-CO 21190.00; LAW ENFORCEMENT SYSTEMS-S 140.00; LEGAL & LIABILITY RISK MGMT-SC 200.00; LIFE ASSIST-S 714.24; MAGNEGRIP-S 1401.76; MALLECK OIL-S 1530.05; MARIS GEN CONST-S 143.10; MATHESON-LINWELD-S 121.13; MC

GAZETTE-SC 1054.25; MC HUMANE SOCIETY-S 4467.24; MPPD-SC 1200.44; MC NET SC 69.95; MCKESSON MEDICAL-S 348.68; MEDICARE-PS 6010.96; MEAD-S 47.20; MICHAEL TODD & CO-SC 756.14; MICROMARKETING-S 1599.21; MIDWEST CONNECT-S 321.75, SC 2024.42; MILCO ENVIRO-SC 3458.60; MILLER & ASSOC-SC 2990.00, CO 21290.00; MOTOROLA SOLUTIONS-S 5352.28, SC 405.00; MOUSEL, BROOKS, SCHNEIDER, MUSTION & SCHIFFLET-SC 4063.00; MUNICIPAL SUPPLY-S 3170.36; MURPHY TRACTOR & EQ-S 588.50; NE DEPT REV-SALES TAX-SC 10992.02; NE STATE FIRE MARSHALL-S 120.00; NE TRUCK CENTER-SC 254537.00; NEBRASKALAND TIRE-S 134.22, CO 891.48; NICK'S DIST-S 986.86; NE MACHINERY-S 404.98; NORTH PLATTE MONUMENT-S 250.00; NPPD-SC 28370.49; O'REILLY-S 400.84; ONE BILLING SOLUTIONS-SC 4233.93; ONE CALL-SC 127.14; PAPER TIGER-S 100.00; PAULSEN, INC-S 1093.54; PETROTEK-SC 730.00; PINPOINT COMM-SC 69.99; PLATTE VALLEY COMM-S 310.00; POLICE CHIEFS ASSOC-SC 100.00; PRAISE WINDOWS-S 1160.00; PRS, INC-CO 1625.00; RAVENSWOOD ELEC-S 160.00; RED WILLOW CO TREAS-CO 26.40; RED WILLOW CO HEALTH-SC 2074.33; RUTT'S HEATING-S 2175.00; SANDRY FIRE SUPPLY-S 113.29; SCHINDLER ELEVATOR-S 578.51; SCOTTIES POTTIES-S 207.00; K. SIDES-SC 455.18; B. SIEGFRIED-SC 94.32; SOUTHWEST FARM & AUTO-S 342.98; TASTE OF HOME-S 41.90; TELEFLEX-S 42.19; TITAN MACHINERY-S 393.44; TOTAL TURF, INC-S 80.00; TRI AIR TESTING-SC 227.00; UMR-SC 197703.81; US FOODS-S 1133.43; UTILITY REFUNDS-478.28; VOLZ-S 368.95, CO 5595.00; WALMART-S 1894.70; WEX BANK-S 18175.28; WITMER PUBLIC SAFETY-S 114.90; WPCI-SC 64.00; X-CHAIR-CO 3836.00; ZOLL MEDICAL-S 371.00, SC 930.00.

-s- Lea Ann
Doak City Clerk

PUBLISH: JANUARY 9, 2024

**CITY MANAGER'S REPORT
JANUARY 15, 2024 CITY COUNCIL MEETING**

ITEM: 3.F.

Forward to the City's insurance carrier for review and appropriate action a property damage claim from Larry Fields.

BACKGROUND:

Staff received the property damage claim from Larry Fields. The governing body is required to forward the claim to the City's insurance carrier for review and appropriate action.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk

January 10, 2024



Tera Koetter, Assistant City Manager

January 10, 2024



Nathan A. Schneider, City Manager

January 10, 2024

CITY MANAGER'S REPORT
January 15, 2024 MCCOOK CITY COUNCIL MEETING

ITEM 3.G.

Set a meeting of the Comprehensive Plan & Zoning Regulations Steering Committee for February 20, 2024 at 6:00 p.m.

BACKGROUND:

On November 7, 2023, the Comprehensive Plan & Zoning Regulations focus group met with Miller & Associates at a public hearing to review and discuss the results from the Public Survey that was conducted. The next public hearing will be conducted in the McCook Municipal Center Upstairs Training Room on February 20, 2024 at 6:00 p.m.

APPROVALS:



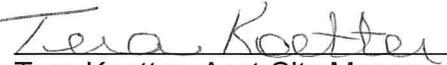
Lea Ann Doak, City Clerk

January 9, 2024



Nate Schneider, City Manager

January 9, 2024



Tera Koetter, Asst City Manager

January 9, 2024

**CITY MANAGER'S REPORT
JANUARY 15, 2024 CITY COUNCIL MEETING**

ITEM: 3.H.

RECOMMENDATION:

APPROVE THE PLANS AND SPECIFICATIONS FOR THE MCCOOK BUSINESS PARK PHASE II GRADING AND PAVING PROJECT AND SET THE TIME AND DATE TO RECEIVE BIDS AS 2:30 P.M. FEBRUARY 6, 2024

BACKGROUND

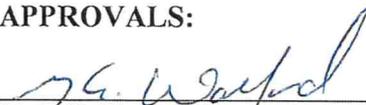
These plans are for the grading and paving with 8" thick concrete of Industrial Park Drive as well as the grading and graveling of East 17th Street in the expanded McCook Business Park. Also included is the construction of a stormwater detention pond and the gate at the intersection of East 17th and Ravenswood Road as was approved by the Council during the platting after negotiations with the local property owners.

As a reminder, the water and sanitary sewer utilities were previously let under a separate contract and are tentatively scheduled to begin construction about February 1st.

Also of note is the deductive alternate to eliminate some of the concrete paving. This project is being funded by TIF financing based on the construction of the Performance Plus facility which is being located in the Business Park Expansion. The intent is to pave as much as possible with the funds available. At a minimum, Industrial Park Drive will be paved to the entrance of Performance Plus and the remainder of the street will be graded and gravelled. We believe there will be sufficient funds to pave the entire street, but as a precautionary measure we are showing the alternate in case some costs need to be trimmed.

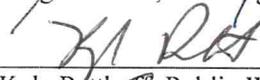
FISCAL IMPACT: None.

APPROVALS:



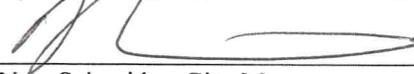
Greg Wolford, W Design Associates

Date: 9 Jan 24



Kyle Potthoff, Public Works Director

Date: 1/11/24



Nate Schneider, City Manager

Date: 1-11-24

**BID PROPOSAL, CONTRACT DOCUMENTS
AND SPECIFICATIONS**

for

**THE CITY OF McCOOK
BUSINESS PARK PHASE II STREET GRADING AND PAVING
McCOOK, NEBRASKA**

JANUARY, 2024



CERTIFICATE OF AUTHORIZATION: CA0011

**PREPARED BY
W DESIGN ASSOCIATES
CONSULTING ENGINEERS AND ARCHITECTS
MCCOOK/HASTINGS, NEBRASKA**

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ADVERTISEMENT FOR BIDS

The City of McCook, Nebraska will receive bids for the Business Park Phase II Street Grading and Paving Project. Sealed bids prepared in accordance with the Plans and Specifications will be accepted at the Office of the Clerk, P.O. Box 1059 or City Office, McCook, Nebraska 69001 until 2:30 P.M. CDST on February 6, 2024 and then will be immediately publicly opened and read aloud in the City Council Chambers, City Office, McCook, Nebraska.

All bids must be made on the Proposal Form provided with the Plans and Specifications as prepared by W DESIGN ASSOCIATES, Consulting Engineers and Architects. Bids received after the closing will be returned unopened and shall not be considered.

Contractors may obtain paper Plans and Specifications from W Design Associates, 214 East 1st Street, McCook, Nebraska 69001 upon payment of \$75.00 for each set requested. One half of the deposit shall be refunded if a bid is submitted and the Plans and Specifications are returned in good condition within ten days after the bid opening. Electronic copies of the plans and specifications may be obtained at NO COST by calling Breanna Spitz at 402-463-2377 or by email to Breanna@wdesignea.com.

Each bid shall be accompanied by a certified check, cashiers check or bid bond in an amount of not less than five percent (5%) of the total bid amount, and shall be made payable to The City of McCook as security that the bidder to whom the contract may be awarded will enter into contract to construct the project and give bond in the sum of the total contract amount for the construction of the project. Checks accompanying bids not accepted shall be returned to the bidders. Performance and Payment Bonds will be required for this project.

No bid shall be withdrawn after opening the bids without the consent of the Owner for a period of 45 days.

The Owner reserves the right to accept, reject or negotiate any or all bids and to waive any irregularity in the bidding.

Date: January 5, 2024
Publish: January 18, 25 and February 1, 2024

Lea Ann Doak, Clerk
City of McCook

00100 - INSTRUCTIONS TO BIDDERS

A. PROJECT DESCRIPTION

The City of McCook will receive sealed bids for the Business Park Phase II Street Grading and Paving Project and associated work as described in the Plans and Specifications.

B. PROPOSALS

1. Proposals will be received for the work as described in the Summary of the Work at the date, time and location stated in the Advertisement for Bids or as modified by addendum.
2. Bids received after closing time will not be considered.

C. METHOD OF BIDDING

1. A Contractor shall bid the work shown on the Proposal Form and as described in the Summary of the Work, Section 01010. A Contractor may bid either or both of the contracts.

D. EXAMINATION OF PREMISES AND CONTRACT DOCUMENTS

1. Before submitting his bid, each bidder must (a) examine the contract documents thoroughly, (b) visit the premises to familiarize himself with local conditions that may in any manner affect performance of the work, (c) familiarize himself with Federal, State and local laws, ordinances, rules and regulations affecting performance of the work, and (d) carefully correlate his observations with the requirements of the contract documents.
2. The submission of a bid will constitute an incontrovertible representation by the bidder that he has complied with every requirement of this Paragraph D.

E. PREPARATION OF PROPOSAL

1. Each bidder must obtain a blank form of proposal from the office of the engineer or as attached herewith and prepare and submit his proposal thereon.
2. Each proposal must be submitted in a sealed envelope bearing on the outside the name of the bidder, his address, and the name of the project for which the bid is submitted.
3. If forwarded by mail, the sealed envelope containing the bid must be enclosed in another envelope addressed as indicated in the Proposal Form.

F. BONDS

1. Bid security shall be made payable to The City of McCook in the amount of five percent (5%) of the Proposal sum. Security shall be either certified check, cashiers check or bid bond issued by surety licensed to conduct business in the State of Nebraska. The successful bidder's security will be retained until he has signed the contract and furnished the required payment and performance bonds. The Owner reserves the right to retain the security of the next two

lowest bidders until the lower bidder enters into contract or until ten days after bid opening whichever is the shorter. All other bid security will be returned as soon as practicable. If a bidder refuses to enter into a Contract, the Owner will retain his Bid Security as liquidated damages, but not as a penalty.

2. The Contractor who is awarded the construction contract will be required to provide Performance and Payment Bonds in the amount of 100% of the contract amount.

G. BIDDING DOCUMENTS

1. Bidding documents may be examined at the following locations.

1.1. Offices of the Engineer,

W Design Associates
214 East 1st St., P. O. Box 99
McCook, NE 69001

W Design Associates
2626 West 2nd St.
Hastings, NE 68901

1.2. Office of the Clerk,

City of McCook
505 W. C St.
McCook, NE 69001

H. DEPOSIT ON BIDDING DOCUMENTS

1. Registered paper plan holders may obtain a refund of one half of the deposit by returning usable sets of Plans and Specifications to the Engineer in good condition no later than ten (10) days after Proposals have been opened.

I. RIGHT OF OWNER

1. The Owner reserves the right to reject any or all bids or to waive irregularities in the bidding.

2. No bid may be withdrawn for a period of forty-five (45) days subsequent to the opening of the bids without the consent of the Owner.

J. NEBRASKA SALES AND USE TAX

1. The Contractor shall not include Sales and Use taxes in his or her bid, except on all items pertaining to the water main extensions and water service lines. This project is sales tax exempt for the street and sanitary sewer portions of the project, but not the water portion. The City will furnish the Contractor the required forms to act as its purchasing agent where applicable.

K. AWARD OR REJECTION OF BIDS

1. The Contract, if awarded, will be awarded to the responsible bidder who has proposed the lowest Bid, subject to the Owner's right to reject any or all bids and to waive informality and irregularity in the bids and in the bidding. Time of completion as well as price will be a consideration in the award of the bid.

L. DEFINED TERMS

1. Terms used in these Instructions to Bidders which are defined in the General Conditions of the Contract for Construction, Document A201, 2017 edition, shall have the meanings assigned to them in the General Conditions.

2. All questions about the meaning or intent of the Contract Documents shall be submitted to the Engineer in writing. Replies will be issued by Addenda mailed or delivered to all parties recorded by the Engineer as having received the bidding documents. Questions received less than seven calendar days prior to the date for opening of bids will not be answered. Only questions answered by formal written addenda will be binding. Oral and other interpretations or clarifications will be without legal effect.

3. Substitution of materials or quality from that which is specified herein shall not be allowed unless approved by the Engineer prior to bid date. Proposals shall be based on the materials and/or quality as specified herein.

4. Requests for substitutions shall be accompanied by complete manufacturer's catalog information with the specific item clearly indicated. Proposals NOT DONE in this manner will be rejected.

M. COMPLETION DATES & LIQUIDATED DAMAGES

1. The contractor has two options for completion of this project. The work may be scheduled immediately to be completed this fall, or the contractor may wait and complete the work in the spring. However, if the contractor chooses to begin work this fall, it is expected that the Contractor will finish this fall as well. Under no circumstances will the contractor be allowed to keep this project open and unfinished through the winter. Contractors not completing their work by the completion date proposed on the bid form shall agree to pay as liquidated damages of the amount shown on the bid form.

L. SPECIAL INSTRUCTIONS TO BIDDERS

During the performance of this contract, the Contractor agrees as follows:

1. The Contractor will not discriminate against any employee or applicant for employment because of race, creed, sex, color, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, sex, color or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

2. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, sex, color or national origin.

3. The Contractor agrees to abide by the provisions of the Nebraska Fair Employment Practices Act, as provided by Neb. Rev. Stat. §48-1101 through 48-1126 (Reissue 1998). The Contractor shall include this requirement in all subcontracts entered into pursuant to this agreement.

PROPOSAL FORM

Mayor and Council Members
 McCook, NE

_____, 2024

The undersigned, having inspected the site for the proposed construction and being familiar with all conditions of the work, including Drawings and Specifications thereof entitled "Business Park Phase II Street Grading and Paving Project", McCook, Nebraska dated January, 2024, and including Addenda or Instructions issued during the estimate period, all as prepared by W DESIGN ASSOCIATES, hereby offers to furnish all plant, labor, equipment, materials and operations required for the complete and prompt execution of all work described in, or shown in, or reasonably implied by the above mentioned documents for such sums as detailed hereinafter:

ITEM	DESCRIPTION	EST. QUANTITY	UNITS	PRICE EA.	TOTALS
				\$	\$
1.	Mobilization	1	Lump Sum	_____	_____
2.	6" Strippings	3,310	Cu. Yds.	_____	_____
3.	Excavation	9,422	Cu. Yds.	_____	_____
4.	Embankment	3,146	Cu. Yds.	_____	_____
5.	Waste	5,018	Cu. Yds.	_____	_____
6.	Remove Concrete	7	Sq. Yds.	_____	_____
7.	Build 8" Concrete Pavement	5,675	Sq. Yds.	_____	_____
8.	Granular Foundation Course 2" Sand/Gravel	5,675	Sq. Yds.	_____	_____
9.	Subgrade Preparation	8,977	Sq. Yds.	_____	_____
10.	Build 4" Rock Drive	3,302	Sq. Yds.	_____	_____
11.	Install 12" Corrugated Plastic Pipe	98	Lin. Ft	_____	_____
12.	Install 18" Corrugated Plastic Pipe	760	Lin. Ft.	_____	_____
13.	Install 12' Gate	1	Lump Sum	_____	_____
14.	Temporary Access Drive	1	Lump Sum	_____	_____
15.	Rip Rap	60	Sq. Yds.	_____	_____
16.	Tree Removal	1	Lump Sum	_____	_____
17.	Seeding Type A	2.5	Acres	_____	_____
18.	Signs & Barricades	1	Lump Sum	_____	_____

TOTAL BASE BID _____
 _____ (\$ _____)

ALTERNATE #1 – DEDUCT A PORTION OF THE CONCRETE PAVING

ITEM	DESCRIPTION	EST. QUANTITY	UNITS	PRICE EA.	TOTALS
				\$	\$
1.	Deduct 8" Concrete Pavement	2,842	Sq. Yds.	_____	_____
2.	Add 4" Gravel	2,842	Sq. Yds.	_____	_____

TOTAL DEDUCT FOR ALTERNATE #1 _____
 _____ (\$ _____)

Receipt of Addenda is hereby acknowledged:

No. _____ Date _____ No. _____ Date _____ No. _____ Date _____

I (we) acknowledge that the Owner reserves the right to reject any or all bids, to waive any informalities or technical defects or negotiate with any of the Contractors who have submitted Proposals if the Owner deems it to be for his best interests.

If written notice of the acceptance of this bid is mailed or delivered to the undersigned within thirty days after the date set for the opening of this bid, or at any other time thereafter before it is withdrawn, the undersigned will execute and deliver the contract Documents and Bonds to the Owner in accordance with this bid as accepted, and will also furnish and deliver to the Owner proof of insurance coverage, all within ten days after personal delivery or after deposit in the mails of the notification of acceptance of this bid.

The Contractor agrees to begin by _____, 20__ and complete the work no later than _____, 20__.

The Contractor further agrees that if work is not complete on accepted date the Contractor will pay to the Owner liquidated damages in the amount of Two Hundred Fifty Dollars (\$250.00) per calendar day until the day the work is complete and approved.

This Proposal shall remain in effect for a period of forty-five (45) days after the closing time for the receipt of bids.

By _____

Address _____

Seal (If Corporation)

BID BOND

BIDDER (Name and Address):

SURETY (Name and Address of Principal Place of Business):

OWNER (Name and Address):

BID

BID DUE DATE: _____

PROJECT (Brief Description Including Location):

BOND

BOND NUMBER: _____

DATE (Not later than Bid Due Date): _____

PENAL SUM: _____

IN WITNESS WHEREOF, Surety and Bidder, intending to be legally bound hereby, subject to the terms printed on the reverse side hereof, do each cause this Bid Bond to be duly executed on its behalf by its authorized officer, agent, or representative.

BIDDER

SURETY

_____(Seal)

_____(Seal)

Bidder's Name and Corporate Seal

Surety's Name and Corporate Seal

By: _____

By: _____

Signature and Title

Signature and Title
(Attach Power of Attorney)

Attest: _____

Attest: _____

Signature and Title

Signature and Title

- Note:** (1) Above addresses are to be used for giving required notice.
(2) Any singular reference to Bidder, Surety, Owner or other party shall be considered plural where applicable.

1. Bidder and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to pay to Owner upon default of Bidder the penal sum set forth on the face of this Bond.
2. Default of Bidder shall occur upon the failure of Bidder to deliver within the time required by the Bidding Documents the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents and Contract Documents.
3. This obligation shall be null and void if:
 - 3.1. Owner accepts Bidder's bid and Bidder delivers within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents and Contract Documents, or
 - 3.2. All bids are rejected by Owner, or
 - 3.3. Owner fails to issue a notice of award to Bidder within the time specified in the Bidding Documents (or an extension thereof agreed to in writing by Bidder and, if applicable, consented to by Surety when required by paragraph 5 hereof).
4. Payment under this Bond will be due and payable upon default by Bidder and within 30 calendar days after receipt by Bidder and Surety of written notice of default from Owner, which notice will be given with reasonable promptness, identifying this Bond and the Project and including a statement of the amount due.
5. Surety waives notice of any and all defenses based on or arising out of any time extension to issue notice of award agreed to in writing by Owner and Bidder, provided that the total time for issuing notice of award including extensions shall not in the aggregate exceed 120 days from Bid Due Date without Surety's written consent.
6. No suit or action shall be commenced under this Bond prior to 30 calendar days after the notice of default required in paragraph 4 above is received by Bidder and Surety and in no case later than one year after Bid Due Date.
7. Any suit or action under this Bond shall be commenced only in a court of competent jurisdiction located in the state in which the Project is located.
8. Notices required hereunder shall be in writing and sent to Bidder and Surety at their respective addresses shown on the face of this Bond. Such notices may be sent by personal delivery, commercial courier or by United States Registered or Certified Mail, return receipt requested, postage pre-paid, and shall be deemed to be effective upon receipt by the party concerned.
9. Surety shall cause to be attached to this Bond a current and effective Power of Attorney evidencing the authority of the officer, agent or representative who executed this Bond on behalf of Surety to execute, seal and deliver such Bond and bind the Surety thereby.
10. This Bond is intended to conform to all applicable statutory requirements. Any applicable requirement of any applicable statute that has been omitted from this Bond shall be deemed to be included herein as if set forth at length. If any provision of this Bond conflicts with any applicable provision of any applicable statute, then the provision of said statute shall govern and the remainder of this Bond that is not in conflict therewith shall continue in full force and effect.
11. The term "bid" as used herein includes a bid, offer or proposal as applicable.

SECTION 00800 - SUPPLEMENTARY CONDITIONS

INTRODUCTION

The following supplements modify, change, delete from or add to the "General Conditions of the Contract for construction", AIA Document A201, 2017 Edition. Where any Article of the General Conditions is modified or any Paragraph, Subparagraph or Clause thereof is modified or deleted by these Supplementary Conditions, the unaltered provisions of that Article, Paragraph, Subparagraph or Clause shall remain in effect.

1. After Subparagraph 3.10.1. add:

3.10.1. In planning his construction schedule within the agreed Contract time, it shall be assumed that the Contractor has anticipated the amount of adverse weather conditions normal to the site of the Work for the season or seasons of the year involved.

Only those weather delays attributable to other than normal weather conditions will be considered by the Architect/Engineer.

2. Reference is made to subparagraph 3.11.1. of the 'General Conditions'.

1.1. As the work proceeds, the contractor shall keep a careful record of mechanical, electrical, underground and other concealed work whose final in-place locations vary from those shown on the contract drawings, whether because of Change Orders or actual job conditions.

1.2. All such variations shall be shown on the field documents which shall be delivered to the Architect/Engineer before final payment is made.

3. In addition to the clean-up during construction required by Sub-paragraph 3.15.1. of the 'General Conditions', the Contractor shall, after the work has been completed, complete the following cleanup:

1.1. Comply with all special cleaning instructions contained in the Specifications.

1.2. Leave the entire construction and site clean and ready for occupancy.

4. At the end of subparagraph 4.6.1., add:

4.6.1. After appointment of the arbitrator or arbitrators, the parties to the arbitration shall have the right to take depositions and to obtain discovery regarding the subject matter of the arbitration and, to that end, to use and exercise all of the same rights, remedies, and procedures, and be subject to all of the same duties, liabilities, and obligations in the arbitration with respect to the subject matter thereof, as if the matter of the arbitration were pending in a civil action before a Superior Court of the State.

5. Add the following under this Paragraph 8.3.:

8.3.4. When the Contract time has been extended, as provided under this Paragraph 8.3., such extension of time shall not be considered as justifying extra compensation to the Contractor for administrative costs or other such reasons.

6. At the end of Subparagraph 9.3.1. add:

The form of Application for Payment shall be AIA Document G702, "Application and Certificate for Payment", supported by continuation sheet or sheets approved by the Architect/Engineer.

The Contractor shall submit his "Application for Payment" on or before the first day of each month. The "Application for Payment" shall be based on the value of materials properly stored at the site and/or work in place on that day and in accordance with the approved "Schedule of Values".

A retainage of ten percent (10%) of the first fifty percent (50%) of each Contractor's contract amount, shall be withheld until the final completion of the contract and final acceptance by the Owner, unless adjusted as shown below.

At the end of subparagraph 9.4.1. add:

The Certificates of Payment shall be issued at the rate of ninety percent (90%), up to the first fifty percent (50%) of the contract amount, and shall then increase to one hundred percent (100%) for the remainder of the contract amount, and shall be based on the value of material properly stored at the site and work in place if in full compliance with the contract during the preceding calendar month. However, if the Architect/Engineer does not feel that the progress made is such to indicate the compliance with all work done under that contract, the Certificate of Payment shall revert back to ninety percent (90%) of the completed value of work in place until such progress is satisfactory to the Architect.

Add the following clause 9.6.1.1. to 9.6.1.:

9.6.1.1. The Owner shall make progress payments on account of the Contract to the Contractor for the period ending the last day of the month not later than forty-five days following the end of the period covered by the Application for Payment.

7. The insurance referred to in Subparagraph 11.1.1. of the 'General Conditions' shall be of the following types and in amounts not less than the following:

A. Worker's Compensation:

- | | |
|--------------------------|----------------|
| (a) State: | Statutory |
| (b) Applicable Federal: | Statutory |
| (c) Employer's Liability | \$1,000,000.00 |

B. Comprehensive General Liability (including Premises-Operations; Independent Contractors' Protective; Products and Completed Operations; Broad Form Property Damage):

- (a) Bodily Injury:
 - \$1,000,000.00 Each Occurrence
 - \$2,000,000.00/\$2,000,000 Annual Aggregate
- (b) Property Damage:
 - \$1,000,000.00 Each Occurrence
 - \$2,000,000.00 Annual Aggregate
- (c) Products and Completed Operations to be maintained for one year after final payment.
- (d) Property Damage Liability Insurance will provide X, C or U coverage, as applicable.

C. Contractual Liability:

- (a) Bodily Injury:
 - \$1,000,000.00/\$1,000,000 Each Occurrence
- (b) Property Damage:
 - \$1,000,000.00 Each Occurrence
 - \$2,000,000.00 Annual Aggregate

D. Personal Injury, with Employment Exclusion deleted:

\$1,000,000.00 Annual Aggregate

E. Comprehensive Automobile Liability:

- (a) Bodily Injury:
 - \$1,000,000.00 Each Person
 - \$1,000,000.00/\$1,000,000 Each Occurrence
- (b) Property Damage:
 - \$1,000,000.00 Each Occurrence

F. Umbrella Liability Coverage

- (a) \$2,000,000.00

This umbrella coverage shall be over and above the stated coverages and amounts.

G. Additional insurance required. Contractor shall carry in addition to that specifically named by the 'General Conditions', as follows:

- (a) Completed Operations and Products Liability. Maintained for one (1) year, commencing with issuance of Final Certificate for Payment.

H. Property Insurance. Builder's Risk Insurance will be provided by the Owner, as required in AIA Document A201.

- I. Furnish one copy of certificates herein required for each copy of the Agreement, specifically setting forth evidence of all coverage required by Article 11.1.1. of the 'General Conditions'. The form of the Certificate shall be the American Institute of Architects Document G705 or equivalent.

8. Revise Subparagraph 13.4.1. as follows:

If the Contract Documents, laws, ordinances, rules, regulations or orders of any public authority having jurisdiction require any portion of the Work to be inspected, tested or approved, the Contractor shall give the Architect/Engineer timely notice of its readiness so the Architect/Engineer may observe such inspection, testing or approval. The Contractor shall bear all costs of such inspections, tests or approvals.

FORM OF AGREEMENT

9. The form of agreement to be used for this project is included in these specifications.

WATER AND ELECTRICITY

10. The Contractor shall furnish such amounts of water and electricity as may be needed for the prosecution of his work and that of all other contractors and subcontractors. The contractor will be responsible for arranging for delivery of all of the service whether they be temporary services or the permanent service called for in the plan.

SANITARY CONVENIENCES

11. Sanitary conveniences for use of all persons employed on the work shall be provided by the contractor.

TEMPORARY HEAT

12. In order to maintain normal progress of the work, the contractor shall erect temporary enclosures and provide temporary heat as required for wall, floor, roof or other construction.

1.1. Required temperatures of the enclosures shall be as specified in the various technical sections of the specifications.

OWNER-FURNISHED ITEMS

13. Certain items as shown and/or scheduled on the Drawings will be either existing or furnished by the Owner and shall be installed by the contractor. If not existing, the Owner will deliver these items to the site, unload same and stack materials where directed by the contractor and approved by the Architect/Engineer. The contractor will be responsible for unwrapping, uncrating, counting, verifying sizes and lengths and providing all labor, equipment and services necessary for the erection of all materials detailed or specified herein.

- A. The Owner will provide the contractor with adequate shop drawings to cover the complete installation of all owner-furnished items, except when items are existing, relocated or reused.
- B. This contractor shall be required to perform all field cuttings, fitting and adjustments as might be required to complete the work. He shall carefully coordinate his work with the Owner to preclude omission or double supply. The contractor shall submit a delivery date request to the Architect/Engineer for all Owner-supplied materials to insure the availability of these materials as they become needed.

SHOP DRAWINGS, PRODUCT DATA AND SAMPLE SUBMITTALS

- 14. The contractor shall furnish the following: One (1) electronic copy of product data, and two (2) samples of materials, unless otherwise directed or specified.
 - A. The contractor shall reproduce as many copies of the shop drawings as required for distribution for proper execution of the work.
 - B. Shop drawings are not required and will not be reviewed on stock manufactured items.
 - C. All shop drawings will be submitted to the Architect/Engineer within thirty (30) days of the Notice to Proceed.

DRAWINGS

- 15. The Drawings are made a part of this Manual.

SCHEDULING OF WORK

- 16. Insofar as is practicable, the contractor shall confine his operations to those parts of the site in which the construction work is located.

NOTICE OF AWARD

Date _____, 2024

TO:
ADDRESS:

**CONTRACT FOR: Business Park Phase II Street Grading and Paving Project
McCook, Nebraska**

You are notified that your Bid dated _____, 2024, for the above Contract has been considered. You are the apparent successful bidder and have been awarded a contract for the base bid.

The Contract Price of your contract is

Two copies of each of the proposed Agreement accompany this Notice of Award.

You must comply with the following conditions precedent within fifteen days of the date of this Notice of Award, that is by _____, 2024.

1. You must deliver to the OWNER three (3) fully executed counterparts of the Agreement including all the Contract Documents.
2. You must deliver with executed Agreement the Contract Security (Bonds) as specified in the Instructions to Bidders (paragraph F.2) and General Conditions (paragraph 5.1).
3. (List other conditions precedent).

Failure to comply with these conditions within the time specified will entitle OWNER to consider your bid abandoned, to annul this Notice of Award and to declare your Bid Security forfeited.

Within ten days after you comply with those conditions, OWNER will return to you one fully signed counterpart of the Agreement with the Contract Documents attached.

CITY OF McCOOK

ACCEPTANCE OF AWARD

(CONTRACTOR)

BY _____
(AUTHORIZED SIGNATURE)

(TITLE)

(DATE)

**SAMPLE CONTRACT
CITY OF MCCOOK, NEBRASKA
BUSINESS PARK PHASE II STREET GRADING & PAVING PROJECT**

This Agreement is made this _____ day of _____, 2024, by and between the City of McCook, PO Box 1059, 505 West “C” Street, McCook, Nebraska, 69001 (hereinafter referred to as “City”) and _____ of _____, Nebraska, (hereinafter referred to as “Contractor”).

The City and Contractor, in consideration of the mutual covenants hereinafter set forth, agree as follows:

Article 1. WORK.

Contractor shall complete all work as specified or indicated in the Contract Documents. The work is generally described as Business Park Phase II Water and Sewer Project.

Article 2. ENGINEER - CITY REPRESENTATIVE

This project has been designed by W Design Associates, Consulting Engineers and Architects, who is hereinafter called “Engineer” and who is to act as the City’s representative, assume all duties and responsibilities and have the rights and authority assigned to the Engineer in the Contract Documents in connection with completion of the Work in accordance with the Contract Documents.

Article 3. CONTRACT TIME.

3.1 The work involved will be completed and ready for final payment on or before _____ and within the time allowance described on the proposal form.

3.2 Liquidated Damages. The City and Contractor recognize that time is of the essence of this Agreement and that City will suffer financial loss if the work is not completed within time specified in paragraph 3.1 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. They also recognize the delays, expense and difficulties involved in proving the actual loss suffered by the City if the work is not completed on time. Accordingly, instead of requiring any such proof, the City and Contractor agree that as liquidated damages for delay (but not as a penalty) Contractor shall pay City Two Hundred Fifty Dollars (\$250.00) for each day that expires after the time specified in paragraph 3.1 for Final Completion until the work is finally complete.

Article 4. CONTRACT PRICE

The City shall pay the Contractor for completion of the work in accordance with the Contract Documents at the unit prices set forth herein:

ITEM DESCRIPTION	EST. QUANTITY	UNITS	PRICE EA.	TOTALS
			\$	\$
1. Mobilization	1	Lump Sum	_____	_____
2. 6" Strippings	3,310	Cu. Yds.	_____	_____
3. Excavation	9,422	Cu. Yds.	_____	_____
4. Embankment	3,146	Cu. Yds.	_____	_____
5. Waste	5,018	Cu. Yds.	_____	_____
6. Remove Concrete	7	Sq. Yds.	_____	_____
7. Build 8" Concrete Pavement	5,675	Sq. Yds.	_____	_____
8. Granular Foundation Course 2" – Sand/Gravel	5,675	Sq. Yds.	_____	_____
9. Subgrade Preparation	8,977	Sq. Yds.	_____	_____
10. Build 4" Rock Drive	3,302	Sq. Yds.	_____	_____
11. Install 12" Corrugated Plastic Pipe	98	Lin. Ft.	_____	_____
12. Install 18" Corrugated Plastic Pipe	760	Lin. Ft.	_____	_____
13. Install 12' Gate	1	Lump Sum	_____	_____
14. Temporary Access Drive	1	Lump Sum	_____	_____
15. Rip Rap	60	Sq. Yds.	_____	_____
16. Tree Removal	1	Lump Sum	_____	_____
17. Seeding Type A	2.5	Acres	_____	_____
18. Signs & Barricades	1	Lump Sum	_____	_____
TOTAL BASE BID _____			(\$ _____)	

ALTERNATE #1

ITEM DESCRIPTION	EST. QUANTITY	UNITS	PRICE EA.	TOTALS
			\$	\$
1. Deduct 8" Concrete Pavement	2,842	Sq. Yds.	_____	_____
2. Add 4" Gravel	2,842	Sq. Yds.	_____	_____
TOTAL DEDUCT FOR ALTERNATE #1 _____			(\$ _____)	

Article 5. PAYMENT PROCEDURES

Contractor shall be paid in full within thirty (30) days of final acceptance of the work by the Engineer or City Representative.

Article 6. CONTRACTOR REPRESENTATIONS

In order to induce the City to enter into this Agreement, Contractor makes the following representations:

6.1 Contractor has examined and carefully studied the Contract Documents and the other related data identified in the Bidding Documents including “technical data.”

6.2 Contractor has visited the site and become familiar with and is satisfied as to the general, local and site conditions that may affect cost, progress, performance of furnishing of the Work.

6.3 Contractor is familiar with and is satisfied as to all federal, state and local laws and regulations that may affect cost, progress, performance and furnishing of the Work.

6.4 Contractor is aware of the general nature of the work to be performed by the City and others at the site that relates to the work as indicated in the Contract Documents.

6.5 Contractor has correlated the information known to Contractor, information and observations obtained from visits to the site, reports and drawings identified in the Contract Documents and all additional examinations, investigations, explorations, tests, studies and data with the Contract Documents.

6.6 Contractor has given Engineer written notice of all conflicts, errors, ambiguities or discrepancies that Contractor has discovered in the Contract Documents and the written resolution thereof by Engineer is acceptable to Contractor, and the Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishings of the work.

Article 7. CONTRACT DOCUMENTS

The Contract Documents which comprise the entire agreement between the City and contractor concerning the work consist of the following:

7.1 This Agreement.

7.2 Exhibits to this Agreement (Certificate of Insurance, inclusive).

7.3 Performance, Payment and other Bonds.

7.4 Notice of Award.

7.5 General Conditions AIA A201, 2017 Edition (*These AIA Documents shall be considered a part of these written Contract Documents as if attached hereto and herein written.*)

There are no contract documents other than those listed above in this Article 7. The Contract Documents may only be amended, modified or supplemented as provided in paragraphs 3.4 and 3.5 of the General Conditions.

Article 8. Miscellaneous

8.1 Terms and conditions in this Agreement which are defined in Article I of the General Conditions will have the meanings indicated in the General Conditions.

8.2 No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law, and unless specifically stated to the contrary in any written consent to an assignment no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

8.3 City and Contractor each bind itself, its partners, successors, assigns and legal representatives to the other party hereto, its partners, successors, assigns and legal representatives in respect of all covenants, agreements and obligations contained in the Contract Documents.

8.4 Any provisions or part of the Contract Documents held to be void or unenforceable under any law or regulations shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon the City and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

8.5 The Contractor shall comply with Fair Labor Standards as required by Neb. Rev. Stat. Sections 73-101 through 73-104 in the pursuit of his business and in the execution of this Agreement.

This Agreement will be effective on _____, 2024, (which is the Effective Date of the Agreement).

THE CITY OF McCOOK, NEBRASKA

Linda Taylor, Mayor

(SEAL)

ATTEST

Lea Ann Doak, City Clerk

Address for giving notices
PO Box 1059
McCook NE 69001

By: _____

(CORPORATE SEAL)

ATTEST

Address for giving notices

Construction Performance Bond

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable

CONTRACTOR (Name and Address):

SURETY (Name and Principal Place of Business):

OWNER (Name and Address):

City of McCook
P.O. Box 1059
West 5th & C Street
McCook, NE 69001

CONSTRUCTION CONTRACT

Date:

Amount:

Description (Name and Location):

BOND

Date (Not earlier than Construction Contract Date):

Amount:

Modifications to this Bond Form:

CONTRACTOR AS PRINCIPAL

Company: (Corp. Seal)

SURETY

Company: (Corp. Seal)

Signature: _____

Name and Title: _____

Signature: _____

Name and Title: _____

CONTRACTOR AS PRINCIPAL

Company: (Corp. Seal)

SURETY

Company: (Corp. Seal)

Signature: _____

Name and Title: _____

Signature: _____

Name and Title: _____

1. The Contractor and the Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.
2. If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except to participate in conferences as provided in Subparagraph 3.1.
3. If there is no Owner Default, the Surety's obligation under this Bond shall arise after:
 - 3.1. The Owner has notified the Contractor and the Surety at its address described in Paragraph 10 below, that the Owner is considering declaring a Contractor Default and has requested and attempted to arrange a conference with the Contractor and the Surety to be held not later than fifteen days after receipt of such notice to discuss methods of performing the Construction Contract. If the Owner, the Contractor and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor Default; and
 - 3.2. The Owner has declared a Contractor Default and formally terminated the Contractor's right to complete the contract. Such Contractor Default shall not be declared earlier than twenty days after the Contractor and the Surety have received notice as provided in Subparagraph 3.1; and
 - 3.3. The Owner has agreed to pay the Balance of the Contract Price to the Surety in accordance with the terms of the Construction Contract or to a contractor selected to perform the Construction Contract in accordance with the terms of the contract with the Owner.
4. When the Owner has satisfied the conditions of Paragraph 3, the Surety shall promptly and at the Surety's expense take one of the following actions:
 - 4.1. Arrange for the Contractor, with consent of the Owner, to perform and complete the Construction Contract; or
 - 4.2. Undertake to perform and complete the Construction Contract itself, through its agents or through independent contractors; or
 - 4.3. Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and the contractor selected with the Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Paragraph 6 in excess of the Balance of the Contract Price incurred by the Owner resulting from the Contractor's default; or
 - 4.4. Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances;
 1. After investigation, determine the amount for which it may be liable to the Owner and as soon as practicable after the amount is determined, tender payment therefor to the Owner; or
 2. Deny liability in whole or in part and notify the Owner citing reasons therefor.
5. If the Surety does not proceed as provided in Paragraph 4 with reasonable promptness, the Surety shall be deemed to be in default on this Bond fifteen days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Subparagraph 4.4, and the Owner refuses the payment tendered or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.
6. After the Owner has terminated the Contractor's right to complete the Construction Contract, and if the Surety elects to act under Subparagraph 4.1, 4.2 or 4.3 above, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the

responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. To the limit of the amount of this Bond, but subject to commitment by the Owner of the Balance of the Contract Price to mitigation of costs and damages on the Construction Contract, the Surety is obligated without duplication for:

- 6.1. The responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;
 - 6.2. Additional legal, design professional and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Paragraph 4; and
 - 6.3. Liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.
7. The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators, or successors.
 8. The Surety hereby waives notice of any change, including changes of time to the Construction Contract or to related subcontracts, purchase orders and other obligations.
 9. Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.
 10. Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the signature page.
 11. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is that this bond shall be construed as a statutory bond and not as a common law bond.
 12. Definitions.
 - 12.1. Balance of the Contract Price: The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made, including allowance to the Contractor of any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.
 - 12.2. Construction Contract: The Agreement between the Owner and the Contractor identified on the signature page, including all Contract Documents and changes thereto.
 - 12.3. Contractor Default: Failure of the Contractor, which has neither been remedied nor waived, to perform or otherwise to comply with the terms of the Construction Contract.
 - 12.4. Owner Default: Failure of the Owner, which has neither been remedied nor waived, to pay the Contractor as required by the Construction Contract or to perform and complete or comply with the other terms thereof.

Construction Payment Bond

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

CONTRACTOR (Name and Address): SURETY (Name and Principal Place of Business):

OWNER (Name and Address):

City of McCook
P.O. Box 1059
West 5th & C Street
McCook, NE 69001

CONSTRUCTION CONTRACT

Date:
Amount:
Description (Name and Location):

BOND

Date (Not earlier than Construction Contract Date):
Amount:
Modifications to this Bond Form:

CONTRACTOR AS PRINCIPAL

Company: _____ (Corp. Seal)

Signature: _____
Name and Title: _____

SURETY

Company: _____ (Corp. Seal)

Signature: _____
Name and Title: _____

CONTRACTOR AS PRINCIPAL

Company: _____ (Corp. Seal)

Signature: _____
Name and Title: _____

SURETY

Company: _____ (Corp. Seal)

Signature: _____
Name and Title: _____

1. The Contractor and the surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner to pay for labor, materials and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference.
2. With respect to the Owner, this obligation shall be null and void if the Contractor:
 - 2.1. Promptly makes payment, directly or indirectly, for all sums due Claimants, and
 - 2.2. Defends, indemnifies and holds harmless the Owner from claims, demands, liens or suits by any person or entity whose claim, demand, lien or suit is for payment for labor, materials or equipment furnished for use in the performance of the Construction Contract, provided the Owner has promptly notified the Contractor and the Surety (at the address described in Paragraph 12) of any claims, demands, liens or suits and rendered defense of such claims, demands, liens or suits to the Contractor and the Surety, and provided there is no Owner Default.
3. With respect to Claimants, this obligation shall be null and void if the Contractor promptly makes payment, directly or indirectly, for all sums due.
4. The Surety shall have no obligation to Claimants under this Bond until:
 - 4.1. Claimants who are employed by or have a direct contract with the Contractor have given notice to the Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to the Owner, stating that a claim is being made under this Bond and, with substantial accuracy, the amount of the claim.
 - 4.2. Claimants who do not have a direct contract with the Contractor:
 1. Have furnished written notice to the Contractor and sent a copy, or notice thereof, to the Owner, within 90 days after having last performed labor or last furnished materials or equipment included in the claim stating, with substantial accuracy, the amount of the claim and the name of the party to whom the materials were furnished or supplied or for whom the labor was done or performed; and
 2. Have either received a rejection in whole or in part from the Contractor, or not received within 30 days of furnishing the above notice any communication from the Contractor by which the Contractor has indicated the claim will be paid directly or indirectly; and
 3. Not having been paid within the above 30 days, have sent a written notice to the Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to the Owner, stating that a claim is being made under this Bond and enclosing a copy of the previous written notice furnished to the Contractor.
5. If a notice required by Paragraph 4 is given by the Owner to the Contractor or to the Surety, that is sufficient compliance.
6. When the Claimant has satisfied the conditions of Paragraph 4, the Surety shall promptly and at the Surety's expense take the following actions:
 - 6.1. Send an answer to the Claimant, with a copy to the Owner, within 45 days after receipt of the claim, stating the amounts that are undisputed and that basis for challenging any amounts that are disputed.
 - 6.2. Pay or arrange for payment of any undisputed amounts.
7. The Surety's total obligation shall not exceed the amount of this Bond, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.

8. Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any Construction Performance Bond. By the Contractor furnishing and the Owner accepting this bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and the Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.
9. The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligations to make payments to, give notices on behalf of, or otherwise have obligations to Claimants under this Bond.
10. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.
11. No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the location in which the work or part of the work is located or after the expiration of one year from the date (1) on which the Claimant gave the notice required by Subparagraph 4.1 or Clause 4.2(iii), or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.
12. Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the signature page. Actual receipt of notice by Surety, the Owner or the Contractor, however accomplished, shall be sufficient compliance as of the date received at the address shown on the signature page.
13. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in the bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is, that this Bond shall be construed as a statutory bond and not as a common law bond.
14. Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor shall promptly furnish a copy of this Bond or shall permit a copy to be made.
15. DEFINITIONS
 - 15.1. Claimant: An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials or equipment for use in the performance of the Contract. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.
 - 15.2. Construction Contract: The agreement between the Owner and the Contractor identified on the signature page, including all Contract Documents and changes thereto.
 - 15.3. Owner Default: Failure of the Owner, which has neither been remedied nor waived, to pay the Contractor as required by the Construction Contract or to perform and complete or comply with the other terms thereof.

Certificate of Insurance

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON CERTIFICATE HOLDER.

THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES LISTED BELOW.

NAME AND ADDRESS OF AGENCY	COMPANIES AFFORDING COVERAGES COMPANY LETTER A <hr/> COMPANY LETTER B <hr/> COMPANY LETTER C <hr/> COMPANY LETTER D <hr/> COMPANY LETTER E
NAME AND ADDRESS OF INSURED	COMPANY LETTER C <hr/> COMPANY LETTER D <hr/> COMPANY LETTER E

This is to certify that policies of insurance listed below have been issued to the Insured named above and are in force at this time.

COMPANY LETTER	TYPE OF INSURANCE	POLICY NUMBER	POLICY EXPIRATION DATE	LIMITS OF LIABILITY IN THOUSANDS (000)		
					EACH OCCURRENCE	AGGREGATE
	GENERAL LIABILITY <input type="checkbox"/> COMPREHENSIVE FORM <input type="checkbox"/> PREMISES OPERATION <input type="checkbox"/> EXPLOSION AND COLLAPSE HAZARD <input type="checkbox"/> UNDERGROUND HAZARD <input type="checkbox"/> PRODUCTS/COMPLETED OPERATIONS HAZARD <input type="checkbox"/> CONTRACTURAL INSURANCE <input type="checkbox"/> BROAD FORM PROPERTY DAMAGE <input type="checkbox"/> INDEPENDENT CONTRACTORS <input type="checkbox"/> PERSONAL INJURY			BODILY INJURY PROPERTY DAMAGE BODILY INJURY AND PROPERTY DAMAGE COMBINED PERSONAL INJURY	\$ \$ \$ \$	\$ \$ \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> COMPREHENSIVE FORM <input type="checkbox"/> OWNED <input type="checkbox"/> HIRED <input type="checkbox"/> NON OWNED			BODILY INJURY (EACH PERSON) BODILY INJURY (EACH ACCIDENT) PROPERTY DAMAGE BODILY INJURY AND PROPERTY DAMAGE COMBINED	\$ \$ \$ \$	
	EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM			BODILY INJURY AND PROPERTY DAMAGE COMBINED	\$	\$
	WORKER'S COMP AND EMPLOYERS' LIABILITY			STATUTORY		
	OTHER				\$	(Each Accident)

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES

CANCELLATION

Should any of the above described policies be cancelled before the expiration date thereof, the issuing company will endeavor to mail _____ days written notice to the below named certificate holder, but failure to mail such notice shall impose no obligation or liability of any kind upon the company.

NAME AND ADDRESS OF CERTIFICATE HOLDER:

DATE ISSUED _____

AUTHORIZED REPRESENTATIVE

NOTICE TO PROCEED

Dated _____, 2024

TO:

ADDRESS:

**CONTRACT FOR: Business Park Phase II Street Grading and Paving Project
McCook, Nebraska**

You are notified that the Contract Time under the above contract will commence to run on _____, 2024. By that date, you are to start performing your obligations under the Contract Documents. In accordance with Article 3 of the Agreement the date of Substantial Final Completion is _____, 2024.

Before you may start any Work at the site, paragraph 2.7 of the General Conditions provides that you must each deliver to the OWNER (with copies to ENGINEER) certificates of insurance which each is required to purchase and maintain in accordance with the Contract Documents.

Also before you may start any Work at the site, you must
(add other requirements)

CITY OF McCOOK

ACCEPTANCE OF NOTICE

(CONTRACTOR)

(AUTHORIZED SIGNATURE)

(TITLE)

SECTION 01010 - SUMMARY OF THE WORK

1. GENERAL

Business Park Phase II Street Grading and Paving:

This project involves the grading and paving of new streets and storm drainage for an expansion of McCook's Business Park. Water and sanitary sewer have already been let as a separate contract and are scheduled to be completed in May of 2024.

2. TRAFFIC CONTROL

The Contractor will be responsible for traffic control during construction. Access must be maintained to one business located in the expanded Business Park, see Drawings for phasing information. The remainder of the roadway will be closed during construction.

3. PROJECT TIMING

A new business is being located in the Business Park expansion which will be under construction this fall. The owner of this business is expecting a late spring opening and desires to have the new street available as soon as possible. The contractor shall include on the proposal form a proposed completion date for this work.

The City reserves the right to consider both time of completion and price in the award of the bid.

SECTION 01100 - ALTERNATE MATERIALS OR METHODS

1. ALTERNATE MATERIALS

A. Standard Manufacturer

Wherever the terms "Standard", "Recognized" or "Reputable" manufacturer are used, they shall be construed as meaning manufacturers who have been engaged in the business of fabricating materials, equipment or supplies for a period of over twelve months prior to the date fixed for opening bids.

B. "Or Equal" Clause

Whenever, in any section of the contract documents, plans or specifications, any article, material, or equipment is defined by describing a proprietary product, or by using the name of a manufacturer or vendor, the term "or approved equal", if not inserted, shall be implied. The specific article, material or equipment mentioned shall be understood as indicating the type, function, minimum standard of design, efficiency and quality desired and shall not be construed in such a manner as to exclude manufacturers of comparable quality, design and efficiency.

A bidder wishing to substitute a material or product in lieu of an item specified shall submit all appropriate information as called out in the Instructions to Bidders. No changes shall be accepted after submission of proposals unless they result in an improvement to the project and are accepted in writing by the Architect/Engineer or result in an acceptable credit to the owner without prejudice to the project and then only if accepted in writing by the Architect/Engineer.

SECTION 01800 - EXISTING FACILITIES

1. GENERAL

Attention is called to the existence of buried water lines, gas lines, sewer lines and telephone lines within the project limits. The Contractor assumes full responsibility for the location and protection of all utilities, buried or overhead, during the construction operations.

SECTION 02000 – CONSTRUCTION SPECIFICATIONS

The Construction Specifications for all aspects of grading, concrete paving, subgrade preparation and drainage for this project shall be the Nebraska Department of Transportation's Standard Specifications for Highway Construction, latest edition, unless modified in the following section.

SECTION 02001 – SPECIAL PROVISIONS FOR CONSTRUCTION SPECIFICATIONS

A. GENERAL

The following are modifications and/or additions to the Nebraska Department of Roads/Transportation Standard Specifications for Highway Construction.

B. SECTION 302 – SUBGRADE PREPARATION

Subgrade preparation shall include excavation, reshaping and compacting of the subgrade as well as the disposal of all excess material at the location shown on the plans. Subgrade Preparation shall be measured and paid for by the square yard.

C. SECTION 304 – EARTH SHOULDER CONSTRUCTION

Measurement and payment for this item will be by the cubic yards of fill noted on the plans to complete this work. The cubic yard quantity is an “Established Quantity” and no adjustment from plan quantity will be made.

D. SECTION 422 – TEMPORARY TRAFFIC CONTROL DEVICES

Signs and Barricades will not be paid for on a per each basis but all signs and barricades required for the job shall be paid for by the lump sum under “Signs and Barricades.”

E. SECTION 600 – PORTLAND CEMENT CONCRETE PAVEMENTS

The Engineer shall complete daily air and slump tests on fresh concrete at no cost to the Contractor. In addition, the Engineer shall make compressive strength test cylinders in accordance with the Standard Specifications. However, it will be the responsibility of the Contractor to transport all cylinders to a certified testing laboratory and to pay for the compressive strength testing.

F. SECTION 803 – SEEDING

The following seed mixtures shall be used for this project:

Seed Mix Type A

Species	Minimum Purity (percent)	Lbs. of PLS/acre
Perennial ryegrass – Linn	85	7
Slender wheatgrass	85	5
Western wheatgrass – Barton, Flintlock	85	6
Kentucky fescue	85	3
Buffalograss – Cody, Bison, Sharp’s Improved, Texoka	80	5
Sideoats grama – Butte, Trailway	75	4
Sand dropseed (<i>Sporobolus cryptandrus</i>)	85	0.2
Oats/Wheat (wheat in the fall)	90	14

Seed Mix Type B

Species	Minimum Purity (percent)	Lbs. of PLS/1000 s.f.
Tall Fescue	85	6
Kentucky Bluegrass	85	2

END OF

**BID PROPOSAL, CONTRACT DOCUMENTS
AND SPECIFICATIONS**

for

**THE CITY OF McCOOK
BUSINESS PARK PHASE II STREET GRADING AND PAVING
McCOOK, NEBRASKA**

JANUARY, 2024



CERTIFICATE OF AUTHORIZATION: CA0011

**PREPARED BY
W DESIGN ASSOCIATES
CONSULTING ENGINEERS AND ARCHITECTS
MCCOOK/HASTINGS, NEBRASKA**

McCOOK BUSINESS PARK PHASE II

INDUSTRIAL PARK DRIVE EXTENSION

McCOOK, NEBRASKA

McCOOK BUSINESS PARK PHASE II
STREET GRADING AND PAVING
McCOOK, NEBRASKA

DESIGN ASSOCIATES
1014 W. 10TH ST. SUITE 100
McCOOK, NEBRASKA 68801
PHONE: (402) 792-1111
FAX: (402) 792-1112
WWW.DA-NE.COM

Professional Engineer
STATE OF NEBRASKA
No. 0000000000
EXPIRES 12/31/2024

DWG. NUMBER	
DRAWN: TALS/AMP	
CHECKED:	
REVISIONS	

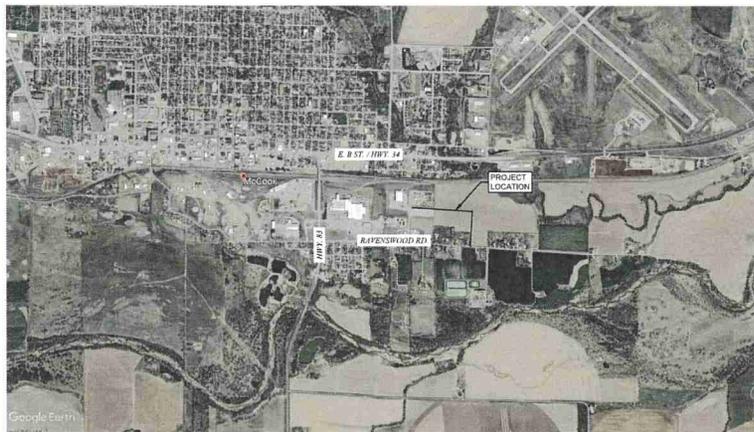
DATE: JAN. 2024

SHEET INDEX

CVR	COVER
C-1	OVERALL SITE PLAN
C-2	PAVING DETAILS
C-3	PLAN & PROFILE: STA. 0+00.00 TO STA. 13+00.00
C-4	PLAN & PROFILE: STA. 13+00.00 TO STA. 164+10.18
	PLAN & PROFILE: STA. 100+75.00 TO STA. 110+02.00
C-5	STORM SEWER PROFILES
C-6	CROSS SECTIONS
C-7	CROSS SECTIONS
C-8	CROSS SECTIONS
C-9	STAKEOUT PLAN

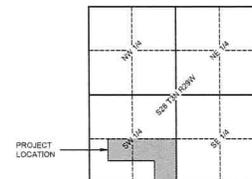
Estimated Quantities

Mobilization	1	Lump Sum
6" Stripings	3,310	Cu. Yds.
Excavation	9,422	Cu. Yds.
Embankment	3,146	Cu. Yds.
Waste	5,016	Cu. Yds.
Remove Concrete	7	Sq. Yds.
Build 6" Concrete Pavement	5,875	Sq. Yds.
Transfer Foundation Course 2" - Sand/Gravel	5,875	Sq. Yds.
Subgrade Preparation	8,977	Sq. Yds.
Build 4" Rock Drive	3,302	Sq. Yds.
Install 12" Corrugated Plastic Pipe	96,000	Lin. Ft.
Install 18" Corrugated Plastic Pipe	760,000	Lin. Ft.
Install 12' Gate	1,000	Lump Sum
Temporary Access Drive	1,000	Lump Sum
Rip Rap	50.0	Sq. Yds.
Tire Removal	1,000	Lump Sum
Seeding Type A	2.5	Acres
Signs & Barricades	1	Lump Sum
Alternate #1		
Deduct 8" Concrete Pavement	2,842,000	Sq. Yds.
Add 4" Gravel	2,842,000	Sq. Yds.



LOCATION MAP

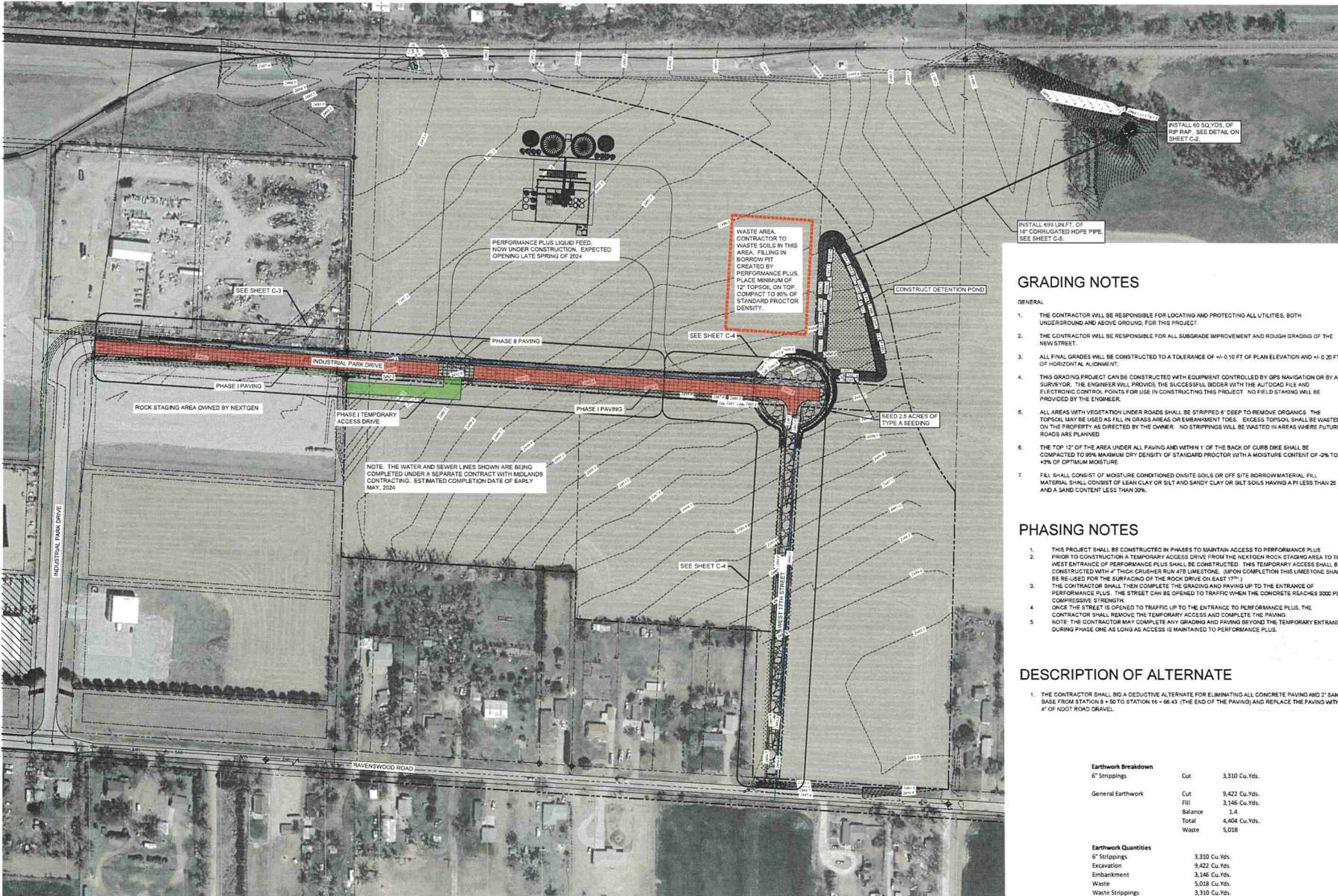
NO SCALE



LOCATION MAP

NO SCALE

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GRADING NOTES

- GENERAL**
1. THE CONTRACTOR WILL BE RESPONSIBLE FOR LOCATING AND PROTECTING ALL UTILITIES, BOTH UNDERGROUND AND ABOVE GROUND, FOR THIS PROJECT.
 2. THE CONTRACTOR WILL BE RESPONSIBLE FOR ALL SUBGRADE IMPROVEMENT AND ROUGH GRADING OF THE NEW STREET.
 3. ALL FINAL GRADES WILL BE CONSTRUCTED TO A TOLERANCE OF ± 0.10 FT OF PLAN ELEVATION AND ± 0.25 FT OF HORIZONTAL ALIGNMENT.
 4. THIS GRADING PROJECT CAN BE CONSTRUCTED WITH EQUIPMENT CONTROLLED BY GPS NAVIGATION OR BY A SURVEYOR. THE ENGINEER WILL PROVIDE THE SUCCESSFUL BIDDER WITH THE AUTOCAD FILE AND ELECTRONIC CONTROL POINTS FOR USE IN CONSTRUCTING THIS PROJECT. NO FIELD STAKING WILL BE PROVIDED BY THE ENGINEER.
 5. ALL AREAS WITH VEGETATION UNDER ROADS SHALL BE STRIPPED 6" DEEP TO REMOVE ORGANICS. THE TOPSOIL MAY BE USED AS FILL IN GRASS AREAS OR EMBANKMENT TOES. EXCESS TOPSOIL SHALL BE WASTED ON THE PROPERTY AS DIRECTED BY THE OWNER. NO STRIPPINGS WILL BE WASTED IN AREAS WHERE FUTURE ROADS ARE PLANNED.
 6. THE TOP 12" OF THE AREA UNDER ALL PAVING AND WITHIN 1' OF THE BACK OF CURB DIVE SHALL BE COMPACTED TO 98% MAXIMUM DRY DENSITY OF STANDARD PROCTOR WITH A MOISTURE CONTENT OF 2% TO 4% OF OPTIMUM MOISTURE.
 7. FILL SHALL CONSIST OF MOISTURE CONDITIONED ON-SITE SOILS OR OFF-SITE BORROW MATERIAL. FILL MATERIAL SHALL CONSIST OF LEAN CLAY OR SILT AND SANDY CLAY OR SILT SOILS HAVING A PI LESS THAN 25 AND A SAND CONTENT LESS THAN 30%.

PHASING NOTES

1. THIS PROJECT SHALL BE CONSTRUCTED IN PHASES TO MAINTAIN ACCESS TO PERFORMANCE PLUS.
2. PRIOR TO CONSTRUCTION A TEMPORARY ACCESS DRIVE FROM THE NEXTGEN ROCK STAGING AREA TO THE WEST ENTRANCE OF PERFORMANCE PLUS SHALL BE CONSTRUCTED. THIS TEMPORARY ACCESS SHALL BE CONSTRUCTED WITH 4" THICK CRUSHER RUN 47B LIMESTONE. (UPON COMPLETION THIS LIMESTONE SHALL BE RE-USED FOR THE SURFACING OF THE ROAD DRIVE ON EAST 17TH.)
3. THE CONTRACTOR SHALL THEN COMPLETE THE GRADING AND PAVING UP TO THE ENTRANCE OF PERFORMANCE PLUS. THE STREET CAN BE OPENED TO TRAFFIC WHEN THE CONCRETE REACHES 3000 PSI COMPRESSIVE STRENGTH.
4. ONCE THE STREET IS OPENED TO TRAFFIC UP TO THE ENTRANCE TO PERFORMANCE PLUS, THE CONTRACTOR SHALL REMOVE THE TEMPORARY ACCESS AND COMPLETE THE PAVING. NOTE: THE CONTRACTOR MAY COMPLETE ANY GRADING AND PAVING BEYOND THE TEMPORARY ENTRANCE DURING PHASE ONE AS LONG AS ACCESS IS MAINTAINED TO PERFORMANCE PLUS.

DESCRIPTION OF ALTERNATE

1. THE CONTRACTOR SHALL BID A DEDUCTIVE ALTERNATE FOR ELIMINATING ALL CONCRETE PAVING AND 2" SAND BASE FROM STATION 8+50 TO STATION 16+66.43 (THE END OF THE PAVING) AND REPLACE THE PAVING WITH 4" OF HOT MIX ROAD GRAVEL.

Earthwork Breakdown	
6" Strippings	Cut 3,310 Cu.Yds.
General Earthwork	Cut 9,422 Cu.Yds.
	Fill 3,146 Cu.Yds.
	Balance 1.4
	Total 4,404 Cu.Yds.
Waste	5,018

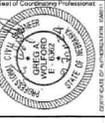
Earthwork Quantities	
6" Strippings	3,310 Cu.Yds.
Excavation	9,422 Cu.Yds.
Embankment	3,146 Cu.Yds.
Waste	5,018 Cu.Yds.
Waste Strippings	3,310 Cu.Yds.



OVERALL PAVING SITE PLAN

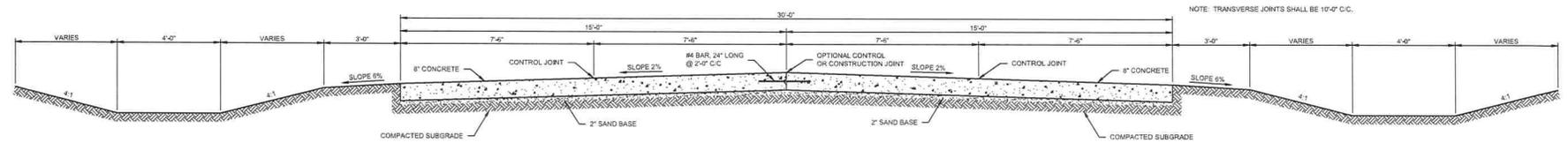
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DESIGN ASSOCIATES
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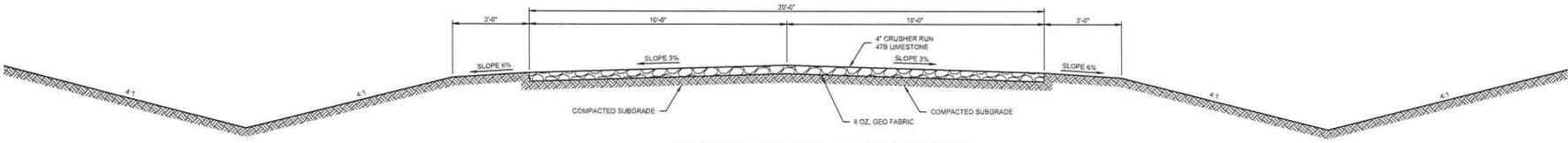


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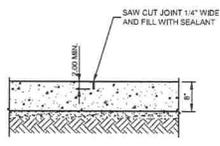
McCOOK BUSINESS PARK PHASE II
STREET GRADING AND PAVING
 McCOOK, NEBRASKA



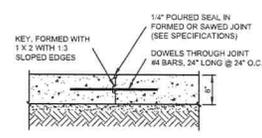
TYPICAL STREET SECTION
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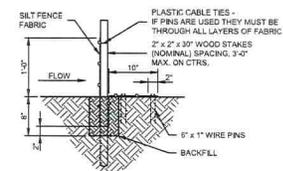
TYPICAL GRAVEL ROAD SECTION
 SCALE: 1" = 2'-0"



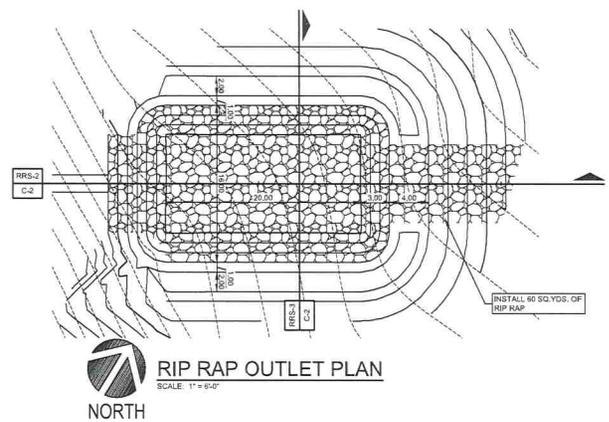
CONTROL JOINT
 SCALE: 3/4" = 1'-0"



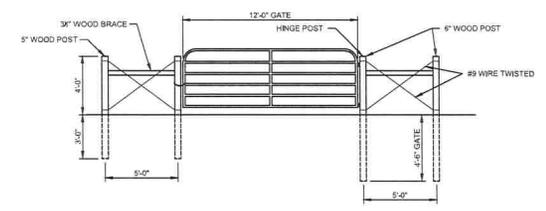
CONSTRUCTION JOINT
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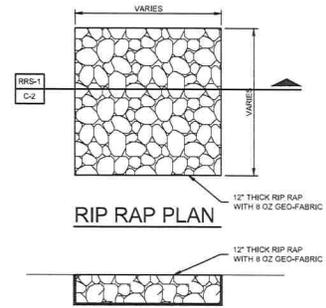
SILT FENCE SECTION
 SCALE: 1" = 1'-0"



RIP RAP OUTLET PLAN
 SCALE: 1" = 6'-0"

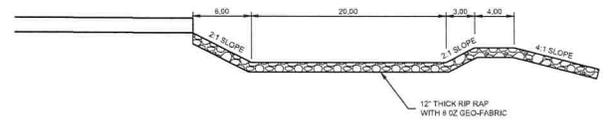


TYP. GATE DETAIL
 SCALE: 1/4" = 1'-0"

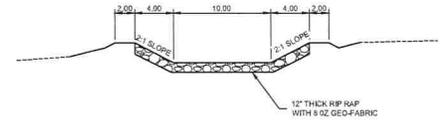


RIP RAP PLAN

RIP RAP SECTION



RIP RAP OUTLET SECTION
 SCALE: 1" = 6'-0"



RIP RAP OUTLET SECTION
 SCALE: 1" = 6'-0"

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REVISIONS:

C-2

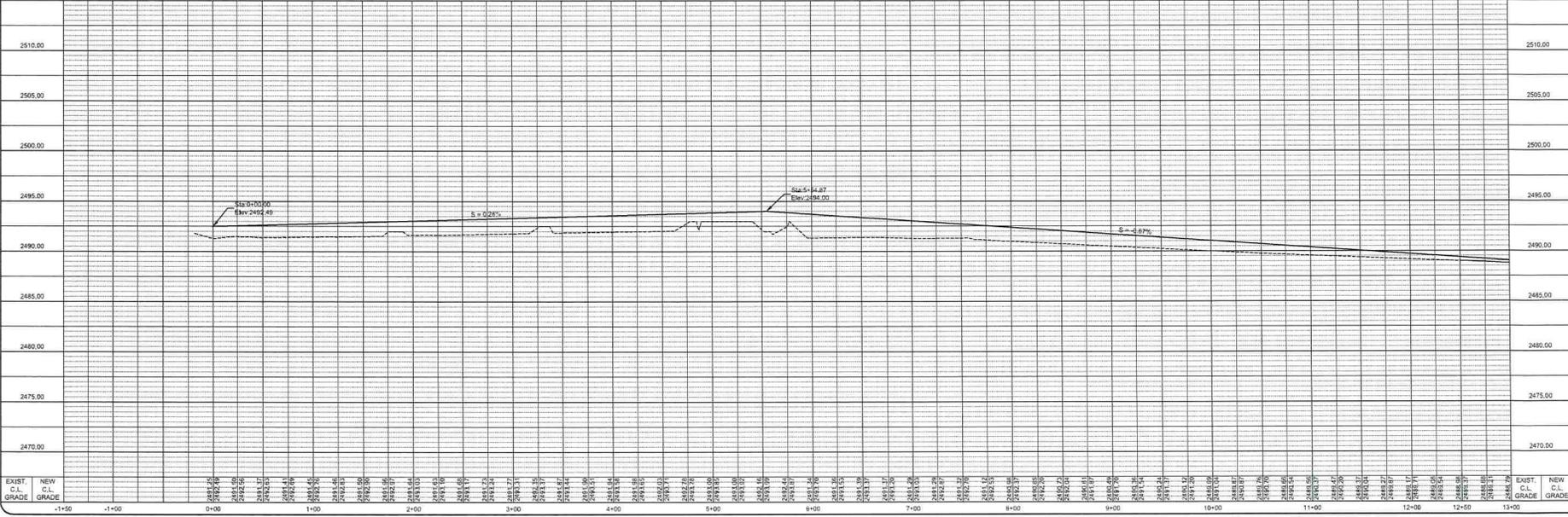
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NORTH

HORIZONTAL SCALE: 1" = 50'-0"
VERTICAL SCALE: 1" = 5'-0"



STA. 0+00 TO STA. 0+02.20
INSTALL 4" CONCRETE

STA. 0+00
BEGIN CONSTRUCTION

STA. 0+00 TO STA. 1+00.00
INSTALL 4.28% S.Y. OF CONCRETE

STA. 6+00 TO STA. 7+00 TO
STA. 6+00 TO STA. 6+16.16
SEE STORM PROFILE ON
SHEET C-1B

STA. 6+00 TO STA. 13+00.00
INSTALL 4.28% S.Y. OF GRANULAR
BASE

STA. 6+00 TO STA. 6+00.00
INSTALL 4.28% S.Y. OF SUBGRADE

STA. 6+00 TO STA. 7+00.00
PHASE I PAVING

STA. 7+00.00 TO STA. 8+70.00
PHASE B PAVING

STA. 8+70.00 TO STA. 13+00.00
PHASE I PAVING

NOTE: THE WATER AND SEWER LINES SHOWN ARE BEING COMPLETED UNDER A SEPARATE CONTRACT WITH MIDLANDS CONTRACTING. ESTIMATED COMPLETION DATE OF EARLY MAY 2024

DATE OF REVISION
BY
CHECKED BY
REVISIONS

McCOOK BUSINESS PARK PHASE II STREET GRADING AND PAVING

McCOOK, NEBRASKA

WDA ASSOCIATES
Consulting Engineers and Architects
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Hattings, Nebraska 68901



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REVISIONS:

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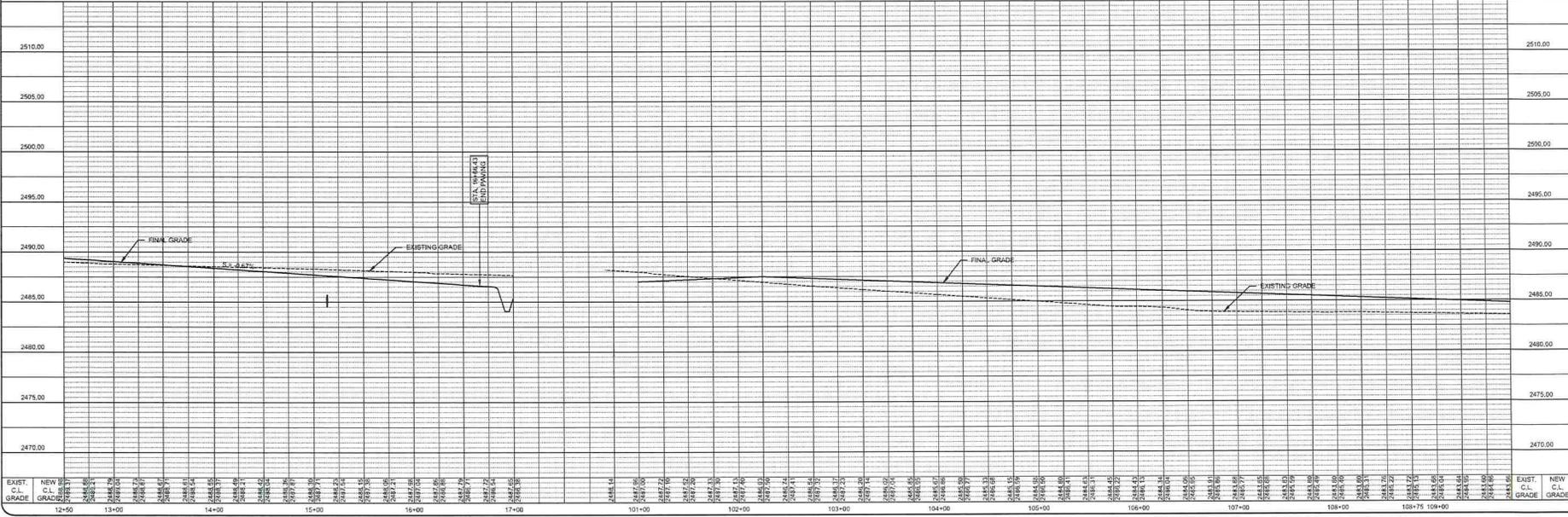
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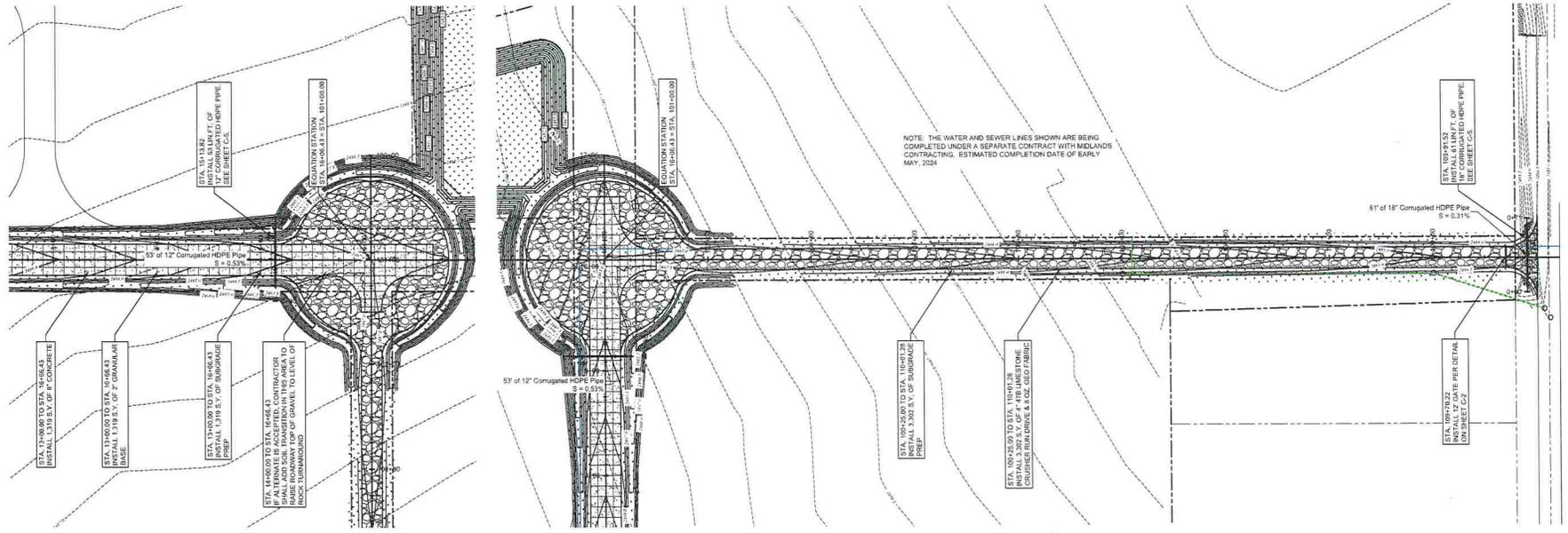
NORTH

HORIZONTAL SCALE: 1" = 50'-0"

VERTICAL SCALE: 1" = 5'-0"



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110+00	2475.00	110+00	2475.00



NOTE: THE WATER AND SEWER LINES SHOWN ARE BEING COMPLETED UNDER A SEPARATE CONTRACT WITH MELANDS CONTRACTING. ESTIMATED COMPLETION DATE OF EARLY MAY, 2024

Use of Water and Corrosion Protection for Sewer Pipe Installation
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McCOOK BUSINESS PARK PHASE II

STREET GRADING AND PAVING

McCOOK, NEBRASKA

WDA ASSOCIATES
 Consulting Engineers and Architects
 McCook, Nebraska 68001
 Hastings, Nebraska 68901



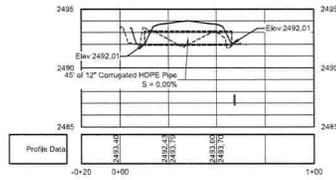
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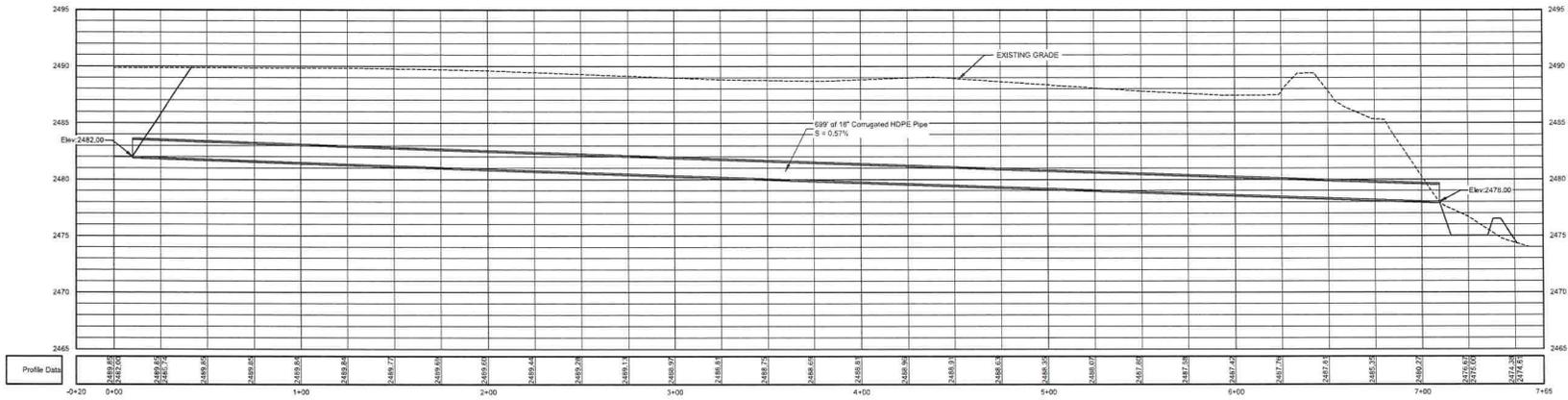
DATE: JAN, 2024

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STREET GRADING AND PAVING
 MCCOOK, NEBRASKA

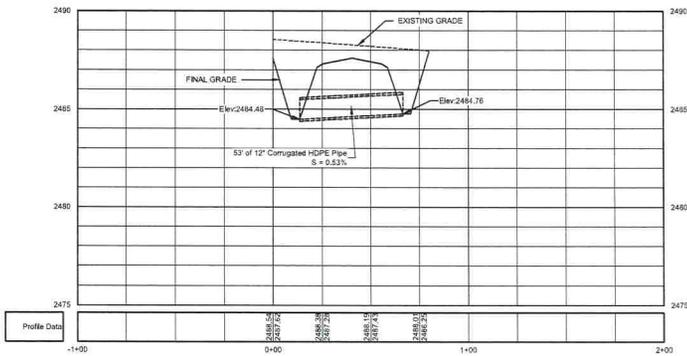
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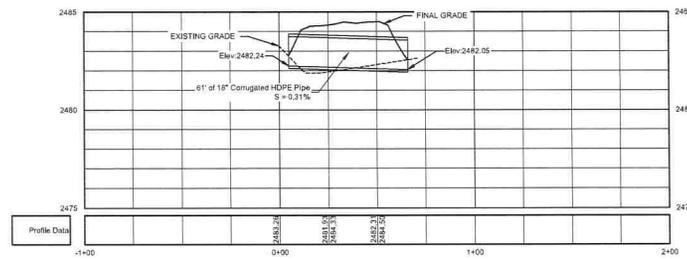
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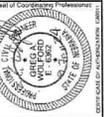
STORM-3 PROFILE



STORM 4 PROFILE



DESIGN ASSOCIATES
 1717 S. 10TH STREET, SUITE 100
 LINCOLN, NEBRASKA 68502

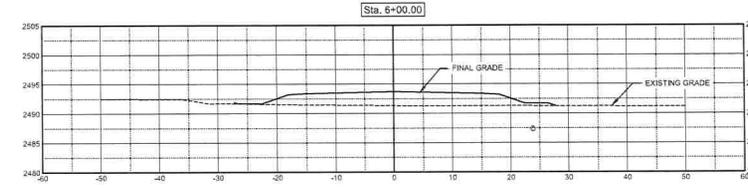
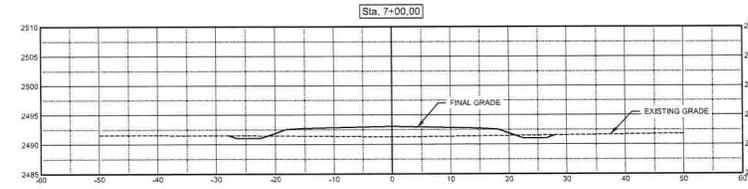
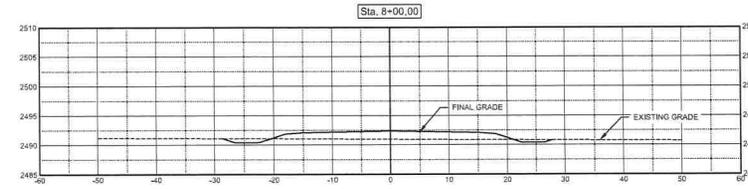
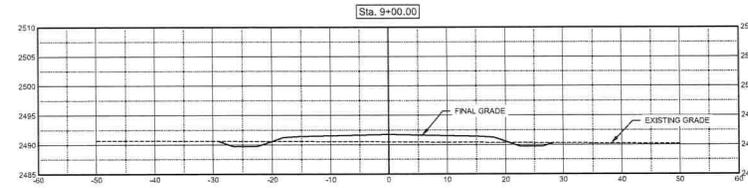
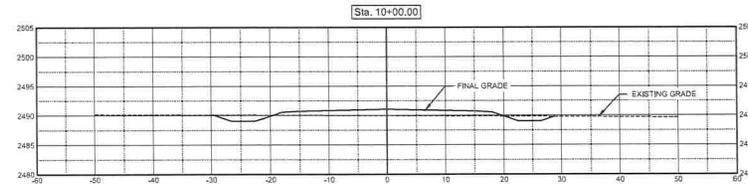
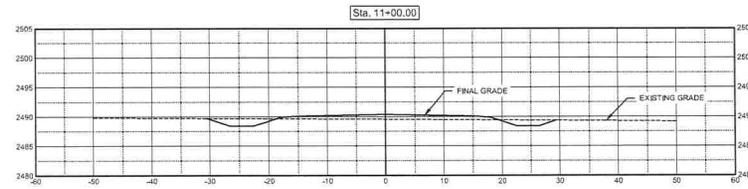
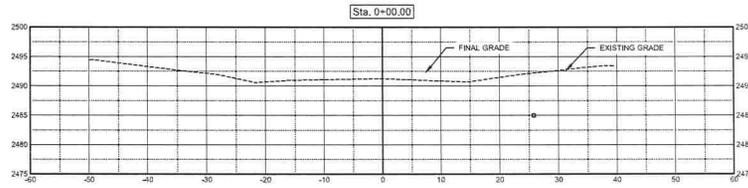
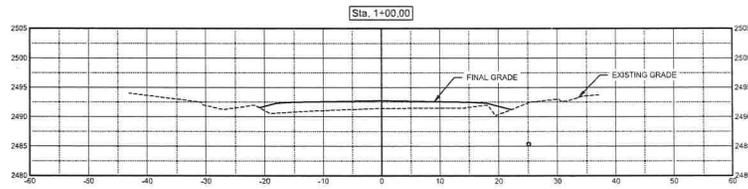
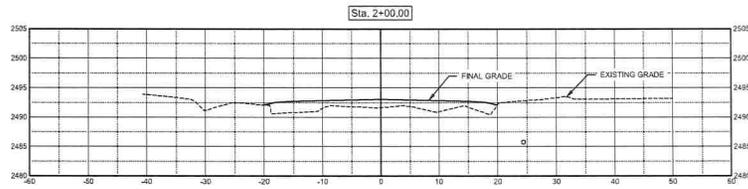
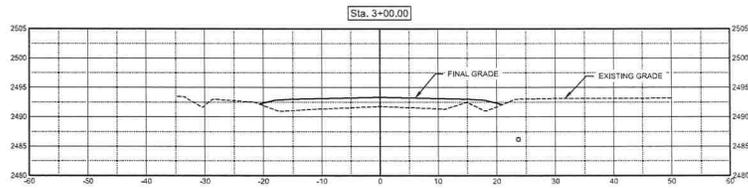
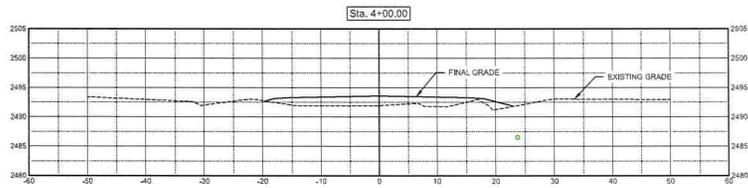
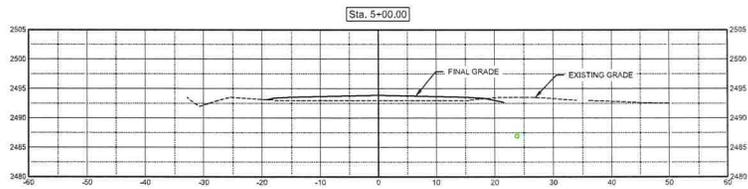


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CHECKED: T.A.S. AMP
REVISIONS:

C-5

DATE: JAN, 2024

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McCOOK BUSINESS PARK PHASE II
STREET GRADING AND PAVING
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 CHAD A. MUEHLEN
 STATE OF NEBRASKA
 LICENSE NO. 0000000000

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DRAWN: T.A.S./AMP
CHECKED: REVISIONS

C-6

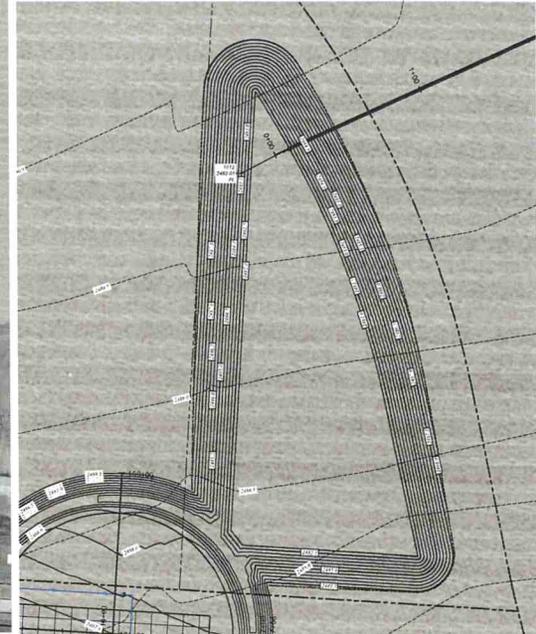
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DATE: JAN. 2024



STAKEOUT PLAN
NOT TO SCALE
NORTH

Stakeout Data				
Point #	Description	Northing	Easting	Elevation
1000	CP-1	2739.12	2378.22	2491.21
1001	CP-2	2679.13	2376.08	2490.85
1002	CP-3	2249.37	2362.58	2491.04
1003	CP-4	2235.89	2961.24	2487.19
1004	CP-5	2129.88	2898.63	2486.21
1005	CP-6	2103.55	3316.69	2484.99
1006	CP-7	1769.57	3305.55	2483.94
1007	CP-8	1741.58	3753.13	2483.92
1008	FL	2688.15	2351.99	2492.01
1009	FL	2733.06	2354.80	2492.01
1010	FL	2624.92	3307.71	2484.76
1011	FL	2677.83	3311.01	2484.48
1012	FL	2346.98	3514.45	2482.01
1013	FL	3231.86	4153.25	2478.00



DETENTION POND PLAN
NOT TO SCALE
NORTH

This file prints and plots as original drawings.
If you are not the user, please contact the author.

**NEW RAIL SPUR
PERFORMANCE PLUS
MCCOOK, NEBRASKA**

DESIGN ASSOCIATES
INCORPORATED
1001 S. 10TH STREET
MCCOOK, NEBRASKA 68801
TEL: 402.833.1111
WWW.DA-NE.COM



DWG: M-102-2023-000-000-000

DRAWN: T.A.S.	CHECKED:
REVISIONS:	

C-9

DATE: AUG. 2023

**CITY MANAGER'S REPORT
JANUARY 15, 2024 CITY COUNCIL MEETING**

ITEM: 3.1.

RECOMMENDATION:

REJECT THE ONE BID RECEIVED FOR THE 2024 CRACK SEALING PROJECT AND AUTHORIZE STAFF TO READVERTISE THE PROJECT AND RECEIVE BIDS AT 2:30 P.M. ON JANUARY 30, 2024.

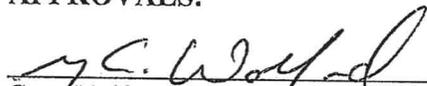
BACKGROUND

On January 9th bids were opened for the annual crack sealing for the city streets, and only one bid was received. Attached is a copy of the bid tabulation.

Since there was only one bid, and it is approximately 20% higher than last year, we are recommending we reject the bid and readvertise for new bids.

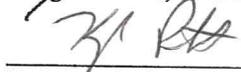
FISCAL IMPACT: None.

APPROVALS:



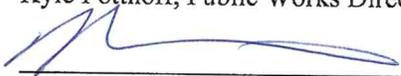
Greg Wolford, W Design Associates

Date: 11 Jan 24



Kyle Potthoff, Public Works Director

Date: 1/11/24



Nate Schneider, City Manager

Date: 1-11-24

Bid Tabulation
McCook Public Works - 2024 Crack Sealing Project
McCook, NE 69001

Bid Date: 01/9/2024@ 2:30 PM

CONTRACTOR	TOTAL BASE BID	START DATE	COMPLETION DATE	BID BOND	NOTES
American Pavement Solutions 1455 Gruber Rd. Green Bay, WI 54313 920-593-7386					
Armor Proseal, LLC 563 Road 6530 Montrose, CO 51401 970-249-3030					
B & H Paving P.O. Box 524 Scott City, KS 67871 620-872-3580					
Bauer Infrastructure, LLC 18570 SW 29th St. Martell, NE 68404 402-525-0631					
Diamond Drilling & Sawing Co. 1157 S. Bannock St. Denver, CO 80223 303-733-3741					
Maxwell Products 650 South DeLong St. Salt Lake City, UT 84104 801-433-4331					
Schodeller Construction 4410 S 40th Street, Ste. C St. Joseph, MO 64503 816-288-5069					
Screed Tech LLC 70601 567th Avenue Fairbury, NE 68352 402-587-1482					
Stripe & Seal LLC 1518 Yocemento Ave. Hays, KS 67601 785-623-7446					
Wolverine Sealcoating, LLC 3235 County Farm Rd. Jackson, MI 49201 517-962-4261	\$ 72,000.00	3/1/2024	4/1/2024	Yes	

ADVERTISEMENT FOR BIDS

The CITY OF McCOOK, Nebraska will receive sealed bids for the 2024 Crack Sealing Project and associated work as described in the Plans and Specifications at the Office of the City Clerk, McCook Municipal Center, P.O. Box 1059, 505 West "C" Street, McCook, Nebraska until 2:30 P.M. CST on January 30, 2024 and then such bids shall be publicly opened and read aloud in the City Council Chambers, McCook Municipal Center.

All bids must be made on the Proposal Form provided with the Plans and Specifications as prepared by W DESIGN ASSOCIATES, Consulting Engineers and Architects. Bids received after the closing will be returned unopened and shall not be considered.

Contractors may obtain paper copies of the Plans and Specifications from W Design Associates, 214 East 1st Street, McCook, Nebraska 69001 upon payment of \$15.00 for each set requested. Electronic copies may be obtained by email from breanna@wdesignea.com at no cost.

Each bid shall be accompanied by a certified check, cashier's check, or bid bond in an amount of not less than five percent (5%) of the total bid amount, and shall be made payable to the City of McCook, Nebraska as security that the bidder to whom the contract may be awarded will enter into contract to construct the project and give bond in the sum of the total contract amount for the construction of the project. Checks accompanying bids not accepted shall be returned to the bidders. Performance and Payment Bonds will be required for this project.

This project is the crack sealing of various City streets in McCook.

No bid shall be withdrawn after opening the bids without the consent of the McCook City Council for a period of 45 days.

The City of McCook reserves the right to accept or reject any or all bids and to waive any informalities in the bidding.

Dated this 15th day of January, 2024.

-s- Lea Ann Doak
City Clerk

Publish: January 18 and 25, 2024.

**CITY MANAGER'S REPORT
JANUARY 15, 2023 MCCOOK CITY COUNCIL MEETING**

ITEM NO. **4.A** Update regarding the swimming pool project.

BACKGROUND:

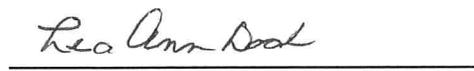
Staff would like to keep this item as a place keeper on the McCook City Council agendas while we work through the planning and construction process for both the swimming pool and the ballpark.

APPROVALS:



Nathan A. Schneider, City Manager

January 9, 2023



Lea Ann Doak, City Clerk

January 9, 2023



Tera Koetter, Assistant City Manager

January 9, 2023