

RESOLUTION NUMBER 7260

WHEREAS, the City of Beatrice, Nebraska ("City") owns a water tower located near 19th Street and Jackson Street ("North Tower"); and

WHEREAS, the City owns a water tower located near South West Street and Mulberry Avenue ("South Tower"); and

WHEREAS, on November 2, 2011, the City entered into two (2) water tank maintenance agreements with Utility Service Co., Inc. for the maintenance of the North and South Towers ("Water Tank Agreements"); and

WHEREAS, the City and Utility Service Co., Inc., desire to execute an addendum to the Water Tank Agreements to establish projected annual maintenance fee amounts for each tower.

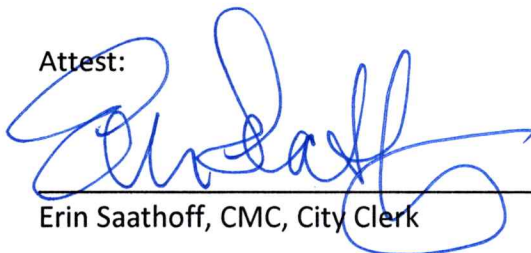
NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF BEATRICE, NEBRASKA:

SECTION 1. That the Mayor and City Clerk are hereby authorized to enter into an Addendum with Utility Service Co., Inc., to amend the Water Tank Agreements to establish projected annual maintenance fee amounts for each tower. A copy of said Addendum, marked as Exhibit "A", is attached hereto and incorporated herein by reference.

SECTION 2. That all resolutions or parts of resolutions in conflict are hereby repealed.

RESOLUTION PASSED AND ADOPTED this 1st day of April, 2024.

Attest:


Erin Saathoff, CMC, City Clerk


Robert Morgan, Mayor



March 12, 2024

City of Beatrice
 Attn: Steve Kelley
 400 Ella Street
 Beatrice, NE 68310

RE: Addendum to Water Tank Maintenance Contracts with Utility Service Co., Inc.

Dear Mr. Kelley:

This letter agreement shall serve as an addendum to the Water Tank Maintenance Contracts ("Original Contracts") described as follows:

Original Contract Date	Tank Name	Gallons	Type	Tank Project#	Customer #
02-NOV-2011	NORTH TANK	1,000,000	ELEVATED	126109	40931
02-NOV-2011	SOUTH TANK	500,000	ELEVATED	126117	40931

The following changes shall be made to the Original Contracts:

TERMS: Section 2. Annual Maintenance Fees of the Original Contracts shall be amended to include the following projected annual fee amounts, which shall continue to be invoiced quarterly:

North Tank:

Contract Year 13: \$27,678.44;
 Contract Years 14, 15, and 16: \$31,830.21 per Contract Year;
 Contract years 17, 18, and 19: \$36,604.74 per Contract Year; and
 Contract Years 20, 21, and 22: \$42,095.45 per Contract Year.

Beginning in Contract Year 14 and each third year thereafter, the above-defined fees are projected for budgetary purposes only and shall be adjusted to reflect the current cost of service. The adjustment of the Annual Fee shall be limited to a maximum of 5% annually. All applicable taxes are the responsibility of the Owner and are in addition to the stated costs and fees.

South Tank:

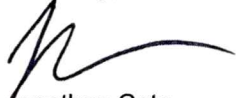
Contract Years 13, 14 and 15: \$21,699.76 per Contract Year;
 Contract Years 16, 17, and 18: \$24,954.72 per Contract Year;
 Contract Years 19, 20, and 21 \$28,697.93 per Contract Year; and
 Contract Years 22, 23, and 24: \$33,002.62 per Contract Year.

Beginning in Contract Year 16 and each third year thereafter, the above-defined fees are projected for budgetary purposes only, and shall be adjusted to reflect the current cost of service. The adjustment of the Annual Fee shall be limited to a maximum of 5% annually. All applicable taxes are the responsibility of the Owner and are in addition to the stated costs and fees.

Any and all other aspects of the Original Contract not addressed in this addendum shall remain unmodified and in full force and effect.

I appreciate this opportunity and look forward to working with you in the future.

Sincerely,



Jonathan Cato
Chief Operating Officer

City of Beatrice, NE

Authorizing Signature:



Title:

Mayor

The above signatory certifies that he or she is duly authorized to sign this Addendum on behalf of the entity(ies) represented.

Printed Name:

Robert Morgan

Date:

4-1-24



AGENDA ITEM

Subject: Resolution executing an Addendum with Utility Service,
as recommended by BPW

For Agenda of: April 1, 2024

Exhibit(s):

Date Submitted: March 27, 2024

Tobias J. Tempelmeyer, City Administrator/General Manager, reported to the Board the City has had an agreement with Utility Service Co., Inc., since 2011 for the maintenance of each water tower. Utility Service is currently painting the inside of the south water tower. The addendum would extend the current Contract Year 13 through Contract Year 22, with an annual fee adjustment of up to five percent (5%) included every three (3) years. Chairman Moran inquired if the City is happy with Utility Service and Tempelmeyer stated they have been good to work with. Tempelmeyer noted the City has looked for other companies who provide this type of service, however, none were found.

Moved by Hartley, seconded by Baehr, to recommend to the Mayor and City Council to execute an Addendum with Utility Service Co., Inc., to amend the Water Tank Agreements to clarify projected annual maintenance fee amounts for each tower.

Roll Call: Yea: Baehr, Hartley, Leech, Moran, Zarybnicky
Nay: None

MOTION CARRIED.