

**CITY OF BROKEN BOW  
CITY COUNCIL WORKSHOP AGENDA  
August 9<sup>th</sup>, 2016 @ 11:00 A.M.  
City Hall Council Chambers  
314 South 10<sup>th</sup> Avenue, Broken Bow, NE**

**A. Call to Order**

**B. Roll Call**

**C. Open Meeting Law:** A current copy of the Open Meetings Act is posted on the North wall in the rear of the Council Chambers and is available for review by all citizens in attendance.

**D. Discussion Items**

a. Discuss Downtown Project

b. Possible Change Orders

c. Interim Financing for Downtown Projects

**E. Adjournment**

# BRUNING STATE BANK

www.bruningbank.com

Bruning 800-403-5889  
Hebron 800-405-6167  
Broken Bow 877-872-2757  
Holdrege 877-995-3880

## City of Broken Bow

### Loan Proposal

Borrowers: City of Broken Bow

Purpose: Proposal for Street Financing, Interim

Term: 8 months, principal and interest due at maturity.

Interest Rate: 2.9% fixed

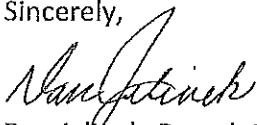
Fees: .75% Origination

Collateral: Unsecured

Conditions: Approval by the City of Broken Bow via Resolution approving this loan Transaction.

We are pleased to offer this Loan Proposal regarding financing of the current street improvement project. This proposal may be consolidated into a Participation Agreement between several of the local Broken Bow Banks. By doing this, the City of Broken Bow will deal with one bank only for simplicity. That Bank would participate out to the other interested local banks.

Sincerely,



Dan Jelinek, Branch President

**YOUR COUNTRY BANK**  
Member FDIC



# nebraska state bank & trust company

P.O. BOX 688 • BROKEN BOW, NE 68822

## City of Broken Bow Confidential Term Sheet - Not a commitment

Borrowers: City of Broken Bow

Loan #1: Purpose: Interim Financing of street project  
Loan Amount: \$2,800,000 multiple advance - non revolving  
Term: 8 months  
Amortization: All principal and interest at maturity  
Payments: All principal and interest at maturity  
Rate: 2.9% fixed

Fees: .75% origination fee  
Interest Calculation Actual 360/365

Collateral: unsecured

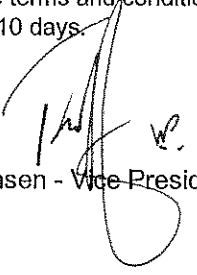
Monitoring: Project budget and monitoring  
Project Advance monitoring

Conditions: This is not a loan commitment at this time. The loan(s) will require the following to be completed at a later date:

- 1) Approval of City Council to authorize financing with local banking institutions

If the above terms and conditions are acceptable, please indicate by signing below and returning a signed copy via fax or mail within 10 days.

Sincerely,

  
Travis Hansen - Vice President

Received by:

Authorized Representative  
Owner/Borrower

Date



# Custer Federal

## STATE BANK

July 13, 2016

Mr. Brent Clark  
City Administrator  
City of Broken Bow  
PO Box 504  
Broken Bow, NE 68822

In re: Interim Financing

Dear Mr. Clark:

Thank you for the opportunity to be involved with the interim financing needed by the City of Broken Bow to complete the downtown construction project.

Custer Federal is in a position to offer a maximum loan of \$1,635,000.00 for purposes of completing the project. The interest rate would be at 2.90% with a 0.75% origination fee. We understand the term of the loan would be approximately six to eight months. The funds would be advanced as needed with repayment coming from the issuance of a permanent bond. As previously explained, our loan amount is somewhat less than requested, but for our size and circumstance this is the maximum allowed.

Also as previously discussed, if other arrangements are needed including participating with other banks, we would be happy to cooperate in most any way that is advantageous to the city.

This loan commitment is subject to conditions required for a municipality to borrow funds. This commitment is in effect for 60 days.

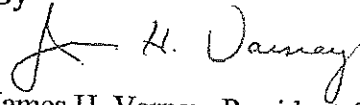
We trust this information will be useful to the city in completing the project in a financially efficient manner.



Sincerely yours,

CUSTER FEDERAL STATE BANK

By

A handwritten signature in cursive script, appearing to read "J. H. Varney".

James H. Varney, President & CEO

cc: Nancee Coufal, Finance Director



# Great Western Bank<sup>SM</sup>

Making Life Great

Member FDIC

July 18, 2016

City of Broken Bow  
365 East South N St  
Broken Bow, NE 68822

Re: Request for Interim Financing- Downtown Improvement Project

Dear Brent:

Great Western Bank is pleased to advise you that your request for financing has been approved subject to the following terms and conditions:

**Borrowers:** City of Broken Bow

**Loan Amount:** \$2,800,000.00, Non-revolving Line of Credit

**Purpose:** Interim Financing for the Downtown Improvement Project

**Interest Rate:** 2.50% Fixed

**Term:** 8 months

**Payments:** All principal and interest due at maturity

**Fee:** Origination fee of .50% of the loan amount

**Collateral:** Unsecured

**General Conditions:** The closing and fund of this loan are subject to the following conditions:

1. Monthly project reports
2. Sufficient funds to payoff our loan in full by the maturity date.
3. The payoff of our loan is an authorized and approved use of the bond proceeds.

In addition to the foregoing, this commitment letter is made based on the accuracy and completeness of all information which was submitted to the Bank in connection with the loan application. The Bank reserves the right to revoke this commitment if any such information is materially inaccurate or incomplete, or if there is any material adverse change in Borrower's operations, or if the assumptions on which this commitment letter is made are untrue, incomplete or inaccurate in any respect. If the terms and conditions of this letter meet with your approval, please so indicate by signing below and returning this letter by August 15, 2016.



**Great Western Bank**<sup>SM</sup>

Making Life Great

Member FDIC

If the executed acceptance is not received by then, this commitment will expire and be null and void, unless the Bank, in its sole discretion, extends the term of this commitment in writing.

Great Western Bank appreciates the opportunity to be involved with this project. We are looking forward to doing business with you and the City of Broken Bow. Please call me at 872-6808 with any questions or concerns.

Sincerely,

A handwritten signature in cursive script that reads "Stacey Guthard".

Stacey Guthard  
Business Banker

To: Great Western Bank

TO BE LEGALLY BOUND, I HEREBY ACCEPT THE ABOVE COMMITMENT.

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Authorized Representative (borrower)





# OPINION OF COST

**PROJECT** | South B Street Improvements - 10th Avenue to 12th Avenue

**JEO PROJECT NO.** | 141001

**LOCATION** | Broken Bow, Nebraska



GROUP A - South B Improvements - Paving, Storm Sewer, Sanitary Sewer & Removals					
Item	Qty.	Unit	Description	Unit Price	Total
1	1	LS	Mobilization	\$6,000.00	\$6,000.00
2	2,400	SY	Remove Pavement	\$7.00	\$16,800.00
3	2,100	SY	Remove Brick Pavers	\$18.00	\$37,800.00
4	1,200	SY	Remove Walk	\$6.50	\$7,800.00
5	11	EA	Remove Grate Inlet	\$430.00	\$4,730.00
6	3	EA	Remove Storm Sewer Manhole	\$700.00	\$2,100.00
7	250	LF	Remove Storm Sewer Pipe	\$24.50	\$6,125.00
8	1,900	SY	Build 9" Concrete Pavement	\$48.00	\$91,200.00
9	1,750	SY	Build 8" Concrete Pavement	\$46.00	\$80,500.00
10	800	SY	Build 5" Concrete Sidewalk	\$45.00	\$36,000.00
11	3,650	SY	Subgrade Preparation	\$3.15	\$11,497.50
12	500	CY	Embankment (Established Qty)	\$14.00	\$7,000.00
13	100	SF	Build Curb Ramp	\$80.00	\$8,000.00
14	150	LF	Build 24" RCP Storm Sewer	\$70.00	\$10,500.00
15	150	LF	Build 18" RCP Storm Sewer	\$63.00	\$9,450.00
16	6	EA	Build Grate Inlet	\$5,500.00	\$33,000.00
17	4	EA	Build Storm Sewer Manhole	\$5,800.00	\$23,200.00
19	5	EA	Cores for Signs	\$134.00	\$670.00
20	2	EA	Connect to Existing Sewer Main	\$800.00	\$1,600.00
21	6	EA	Remove Curb Stop	\$500.00	\$3,000.00
<b>TOTAL GROUP A</b>					<b>\$396,972.50</b>
GROUP B - South B Improvements - Water					
Item	Qty.	Unit	Description	Unit Price	Total
1	1	LS	Mobilization	\$6,000.00	\$6,000.00
2	850	LF	8" DR18 PVC Water Main Pipe	\$38.00	\$32,300.00
3	6	EA	8" MJ Gate Valve & Box	\$1,563.00	\$9,378.00
4	6	EA	8" MJ Retainer Gland	\$120.00	\$720.00
5	5	EA	8" MJ Plug	\$168.00	\$840.00
6	2	EA	8" MJ Cap	\$168.00	\$336.00
7	5	EA	8" Foster Adapter	\$288.00	\$1,440.00
8	7	EA	8" MJ Tee	\$576.00	\$4,032.00
9	1	EA	8" Cross	\$810.00	\$810.00
10	6	EA	8" x 1" Service Saddle	\$232.00	\$1,392.00
11	2	EA	Fire Hydrant Assembly	\$5,000.00	\$10,000.00
12	400	LF	1" PE Water Service	\$26.00	\$10,400.00
13	6	EA	1" Corporation Stop	\$244.00	\$1,464.00
14	6	EA	1" Curb Stop & Box	\$564.00	\$3,384.00
15	6	EA	1" Cap	\$25.00	\$150.00
16	6	EA	1" Water Service Connection, Exterior	\$200.00	\$1,200.00
17	3	EA	Connect to Existing Water Main	\$750.00	\$2,250.00
18	3	EA	Abandon Existing Water Main	\$1,800.00	\$5,400.00
19	4	EA	Remove Gate Valve Box	\$500.00	\$2,000.00
20	1	EA	Remove Fire Hydrant	\$500.00	\$500.00
<b>TOTAL GROUP B</b>					<b>\$93,996.00</b>
<b>TOTAL GROUP A &amp; B</b>					<b>\$490,968.50</b>
<b>CONTINGENCIES (10%)</b>					<b>\$49,096.85</b>
<b>ENGINEERING</b>					<b>\$59,820.00</b>
<b>TOTAL PROJECT COSTS</b>					<b>\$599,885.35</b>