

# **BOARD OF PUBLIC WORKS**

**Auburn, Nebraska**



**Board Packet  
July 16 at 11:30 a.m.  
BPW Board Room  
1600 O Street**

**Chairman – Chuck Knipe  
Vice Chairman – Rich Wilson  
Secretary – Michael Zaruba  
Acting Secretary – David Grant  
Board Member – Phil Shaw**



**AGENDA FOR THE REGULAR MEETING OF THE  
BOARD OF PUBLIC WORKS TO BE HELD JULY 16, 2025, AT 11:30 AM  
AT THE BPW BOARD ROOM, 1600 O STREET, AUBURN NE**

- 1) Roll Call.**
- 2) Announce** - The Open Meetings Act is posted on the northeast wall of the Board Room.
- 3) Recognition of Guests** - Anyone wishing to be heard by the Board regarding items may speak at this time. We request that you limit your speaking time to ten minutes per meeting.
- 4) Discussion / action – CHAMBER OF COMMERCE** – Leslie Clark requested to approach the Board regarding water usage for Bee Festival being held September 13, 2025
- 5) Discussion / action – IT SUPPORT**– Request permission to submit request for proposals in consideration of IT support.
- 6) Discussion / action – JOEL KELSAY** – Request to address the Board regarding water main.
- 7) Discussion / action – AUBURN WESTGATE - WATER MAIN TESTING** – City of Auburn and JEO request to address the Board regarding testing water lines.
- 8) Discussion / action – WESTGATE ADDITION** – Update on status of Westgate addition.
- 9) Discussion / action – WTP EQUIPMENT RENTAL BIDS** – Request Board approval to award bid contingent upon DWEE approval and recommendation from Miller & Associates for temporary water treatment plant for the Longs Creek Water Project.
- 10) Discussion / action – UV EQUIPMENT BIDS** - Request Board approval to award bid contingent upon DWEE approval and recommendation from Miller & Associates for UV disinfection process equipment to be installed in the Water Treatment Plant.
- 11) Discussion / action – UNIT #7 INTERCOOLERS** – Request Board approval to purchase two intercoolers for Unit #7 from Cooper Machinery Services. Total cost will range from \$85,000.00 to \$105,000.00 depending on if cores are found non-reusable after inspection.
- 12) Discussion / action – SMR PUBLIC OUTREACH MEETING** – Update on the small modular reactor meeting held on June 25<sup>th</sup>.
- 13) Discussion - NPPD CAPABILITY TESTING** – Update on NPPD capability testing for the Power Plant contracted for capacity.
- 14) Discussion – CD RENEWALS** – Update on CD's that matured July 08, 2025.
- 15) Discussion / action – LARM INSURANCE RENEWAL** – Review and request approval of commercial property and workman's comp insurance.

- 16) Discussion / action – POINT C** – Request approval of contract with Point C to administer HRA and COBRA benefits.
- 17) Discussion / action – DROUGHT CONTINGENCY STAGE 3 EMERGENCY** – Update on the Stage 3 water emergency and current conditions.
- 18) Discussion / action – WATER SOURCE SUPPLY INFORMATION** – Update on Long's Creek water supply project.
- 19) Discussion / action – NPPD CAPACITY PURCHASE CONTRACT** – Update on negotiation with NPPD to purchase BPW capacity.
- 20) Discussion / action – NPPD WHOLESALE POWER CONTRACT** – Update on the proposed 2026 Wholesale Power contract with NPPD
- 21) Discussion / action – PERSONNEL BOARD REQUEST** – Review, discussion and possible action on personnel matters and recommendations from the hiring committee: Pursuant to Nebraska State Statute, the Board may go into executive session to discuss personnel matters.
- 22) Discussion / action – FINANCIALS:**  
Investments: All things cash: reconciliations, pledging, CD's, allocations
- 23) Discussion / action - GENERAL CONSENT ITEMS**  
Approve previous meeting's minutes and dispense with reading of same.
- a. Approve previous meeting minutes and dispense with reading of same.
  - b. Approve monthly compensation of management and employees as previously fixed by the Board.
  - c. Approve listing of checks written during month, claims submitted for payment, and recommended transfers.
  - d. Approve Free Service Reports.
- 24) REPORTS:**
- a. Electric
  - b. Power Plant
  - c. Water/Wastewater
  - d. Office
- 25) Adjourn to the next regular meeting of the Board to be held August 20, 2025, at 11:30 a.m. at the BPW Board Room.**



# BPW BOARD UPDATE

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JULY 11, 2025

**CHAMBER OF COMMERCE** – Leslie Clarke has requested to approach the Board regarding water usage for activities during the Bee Festival being held September 13, 2025.

**IT SUPPORT** – Request permission to submit request for proposals for IT support.

**JOEL KELSAY** – Board review of sewer connection adjustment request.

**AUBURN WESTGATE – WATER MAIN TESTING** – Representatives from the City of Auburn and JEO have requested to approach the Board regarding testing water lines in the Westgate addition.

**WESTGATE ADDITION** – Update on the status of the Westgate Housing Addition.

**WTP EQUIPMENT RENTAL BIDS** – Request Board approval to award bid contingent upon Nebraska Department of Water, Energy and Environment approval and recommendation from Miller & Associates for temporary water treatment plant for the Longs Creek Water Project.

**UV EQUIPMENT BIDS** – Request Board approval to award bid contingent upon DWEE approval and recommendation from Miller & Associates for UV disinfection process equipment to be installed in the Water Treatment Plant.

**UNIT #7 INTERCOOLERS** – Request Board approval to purchase two intercoolers for Unit #7 from Cooper Machinery Services, the total cost for both intercoolers will range from \$85,000 to \$105,000.00 depending on if customer cores are found non-reusable after inspection.

**SMR PUBLIC OUTREACH MEETING** – Update on the small modular reactor meeting held on June 25<sup>th</sup> at Arbor Manor.

**NPPD CAPABILITY TESTING** – Update on NPPD capability testing for the Power Plant contracted for capacity.

**CD RENEWALS**– CD'S #20693,20688, 20689, 20690, and 20691 that matured July 08, 2025, were awarded to Auburn State Bank with the high bid. First National Bank of Johnson and Union Bank & Trust also submitted bids.

**LARM INSURANCE RENEWAL** - Our LARM insurance is due for renewal. The total cost is \$353,314.00 This is a \$37,449.00 increase, a 12% increase from last year's cost of \$315,865.00. Workman's Compensation has increased to \$36,496.00 from \$28,668.00 in 2024. Commercial Property coverage increased from \$287,197.00, to \$316,818.00. Also, additional coverages are listed in the packet. The Board may elect a three-year resolution which would reduce the total premium to \$335,648.00.

**POINT C** – Request approval of contract with Point C who has replaced Mid-American Benefit to administer HRA and COBRA benefits.

**DROUGHT CONTINGENCY STAGE 3 EMERGENCY**– Update on the Stage 3 Emergency and current conditions.

**WATER SOURCE SUPPLY INFORMATION**– Update on a potential water supply - Longs Creek Water Supply project.

**NPPD CAPACITY PURCHASE CONTRACT** – Update on negotiations regarding the contract with NPPD to purchase BPW capacity.

**NPPD WHOLESALE POWER CONTRACT** – Update on negotiations regarding the Wholesale Power Contract.

# BPW BOARD UPDATE

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JULY 11, 2025

**PERSONNEL – BOARD REQUEST** - Review, discussion and possible action on personnel matters and recommendations from the General Manager hiring committee: Pursuant to Nebraska State Statute, the Board may go into executive session to discuss personnel matters.

**ELECTRIC** – Crews are working on pole changes and line maintenance. The old oil breaks that control the rural section of line between Brownville and Peru were replaced with a modern electronic breaker control. The equipment used was left over from the substation rebuild and will work well in the application. The new capacitor bank that was ordered for near Magnolia Metal has arrived and is scheduled to be installed. This equipment will replace the old capacitor that was not working correctly for the power factor correction on the Northwest feeder.

**POWER PLANT** – The fuel tank monitors have been ordered and power to the site has been ran. This equipment was necessary to bring our fuel tanks up to code with the State Fire Marshall. Our yearly generation capacity testing is complete and went well. This keeps us compliant with NPPD testing on our generators for another year.

**WATER/WASTEWATER** – Continued daily monitoring of well levels and pumping activity. We have one well under 5'. Continued sewer maintenance. We are working on identified trouble areas. Subsurface Technologies began CO2 treatment on wells beginning June 11<sup>th</sup>. All eight wells are completed, and the flow has increased. Pumps at wells 1, 2, 6, 19 and 20 need to be pulled for cleaning. Wells 1, 2, 3, 4, 6, 19 and 20 meters were pulled and cleaned to remove rust build up. Layne Christensen is putting together a service quote to clean the pumps. Water and Wastewater Plant maintenance is ongoing. The City provided rock for the road at Longs Creek in preparation of the new water treatment site. Village of Nemaha had their pressure tank cleaned and inspected. BPW drained and prepared for the tank service. Work was performed by Pittsburg Tank. Water samples were sent in for testing. The City of Peru is draining and cleaning their water tower.

**OFFICE** – We have hired a new Utility Billing Clerk to replace Kelly Stahl who is leaving August 18<sup>th</sup>. We have been working on open enrollment for benefits. The audit is complete and submitted to the State of Nebraska

<b>Total Customers this Month</b>	<b>2,739</b>	<b>Days of Month</b>
<b>Total Customer Minutes this Month</b>	<b>118,324,800</b>	<b>30</b>

Outage Totals		
	This Month	This Month Last Year
<b>Unscheduled Outages</b>		
Long		
# Outages	3	0
# Customers Out	29	-
# Minutes Out	84	-
# Customer Minutes Out	614	-
# Within City System	3	0
# Supply to City Minutes	0	0
# Outages (Blinks)	0	0
# Customers Affected	0	-
# Within City System	0	0
# Supply to City Minutes	0	0
<b>Scheduled Outages</b>		
Long		
# Outages	3	0
# Customers Out	15	0
# Minutes Out	65	0
# Customer Minutes Out	310	0
# Within City System	3	0
# Supply to City Minutes	0	0
# Outages (Blinks)	0	0
# Customers Affected	0	0
# Within City System	0	0
# Supply to City Minutes	0	0
<b>Totals</b>		
Total Long Outages	6	0
Total Short Outages (Blinks)	0	0
Total Customers Out (Long)	44	-
Total Customers Affected (Short- Blinks)	0	-
Total Customer Minutes Out	924	-
Total Outages Within City System	6	0
Total Outages in Supply to City	0	0

S/U - Scheduled or Unscheduled  
 Ints - # of Interruptions  
 Long - >1 min; Short - <1 min  
 Cause # - see table on page 3

Number of Outages (by Cause)					
Cause #	Description	Total This Month	This Month Last Year	Rolling AT	% AT
0	Supply to City	0	0	0	0%
1	Overhead Equipment Failure	0	0	2	4%
2	Underground Equipment Failure	0	0	5	11%
3	Weather	1	0	15	32%
4	Birds, Animals, Snakes, etc.	1	0	12	26%
5	Trees	0	0	0	0%
6	Foreign Interference	0	0	0	0%
7	Human	0	0	0	0%
8	Other	3	0	11	23%
9	Unknown	1	0	2	4%
Total		6	0	47	

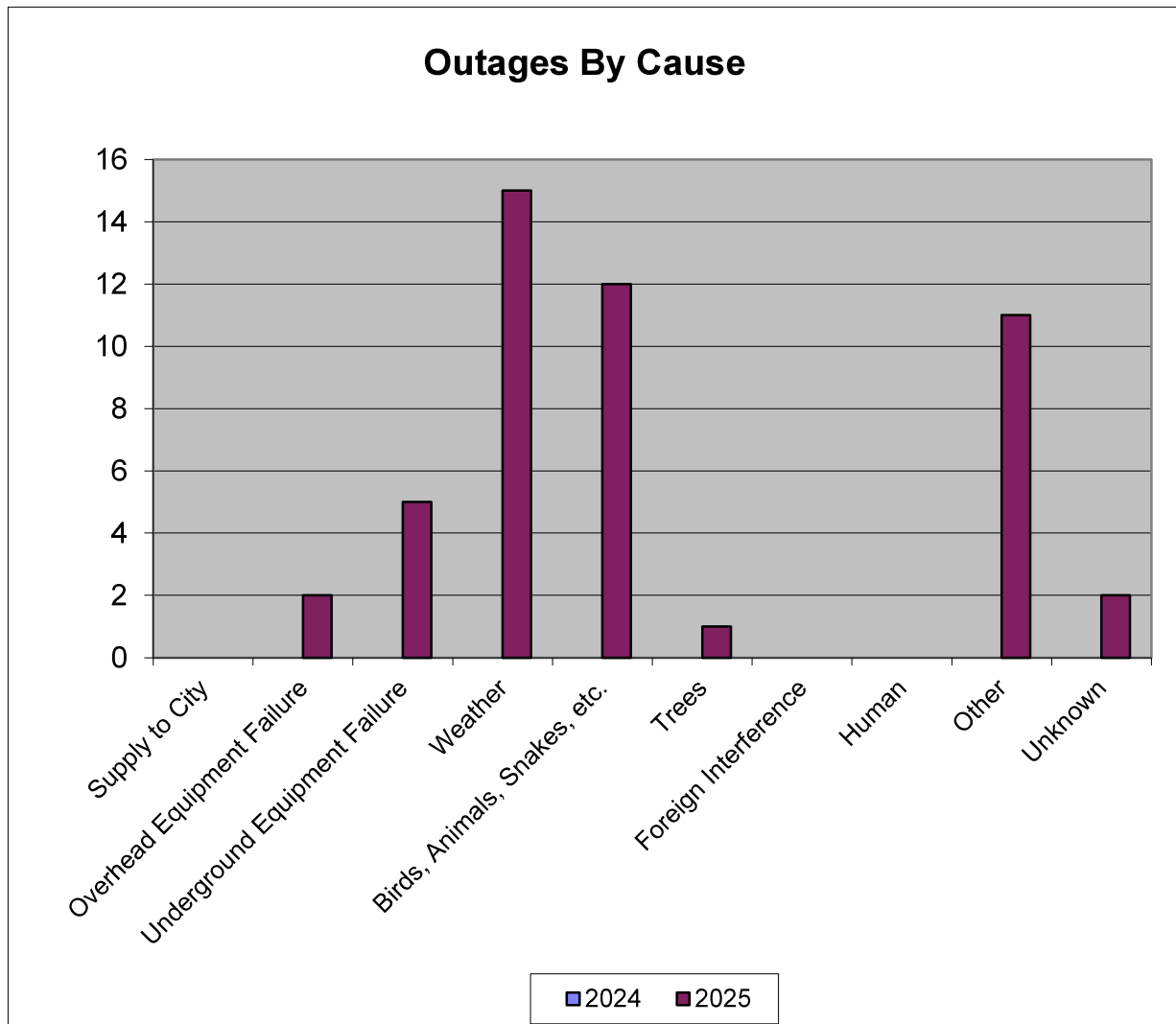
12 Month Outage Statistics		
Index	As of This Month	As of This Month Last Year
ASAI (%)	99.9862	0.0000
CAIDI (Long) (min)	47.35	0.00
SAIDI (Long) (min)	71.91	0.00
SAIFI (Long) (ints/tot cust)	1.52	0.00
SAIFI (Short) (ints/tot cust)	0.00	0.00

ASAI - Average Service Availability Index  
 (customer minutes available/total customer minutes, as a %)  
 CAIDI - Customer Average Interruption Duration Index  
 (average minutes interrupted per interrupted customer)  
 SAIDI - System Average Interruption Duration Index  
 (average minutes interrupted per customer for all customers)  
 SAIFI (Long) - System Average Interruption Frequency Index  
 (# of long interruptions per customer for all customers)  
 SAIFI (Short) - System Average Interruption Frequency Index  
 (# of short interruptions per customer for all customers)

## Outage Reasons

7/11/2025

Number of Outages (by Cause)	2024	2025	Increase
0 Supply to City	0	0	0%
1 Overhead Equipment Failure	0	2	2%
2 Underground Equipment Failure	0	5	5%
3 Weather	0	15	15%
4 Birds, Animals, Snakes, etc.	0	12	12%
5 Trees	0	1	1%
6 Foreign Interference	0	0	0%
7 Human	0	0	0%
8 Other	0	11	11%
9 Unknown	0	2	2%





**Miller & Associates**  
CONSULTING ENGINEERS, P.C.

July 10, 2025  
Kearney, Nebraska

1111 Central Ave. Kearney, NE 68847-6833

Tel: 308-234-6456

Fax: 308-234-1146

www.miller-engineers.com

Auburn Board of Public Works  
P.O. Box 288  
Auburn, NE 68305

Re: Proposals for Pre-Clarification Equipment Rental  
Project No. 552-C1-001

Dear Board Members:

On July 8, 2025 at 2:00 PM, two proposals were received for the pre-clarification equipment rental. One proposal followed the bid specifications, and one was a non-conforming proposal. The non-conforming proposal was received from Rain for Rent. Rain for Rent provided a rental agreement, however, the equipment does not meet NSF 61 Standards which is required by the Nebraska Department of Water, Energy & Environment. NSF 61 Standards are nationwide requirements for equipment that comes into contact with drinking water.

The one conforming proposal from WesTech is summarized below:

<b>No</b>	<b>Description</b>		<b>Proposal Cost</b>
1	Mobilization	Lump Sum	\$2,850
2	Demobilization	Lump Sum	\$7,720
	<b>Rental Options</b>	<b>Per Month</b>	<b>Total</b>
3	3- Month	\$52,940	\$158,820
3a.	6-Month	\$37,820	\$226,920
3b.	12 Month	\$32,145	\$385,740
4	Equipment Rental Renewal for Additional Year	Lump Sum	\$385,740
5	Technical Assistance for Start-up (Training, Start-up of Equipment, Optimizing Treatment)	Lump Sum	\$7,750
6	Technical Assistance after 2 Months of Operation (if needed)	Lump Sum	\$7,750
7	Provide Incidental Equipment (Filter Sand, Etc.)	Lump Sum	\$2,540
8	Provide System Integration from Equipment PLC to Water Treatment Plant	Includes 4 hrs	No Charge
9	FOB to Auburn	Lump Sum	\$3,580
10	Sales Tax		Not Included; Will be added at time of invoicing

The bid includes fixed costs of mobilization, demobilization, start-up, training and refresher training (if needed) along with incidental items which include filter sand. Those costs are \$32,190, which will be added regardless of the length of the rental period.

To provide the Board with an idea for the 6-month installation, the following are anticipated expenditures:

Mobilization of Equipment	\$2,850
6 Months Rental Equipment	\$226,920
Demobilization of Equipment	\$7,720
Technical Assistance at Start-Up	\$7,750
Refresher after 2 Months Operations	\$7,750
Incidental Supplies	\$2,540
FOB (delivery trucking)	\$3,580
Sales Tax	TBD
Intake Pump/Structure	TBD
Known Fixed Cost for 6 Months Equipment	\$259,110
Average Cost Per Month	\$43,185

The equipment rental does not include the intake structure and pump in Longs Creek, sales tax and installation of required electrical and control equipment. These items will be required to be designed and submitted to the Nebraska Department of Water, Energy & Environment for review and approval prior to initiating operation of the equipment. It also does not include operational cost (power) and chemical use.

The timing of initiating the use of the pre-clarification equipment will be dependent upon the installation of the UV equipment. Due to the change in source water the UV has to be operational before we can provide water from Longs Creek. At the present time, delivery is a minimum of 16 weeks (November 5<sup>th</sup>) to 26 weeks (January 14<sup>th</sup>, 2026), depending upon the UV bid selected. Installation, testing and calibration would occur after delivery. Water from Longs Creek would not be able to be used until the UV unit is operational and online. This would mean that the pre-clarification equipment would not be ready for use until Spring of 2026.

It should be noted that the preliminary filtration equipment can only be utilized during summer and will not be able to be operated during freezing conditions.

The Board of Public Utilities would need to select the length of time that the equipment would need to be rented and when you would want the rental to begin.

Respectfully submitted,  
MILLER & ASSOCIATES  
CONSULTING ENGINEERS, P.C.



Jeffrey S. Peterson, P.E.

JSP/jh





**Miller & Associates**  
CONSULTING ENGINEERS, P.C.

July 9, 2025  
Kearney, Nebraska

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Board of Directors  
Auburn Board of Public Works  
P.O. Box 288  
Auburn, NE 68305

Re: UV Equipment Procurement  
Project No. 552-C1-001

Dear Board Members:

On July 8th at 2:00 PM, two (2) bids were received, publicly opened, and read aloud at the Miller & Associates Kearney office. The bids are summarized below:

<i><b>Bidders</b></i>	<i><b>Model No.</b></i>	<i><b>Total Bid</b></i>	<i><b>Shop Drawing Submittal</b></i>	<i><b>Delivery Time After Approved Shop Drawings</b></i>
Xylem Water Solutions USA, Inc.	250e	\$168,180	40-56 Days	112-126 Days
Electric Pump, LLC	D12	\$183,692	30 Days	84 Days

The proposals have been reviewed, and the Electric Pump Bid noted a different model than specified [D12 in lieu of D06]. The Owner has the right to waive any informalities if desired. Electric Pump was contacted to verify the cost for the D06 Trojan unit and they provided a cost of \$149,250. The Bidders identified delivery times in their Bids and they are shown above.

There are minor differences in the equipment provided due to different manufacturers' equipment, however both providers are similar and are able to meet the performance specifications and requirements for a 3.5 log removal of cryptosporidium as required for surface water treatment. Electric Pump provided a larger unit than specified based on initial conversations, when we did not know the Ultraviolet Transmittance. In the specifications, based on the samples tested by Staff, a smaller Trojan Unit (D06) was capable of meeting the treatment requirements and had a shorter lead time.

The Specifications were submitted to the Nebraska Department of Water, Energy & Environment for their review and approval, however they are not approved at this time.

The Engineer's Opinion of Probable Equipment Cost was \$180,000. The lowest responsible bid from Xylem Water Solutions USA, Inc. is 7% below the Engineer's Opinion of Probable Equipment Cost.

The Board can waive informalities and accept the Revised Bid from Electric Pump using the specified Model D06 at \$149,250, or it can accept the bids as presented, and award the contract to Xylem Water Solutions USA, Inc. contingent on the Nebraska Department of Water, Energy and Environment (DWEE) approval in the amount of \$168,180 and authorization given to your authorized representative to execute agreements.

Respectfully submitted,  
MILLER & ASSOCIATES  
CONSULTING ENGINEERS, P.C.

A handwritten signature in black ink, appearing to read "Jeff Peterson", is written over the printed name.

Jeffrey S. Peterson, P.E.

JSP/jh



**QUOTATION**

**Cooper Machinery Services LLC**  
Used Equipment Sales  
315 SADIE ST  
ODESSA TX 79764-2372  
USA

**Document number** : US05/RU20/111157242  
**Page 1 of 6**  
**Date Issued** : JUN 09 2025  
**Payment Terms** : ZIMM-Pay Immediately  
**Terms and conditions** : As Attached/Included  
**Incoterms** : FOB-Free on board  
**Freight Terms** : Free On Board

Sold to : 1000005  
Company  
ONETIME CUSTOMER

Ship to : 1000005  
Company  
ONETIME CUSTOMER

Inside Sales Contact: Alfred Covos  
Email: ALFRED.COVOS@COOPERSERVICES.COM

**Valid From** : JUN 09 2025  
**Valid To** : JUN 09 2025

Item	Material Number Description	Extended Weight	Qty UM	Unit Net Price USD	Extended Price USD
000010	SHOP PARTS-CB Intercooler Recondition CMIR : 2-02H-636-008 A \$10000.00 CHARGE WILL BE APPLIED PER CORE IF CUSTOMER CORES FOUND NON-REUSABLE AFTER INSPECTION	0.000 lb	2 EA	42,500.00	85,000.00

Lead Time : 8 Weeks Delivery From Date Of Order Placement

**Price Summary :**

<b>Total Price :</b>	<b>85,000.00 USD</b>
<b>Same Day Shipment Charges:</b>	<b>0.00 USD</b>
	<b>USD</b>
<b>Total Quotation Price :</b>	<b>85,000.00 USD</b>

Cooper Machinery Services

**MINIMUM ORDER REQUIREMENTS:** \$200 Minimum for all Orders.

**CREDIT TERMS:** Credit Terms confirmed at time of order. Progress payments may apply.

**RETURN OF PRODUCTS AND ORDER CANCELLATION:** Cooper Machinery Services shall accept returns of normally stocked Goods for a period of thirty (30) days following shipment for exchange or refund of the purchase price; provided, that Goods must be in their original cartons, unopened and unused and are subject to a return inspection. Appropriate restocking/cancellation fees equal to the greater of (1) the cost incurred by Seller as a result of the cancellation, or (2) 25% of the purchase price. Non-stocked items (made to order) and Consumable type Goods such as gaskets, O-rings, nuts, bolts, wear parts, etc. are not returnable once shipped to the Buyer and no credits or refunds can be offered to the Buyer.

**EXPORT COMPLIANCE:** The items, technology, or software covered by this document may be subject to various laws including U.S. and foreign export controls. Cooper Machinery Services LLC is committed to compliance with all relevant export control laws. If the items, technology, or software are of U.S. origin or are being exported from the U.S. or will be re-exported, the following language applies: "These commodities, technology or software were exported from the United States of America in accordance with the Export Administration

## TERMS AND CONDITIONS

### GENERAL TERMS & CONDITIONS FOR SALE OF PRODUCTS, PARTS AND/OR SERVICES

**NOTICE:** Any purchase by Buyer of Products, Parts and/or Services from Seller is subject to these Terms and Conditions. Any additional or different terms proposed by Buyer are expressly objected to and shall not be binding upon Seller unless expressly accepted in writing by Seller's authorized representative. Any order for Products, Parts and/or Services shall constitute acceptance of these Terms and Conditions.

#### 1. DEFINITIONS

"Affiliate" means with respect to either party an entity (including without limitation any individual, corporation, partnership, limited liability company, association, or trust) that directly or indirectly controls, is controlled by, or is under common control with, such party.

"Applicable Law" or "Applicable Laws" means any law, statute, order, decree, rule, injunction, license, permit, consent, approval, agreement, regulation, judgment or legislative or administrative action of a competent governmental authority, which applies to the sale of Products, Parts and/or provision of Services.

"Buyer" means the entity purchasing Products, Parts and/or Services and its successors and permitted assigns.

"Buyer Taxes" means all existing and future taxes, duties, fees, and other charges of any nature (including, but not limited to, ad valorem, consumption, excise, franchise, gross receipts, import, export, license, property, sales and use, stamp, storage, transfer, turnover, value-added taxes ("VAT"), or other similar taxes, and any and all items of deficiency, penalty, addition to tax, interest, or assessment related thereto), imposed or assessed by any governmental authority of any country in connection with the execution of this Contract or performance of or payment for work hereunder, but excluding Seller Taxes.

"Claims" means all claims, demands, causes of action, liabilities, damages, judgments, fines, penalties, awards, losses, costs, and expenses (including, without limitation, attorneys' fees and costs of litigation) of any kind or character.

"Consequential Loss" means, whether direct or indirect, and whether or not foreseeable at the time of entering into the Contract or at the time of commencing performance: any loss, delay or interruption of business, profits, revenue, production or opportunity; loss of product, use or equipment; standby time; rig, vessel, or other facility or equipment downtime; cost of capital; cost of substitute equipment, facilities, services or replacement power; overhead; any special, punitive, exemplary, incidental and/or consequential damages or losses; and/or Claims of a party's customers for any of the above losses, costs or damages.

"Contract" means either the contract agreement signed by both parties or the purchase order signed by Buyer and expressly accepted by Seller in writing, together with these Terms and Conditions, any other documents incorporated by reference, Seller's Proposal, and any agreed scope of work for the sale of Products, Parts, and/or Services.

"Contract Price" means the aggregate amount to be paid by Buyer to Seller for the purchase of Products, Parts and/or Services, as stated in the Contract, and any agreed adjustments to the same.

"Delivery" means when the Products/Parts have been delivered according to the applicable Incoterms (2010). "Deliver" shall be construed accordingly.

"Group" means with respect to either party, such party (either Buyer or Seller, as applicable), as well as its Affiliates, and in connection with the project to which the Products, Parts and/or Services relate, its joint venture partners, joint interest owners, co-lessees, consortium members and/or other partners, and, in respect of Buyer only, the Site owner, end user, or Site operator; and for all of the above, also its and their contractors and subcontractors of any tier in connection with said project, as well as the shareholders, officers, directors, employees, invitees, agents, and consultants of all of the foregoing. "Buyer Group" and "Seller Group" shall be construed accordingly. Seller Group does not include any member of Buyer Group and Buyer Group does not include any member of Seller Group.

"Hazardous Materials" means any chemical, substance, material, waste or emission defined, classified or regulated as hazardous or toxic, or as a pollutant, contaminant, or threat or potential threat to human health, safety or the environment under Applicable Law, including but not limited to naturally occurring radioactive material, hydrocarbons, asbestos, lead, hydrogen sulphide or polychlorinated hydrocarbons, including biphenyls and biphenols.

"Indemnify" means release, defend, indemnify, and hold harmless.

"Parts" means the spare or repaired parts required in relation to the Product, identified by Seller in the Contract.

"Products" means all equipment, materials, supplies, software, products, and other goods (excluding Parts) as applicable, sold under the Contract.

"Proposal" means Seller's formal offer to provide the Products, Parts and/or Services, and any mutually agreed written amendments thereto.

"REGARDLESS OF CAUSE OR ACTION" MEANS (TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW), REGARDLESS OF: CAUSE, FAULT, DEFAULT, NEGLIGENCE IN ANY FORM OR DEGREE, STRICT OR ABSOLUTE LIABILITY, BREACH OF DUTY (STATUTORY OR OTHERWISE) OR ANY PERSON, INCLUDING OF THE INDEMNIFIED PERSON, UNSEAWORTHINESS OF ANY VESSEL, AND/OR ANY DEFECT IN ANY PREMISES/ VESSEL; FOR ALL OF THE ABOVE, WHETHER PRE-EXISTING OR NOT AND WHETHER THE DAMAGES, LIABILITIES, OR CLAIMS OF ANY KIND RESULT FROM CONTRACT, WARRANTY, INDEMNITY, TORT/ EXTRA-CONTRACTUAL OR STRICT LIABILITY, QUASI CONTRACT, LAW, OR OTHERWISE.

"Seller" means Cooper Machinery Services, LLC or named Cooper Affiliate signing the Contract or the purchase order, and its successors and permitted assigns.

"Seller Taxes" means all corporate income taxes imposed on Seller and any taxes imposed on Seller's employees in connection with the execution of this Contract or the performance of or payment for work hereunder by Applicable Laws.

"Services" means all the services, including, without limitation, technical assistance and guidance, training, repairs, and remote diagnostics, to be provided by Seller under the Contract.

"Site" means the premises where Parts or Products are used or meant to be used and/or Services are performed or meant to be performed, not including any Seller Group's premises.

#### 2. DELIVERY, TRANSFER OF TITLE & RISK, STORAGE, LIQUIDATED DAMAGES

2.1 Unless otherwise provided in the Contract and in accordance with Incoterms 2010: (i) for shipments that do not involve an exit out of Seller's country of incorporation, Seller shall Deliver the Products/Parts to Buyer FCA Seller's facility, place of manufacture or warehouse; (ii) for shipments within the European customs territory, Seller shall Deliver CPT - carriage paid to named place of destination; (iii) for other export shipments out of Seller's country of incorporation, Seller shall Deliver Products/Parts to Buyer FOB, in case of transportation by sea (specifying the port of export); FCA loaded into aircraft, in case of transportation by air (specifying the airport of export); or CPT - carriage paid to named place of destination specified between the parties, in case of transportation by rail or road. The "Delivery Date" for any item of Products/Parts is defined as the date on which such item is Delivered in accordance with this Article. Partial Delivery and Delivery in advance of the Delivery schedule shall be permitted, unless otherwise specified in the Contract.

2.2 Subject to Article 2.3, title and risk of loss to Products and/or Parts shall pass upon Delivery as provided in Article 2.1, with the exception that title and risk of loss to: (i) Products and/or Parts shipped from the United States of America ("U.S.") shall pass from Seller to Buyer immediately after each item departs from the U.S. territorial land, seas and overlying airspace, which the parties acknowledge extend to twelve nautical miles from the baseline of the country, determined in accordance with the 1982 United Nations Convention of the Law of the Sea; and (ii) Products and/or Parts to be shipped to a Delivery destination directly

from countries different from Seller's country of incorporation (drop shipment), shall pass immediately after each item departs from the territorial land, seas and overlying airspace of the sending country. For the avoidance of doubt, Seller or its relevant Group member shall retain title to any equipment leased to Buyer Group.

2.3 If any of the Products and/or Parts cannot be shipped to Buyer in accordance with the agreed upon Delivery terms due to any cause not attributable to Seller Group, upon notice to Buyer, Seller may store such Products and/or Parts or ship them to outside storage, in which cases: (i) any amounts otherwise payable to Seller upon Delivery or shipment shall become payable upon presentation of a certification specifying the cause and place of storage (any payment security shall allow payments upon presentation of notice to storage instead of transport documents); (ii) all expenses incurred by Seller Group, such as for preparation and placement into storage, handling, inspection, preservation, insurance, removal charges, interest, and any VAT or other taxes imposed directly or indirectly under Applicable Law shall be reimbursed or paid by Buyer upon submission of Seller's invoices; and (iii) when reasonably possible and upon payment of all amounts due hereunder, Seller shall resume Delivery of the Products and/or Parts to the originally agreed point of Delivery. Title and risk of loss to Products and/or Parts shall pass as provided in Article 2.2, provided that Seller shall not have any obligation to store any item beyond 60 calendar days and if the storage period extends beyond 60 days, Seller shall be entitled to resume Delivery of the Products/Parts in accordance with Article 2.1. The terms of Article 2.3 shall apply also in the event any Buyer equipment repaired at Seller Group's facilities cannot be shipped to or received by Buyer in accordance with the agreed upon terms, provided that, in the case of Buyer equipment to be repaired at Seller Group's facilities, Buyer shall retain title to, and risk of loss for, any such equipment at all times.

2.4 In the event of a delay in the Delivery of Products and/or Parts beyond the contractually agreed Delivery Date or a delay in the commencement of the performance of Services beyond the contractually agreed commencement date, if such Delay/commencement is not excused under the terms of the Contract, Seller Group shall be liable exclusively for the following liquidated damages, unless a different amount is set forth in the Contract: 0.5% of the price of the delayed item for each week of delay, or 0.1% of the price of the delayed Service for each day of delay, in all cases cumulatively up to a maximum amount of 5% of the overall portion of the Contract Price allocable to the delayed Services, Products or Parts. The parties agree that such liquidated damages are not a penalty and represent a fair and reasonable estimate of the damages Buyer Group may suffer as a result of delay. SAID LIQUIDATED DAMAGES SHALL CONSTITUTE THE SOLE AND EXCLUSIVE LIABILITY OF SELLER GROUP AND THE SOLE AND EXCLUSIVE REMEDY OF BUYER GROUP FOR DELAY. No liquidated damages are due unless Buyer has suffered direct economic harm.

#### 3. EXCUSABLE DELAYS

3.1 Neither party shall be liable or considered in breach or default of its obligations to the extent performance of such obligations is delayed or prevented, directly or indirectly, due to causes beyond the impacted party's reasonable control, including but not limited to: (i) acts of God, acts or omissions of governmental authorities, fire, severe weather conditions, earthquake, strikes or other labor disturbances, flood, serious risk of kidnapping, war (declared or undeclared), armed conflict, acts or threats of terrorism, epidemics, civil unrest, riot, severe delay in transportation, severe car shortage, or inability to obtain necessary materials, components or services; (ii) in the case of Seller, acts or omissions of Buyer Group, including failure to timely provide Seller Group with access, information, tools, material, and approvals necessary to permit Seller Group to timely perform the required activities, and including, without limitation, unknown physical conditions at the Site of an unusual nature and differing materially from those ordinarily encountered and generally recognized as occurring in the work of the character provided for in the Contract. The affected party shall promptly notify the other party in the event of a delay under this Article. The Delivery or performance dates shall be extended for a period equal to the time lost by reason of such delay, plus such additional time as may be reasonably necessary to overcome the effect of such delay. If Seller is delayed by acts or omissions of Buyer Group, or by the prerequisite work of Buyer's other contractors, Seller shall also be entitled to an equitable price adjustment. Under no circumstances shall Buyer's payment obligation be deemed excusable under this Article.

3.2 If a delay excused by this Article 3 extends for more than 90 days and the parties have not agreed upon a revised basis for resuming work, including an equitable price adjustment, then either party (except where delay is caused by Buyer Group, in which event only Seller), upon 30 days written notice may terminate the Contract with respect to the unexecuted portion of the work. In the event of a delay under Article 3.1(ii), the terms of Article 10.2 shall apply in full. In the event of a delay under Article 3.1(i), Buyer shall pay Seller the pro-rated Contract Price for all work performed before the effective date of termination.

#### 4. WARRANTY

4.1 Subject to the limitations set forth in the Contract, Seller warrants to Buyer that: (i) the Products and/or Parts shall be Delivered free from defects in material, workmanship and title; and (ii) the Services shall be performed in a competent and diligent manner in accordance with any mutually agreed specifications. Unless Seller expressly agrees otherwise in writing and except for Products/Parts provided by Seller's Affiliates, any Parts not manufactured by Seller (including incidental materials and consumables used in the Services) shall carry only the warranty provided by the original manufacturers, and Seller gives no warranty for such Parts.

4.2 Unless otherwise stated in the Contract, the warranty period ("Warranty Period") shall be as follows: (i) for each Product (excluding Parts), 12 months from Start-Up date, or 8,600 running hours, or 18 months from the date of Delivery, or from the date of notice that the Products are ready for shipment, if the Delivery cannot take place for reasons not attributable to Seller Group, or from the date of notice that the Products are put into storage under Article 2.3, whichever occurs first; (ii) for Services, one year after performance of the Service; (iii) for Parts, 18 months after Delivery or 12 months after installation, whichever occurs first; (iv) for repaired, replaced, or re-performed Products, Parts, or Services, six months after repair/replacement or re-performance, provided that Seller Group's warranty obligations shall in all cases terminate and in no event extend beyond 24 months after Delivery or placement into storage of the original Products/Parts or performance of the initial Service. As used herein, "Start-Up" means the equipment start-up activities to be carried out by Buyer in connection with the Products not later than 30 days from Seller's written notification that the Products are ready for start-up.

4.3 If Products, Parts, or Services do not meet the above warranties during the applicable Warranty Period and Buyer informs Seller in writing within 15 days of discovery, Seller's sole and exclusive liability shall be to either re-perform the defective Services, or repair or replace the defective component of the Products/Parts, at Seller's option. If despite Seller's reasonable efforts, a non-conforming Product/Part cannot be repaired or replaced, or non-conforming Services cannot be re-performed, the parties will negotiate an equitable adjustment in price with respect to such Product, Parts, component, or Service. Seller Group shall not under any circumstances be liable for defects that arise or are discovered after expiration of the Warranty Period.

4.4 Seller shall not be liable for accessing, retrieving, removing, or decontaminating defective Products or Parts, or for reinstalling repaired or replacement Products/Parts, or for any costs, damages, or losses incurred in connection with any of the above operations. Seller shall be responsible to transport defective Products or Parts only to and from the original Delivery point. Buyer shall be responsible for all customs formalities, costs and taxes connected with any export to Seller or import of goods sent back to Buyer.

4.5 Seller does not warrant the Products, Parts or any repaired or replacement item against normal wear and tear, including that due to environment, excessive operation at peak capability, frequent starting, type of fuel, detrimental air inlet conditions or erosion, corrosion or material deposits from fluids, misuses, accident, modification, heating, machining, welding, welding, alteration of any kind, or operation under conditions more severe than, or otherwise exceeding those set forth in, the specifications for the relevant Product or Part. The warranties and remedies set forth herein are further conditioned upon: (i) proper storage, installation, use, operation, and maintenance of the Products/Parts, and conformance with the operation instruction and installation manuals (including revisions thereto) provided by Seller Group; (ii) Buyer keeping accurate and complete records of operation and maintenance during the Warranty Period and providing Seller access to those records, and (iii) repair or modification pursuant to Seller's instructions and approval. Failure to meet any such conditions in Article 4.5 renders the warranty null and void.

4.6 THE REMEDIES SET FORTH IN ARTICLE 4 CONSTITUTE THE SOLE AND EXCLUSIVE REMEDIES FOR ALL CLAIMS ARISING OUT OF OR RELATING TO ANY FAILURE OF, OR ANY DEFECT OR NON-CONFORMITY IN, THE PRODUCTS, PARTS, OR SERVICES, REGARDLESS OF WHEN THE FAILURE, DEFECT OR NON-CONFORMITY ARISES AND REGARDLESS OF CAUSE OR ACTION. THE WARRANTIES SET FORTH IN ARTICLE 4 ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, CONDITIONS, AND GUARANTEES, WHETHER WRITTEN, ORAL, IMPLIED, OR STATUTORY. NO IMPLIED OR STATUTORY WARRANTY OR CONDITION OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE SHALL APPLY.



4.7 All Parts Delivered shall conform to Seller's part or version number specified in the Contract, or its equivalent or the superseding number subsequently assigned by Seller. If the number ordered is no longer available, Seller is authorized to provide a valid interchangeable Part without notice to Buyer.

5. **INSPECTION AND FACTORY TESTS** - The quality control exercised by Seller in its manufacture of Products/Parts shall be in accordance with Seller's normal quality control policies, procedures and practices. Unless otherwise expressly agreed in the Contract, Seller shall attempt to accommodate Buyer's requests to witness Seller's factory tests of Products/Parts, but only if such witnessing can be arranged without delaying the work. Access to Seller Group's premises shall be limited to areas directly concerned with the Products/Parts, excluding in all cases areas where work of a proprietary nature is conducted.

6. **CHANGES** - Each party may at any time propose changes in the schedule or scope of Parts, Products or Services in the form of a draft change order. Neither party is obligated to proceed with the changed schedule or scope until both parties agree to such change in writing. Unless otherwise agreed by the parties, pricing for additional work arising from such changes shall be at time and material rates.

## 7. PAYMENT

7.1 Buyer shall pay to Seller all invoiced amounts Net 30 days when due or in a timely manner according to the Contract. If nothing is agreed in the Contract, payment shall be made in US dollars or the currency set forth in the Seller's proposal. Seller reserves the right to require Payment Milestones or require one or more irrevocable, unconditional, letters of credit payable at sight ("Payment Security"), without any set-off and in the currency agreed in the Contract (or on the face of the purchase order). In the event Buyer requests payment by credit card, Seller at its option may add a 3% surcharge to the applicable Contract Price for processing fees associated with credit card transactions.

7.2 In addition to other Contract remedies, Buyer shall pay interest to Seller at the rate of 1.5% per month (or fraction thereof), not to exceed the lesser of 18% per annum or the maximum amount permitted by Applicable Law, on all amounts not timely paid in accordance with the Contract.

7.3 If applicable, each Payment Security shall be irrevocable and unconditional, and allow for pro-rata payments for partial deliveries, other charges (e.g., storage, export shipments, cancellations, and adjustments), and all other payments due to Seller under the Contract. Each Payment Security shall be: (i) issued or confirmed by a primary international bank that is reasonably acceptable to Seller; (ii) payable at the counters of such bank; (iii) opened 30 days from the Contract effective date; and (iv) remain in effect until the latest of 90 days after the latest scheduled Products/Parts shipment, or completion of Services, or receipt by Seller of final payment. Buyer shall make relevant adjustments in the Payment Security (including increasing amounts or validity period, and including in accordance with the changes agreed in the Contract) as required to fulfill its payment obligations under the Contract, within 15 business days of Seller's notification that such adjustment is necessary. Seller will not have an obligation to begin performance until the Payment Security, or the required adjustment thereof, has become operative.

## 8. TAXES AND DUTIES

8.1 Seller shall be responsible for and shall pay when due and payable all Seller Taxes, and Buyer shall be responsible for and shall pay all Buyer Taxes. The Contract Price does not include any Buyer Taxes. Therefore, if any such taxes are applicable, they will be added to the Contract Price. For U.S. sales and use tax, and in other jurisdictions where applicable, Buyer may report/submit sales or similar taxes directly if Buyer timely provides a direct pay or exemption certificate to Seller.

8.2 If the Applicable Laws require the Contract to be subject to stamp duty, fee, or registration, Buyer shall be responsible for the required formalities and bear the related costs. Buyer shall return to Seller a copy of the registration certificate or a registered copy of the Contract within 10 days from the due date required by said Applicable Laws to register or pay for such stamp duty, fee, or registration. According to the Applicable Laws of the country in which Buyer has requested Seller to provide Services, Seller may be required to be registered locally, in which case, Seller shall perform the Services and invoice for them with the intervention of its relevant branch or permanent establishment.

8.3 If Buyer is required to deduct or withhold any Seller Taxes from the Contract Price, Buyer shall (1) give at least 30 days' notice to Seller that Buyer will withhold, (2) make all reasonable efforts to minimize any withholding tax from payments to Seller, in accordance with Applicable Laws and any applicable bilateral conventions against double taxation, and (3) provide to Seller, within 30 days from payment, the official receipt issued by the competent government authority to which the Seller Taxes have been paid, or an alternative document acceptable to the relevant tax authorities. If Buyer requires tax residence certificates or other documentation from Seller to apply for any exempted or reduced tax regime, Seller shall submit the appropriate certificates upon Buyer's written request. If Buyer, under the Applicable Laws of any country other than Seller's country of incorporation or in which Seller has a branch, deducts or withholds Seller Taxes or fails to comply with the requirements of this clause, Buyer shall pay additional amounts to Seller so that Seller receives the full amount of the Contract Price, as though no such Seller Taxes had been deducted or withheld.

8.4 If Buyer benefits from any tax, fee or duty exemption which is applicable to Seller or Seller's Group, Buyer agrees to provide Seller, without charge and before the following as applicable: (1) entering into the Contract, (2) before invoicing, or (3) before any other relevant event, documentation acceptable to the competent tax authorities supporting the exemption, together with instructions on the exemption procedure. Buyer shall promptly inform Seller in writing about the revocation, expiry or other change of the exemption. If Seller is denied the exemption because of a failure of Buyer, Seller shall be entitled to invoice and Buyer shall pay promptly the applicable tax, fee or duty.

8.5 When Buyer arranges the export or intra-European Union ("EU") community shipment, Buyer will provide to Seller, free of charge and within 90 days (or, in the case of exports from the U.S., 30 days), evidence (obtained from Buyer's forwarder) of exportation or intra EU community shipment, such evidence must be in a form that is acceptable to the competent tax and customs authorities. Failing the above, Seller shall be entitled to invoice Buyer the applicable VAT, U.S. sales and use tax, or similar taxes.

9. **ASSIGNMENT, NOVATION & SUBCONTRACTING** - Buyer may assign or novate the Contract, in full or in part and including through change of ownership, only with the prior consent of Seller, which consent shall not be unreasonably delayed or withheld, provided that Seller shall be entitled to withhold such consent only for demonstrable reasons if the assignee/novatee lacks adequate financial capability, is a competitor or potential competitor of Seller or its Affiliates, causes Seller Group to be in breach of Applicable Law, and/or does not meet Seller's code of ethics. Seller may assign or novate to third parties the Contract, in full or in part, only with the prior consent of Buyer, which consent shall not be unreasonably delayed or withheld, provided that Seller may, without Buyer's consent: (i) assign or novate the Contract, in full or in part, to one or more Affiliates of Seller; and (ii) assign any receivables due hereunder to one or more Affiliates of Seller. The parties agree to execute such documents as may be necessary to effect the permitted assignments or novations. In the event of a novation or assignment by Buyer, Buyer shall cause the novatee/assignee to provide additional payment security at Seller's reasonable request. Any assignment or novation in violation of the above shall be void and without effect for the other party. Nothing herein shall restrict Seller from subcontracting portions of its work, provided that Seller remains responsible to Buyer for performance of such work.

## 10. TERMINATION AND SUSPENSION

10.1 Either party may terminate this Contract for default if: (i) any proceeding is brought against the other party, voluntarily or involuntarily, under applicable bankruptcy or insolvency laws, or if the other party is unable to pay its debts when due, to the extent permitted by Applicable Law; or (ii) the other party commits a material breach of this Contract, which does not otherwise have a specified contractual remedy, and fails to cure the breach within 30 days of notice from the non-breaching party, or if it is not possible to cure such breach within 30 days, fails to commence to cure the breach within 30 days of such notice or fails to thereafter continue diligent efforts to complete the cure as soon as reasonably possible. In the event of a termination by Buyer under this Article 10.1, Seller shall reimburse Buyer the difference between that portion of the Contract Price allocable to the terminated scope and the actual amounts reasonably incurred by Buyer to complete such terminated scope; and Buyer shall pay to Seller the portion of the Contract Price allocable to Products/Parts purchased and/or completed, and amounts for Services performed, before the effective date of termination. Said amounts shall be calculated using the applicable Contract rates, or in the absence of such rates, at Seller's then current standard time and material rates. In the event there are agreed-upon Contract milestones, said amounts shall be calculated in accordance with the milestone schedule for completed milestones, and the Contract rates for work toward milestones not yet achieved.

10.2 Buyer may terminate the Contract (even in part) with a 20-day prior written notice for reasons other than those set forth in Article 10.1, in which case Buyer shall pay Seller's charges in accordance with the Contract termination schedule; or if no such schedule exists: (i) Buyer shall pay Seller all costs and expenses incurred by Seller in connection with work performed before the

effective date of termination, plus a reasonable margin percentage in relation to such costs and expenses, which margin percentage shall not be lower than the margin percentage applicable to the overall Contract; or (ii) for Contracts based on payment milestones Buyer shall pay Seller: (a) all amounts due under the Contract for completed milestones, plus (b) all costs and expenses incurred by Seller in connection with work performed in relation to incomplete milestones, plus a reasonable margin percentage in relation to such costs and expenses, which margin percentage shall not be lower than the margin percentage applicable to the overall Contract. In connection with both (i) and (ii), Buyer shall also pay Seller the costs and expenses incurred by Seller as a direct result of the termination, including the costs associated with vendor disputes or Claims.

10.3 If Buyer fails to pay any outstanding undisputed invoice as set forth in the Contract, or fails to issue the Payment Security within the time agreed, Seller, upon a 15-day notice to Buyer, may suspend performance and Delivery. Any cost incurred by Seller as a result of such suspension (including storage, stand-by costs, demobilization and re-mobilization costs) shall be payable by Buyer upon submission of Seller's invoices. Performance of Seller's obligations shall be extended for a period equaling the period of Buyer's failure to meet its payment obligations, plus such additional time as may be reasonably necessary to overcome the effect of such payment delay. If suspension for Buyer's failure to pay an undisputed invoice or failure to issue the Payment Security exceeds 15 days, Seller may at its sole option immediately terminate the applicable Contract for cause and Buyer shall also pay Seller the costs and expenses incurred by Seller as a direct result of the termination, including the costs associated with vendor disputes or Claims, plus a reasonable margin percentage in relation to such costs and expenses.

10.4 With a 20-day written prior notice, Buyer may elect to suspend performance of the Contract for a maximum cumulative period of 90 days, after which Seller may terminate the Contract and Article 10.2 shall apply. In the event of suspension under this Article 10.4, Buyer shall also pay all reasonable expenses incurred by Seller in connection with the suspension, including without limitation, expenses for repossession, fee collection, stand-by costs, demobilization/remobilization, and costs of storage. The schedule for Seller's obligations shall be extended for a period of time reasonably necessary to overcome the effects of such suspension.

## 11. COMPLIANCE WITH LAWS, CODES AND STANDARDS

11.1 The Contract Price is based on Seller Group's design, manufacture, testing, and Delivery of the Products, Parts and Services pursuant to: (i) its design criteria, manufacturing processes, and procedures and quality assurance program; (ii) those portions of industry specifications, codes, and standards in effect as of the date of entering into the Contract as are specified in the Contract; (iii) Applicable Law; and (iv) any mutually agreed-upon written terms and specifications set forth in the Contract.

11.2 Notwithstanding any other provision of this Contract, the parties shall at all times comply with Applicable Law in the performance of the Contract, except for Seller to the extent that such compliance is penalized under, or otherwise violates, the laws of the United States or any European Union laws.

11.3 Seller is entitled to an equitable adjustment to the Contract Price and the Delivery schedule to reflect any additional costs and other impact incurred by Seller Group as a result of a change in Applicable Law or applicable standards and regulations, including changes in the interpretation thereof, after entering into the Contract. In the event any such change prevents Seller Group from executing its obligations without breaching Applicable Law or makes Seller's execution of its obligations unreasonably burdensome or unbalanced, Seller shall also have the right to withdraw its Proposal or terminate the Contract without any liability.

11.4 Unless otherwise agreed in the Contract, Seller shall be responsible for timely obtaining the permits, licenses, and authorizations required for Seller Group to meet the requirements of the Contract, except that Buyer shall be responsible for timely obtaining any required permits, licenses, and authorizations that can only be obtained by Buyer Group. Buyer and Seller shall provide each other reasonable assistance in obtaining the required authorizations.

11.5 Buyer agrees that it will not sell, distribute, disclose, release or otherwise transfer any item or technical data provided under this Contract to: (i) any country designated as a "State Sponsor of Terrorism" by the U.S. Department of State including, for this Agreement, the countries of Cuba and North Korea (ii) any entity located in, or owned by an entity located in, a "State Sponsor of Terrorism" country or Cuba or North Korea, (iii) the region of Crimea or (iv) any person or entity listed on the "Entity List" or "Denied Persons List" maintained by the U.S. Department of Commerce, the list of "Specifically Designated Nationals and Blocked Persons" maintained by the U.S. Department of Treasury or any other applicable prohibited party list of the U.S. Government. This clause will apply regardless of the legality of such a transaction under local law. Except as otherwise agreed in writing between the parties, each Party shall be responsible for obtaining and maintaining any authorization required for its performance under this Contract (including the transfer any item or technical data under this Contract), such as export license, import license, exchange permit or other required government export or import authorization. Each Party shall provide the reasonable assistance necessary for the other Party to secure and comply with such authorizations as may be required. Neither Party shall be liable if any government export authorization is delayed, denied, revoked, restricted or not renewed despite reasonable efforts by the Party. Additionally, such delay, denial, revocation or non-renewal shall not constitute a breach of this Agreement.

Buyer shall not use any items sold hereunder for any military application, or resell them for such purpose.

## 12. ENVIRONMENT, HEALTH, SAFETY AND SECURITY (EHSS)

12.1 Buyer shall take all actions necessary to provide a safe, healthy and secure work environment, including transportation and accommodation if applicable, for Seller Group personnel. Buyer shall inform Seller of any known risks, hazards, or changed conditions impacting worker health, safety or the environment, including the presence or potential presence of Hazardous Materials, and shall provide relevant information, including safety data sheets, site security plans, risk assessments and job hazard analyses.

12.2 To evaluate risks associated with the provision of Services and performance under this Article, Buyer shall provide Seller Group with reasonable access to review the Site and related equipment. If Seller's work at the Site is subject to local, state or national EHSS legal requirements that are not reasonably available, Buyer shall notify and provide copies of same to Seller.

12.3 If Seller or Seller's representative believes in good faith that Site conditions, Seller transportation or accommodation provisions, or the actions of others threaten the health, safety, or security of Seller Group personnel or the environment, Seller or its representatives may, in addition to other rights or remedies available, STOP WORK, evacuate some or all of its personnel, suspend performance of all or any part of the Contract, and/or remotely perform or supervise work. If Seller exercises its rights under this provision, it shall give prompt notice to Buyer, and the parties shall work cooperatively to correct the conditions or actions prompting the STOP WORK. The parties agree there shall be no retaliation taken against any person who invokes their right under this provision to STOP WORK. Any delay resulting from Seller Group's exercise of its rights under this Article shall constitute an excusable delay.

12.4 To the full extent permitted by Applicable Law, Buyer agrees that it is the generator, and shall be solely responsible for the storage, transportation and disposal of all Hazardous Materials or waste related to or arising from the performance of Services at Buyer Group sites, including any removed from Seller's equipment. Prior to the transportation and disposal of waste materials by Buyer, Seller shall properly handle and manage all Hazardous Materials resulting from the Services in accordance with Applicable Law and Buyer's written requirements. If Seller Group encounters any Hazardous Materials, it may suspend work pending Buyer elimination of the hazardous condition. If any Seller equipment or Buyer equipment destined for a Seller facility is contaminated with Hazardous Materials, Buyer shall assume sole responsibility for decontaminating such equipment and returning it in the same condition received to allow for its safe handling and transportation in compliance with Applicable Law. If any such Hazardous Materials cause an increase in Seller's cost or time, Seller shall be entitled to an equitable adjustment in price and schedule.

## 13. ADDITIONAL EHSS PROVISIONS APPLICABLE TO SERVICES

13.1 Seller Group personnel shall not be required to work in excess of any time restriction prescribed by Applicable Law. Seller Group personnel will have at least one day of rest in any seven consecutive days; provided, the parties may agree upon exceptions consistent with Seller's working time policy.

13.2 Buyer shall provide medical care and facilities at the Site consistent with international industry standards. If Seller Group's personnel require urgent medical attention, Buyer shall make its medical facilities available to such persons as necessary. To the



extent Buyer cannot supply necessary urgent medical attention at the Site or any Buyer Group's site or while working offshore, Buyer shall provide for transport of Seller Group's personnel and access of such personnel to the nearest suitable urgent care facility. For offshore or remote work, Buyer shall be responsible for the medical evacuation of Seller Group's personnel from the Site to the departure point on the mainland or Buyer's designated medical services provider.

13.3 Buyer shall transport Seller Group's personnel, equipment and materials, including medi-van, to and from all offshore locations and to such other job sites as agreed, in compliance with Applicable Law and International Industry standards regarding qualified personnel and safe operation and maintenance. Buyer Group agrees to make such equipment and information relating to its operation and maintenance available to Seller for review. Buyer shall provide personal protective equipment required during use of Buyer provided transportation to and from the offshore work and such other specialized equipment as agreed between the parties.

13.4 Buyer shall provide, at no cost to Seller, accommodation and messing for Seller Group's personnel, which offers a reasonable degree of comfort, is consistent with international industry standards and is at least comparable to that furnished to Buyer's management and technical personnel. Buyer shall provide telephone and computer internet connectivity to Seller Group's personnel at said accommodations.

#### 14. CONFIDENTIALITY

14.1 "Confidential Information" means pricing for Parts, Products, and Services, and/or information that is designated in writing as "confidential" or "proprietary" at the time of disclosure, or orally designated as "confidential" or "proprietary" and confirmed in writing within ten days after oral disclosure. Confidential Information shall not include information that: (i) is or becomes generally available to the public other than from disclosure by the receiving party's Group; (ii) is or becomes available to the receiving party's Group on a non-confidential basis from a source other than the disclosing party and, after due inquiry, that source is not subject to a confidentiality obligation to the disclosing party; or (iii) is independently developed by the receiving party's Group without reference to the disclosing party's Confidential Information, as evidenced by written documents.

14.2 The parties shall: (i) use, reproduce, or disclose the other party's Confidential Information only in connection with the Contract and permitted use(s) and maintenance of Products, Parts and Services; (ii) take reasonable measures to protect the confidentiality, and prevent disclosure and unauthorized use of the Confidential Information and (iii) in particular, not disclose Confidential Information to the other party's competitors.

14.3 A party may disclose Confidential Information: (i) to any member of its Group who has a need to know to perform the Contract or use and maintain Products, Parts, or Services and who is bound in writing to confidentiality obligations and use restrictions at least as restrictive as in this Contract; and (ii) to comply with a legal obligation, but only after promptly notifying the disclosing party of its disclosure obligation so that the disclosing party may seek an appropriate protective order. Buyer shall not disclose Confidential Information to Seller unless required for Seller to perform under this Contract. Buyer warrants that it has the right to disclose the information and shall indemnify Seller Group from any Claims or damages resulting from improper disclosure.

14.4 Neither party shall make any public announcement about any aspect of the Contract or related documents or information without prior written approval of the other party.

14.5 The confidentiality and use restrictions of this Article 14 shall survive any termination of the Contract for ten years. Each party shall indemnify the other for failure to comply with this provision.

#### 15. INTELLECTUAL PROPERTY

15.1 Seller shall indemnify Buyer from any rightful Claims of third parties that the Products or Parts manufactured by Seller or its Affiliates infringe any utility patent of the U.S., EU, or the country of initial installation (if set forth in the Contract), provided that: (i) Buyer promptly notifies Seller in writing of any such claim; (ii) Buyer makes no admission of liability and does not take any position adverse to Seller regarding such claim and gives Seller authority, at Seller's expense, to direct and control all defense, settlement and compromise negotiations; and (iii) Buyer provides Seller with full disclosure and assistance that may be reasonably required to defend any such claim.

15.2 Seller shall have no obligation or liability with respect to any claim based upon: (i) any Products, Parts or Services that have been altered, modified, or revised; (ii) the combination, operation, or use of any Products, Parts or Services with other products or services when such combination is part of any allegedly infringing subject matter; (iii) failure of Buyer Group to implement any update provided by Seller Group that would have prevented the claim; (iv) unauthorized use of Products, Parts or Services, including without limitation a breach of the provisions of the Contract; or (v) Products, Parts or Services made or performed to Buyer Group's specifications.

15.3 Should any Products, Parts or Services become the subject of a claim, Seller may at its option: (i) procure for Buyer the right to continue using the Product, Part or Service, or portion thereof; (ii) modify or replace it in whole or in part to make it non-infringing; or (iii) filing (i) or (ii), take back Products or Parts, discontinue Services, and refund any fees received by Seller attributable to the infringing Product, Part or Service.

#### 15.4 THE FOREGOING STATES SELLER GROUP'S ENTIRE AND EXCLUSIVE LIABILITY FOR ANY INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS INFRINGEMENT.

15.5 Each party shall retain ownership of all Confidential Information and intellectual property it had prior to the negotiations of the Contract. Any and all new intellectual property conceived, created or provided by Seller Group under the Contract, whether alone or with any contribution from Buyer Group, shall be owned exclusively by Seller or other members of Seller Group, as the case may be. To the extent that Buyer Group may acquire any right or interest in such new intellectual property, Buyer irrevocably assigns, and agrees to assign and/or cause other members of Buyer Group to assign, all such rights and interests in such new intellectual property as instructed by Seller, and to execute assignments and other documentation as necessary to achieve this result. To the extent permissible by law, Buyer Group waives any moral rights it acquires in any such new intellectual property. Seller shall grant Buyer use rights to utilize Seller's intellectual property embedded in the Products or Parts solely for standard use, operation, and maintenance of the Products/Parts by Buyer. Such license shall not give Buyer the right to manufacture and/or have manufactured such Products/Parts to the extent such manufacture will result in substantially new Products/Parts.

15.6 If Seller provides any Products that are software, including SaaS (Software as a Service), embedded software, or software that is installed on Buyer Group's equipment, the terms of the annexed Software License Addendum, shall apply. If there is any conflict between these Terms and Conditions and the terms of the Software License Addendum, the terms of the Software License Addendum shall prevail.

15.7 Buyer agrees that Seller may create, receive, maintain, transmit and otherwise have access to machine, technical, system, usage and related information, including, but not limited to, information about Buyer's products, services, systems and software, that is gathered periodically to facilitate the provision of Products, Parts, Services, other support, consulting, training and other services to Buyer (if any), and to verify compliance with the terms of this Contract. Seller and its Affiliates may use such information to provide, develop or improve their products or services.

16. INDEMNITY, LIMITATION OF LIABILITY, AND INSURANCE The provisions of Article 16 shall apply to the maximum extent permitted by Applicable Law and, unless otherwise expressly stated, prevail over any conflicting clauses.

16.1 (i) Seller agrees to indemnify Buyer Group from and against any and all Claims for bodily injury, illness, or death suffered by any Seller Group's personnel, and/or for damage to or loss of any property of any Seller Group member (whether owned, hired, or leased, but excluding property leased to Buyer Group) arising out of or in connection with the Contract, REGARDLESS OF CAUSE OR ACTION. (ii) Buyer agrees to indemnify Seller Group from and against any and all Claims for bodily injury, illness, or death suffered by any Buyer Group's personnel, and/or for damage to or loss of any property of any Buyer Group member (whether owned, hired, or leased, but including the Products and Parts (after Delivery), the Site, and any facilities or property thereon), arising out of or in connection with the Contract, REGARDLESS OF CAUSE OR ACTION.

16.2(i) Seller agrees to indemnify Buyer Group from and against any rightful Claims of third parties on account of bodily injury, illness or death, or damage to or loss of property, to the extent resulting directly from the negligence of Seller Group in connection with performance of the activities under this Contract. (ii) Buyer agrees to indemnify Seller Group from and against any rightful Claims of third parties on account of bodily injury, illness or death, or damage to or loss of property, to the extent resulting directly from the negligence of Buyer Group in connection with the activities performed under this Contract. (iii) In the event the

injury or damage to third parties is caused by the joint or concurrent negligence of the parties or their respective Groups, each party shall bear such injury or damage proportionally to its Group's negligence. For the avoidance of doubt, no members of either party's Group shall be considered third parties and, for purposes of Seller's indemnity obligation in Article 16.2(i), no part of the Site or any property or facilities thereon shall be considered as third party property, and the Site owner and its partners, affiliates and contractors/subcontractors shall not be considered third parties. The reciprocal indemnities in this Article 16.2 shall apply only if the indemnified party: (i) promptly notifies the other in writing of the third party claim; (ii) makes no admission of liability, does not take any position adverse to the other party and gives such other party's authority to direct and control all defense, settlement and compromise negotiations; and (iii) provides the other party with full disclosure and assistance as may be reasonably required to defend such claim.

16.3 Except only as provided in Article 16.1(i) but notwithstanding anything else to the contrary herein, in the event the Site is offshore, Buyer assumes sole responsibility for and shall indemnify the Seller Group (to the maximum extent permitted under applicable law) from and against any and all Claims asserted by or in favor of any person or party resulting from pollution, contamination or blow-out of any kind and including costs of pollution control, removal, spills, leakage, and clean-up. The above indemnity applies REGARDLESS OF CAUSE OR ACTION and even if the claim is on account of any defect in the Products, Parts or Services; but it shall not apply to surface pollution or spillage of fuels, lubricants, sewage or garbage to the extent such surface pollution or spillage originates from Seller Group's property while such property is in Seller Group's safe care, custody and control.

16.4 EXCEPT ONLY FOR SELLER'S OBLIGATIONS IN ARTICLES 8.1, 15, 16.1(i), AND 11.2 (TO THE EXTENT OF FINES AND PENALTIES IMPOSED BY A GOVERNMENT AUTHORITY AS A RESULT OF SELLER'S VIOLATION OF APPLICABLE LAW), SELLER GROUP'S TOTAL LIABILITY FOR ANY AND ALL CLAIMS OF ANY KIND, REGARDLESS OF CAUSE OR ACTION, ARISING OUT OF OR RELATED TO THE CONTRACT, OR ITS PERFORMANCE OR BREACH, INCLUDING WITHOUT LIMITATION WARRANTY AND TERMINATION, SHALL NOT UNDER ANY CIRCUMSTANCES EXCEED: (i) IN THE CASE OF CLAIMS RESULTING FROM THE PROVISION OR FAILURE TO PROVIDE, OR FROM THE USE OR FAILURE TO USE PRODUCTS OR PARTS, THE CONTRACT PRICE ALLOCABLE TO THE PRODUCT AND/OR PARTS GIVING RISE TO THE CLAIM; AND (ii) IN THE CASE OF CLAIMS RESULTING FROM THE PROVISION OR FAILURE TO PROVIDE SERVICES, THE CONTRACT PRICE ALLOCABLE TO THE SERVICES GIVING RISE TO THE CLAIM. SELLER GROUP SHALL HAVE NO LIABILITY FOR ADVISE OR ASSISTANCE GRATUITOUSLY PROVIDED BY SELLER GROUP BUT NOT REQUIRED PURSUANT TO THE CONTRACT. ALL SELLER GROUP'S LIABILITIES SHALL TERMINATE AT THE END OF THE RELEVANT WARRANTY PERIOD, EXCEPT FOR CLAIMS THAT HAVE BEEN TIMELY COMMENCED BY BUYER IN ACCORDANCE WITH THE CONTRACT.

16.5 UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY CONSEQUENTIAL LOSS, NOTWITHSTANDING ANYTHING TO THE CONTRARY, AND EXCEPT ONLY TO THE EXTENT OF AGREED LIQUIDATED DAMAGES AND ANY PREDETERMINED TERMINATION FEES DUE TO SELLER UNDER THE CONTRACT, SELLER SHALL INDEMNIFY BUYER GROUP FROM AND AGAINST ANY AND ALL DIRECT OR INDIRECT CLAIMS FOR CONSEQUENTIAL LOSS OF SELLER GROUP; AND BUYER SHALL INDEMNIFY SELLER GROUP FROM AND AGAINST ANY AND ALL DIRECT OR INDIRECT CLAIMS FOR CONSEQUENTIAL LOSS OF BUYER GROUP REGARDLESS OF CAUSE OR ACTION.

16.6 NOTWITHSTANDING ARTICLE 16.2(i), IN THE EVENT BUYER GROUP PROVIDES PRODUCTS OR PARTS TO A THIRD PARTY OR USES SELLER'S PRODUCTS/PARTS AT A FACILITY NOT OWNED BY BUYER, OR THE SERVICES ARE PERFORMED AT A FACILITY NOT OWNED BY BUYER, BUYER SHALL INDEMNIFY SELLER GROUP FROM AND AGAINST ANY LIABILITY ARISING OUT OF CLAIMS MADE IN EXCESS OF THE LIMITATIONS AND EXCLUSIONS SET FORTH IN THE CONTRACT, REGARDLESS OF CAUSE OR ACTION. IN THE EVENT BUYER ASSIGNS OR NOVATES THE CONTRACT, IN WHOLE OR IN PART, SUCH ASSIGNEE OR NOVATEE SHALL BE BOUND BY THE SAME TERMS OF THIS CONTRACT, AND BUYER HEREBY WAIVES ANY RIGHT TO CLAIM, WHETHER IN TORT, AT LAW OR OTHERWISE, FOR DAMAGES OR LIABILITIES OF ANY KIND IN EXCESS OF THE LIMITATIONS AND EXCLUSIONS SET FORTH IN THE CONTRACT.

16.7 Buyer and Seller each covenant and agree to support their mutual indemnity obligations under Article 16 by procuring and maintaining, at the indemnifying party's sole expense, insurance policies meeting the following requirements: (i) Workers Compensation/Employer's Liability as per Applicable Law; (ii) Comprehensive General Liability; Combined Single Limits for Bodily Injury and Property Damage \$1,000,000 (one million) per occurrence and \$2,000,000 (two million) in the aggregate (or its equivalent in another relevant currency), which may be satisfied through a combination of underlying and excess coverages. The parties agree that, to the extent of the indemnifying party's liability and indemnity obligations under this Contract, the indemnifying party's General Liability policies shall include the indemnified party as additional insured(s). >>> contains blanket contractual liability coverage, be primary, and receive no contribution from any insurance policies maintained by or on behalf of the indemnified party. Each party, on request, shall provide to the other party insurance certificates evidencing the aforementioned limits and terms of insurance. Buyer and Seller shall each arrange for any of their respective insurance policies hereunder to contain provisions whereby, to the extent of each party's liability and indemnity obligations under this Contract, their insurers waive their rights of subrogation against the other party's Group, as well as the other party's respective insurers.

17. NO NUCLEAR USE - The Products, Parts and/or Services are not intended or authorized for use in connection with any nuclear facility or activity, and Buyer warrants that it shall not use, or permit others to use, Products, Parts and/or Services in connection with or for any such purposes without the advance written consent of Seller. If, in breach of the foregoing, any such use occurs, Seller hereby disclaims any and all liability for any nuclear or other damage, injury, or contamination REGARDLESS OF CAUSE OR ACTION. In addition to any other rights of Seller and to the maximum extent permitted under Applicable Law, Buyer assumes sole responsibility for, and shall indemnify Seller Group from and against, any and all Claims asserted by or in favor of any person or party resulting from any nuclear or other damage, injury, or contamination REGARDLESS OF CAUSE OR ACTION. Consent of Seller to any use in connection with any nuclear facility or activity, if any, will be conditioned upon additional terms and conditions that Seller determines to be acceptable for protection against nuclear liability.

18. ADDENDA - If any Products/Parts include executable binary code, or if Seller provides any remote diagnostic, rental tools, training, or other special Services, the terms of the respective annexed Cybersecurity Services Addendum, Remote Diagnostic Services Addendum, Rental Tools Addendum, Training Addendum and/or other addendum shall apply. If there is any conflict between these Terms and Conditions and the terms of any applicable addendum, the terms of the applicable addendum shall prevail.

19. GOVERNING LAW - This Contract shall be governed by and construed in accordance with the laws of (i) the State of New York, if Seller is incorporated in the U.S.; or (ii) England and Wales, if Seller is incorporated outside the U.S., excluding in any case conflict of law rules.

20. DISPUTE RESOLUTION - Any dispute arising out of or in connection with this Contract shall be referred to settlement proceedings under the International Chamber of Commerce (ICC) Mediation Rules, without prejudice to either party's right to seek emergency, injunctive, or conservatory measures of protection at any time. If any such dispute has not been settled within 60 days following the filing of a Request for Mediation (or such other period of time as may be reasonable under the circumstances or agreed in writing), the dispute shall be finally settled in accordance with the ICC Rules of Arbitration by one or more arbitrators appointed under the said Rules. The seat, or legal place, of arbitration shall be (i) Houston, Texas USA.

#### 21. GENERAL CLAUSES

21.1 Except as otherwise expressly provided with regard to the members of each party's Group, none of the terms herein are intended to be governed by the laws of the United Kingdom. Contracts (Rights of Third Parties) Act (1999), where applicable. Buyer and Seller shall be entitled to modify, vary, amend and/or extinguish such rights without the consent of any third parties or member of either party's Group.

21.2 This Contract represents the entire agreement between the parties and no modification, amendment, rescission, waiver or other change shall be binding on either party unless agreed to in writing by their authorized representatives. Each party agrees that it has not relied on, or been induced by, any representations of the other party not contained in the Contract.

21.3 The invalidity in whole or in part of any part of this Contract shall not affect the validity of the remainder of the Contract. In





the event any provision of this Contract is held invalid or unenforceable, only the invalid or unenforceable part of the provision shall be severed, leaving intact and in full force and effect the remainder of the sentence, clause and provision to the extent not held invalid or unenforceable.

## 22. U.S. GOVERNMENT CONTRACTS

22.1 This Article 22 applies only if the Contract is for the direct or indirect sale to any agency of the U.S. government and/or is funded in whole or in part by any agency of the U.S. government. Buyer agrees that all Products, Parts and Services provided by Seller meet the definition of "commercial-off-the-shelf" ("COTS") or "commercial item" as those terms are defined in Federal Acquisition Regulation ("FAR") 2.101. To the extent the Buy American Act, Trade Agreements Act, or other domestic preference requirements are applicable to this Contract, the country of origin of Products/Parts is unknown unless otherwise specifically stated by Seller in this Contract. Buyer agrees any Services offered by Seller are exempt from the Service Contract Act of 1965 (FAR 52.222-41). The version of any applicable FAR clause listed in this Article 22 shall be the one in effect on the effective date of this Contract.

22.2 If Buyer is an agency of the U.S. government, then as permitted by FAR 12.302, Buyer agrees that all paragraphs of FAR 52.212-4 (except those listed in 12.302(c)) are replaced with these Terms and Conditions. Buyer further agrees the subparagraphs of FAR 52.212-5 apply only to the extent applicable for sale of COTS and/or commercial items and as appropriate for the Contract Price.

22.3 If Buyer is procuring the Products, Parts or Services as a contractor, or subcontractor at any tier, on behalf of any agency of the U.S. government, then Buyer agrees that FAR 52.212-5(c) or 52.244-6 (whichever is applicable) applies only to the extent applicable for sale of COTS and/or commercial items and as appropriate for the Contract Price. If the reasonableness of the price cannot be established through adequate price competition, or if cost or pricing data should be required for any other reason, or if a Product, Part or Service cannot be considered a "commercial item", Seller may terminate the Contract without penalty and be reimbursed for work done before the effective date of termination.

22.4 Seller reserves the right to reject any order from a Buyer listed on any denied party list.

## COOPER MACHINERY SERVICES - TERMS & CONDITIONS FOR SALE OF PRODUCTS, PARTS & SERVICES

February 1, 2022 COOPER MACHINERY SERVICES

Cooper Machinery Services is an equal opportunity employer and gives all qualified applicants consideration of employment without regard to race, color, religion, age, sex, sexual orientation, gender identity, genetic information, national origin, disability status, protected veteran status, or any other characteristic protected by federal, state, or local laws.



June 30, 2025

Dear LARM Member,

Attached please find your Renewal Coverage Proposal for the 2025-26 Pool Year. This proposal is itemized by line of coverage to represent your specific limits, deductibles, annualized contributions and to outline LARM's resolution credit options available for the new term.

**To ensure LARM members are adequately covered, LARM is increasing overall values. Most members are seeing property values, contents, and property in the open increases of 5% depending on if you had a valuation of your properties in the last year. This is also being driven by reinsurance to ensure proper coverage on catastrophic losses.**

To continue the goal of pursuing a strong financial position, the LARM Board formally approved the recommended adjustment to the 2025-26 Pool Year rate levels as follows:

- + 26% rate adjustment for Property.
- + 5% adjustment Level rates for Liability Coverages.
- + 5% adjustment for Workers' Compensation.

Finally, the information presented in this communication packet does not include any potential mono-line insurance placements that are not part of the formal LARM Property, General Liability or Workers' Compensation coverages (such as Bonds, Special Events Coverage, Liquor Liability, etc.) In addition, please be advised that your final invoice amount may vary from the renewal packet based on endorsements that require contribution adjustment over the next several weeks.

As always, the LARM Board and staff are very pleased that your community will continue to support LARM as we celebrate our 31<sup>st</sup> year of unparalleled commitment to serving our Members. On behalf of each of us, I thank you for making our partnership a mutual success.

Sincerely,

LEAGUE ASSOCIATION OF RISK MANAGEMENT

Tracy Juranek

Customer Service Specialist/Assistant Executive Director



Proposal For: Auburn Board of Public Works

Effective Date: 10/1/2025

COVERAGE	LIMITS AND APPLICABLE DEDUCTIBLES	CONTRIBUTION
Worker's Compensation	Statutory Limits \$500,000 Employer Liability	\$36,496
General Liability	\$5,000,000/\$5,000,000 Per Occurrence/Aggregate \$0 Deductible	\$29,894
Errors & Omissions	\$5,000,000/\$5,000,000 Per Occurrence/Aggregate \$2,500 Deductible	\$3,929
Auto Liability	\$5,000,000 Combined Single Limit \$0 Deductible	\$7,025
Auto Physical Damage	22 x Vehicles \$ Varies on Deductible	\$4,448
Commercial Property	\$83,752,229 \$5,000 Deductible	\$271,522
<b>TOTAL ANNUAL CONTRIBUTION:</b>		<b>\$353,314</b>

Contribution Credit Options

	180 Day Notice, 3 Year Commitment	180 Day Notice, 2 Year Commitment	180 Day Notice Only	90 Day Notice, 3 Year Commitment	90 Day Notice, 2 Year Commitment	90 Day Notice Only
Commitment Discount:	5%	4%	2%	2%	1%	0%
Property & Liability:	\$300,977	\$304,145	\$310,482	\$310,482	\$313,650	\$316,818
Workers' Compensation:	\$34,671	\$35,036	\$35,766	\$35,766	\$36,131	\$36,496
Total Contribution:	\$335,648	\$339,181	\$346,248	\$346,248	\$349,781	\$353,314



**League Association of Risk Management  
2025-26 Renewal Resolution**

Agenda #15

RESOLUTION NO. 2025-2

WHEREAS, Auburn Board of Public Works is a member of the League Association of Risk Management (LARM);

WHEREAS, section 8.10 of the Interlocal Agreement for the Establishment and Operation of the League Association of Risk Management provides that a member may voluntarily terminate its participation in LARM by written notice of termination given to LARM and the Nebraska Director of Insurance at least 90 days prior to the desired termination given to and that members may agree to extend the required termination notice beyond 90 days in order to realize reduced excess coverage costs, stability of contribution rates and efficiency in operation of LARM; and

WHEREAS, the Board of Directors of LARM has adopted a plan to provide contribution credits in consideration of certain agreements by members of LARM as provided in the attached letter.

BE IT RESOLVED that the governing body of Auburn Board of Public Works, Nebraska, in consideration of the contribution credits provided under the LARM Board's plan, agrees to:

- ☐ Provide written notice of termination at least 180 days prior to the desired termination date, which date shall be no sooner than September 30, 2028. (**180 day and 3 year commitment; 5% discount**)
- ☐ Provide written notice of termination at least 180 days prior to the desired termination date, which date shall be no sooner than September 30, 2027. (**180 day and 2 year commitment; 4% discount**)
- ☐ Provide written notice of termination at least 180 days prior to the desired termination date, which date shall be no sooner than September 30, 2026. (**180 day notice only; 2% discount**)
- ☐ Provide written notice of termination at least 90 days prior to the desired termination date, which date shall be no sooner than September 30, 2028. (**90 day notice and 3 year commitment only; 2% discount**)
- ☐ Provide written notice of termination at least 90 days prior to the desired termination date, which date shall be no sooner than September 30, 2027. (**2 year commitment only; 1%**)
- ☐ Provide written notice of termination at least 90 days prior to the desired termination date, which date shall be no sooner than September 30, 2026. (**90 day Notice only**)

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Signature:	_____
Title:	_____
ATTEST:	_____
Title:	_____

Please email ([customerservice@LARMpool.org](mailto:customerservice@LARMpool.org)) or fax (402.476.4089) the completed resolution to LARM.

**POINT C**  
**5310 N. 99<sup>th</sup> Street, Suite 1, Omaha NE 68134**  
**402-571-6224**

**ADMINISTRATIVE SERVICES AGREEMENT**

This agreement (“agreement”) for administrative services is made and entered into effective **July 1, 2025**, by and between **Point C**, hereinafter referred to as the Claims Administrator and **City of Auburn / Board of Public Works**, hereinafter referred to as the Plan Sponsor of the City of Auburn / Board of Public Works Employee Benefit Plan (the “Plan”).

IN WITNESS WHEREOF:

WHEREAS, the Plan Sponsor has established a self-funded health care plan for certain of its employees and/or their dependents (the “participants”);

WHEREAS, the Plan Sponsor of the Plan has the authority, power and duty to administer the Plan according to its terms;

WHEREAS, the Plan Sponsor is authorized to engage the Claims Administrator to provide certain administrative services for the Plan; and

WHEREAS, the Claims Administrator is willing to provide such administrative services.

NOW, THEREFORE, in consideration of the mutual promises and duties set forth in this agreement, the parties, thereto, intending to be legally bound, do agree as follows:

**SECTION A: DUTIES & RESPONSIBILITIES OF CLAIMS ADMINISTRATOR**

1. The Claims Administrator shall maintain adequate and necessary records from information provided by the Plan Sponsor under Section B1 herein on each Plan Participant to properly administer the Plan. These participant records shall include, but are not limited to, the following information for each Participant: Full name, date of birth, effective date of coverage and benefit elections.
2. The Claims Administrator will bond all Point C employees who handle Plan assets and will, within 30 days of a written request by the Plan Sponsor, present evidence of such bonds to the Plan Sponsor.
3. Subject to Section A4 of this agreement, the Claims Administrator agrees that Plan Participant records, and the information contained therein, shall not be disclosed, or made available to persons other than the Plan Sponsor, or its designated agents, without prior written approval of the Plan Sponsor; provided, however, the Claims Administrator may disclose such information to its subcontractors if necessary to perform its obligations under this agreement. The Claims Administrator shall comply with applicable laws and regulations regarding confidentiality or privacy of medical records and other Plan records and cooperate with the Plan Sponsor to ensure such compliance.

4. The Claims Administrator shall not disclose or use Plan records for a purpose unrelated to administration of the Plan. Absent prior written approval pursuant to Section A3 of this agreement the Claims Administrator will disclose such information only:
  - (a) In response to a court order
  - (b) For an examination conducted by an authorized state or federal government authority
  - (c) To an issuer of a stop loss policy purchased by the Plan Sponsor
  - (d) With written consent of the Plan Participant or his or her legal representative
5. The participant records maintained by the Claims Administrator shall be the property of the Plan Sponsor and shall be available for inspection by the Plan Sponsor or its designated agents, during normal business hours.
6. The Claims Administrator shall provide, subject to the Plan Sponsor's final approval, the initial Plan document, summary plan description for the Plan, and any other documents as agreed to by the Claims Administrator and the Plan Sponsor. In addition, the Claims Administrator will make available all necessary forms, ID cards, and any materials necessary for the performance of the Plan.
7. The Claims Administrator may contract with other vendors to perform services under its agreement for the benefit of the Plan. The Claims Administrator will be responsible for those services to the same extent that it would have been responsible had it performed those services directly hereunder, provided, however, professional services shall be governed by item 14 herein.
8. The Claims Administrator shall process and adjudicate all claims presented for payment according to the Plan Document.
9. The Claims Administrator shall establish and maintain, on behalf of the Plan Sponsor, a non-interest-bearing bank account (the "claim account") during the term of this agreement. The Plan Sponsor acknowledges that the Claims Administrator will release checks after notifying the Plan Sponsor of the total dollar amount of such checks. Such checks shall be deemed approved by the Plan Sponsor unless the Plan Sponsor promptly notifies the Claims Administrator of its disapproval. The Plan Sponsor agrees to ensure that the group claim account contains sufficient funds to pay approved claims for benefits under this Plan. The Plan Sponsor authorizes the Claims Administrator to prepare checks drawn on the claim account and release such checks for the payment of claims under the Plan, and to the extent permissible under applicable law, payment to the Plan Sponsor upon its request. The above is the recommendation of the Claims Administrator and the Plan Sponsor may consult their ERISA attorney for other arrangements.
10. The Claims Administrator shall abide by industry standards, to correctly process and pay claims for benefits in accordance with the terms of the Plan and information provided to the Claims Administrator by the Plan Sponsor.
11. The Claims Administrator shall assume no liability and shall be held harmless by the Plan and the Plan Sponsor in complying with instructions communicated by the Plan Sponsor to the Claims Administrator. Should the Claims Administrator have a question of whether a particular claim of benefits should be paid under the Plan, the Claims Administrator shall contact the Plan Sponsor for a determination of whether said claims should be paid. Thereafter, the Plan Sponsor shall provide written instructions to the Claims Administrator as to whether to pay the claim, and if said claim should be paid, the amount of the payment. The Plan Sponsor retains all final authority and responsibility for the Plan.

12. The Claims Administrator shall maintain current, accurate, and complete records and files of all claim submissions and payments to each participant for a period of at least seven years after the filings of any information relating to such submissions and payments.
13. The Claims Administrator shall provide the Plan Sponsor with any reports agreed to by the parties. These reports include, but are not limited to, the following:
  - (a) The “Check Register” report will be provided to the Plan Sponsor at the Plan Sponsor’s requests.
14. To protect Plan Sponsor assets the Claims Administrator is hereby authorized to contract for the services of accountants, attorneys, or other professionals of the Claims Administrator’s choosing to provide such services as the Claims Administrator may deem necessary. The Plan will be responsible for any reasonable costs incurred in the retaining of such professional services.
15. The Claims Administrator will, within thirty days written notice from the Plan Sponsor, allow the Plan Sponsor or its authorized agent to inspect or audit all Plan records and files maintained by the Claims Administrator at the offices of Point C during normal business hours. The Plan Sponsor will be responsible for all costs associated with the inspection or audit.

## **SECTION B: DUTIES & RESPONSIBILITIES OF THE PLAN SPONSOR**

1. The Plan Sponsor shall provide the Claims Administrator with the necessary records of the Plan Participants as of the effective date of this agreement. Thereafter, the Plan Sponsor shall provide the Claims Administrator with the necessary records of the Plan Participants eligible to participate in the Plan after the effective date of this agreement. The Plan Sponsor shall further provide the Claims Administrator with records relating to any change that affects any Plan Participant’s benefits under the Plan, including, but not limited to changes related to continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), health plan coverage changes, and elections to conform with the Health Insurance Portability and Accountability Act.
2. The Plan Sponsor shall provide the Claims Administrator with true and accurate information including, but not limited to, an accounting of all Plan Participants and changes set forth in Section B1 of this agreement. The Claims Administrator shall not be liable for any loss incurred as a result of any inaccurate information furnished to it by the Plan Sponsor. The Plan Sponsor must report all changes to the Claims Administrator within two weeks of the change. Notice of Plan Participant termination must be given within 30 days of the termination. Credit for premiums, administrative, or vendor fees will not be retroactive beyond two months.
3. The Plan Sponsor shall be solely responsible for collecting and administering all contributions to the Plan. The Plan Sponsor shall deposit funds on a regular basis to the claim account and shall fund amounts requested within ten business days of the request to ensure prompt payment of claims as required by the United States Department of Labor or any other regulatory authority.
4. The Plan Sponsor shall be solely responsible for communicating to, and distributing to, Plan Participants any and all information regarding the Plan, including the summary plan description for the Plan.
5. The Plan Sponsor shall be responsible for complying with all legal requirements applicable to the Plan and shall be solely responsible for satisfying any and all reporting, notice, disclosure, and filing requirements imposed under applicable federal or state law, and all withholding, deposit and reporting requirements of federal, state and local tax laws applicable to the payment of Plan benefits.

6. The Plan Sponsor shall be responsible for any delay in the performance of the administrative and claims service caused by the failure of the Plan Sponsor to furnish any required information or funds for the payment of Plan benefits.
7. The Plan Sponsor shall be solely responsible for complying with and remitting amounts due under applicable escheat laws of any jurisdiction as such laws may be applied with respect to benefit payments under the Plan.
8. Except as provided in Section B, #9, of this agreement or as otherwise agreed to by the Plan Sponsor and Claims Administrator pursuant to a separate agreement, the Plan Sponsor will be solely responsible for complying with the requirements of COBRA and the Health Insurance Portability and Accountability Act ("HIPAA") which may apply to the Plan. The Plan Sponsor will be liable for any and all claims resulting from the failure of the Plan Sponsor to administer COBRA and/or HIPAA in accordance with this agreement and applicable laws and regulations.
9. The Plan Sponsor may elect to have the Claims Administrator provide the following COBRA nondiscretionary, ministerial recordkeeping and notification services on behalf of the Plan Sponsor. Fees for this service will be shown on Exhibit A. If no fees are indicated, the Plan Sponsor will remain solely responsible for complying with the requirements of COBRA unless otherwise agreed to by the Plan Sponsor and Claims Administrator pursuant to a separate agreement.
  - (a) Generate and send initial COBRA notification to newly enrolled employees, spouses, and dependents upon notification by employer when they first become eligible for the plan(s).
  - (b) Generate and send COBRA notice and election form to Qualified Beneficiaries (QB's) upon notification by the employer following a COBRA Qualifying Event.
  - (c) Communicate COBRA elections made by QB's to the employer.
  - (d) Collect QB COBRA premiums and remit appropriate balance to employer.
  - (e) Generate and send employer a monthly bill for COBRA services.

### **SECTION C: FEES**

1. In consideration of the services to be provided pursuant to this agreement, the Plan Sponsor shall pay to the Claims Administrator the fees set forth in the fee schedule attached hereto as Exhibit "A", which shall not be subject to change during the first twelve months that this agreement is in effect. The Claims Administrator guarantees to pay all applicable fees received by the Claims Administrator from the Plan Sponsor to appropriate vendors.
2. The Plan Sponsor may elect to have the Claims Administrator assume responsibility for administering claims applicable to the period prior to the effective date of this agreement. If elected, there will be an additional fee for this service, and all terms of this agreement will apply to such claims.
3. The Claims Administrator may adjust its monthly and annual fees upon each anniversary date of this agreement with delivery of such adjustment to the Plan Sponsor at the renewal presentation for the coming contract year.
4. The Claims Administrator may charge the Plan Sponsor reasonable fees for the reproduction or return of Plan records requested by the Plan Sponsor or government agencies. The Plan Sponsor shall reimburse the Claims Administrator reasonable fees charged by medical providers and others for information reasonably required by the Claims Administrator to perform its duties under this agreement.

5. If, during the term of this agreement, any tax other than taxes based solely on the income of the Claims Administrator or other similar income or franchise taxes that are assessed with respect to the earnings or revenue of the Claims Administrator, or any other assessment, shall be imposed against the Claims Administrator as a result of the Claims Administrator performing its duties under this agreement, the Claims Administrator will report the payment of such tax or assessment to the Plan Sponsor and the Plan Sponsor will reimburse the Claims Administrator for the same. The Claims Administrator will be solely responsible for all withholding, deposit and reporting requirements of federal, state, and local authorities applicable to payments of benefit payments under the Plan.
6. Nothing in Section C will prohibit the Claims Administrator from performing any service not set forth in this agreement for a reasonable fee provided, however, any such service may be provided, and any such corresponding fee may be paid, only if agreed to by the parties in advance of performing such service.
7. The Claims Administrator will bill the Plan Sponsor on the first day of each month (the “Billing Date”) for the current month the (“Monthly Fee”) as set forth in Exhibit “A” and any other fees agreed to by the parties, regardless of the actual vendor charge, based on the number of employees enrolled in the Plan as of the billing date. The Monthly Fee, if not paid by the 15<sup>th</sup> day following the billing date, shall be subject to interest on the amount of all past due fees at a rate of ten percent per annum, or if lower, the maximum allowable rate under Nebraska state law.
8. If the Plan Sponsor, for any reason whatsoever, fails to make a required payment on a timely basis, the Claims Administrator will provide the Plan Sponsor with timely written notice of its intent to suspend the performance of services.
9. The Claims Administrator may also receive compensation from insurance carriers and vendor partners in the form of trips or other cash awards based on production, profitability, or other criteria considering all groups collectively utilizing those insurance carrier and vendor partner services and administered by the Claims Administrator. This compensation is not directly attributable as a fee or expense to the Plan and is estimated to average less than one half percent of the total Plan costs on an annual basis.
10. Some of the contracts the Claims Administrator holds with prescription benefit management companies (PBMs) may include contract incentives such as, but not limited to, discounts, allowances, incentives, rebates, adjustments, and settlements. Any contract incentives, if available, will be retained by the Claims Administrator. Any prescription claims submitted to the Plan may be processed without regard to any potential contract incentives provided to the Claims Administrator. These contract incentives are estimated to average less than one and one half percent of the total health plan costs on an annual basis. Certain PBMs may also offer the Claims Administrator member participation in their company, which may provide the Claims Administrator educational advantages and industry insights that might prove beneficial to the overall direction of the Health Plan.

#### **SECTION D: DURATION OF AGREEMENT**

1. The agreement will have an initial term of one year and will automatically be renewed for subsequent one-year terms unless terminated pursuant to Section E of this agreement. If the parties cannot agree as to the fee structure for such subsequent term, this agreement will terminate as of its anniversary date unless the parties agree otherwise.



**SECTION E: TERMINATION OF THIS AGREEMENT**

1. This agreement may be terminated by either party by written notice to the other party, to be effective as of the date set forth in said notice; provided, however, such notice must be provided no less than sixty days prior to the end of the initial term of this agreement, or any extension thereof.
2. This agreement shall, at the option of the Claims Administrator, terminate or otherwise be suspended, effective five days after providing written notice to the Plan Sponsor, if:
  - (a) The Plan Sponsor fails to pay the fees provided in Section C within thirty days of their due date;
  - (b) The Plan Sponsor becomes insolvent or files for bankruptcy protection;
  - (c) There is a merger, sale or consolidation of the Plan Sponsor, unless the Claims Administrator consents in writing to continue services under this agreement with successor Plan Sponsor in advance of such event;
  - (d) Any law or regulation is enacted that makes this agreement illegal or impossible to perform.
3. This agreement will, at the option of the Plan Sponsor, terminate, or otherwise be suspended, effective five days after the Plan Sponsor provides written notice to the Claims Administrator if the Claims Administrator fails to comply with the terms of this agreement. If the Plan Sponsor terminates this agreement at any time other than the anniversary date of this agreement for any reason other than the Claims Administrator failing to comply with the terms of this agreement, the Plan Sponsor will pay to the Claims Administrator the Monthly Fee as of the billing date immediately preceding the date of termination for the remaining months left in the one-year term. Within ten days of the date of termination, the Plan Sponsor will pay to the Claims Administrator all amounts owed plus any interest charges calculated.
4. Upon termination of this agreement, the Claims Administrator will process all requests for claim payments under the Plan which were received by it and which become due and payable pursuant to the terms of the Plan prior to terminating this agreement; provided, however, the Claims Administrator will have no obligation:
  - (a) To process any such claim if the Plan Sponsor has failed to provide funds for payment; or
  - (b) To process requests for claim payments presented after the termination date unless the parties agree otherwise.
5. Upon termination of this agreement, the Plan Sponsor will remain responsible for payment of all other claims under the Plan.
6. Upon termination of this agreement or any applicable vendor agreements, the Plan Sponsor will immediately forfeit all outstanding program incentives. These may include, but are not limited to, Administrative Performance Arrangements, Prescription Drug Rebates, Captive Distributions, and vendor partner incentives.
7. The Claims Administrator will, within sixty days of the last transaction required under this Section, deliver to the Plan Sponsor a complete and final accounting and report of the financial status of the Plan, together with all books and records in its possession with respect to the Plan, all claims files, and all reports and other papers pertaining to the Plan. The Plan Sponsor will reimburse the Claims Administrator for reasonable expenses associated with complying with this Section.

8. Upon termination of this agreement, the Claims Administrator will provide reasonable assistance in transferring Plan records and related information to any successor designated by the Plan Sponsor. The Plan Sponsor will be responsible for all costs associated with such transfer including, but not limited to, non-standard reporting, ad-hoc reporting, accumulation and delivery services.
9. Upon termination of this agreement, the Plan Sponsor may agree that the Claims Administrator will retain Plan records and process claims for benefits incurred, but not processed, before the date of such termination. The fees for such run-out claims service will be as follows:
  - (a) For the first month after termination, such fee will not be greater than the Monthly Fee as set forth in Exhibit "A".
  - (b) For the second month after termination, such fee will not be greater than seventy-five percent of the Monthly Fee as set for in Exhibit "A".
  - (c) For the third month after termination, such fee will not be greater than fifty percent of the Monthly Fee as set forth in Exhibit "A".
  - (d) Any claims processed more than ninety days after the date of termination will be handled on a per claim basis at \$25.00 per claim.
10. Any vendor fees for run-out processing will be passed through to the Plan Sponsor based on applicable vendor terms and conditions.

## **SECTION F: INDEMNIFICATION AND LIABILITY LIMITATIONS**

1. The Claims Administrator will not be liable to the Plan Sponsor, its agents, Plan Participants, or any other person whatsoever for any acts or omissions, with the exception of gross negligence, breach of contract or willful or illegal misconduct on the part of the Claims Administrator relating to services provided pursuant to this agreement.
2. The Plan Sponsor agrees to indemnify and hold harmless the Claims Administrator, its agents, and employees, from and against any and all claims, damages, losses, liabilities, penalties, fines and expenses, including court costs and reasonable attorneys' fees, arising out of or in any way connected with the performance by the Claims Administrator relating to services provided pursuant to this agreement. Such indemnification by the Plan Sponsor will include, but will not be limited to, any and all actual or threatened claims, suits, proceedings, or causes of action against the Claims Administrator by any Plan Participant or beneficiary, or any other person.

## **SECTION G: AMENDMENTS**

1. This agreement may be amended by the Plan Sponsor and the Claims Administrator at any time by written agreement by both parties.

## **SECTION H: DISPUTE RESOLUTION**

1. It is expected that any disputes or differences that may arise under this agreement will be resolved by the parties in the usual course of business. If, however, any dispute that does arise between the Claims Administrator and the Plan Sponsor which relates to or arises from this agreement, whatever its nature, the parties agree to forego litigation and proceed as follows: Either party may notify the other regarding the matter in dispute and that it wishes to begin the dispute resolution procedure. Within thirty days after such notification, a designated executive of the Claims Administrator and a designated executive of the Plan Sponsor will meet and confer in an effort to resolve the problem. The parties may agree to mediation or other voluntary form of dispute resolution. If the matter is not



resolved within thirty days thereafter (or such further time as the parties may agree) either party may elect to have the dispute arbitrated in the manner provided in Section H2.

2. Any dispute or claim relating to this agreement not resolved in the manner provided under Section H1 will be resolved by final and binding arbitration before the American Arbitration Association using an independent panel of three arbitrators provided that the arbitrators selected have at least five years' experience in the health care industry. In no event may the arbitration be initiated more than one year after the date one party first gave written notice of the dispute to the other party. The arbitration will be held in Omaha, Nebraska. The arbitrators will have no power to ignore or vary the terms of this agreement and will be governed by the United States Arbitration Act. Results of the arbitration are binding and final on both parties.

## **SECTION I: MISCELLANEOUS**

1. Any funds deposited in the claim account received by the Claims Administrator from the Plan Sponsor will be held on the Plan Sponsor's behalf in a fiduciary capacity. The Plan Sponsor will have the final responsibility and liability for payment of claims under the Plan.
2. This agreement will be construed and enforced according to the laws of the State of Nebraska except to the extent that the agreement may be preempted by ERISA.
3. The Claims Administrator will assist the Plan Sponsor to ensure compliance with all applicable laws and regulations.
4. Failure by either party at any time to enforce or require the strict performance of any of the terms or conditions of this agreement will not constitute a waiver of such terms or conditions, modify such provisions, or in any manner a waiver of such terms or conditions or in any manner render it unenforceable as to any other time or as to any other occurrence.

Any specific waiver by either party of any of the terms and conditions of this agreement will be considered as a one-time event and will not constitute a continuing waiver. Neither a waiver nor any failure to enforce shall in any way affect or impair the terms or conditions of the agreement or the right of either party to avail itself of its remedies.

5. If any of this agreement is deemed to be, or shall in fact be illegal, inoperative, or unenforceable, the same will not affect any other provision or provision herein to any extent whatsoever.
6. Except as provided in Section E, this agreement will be binding upon all the parties hereto, their heirs, successors, assigns, and legal representatives forever.
7. This agreement may be executed in any number of counterparts with the same effect as if all of the parties had signed the same document. All counterparts will be construed together and will constitute one agreement.
8. This agreement is the entire agreement of the parties and supersedes all prior contracts, proposals, responsibilities, and other communications between the parties.

THIS CONTRACT CONTAINS AN ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES.

IN WITNESS WHEREOF, the Plan Sponsor and the Claims Administrator have caused this agreement to be effective July 1, 2025.

**City of Auburn / Board of Public Works**

**Point C**

\_\_\_\_\_  
*Signature*



\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Printed Name*

Matt Wullenwaber

\_\_\_\_\_  
*Printed Name*

\_\_\_\_\_  
*Title*

President

\_\_\_\_\_  
*Title*

\_\_\_\_\_  
*Date*

March 28, 2025

\_\_\_\_\_  
*Date*

**ADMINISTRATIVE SERVICES AGREEMENT FEE SCHEDULE****EFFECTIVE: July 1, 2025****EXHIBIT A**

The administrative services agreement entered into by **City of Auburn / Board of Public Works** and **Point C** lists below the fees as required by The Employee Retirement Income Security Act of 1974 (ERISA). The Claims Administrator will receive and pay, in accordance with the following schedule, fees, and commissions as reasonable compensation for services conducted in the ordinary course of business.

<b>For: <u>Claims Administration</u></b>	<b><u>Rates</u></b>	<b><u>Paid To:</u></b>
HRA Administration	Greater of the following: \$11.00/EE/MO or \$75.00 per month	Claims Administrator
High Dollar Rx Validation Program	10% of Audited Claim Savings	Claims Administrator
Annual Renewal Fee	\$250.00	Claims Administrator
Subrogation Recovery Fee	30% of Recovery	Subrogation Vendor
Over Payment Recovery Fee	30% of Recovery	Claims Administrator

I certify that the above represents a true and accurate disclosure of the distribution of fees for the Plan Year beginning July 1, 2025.

**City of Auburn / Board of Public Works****Point C**\_\_\_\_\_  
*Signature*\_\_\_\_\_  
*Signature*\_\_\_\_\_  
*Printed Name*\_\_\_\_\_  
Matt Wullenwaber\_\_\_\_\_  
*Printed Name*\_\_\_\_\_  
*Title*\_\_\_\_\_  
President\_\_\_\_\_  
*Title*\_\_\_\_\_  
*Date*\_\_\_\_\_  
March 28, 2025\_\_\_\_\_  
*Date*

## **COBRA ADMINISTRATIVE SERVICES AGREEMENT**

This agreement (“agreement”) for COBRA administrative services is made and entered into effective July 1, 2025 by and between **City of Auburn / Board of Public Works** (the “Client”) and **Point C**.

### **SECTION A: SERVICES**

1. Client (on behalf of the named plan administrator(s)) (“Plan Administrator(s)”) of the group health Plan(s) as defined below hereby retains Point C to provide, and Point C hereby agrees to provide, the nondiscretionary, ministerial recordkeeping and notification services set forth in Exhibit B and as described in detail in the Point C COBRA Employer Guidelines (the “services”).
2. Client has received a copy of Point C COBRA Employer Guidelines (the “Guidelines”), which it shall review and approve in writing. Point C shall not be required to provide the services until such approval has been delivered by Client. Client understands that the Guidelines may be amended from time to time by Point C and such amendments will be provided to Client by Point C. Client will be deemed to have accepted and approved the Guidelines and each amendment thereto if Client does not promptly notify Point C in writing that it objects to any provision in the Guidelines or any amendment thereto.
3. Client understands that as a condition to Point C providing the services, Client and the Plan Administrator(s) of the group health Plan(s) must timely and accurately perform all their responsibilities and provide the information required of them as set forth in the Guidelines and any amendments thereto. Point C reserves the right to request additional information from Client and/or the Plan Administrator(s) of the group health Plan(s) at any time. Point C shall be entitled to rely on any information provided by the Client and/or the Plan Administrator(s) of the group health Plan(s) as accurate, valid, and complete.
4. Client acknowledges that the performance of services by Point C does not and is not intended to make Point C the “Plan Administrator”, “Plan Sponsor”, or other “Fiduciary” under The Employee Retirement Income Security Act of 1974, as amended or otherwise of any group health Plan(s) and Client will not identify or refer to Point C or any of its affiliates as such. Point C has no discretionary authority or discretionary responsibility in the administration of the group health Plan(s). The parties further acknowledge and agree that Point C will not be deemed to be providing legal or tax advice to Client as a result of the ministerial duties undertaken by Point C pursuant to this agreement.
5. Client shall not use Point C or its affiliates’ names or marks without Point C’s prior written consent.

### **SECTION B: FEES, TAXES, PAYMENTS**

1. In consideration of the services to be provided pursuant to the agreement, the Client shall pay Point C the fees set forth in the fee schedule attached hereto as Exhibit A, which shall not be subject to change during the first twelve months that this agreement is in effect. Notwithstanding the foregoing, Point C may immediately adjust the fees in the event that Client specifies a change in the rate status structure which requires alteration of Point C premium billing mechanism, has a significant increase or decrease in the number of Plan participants, requests additional services or requests eligibility reports not normally provided by Point C.
2. The premium due under COBRA shall be up to the maximum permitted by law. Client agrees that Point C will retain the 2% administrative fee allowed by COBRA as additional compensation for services rendered hereunder.

3. Point C will bill the Client on the first day of each month (the “Billing Date”) for the current month as set forth in Exhibit A, and any other fees agreed to by the parties, based on the number of employees enrolled in the Client’s group health Plan(s) as of the Billing Date. The monthly fee, if not paid by the 30<sup>th</sup> day following the billing date, shall be subject to interest on the amount of all past due fees at a rate of ten percent per annum, or if lower, the maximum allowable rate under Nebraska state law.
4. There shall be added to all payments due hereunder amounts equal to any applicable taxes levied or based on this agreement, exclusive of taxes based on Point C net income.

### **SECTION C: INDEMNIFICATION AND LIABILITY LIMITATIONS**

1. In the event of an error in Point C records or any reports or statements prepared by Point C and caused by Point C, Point C shall correct such records, reports or statements, provided that Client advises Point C of such error within 30 days of the receipt of such record, report or statement.
2. Point C is not required, under the terms of this agreement, to review any action of Client or any Plan Administrator(s) of the group health Plan(s). Furthermore, Point C will not incur any liability by taking, permitting, or omitting any actions on the basis of any action of Client or a Plan Administrator or for carrying out the directions of Client or a Plan Administrator. Point C shall not have any obligation or liability with respect to any services before the effective date of this agreement, including notices and the collection and remission of premiums.
3. Point C shall not have any obligation to verify or determine the accuracy, validity or completeness of information provided by Client or a Plan Administrator of a group health Plan(s) and shall not be responsible for errors, delays or additional costs resulting from the receipt of inaccurate, invalid, incomplete or untimely information or information provided in an unacceptable format or media. Client and/or a Plan Administrator agree to provide any and all information to Point C on a timely basis.
4. Client agrees to defend, indemnify and hold harmless Point C, its affiliates and their directors, officers, employees, legal representatives, agents, successors, and assigns from and against all claims, losses, liabilities, damages, demands, lawsuits, causes of action, costs and expenses (including reasonable attorneys’ fees and costs) (collectively “losses”) as a result of entering into and performing services under this agreement or any other cause arising out of this agreement or the group health Plan(s), except to the extent those losses resulted from the gross negligence, willful misconduct or willful breach of this agreement by Point C in the performance of the services.
5. Point C agrees to defend, indemnify, and hold harmless the Plan Administrator(s) of the group health Plan(s), Client, and its officers, directors, shareholders, employees and agents (collectively the “Client Group”) from and against all losses asserted against or imposed on any member of the Client Group to the extent those losses resulted from the gross negligence, willful misconduct or willful breach of this agreement by Point C in the performance of the services; provided, that:
  - a) Point C is promptly notified in writing of such suit or cause of action;
  - b) Point C controls any negotiations or defense and Client assists Point C as reasonably required by Point C; and
  - c) Client takes all reasonable steps to mitigate any potential damages that may result. Notwithstanding the foregoing, Point C shall have no obligation under this Section C5 to the extent Point C is entitled to indemnification from Client pursuant to Section C4 or Point C is otherwise not liable under this Section C.
6. In no event will Point C be responsible for special, indirect, incidental, consequential or other similar damages in connection with the services, even if it has been advised of the possibility of such damages.
7. Point C shall not be liable for any delay or failure to perform under this agreement resulting, directly or indirectly, from strike, fire, war, insurrection, riot, power failure or a circumstance beyond Point C’s reasonable control. In case of errors or lost data caused by power failure, mechanical difficulties with information storage and retrieval systems, or other events not attributable to its own gross negligence or willful misconduct, Point C’s sole obligation will be to use its reasonable efforts to reconstruct any records maintained by Point C and to amend any reports prepared by it which may have been affected by such event, at its own expense.

8. The parties acknowledge that the fees for the services to be provided hereunder reflect the allocation of risk set forth in this Section C. This Section C sets forth the full extent of Point C liability hereunder for any claim against Point C and sets forth Client's sole remedies.

#### **SECTION D: TERMINATION OF THIS AGREEMENT**

1. Either party may terminate this agreement on 90 days prior written notice (or such earlier date as mutually agreed upon between the parties).
2. Notwithstanding anything contained herein, this agreement shall, at the option of Point C, terminate or otherwise be suspended, effective 30 days after providing written notice to the Client, if:
  - a) The Client defaults in the performance of its obligations hereunder (including failure to follow the Guidelines and failure to meet its payment obligations);
  - b) The Client commits an act of bankruptcy or becomes the subject of any Bankruptcy Act proceeding or becomes insolvent, or if any substantial part of its property becomes subject to any levy/seizure, assignment, application or sale for or by any creditor or governmental agency; or has any material adverse change in its financial condition

The Client will have until the end of the 30 days to establish a remedy agreeable to both parties.

3. This agreement shall automatically be terminated in the event:
  - a) Client objects to the Guidelines or any amendment thereto;
  - b) Client fails to pay any payments due including dues or group premium hereunder within 30 days;
  - c) Client offers a group health Plan(s) that does not comply with the applicable COBRA laws; or
  - d) Client ceases to offer the group health Plan(s), except as hereinafter provided, the termination of this agreement shall not affect obligations arising prior to the termination of this agreement or Client's responsibility for fees for services provided prior to termination.

Upon termination of this agreement, Point C shall have no further duties or responsibilities with respect to COBRA requirements related to the group health Plan(s), except Point C shall provide for a reasonable transfer of records from Point C to Client or its designee upon payment of such fees, if any, as shall be charged by Point C and the payment of all outstanding obligations due under this agreement.

#### **SECTION E: CONFIDENTIALITY**

1. All confidential information disclosed hereunder will remain the exclusive and confidential property of the disclosing party. The receiving party will not disclose the confidential information of the disclosing party and will use at least the same degree of care in protecting the confidential information of the disclosing party as it uses with respect to its own confidential information. The receiving party will limit access to confidential information to its employees and advisors with a need to know and will instruct such employees and advisors to keep such information confidential. Notwithstanding the foregoing, the receiving party may disclose confidential information to the extent necessary to comply with any law, ruling, regulation or rule applicable to it or to the extent necessary to enforce its rights under this agreement. In addition, Point C may also disclose Client confidential information:
  - a) to the extent that disclosure of such information is required to perform the services;
  - b) in connection with an audit or regulatory examination by a governmental authority; and
  - c) to Plan Administrator(s) of the group health Plan(s).

For purposes of this Section, “confidential information” shall mean: all information of a confidential or proprietary nature provided by the disclosing party to the receiving party for use in connection with the services, but does not include:

- a) information that is already known by the receiving party without an obligation of confidentiality;
- b) information that becomes generally available to the public other than as a result of disclosure by the receiving party in violation of this agreement; and
- c) information that becomes known to the receiving party from a source other than the disclosing party on a non-confidential basis. Confidential information of Point C also includes all trade secrets, processes, proprietary data, information or documentation related thereto of Point C or its affiliates and any pricing or product information furnished to Client by Point C or its affiliates.

#### **SECTION F: COMPLIANCE WITH LAWS**

1. Point C agrees to perform the services with respect to the group health Plan(s) in accordance with a reasonably good faith interpretation of the applicable requirements of federal and state law. Except for such responsibilities assumed by Point C pursuant to this agreement, Client shall be responsible for (i) compliance with all laws and governmental regulations affecting Client’s business and (ii) any use it may make of the services to assist it in complying with such laws and governmental regulations.

#### **SECTION G: GENERAL**

1. This agreement shall not be assigned by Client without the prior written consent of Point C, and any attempt to assign any rights, duties or obligations which arise under this agreement without such consent will be void.
2. Client has not been induced to enter into this agreement by any representation or warranty not set forth herein. This agreement contains the entire agreement of the parties with respect to its subject matter and supersedes all existing agreements and all other oral, written, or other communications between them concerning its subject matter. This agreement shall not be modified except by a writing signed by the parties.
3. Client acknowledges, confirms, and agrees that other than Point C obligations to Client hereunder, Point C has no obligation to any third party (including any current or former qualified beneficiaries under Client’s group health Plan(s) or any agent or other person associated with Client).
4. Any notice under this agreement shall be given in writing and hand delivered or mailed to the relevant party. Notices and payments sent by mail shall be deemed to have been mailed on the date of the postmark thereof. Notices shall be deemed received on the date of delivery if delivered in person and five business days after mailing if mailed. Any notice provided through an electronic medium shall be recognized to the extent provided in applicable law to the extent such notice is properly and timely transmitted.
5. This agreement shall be governed by the laws of the State of Nebraska, without regard to conflict of laws provisions.

**EFFECTIVE: July 1, 2025**

**EXHIBIT A**

In consideration of the services to be provided pursuant to the agreement, the Client shall pay Point C the fees set forth in the fee schedule attached hereto as Exhibit A, which shall not be subject to change during the first twelve months that this agreement is in effect.

The administrative services agreement entered into by City of Auburn / Board of Public Works and Point C lists below the fees as required by The Employee Retirement Income Security Act of 1974 (ERISA) to be effective July 1, 2025.

For:

COBRA administration

Greater of the following:

\$1.50/EE/MO or \$75.00 per month

Annual Renewal Fee

\$50.00

**EXHIBIT B**

Point C will provide the following COBRA nondiscretionary, ministerial recordkeeping and notification services on behalf of the employer:

- Generate and send initial COBRA notification to newly enrolled employees, spouses and dependents upon notification by employer when they first become eligible for the group health Plan(s).
- Generate and send COBRA notice and election form to Qualified Beneficiaries (QB's) upon notification by the employer following a COBRA Qualifying Event.
- Communicate COBRA elections made by QB's to the employer.
- Collect QB COBRA premiums and remit appropriate balance to employer.
- Generate and send employer a monthly bill for COBRA services.

Point C has no responsibility for these services prior to the commencement of services to your organization.

**City of Auburn / Board of Public Works**

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Printed Name*

\_\_\_\_\_  
*Title*

\_\_\_\_\_  
*Date*

**Point C**

  
\_\_\_\_\_  
*Signature*

Matt Wullenwaber

\_\_\_\_\_  
*Printed Name*

President

\_\_\_\_\_  
*Title*

March 28, 2025

\_\_\_\_\_  
*Date*



**EMPLOYER GUIDELINES**

COBRA Continuation requires employers to offer Qualified Beneficiaries (“QB’s”) covered under the group health Plan(s) to continue coverage should that coverage be lost due to specific incidents called Qualifying Events (“QE’s”). Through Point C COBRA services, employers no longer have to commit valuable company resources in maintaining COBRA paperwork and procedures. Following the simple “Employer Responsibilities” detailed below will result in the timely and accurate processing of your COBRA duties and will enable you to focus on your core business.

**EMPLOYER RESPONSIBILITIES:**

Point C COBRA services require that you perform the following simple steps:

- Review, sign and return the **service agreement** to Point C.
- Review **Employer Guidelines** and sign and return the **Employer Agreement** to Point C
- Notify Point C within 90 days when individuals first become enrolled in a COBRA eligible program.
- Notify Point C within 30 days when COBRA eligible program participants experience a COBRA Qualifying Event (see definition).  
Credit for Point C administrative fees will not be retroactive beyond two months for late notifications.
- Make available to COBRA QB’s the same COBRA eligible programs offered to current employees.  
A Qualified Beneficiary receiving continuation coverage (COBRA) must receive the same benefits, choices, and services that a similarly situated employee/participant is currently receiving under the group health Plan(s), such as, the right during an open enrollment season to choose among available coverage options.
- Notify the applicable COBRA eligible group health Plan(s) of COBRA elections and terminations.
- Understand the COBRA eligible group health Plan(s) interpretation of Nebraska LB551 and notify Point C when COBRA regulations apply.

**DEFINITIONS:**

**COBRA** – Consolidated Omnibus Budget Reconciliation Act

COBRA applies to an employer’s group health Plan(s). The term “group health Plan(s)” is sometimes misunderstood as only a medical plan. For COBRA purposes, the term “group health Plan(s)” includes medical, dental, vision, prescription, medical reimbursement (HRA and FSA), certain Employee Assistance Programs, and certain Wellness Programs.

**Qualified Beneficiary (QB)** — the employee and/or dependent(s) who are covered under an employer group health Plan(s) on the day before a qualifying event. *Also called “COBRA Continuant.”*

**Qualifying Events (QE)** — Employers must offer Qualified Beneficiaries the opportunity to purchase COBRA coverage if the Qualified Beneficiary experiences any of the following Qualifying Events which causes them to lose coverage:

- Termination of a covered employee’s employment for any reason (other than in certain circumstances for gross misconduct), including voluntary termination (COBRA period is 18 months).
- Reduction of hours of a covered employee including work stoppage and non-FMLA leave of absence (COBRA period is 18 months).
- An employer declaring bankruptcy is a qualifying event to any employees, spouses and dependent children who previously retired from the employer at the time of bankruptcy (special rules apply governing the term).
- Death of covered employee (QB can continue COBRA for up to 36 months).
- Divorce or legal separation of employee and spouse (QB can continue COBRA for up to 36 months).
- A dependent child ceasing to be a dependent child under the provisions of the group health Plan(s) (QB can continue COBRA for up to 36 months).

In addition, if a second qualifying event occurs during the 18-month period, the dependent may be eligible for a total of 36 months of COBRA coverage measured from the date of the first qualifying event.

**POINT C - COBRA SERVICES**

**EMPLOYER AGREEMENT**

Client has received and reviewed Point C COBRA Employer Guidelines and accepts and approves the Guidelines and each amendment thereto. Failure to sign this form following the receipt and execution of the service agreement will not in any way affect the applicability of the guidelines.

Point C shall not be required to provide the services until approval has been delivered by Client. Client understands that the Guidelines may be amended from time to time by Point C and such amendments will be provided to Client by Point C.

Client: **City of Auburn / Board of Public Works**

Client Signature: \_\_\_\_\_

Client Printed Name: \_\_\_\_\_

Client Approval Date: \_\_\_\_\_

Combined Financial Statements													
2024	YTD	Dec 2024	Nov 2024	Oct 2024	Aug 2024	Jul 2024	YTD	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024
Total Operating Rev	4,254,852	0	0	0	0	0	4,254,852	735,750	620,687	621,906	653,072	788,792	834,645
Total Other Revenue	437,034	0	0	0	0	0	437,034	37,280	31,359	27,874	32,740	218,129	89,651
Total Non Operating Rev	241,294	0	0	0	0	0	241,294	53,601	27,020	46,190	52,644	16,778	45,062
<b>TOTAL REVENUE</b>	<b>4,933,179</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,933,179</b>	<b>826,631</b>	<b>679,066</b>	<b>695,969</b>	<b>738,456</b>	<b>1,023,699</b>	<b>969,358</b>
Total Operating Exp	(2,783,559)	0	0	0	0	0	(2,783,559)	(584,427)	(309,561)	(465,177)	(427,516)	(481,307)	(515,572)
Total Admin & Gen Exp	(876,696)	0	0	0	0	0	(876,696)	(147,642)	(131,738)	(162,957)	(137,145)	(151,351)	(145,862)
Total Depreciation Exp	(514,656)	0	0	0	0	0	(514,656)	(68,737)	(85,672)	(87,654)	(97,861)	(86,967)	(87,766)
Total Non Operating Exp	(46,857)	0	0	0	0	0	(46,857)	(8,608)	(8,264)	(10,276)	(8,025)	(5,881)	(5,802)
<b>TOTAL EXPENSES</b>	<b>(4,221,768)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(4,221,768)</b>	<b>(809,414)</b>	<b>(535,235)</b>	<b>(726,064)</b>	<b>(670,547)</b>	<b>(725,506)</b>	<b>(755,002)</b>
<b>NET INCOME</b>	<b>711,411</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>711,411</b>	<b>17,217</b>	<b>143,831</b>	<b>(30,095)</b>	<b>67,909</b>	<b>298,193</b>	<b>214,356</b>
less W & WW P&I	265,536	0	0	0	0	0	265,536	56,758	35,663	35,663	35,663	51,163	50,626
<b>Adjusted Net Income</b>	<b>445,875</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>445,875</b>	<b>(39,541)</b>	<b>108,168</b>	<b>(65,758)</b>	<b>32,246</b>	<b>247,030</b>	<b>163,730</b>
2023	YTD	Dec 2023	Nov 2023	Oct 2023	Aug 2023	Jul 2023	YTD	Jun 2023	May 2023	Apr 2023	Mar 2023	Feb 2023	Jan 2023
Total Operating Rev	8,523,596	745,108	627,932	662,914	687,552	807,245	4,116,942	706,859	653,879	630,339	627,987	697,318	800,561
Total Other Revenue	853,838	31,874	483,265	40,768	24,231	35,082	190,182	36,953	28,604	29,719	28,294	(3,492)	70,104
Total Non Operating Rev	488,270	54,462	27,808	46,938	11,556	53,445	234,499	60,408	14,858	39,726	58,236	22,808	38,463
<b>TOTAL REVENUE</b>	<b>9,865,704</b>	<b>831,444</b>	<b>1,139,006</b>	<b>750,621</b>	<b>723,338</b>	<b>895,772</b>	<b>4,541,623</b>	<b>804,220</b>	<b>697,341</b>	<b>699,784</b>	<b>714,517</b>	<b>716,635</b>	<b>909,128</b>
Total Operating Exp	(5,180,018)	(426,694)	(395,252)	(278,134)	(335,631)	(490,937)	(2,682,575)	(584,428)	(380,247)	(395,303)	(422,290)	(403,383)	(496,925)
Total Admin & Gen Exp	(1,795,272)	(129,472)	(143,173)	(152,571)	(172,396)	(136,787)	(867,633)	(149,548)	(128,091)	(140,662)	(145,272)	(150,042)	(154,018)
Total Depreciation Exp	(933,346)	(76,758)	(76,700)	(81,929)	(79,510)	(85,332)	(472,258)	(85,414)	(61,054)	(81,875)	(81,305)	(81,305)	(81,305)
Total Non Operating Exp	(104,579)	(6,096)	(5,959)	(29,624)	(7,263)	(6,555)	(42,684)	(7,983)	(6,960)	(6,731)	(6,820)	(7,500)	(6,689)
<b>TOTAL EXPENSES</b>	<b>(8,013,214)</b>	<b>(639,020)</b>	<b>(621,084)</b>	<b>(542,258)</b>	<b>(594,800)</b>	<b>(719,611)</b>	<b>(4,065,150)</b>	<b>(827,373)</b>	<b>(576,351)</b>	<b>(624,571)</b>	<b>(655,687)</b>	<b>(642,231)</b>	<b>(738,938)</b>
<b>NET INCOME</b>	<b>1,852,489</b>	<b>192,424</b>	<b>517,922</b>	<b>208,363</b>	<b>128,538</b>	<b>176,160</b>	<b>476,473</b>	<b>(23,153)</b>	<b>120,989</b>	<b>75,213</b>	<b>58,829</b>	<b>74,404</b>	<b>170,190</b>
less P&I Payment	681,096	56,758	56,758	56,758	56,758	56,758	340,548	56,758	56,758	56,758	56,758	56,758	56,758
<b>Adjusted Net Income</b>	<b>1,171,393</b>	<b>135,666</b>	<b>461,164</b>	<b>151,605</b>	<b>71,780</b>	<b>119,402</b>	<b>135,925</b>	<b>(79,911)</b>	<b>64,231</b>	<b>18,455</b>	<b>2,071</b>	<b>17,646</b>	<b>113,432</b>

Electric Department																
	YTD	Dec 2025	Nov 2025	Oct 2025	Sept 2025		Aug 2025	Jul 2025	6/30/2025	YTD	Jun 2025	May 2025	Apr 2025	Mar 2025	Feb 2025	Jan 2025
2025	12/31/2025															
Total Operating Rev	3,123,665	0	0	0	0	0	0	0	0	3,123,665	541,425	436,145	433,924	464,490	601,668	646,013
Total Other Revenue	170,133	0	0	0	0	0	0	0	0	170,133	26,660	21,026	18,306	24,411	24,779	54,952
Total Non Operating Rev	189,187	0	0	0	0	0	0	0	0	189,187	42,341	20,673	36,889	41,723	11,690	35,870
TOTAL REVENUE	3,482,985	0	0	0	0	0	0	0	0	3,482,985	610,426	477,844	489,120	530,623	638,136	736,835
Total Operating Exp	(2,178,098)	0	0	0	0	0	0	0	0	(2,178,098)	(420,227)	(227,565)	(380,024)	(341,656)	(396,729)	(411,897)
Total Admin & Gen Exp	(570,514)	0	0	0	0	0	0	0	0	(570,514)	(94,311)	(85,938)	(117,126)	(78,322)	(97,607)	(97,208)
Total Depreciation Exp	(208,041)	0	0	0	0	0	0	0	0	(208,041)	(26,722)	(34,461)	(36,461)	(36,999)	(36,699)	(36,699)
Total Non Operating Exp	(1,051)	0	0	0	0	0	0	0	0	(1,051)	(813)			(159)	(79)	0
TOTAL EXPENSES	(2,957,704)	0	0	0	0	0	0	0	0	(2,957,704)	(542,073)	(347,964)	(533,611)	(457,136)	(531,115)	(545,805)
NET INCOME	525,281	0	0	0	0	0	0	0	0	525,281	68,352	129,880	(44,491)	73,487	107,021	191,031
2024	12/31/2024	Dec 2024	Nov 2024	Oct 2024	Sept 2024	Aug 2024	Jul 2024	6/30/2024	YTD	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024		
Total Operating Rev	6,240,433	566,247	444,287	465,964	531,494	609,018	603,792	3,019,631	516,034	461,377	445,712	451,325	517,356	627,827		
Total Other Revenue	357,004	23,511	101,101	26,779	26,364	26,630	25,801	126,819	22,928	19,928	17,867	20,238	(13,587)	59,418		
Total Non Operating Rev	393,503	43,955	23,629	37,282	47,200	7,851	48,454	185,137	47,786	10,904	32,082	45,812	18,133	30,420		
TOTAL REVENUE	6,990,940	633,713	569,017	530,025	605,058	643,499	678,047	3,331,587	586,749	492,209	495,661	517,375	521,902	717,665		
Total Operating Exp	(4,069,151)	(331,936)	(316,955)	(192,844)	(338,566)	(405,299)	(401,435)	(2,082,116)	(391,554)	(296,030)	(319,244)	(340,363)	(328,538)	(406,387)		
Total Admin & Gen Exp	(1,219,454)	(91,759)	(103,692)	(105,238)	(130,831)	(94,778)	(100,596)	(592,560)	(104,363)	(87,586)	(94,583)	(95,558)	(103,929)	(106,542)		
Total Depreciation Exp	(392,157)	(36,197)	(36,142)	(36,131)	(36,074)	(36,074)	(35,896)	(175,642)	(35,978)	(12,188)	(31,869)	(31,869)	(31,869)	(31,869)		
Total Non Operating Exp	(26,185)	(294)	(157)	(23,544)	(396)	(1,025)	(353)	(417)	0	(70)	(22)	(131)	(194)	0		
TOTAL EXPENSES	(5,706,947)	(460,186)	(456,946)	(357,757)	(505,867)	(537,176)	(538,280)	(2,850,735)	(531,895)	(395,874)	(445,718)	(467,921)	(464,530)	(544,798)		
NET INCOME	1,283,993	173,527	112,071	172,268	99,191	106,323	139,767	480,852	54,854	96,335	49,943	49,454	57,372	172,867		

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Wastewater Department															
	YTD 12/31/2025	Dec 2025	Nov 2025	Oct 2025	Sept 2025	Aug 2025	Jul 2025	YTD 6/30/2025	Jun 2025	May 2025	Apr 2025	Mar 2025	Feb-25	Jan 2025	
2025															
Total Operating Rev	447,900	0	0	0	0	0	0	447,900	74,009	74,518	74,376	75,601	75,304	74,091	
Total Other Rev	214,816	0	0	0	0	0	0	214,816	1,629	1,552	2,367	1,455	182,823	24,990	
Total Non Operating Rev	29,188	0	0	0	0	0	0	29,188	8,144	568	6,151	7,826	400	6,098	
<b>TOTAL REVENUE</b>	<b>691,904</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>691,903</b>	<b>83,782</b>	<b>76,639</b>	<b>82,895</b>	<b>84,882</b>	<b>258,526</b>	<b>105,179</b>	
Total Operating Exp	(133,517)	0	0	0	0	0	0	(133,517)	(19,557)	(18,715)	(26,051)	(23,481)	(20,609)	(25,104)	
Total Admin & Gen Exp	(112,808)	0	0	0	0	0	0	(112,808)	(15,790)	(21,113)	(19,461)	(19,522)	(20,532)	(16,389)	
Total Depreciation Exp	(140,238)	0	0	0	0	0	0	(140,238)	(19,213)	(24,205)	(24,205)	(24,205)	(24,205)	(24,205)	
Total Non Operating Exp	(383)	0	0	0	0	0	0	(383)	(21)	(21)	(21)	(21)	(149)	(149)	
<b>TOTAL EXPENSES</b>	<b>(386,946)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(386,946)</b>	<b>(54,581)</b>	<b>(64,054)</b>	<b>(69,738)</b>	<b>(67,230)</b>	<b>(65,495)</b>	<b>(65,847)</b>	
<b>NET INCOME</b>	<b>304,958</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>304,957</b>	<b>29,201</b>	<b>12,584</b>	<b>13,156</b>	<b>17,653</b>	<b>193,031</b>	<b>39,333</b>	
less P&I Payment Accrual	130,354							130,354	17,261	17,261	17,261	17,261	30,655	30,655	
<b>Adjusted Net Income</b>	<b>174,604</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>174,603</b>	<b>11,940</b>	<b>(4,677)</b>	<b>(4,105)</b>	<b>392</b>	<b>162,376</b>	<b>8,678</b>	
													<b>SRF dep</b>		
2024	YTD 12/31/2024	Dec 2024	Nov 2024	Oct 2024	Sept 2024	Aug 2024	Jul 2024	YTD 6/30/2024	Jun 2024	May 2024	Apr 2024	Mar 20234	Feb 2024	Jan 2024	
Total Operating Rev	890,544	72,560	74,531	75,588	76,926	76,210	75,058	439,672	74,522	73,892	72,421	72,810	72,997	73,030	
Total Other Rev	400,539	1,247	376,276	7,709	2,283	737	1,254	11,033	5,351	1,020	1,171	1,004	1,555	934	
Total Non Operating Rev	59,104	7,720	602	6,524	9,278	23	2,639	32,317	9,342	1,260	5,324	9,447	1,388	5,556	
<b>TOTAL REVENUE</b>	<b>1,350,186</b>	<b>81,527</b>	<b>451,409</b>	<b>89,821</b>	<b>88,487</b>	<b>76,970</b>	<b>78,950</b>	<b>483,023</b>	<b>89,215</b>	<b>76,172</b>	<b>78,915</b>	<b>83,261</b>	<b>75,940</b>	<b>79,520</b>	
Total Operating Exp	(308,897)	(29,386)	(20,905)	(22,825)	(22,263)	(27,736)	(27,757)	(158,026)	(25,327)	(25,981)	(26,047)	(26,552)	(22,388)	(31,731)	
Total Admin & General Exp	(251,786)	(14,249)	(15,135)	(21,340)	(24,705)	(52,539)	(14,778)	(109,041)	(18,920)	(16,113)	(19,552)	(20,983)	(18,027)	(15,446)	
Total Depreciation Exp	(251,560)	(14,130)	(14,130)	(19,373)	(19,373)	(20,373)	(23,373)	(140,238)	(23,373)	(22,803)	(23,943)	(23,373)	(23,373)	(23,373)	
Total Non Operating Exp	(3,642)	(149)	(149)	(189)	(348)	(348)	(348)	(2,110)	(348)	(349)	(368)	(348)	(348)	(348)	
<b>TOTAL EXPENSES</b>	<b>(815,885)</b>	<b>(57,914)</b>	<b>(50,319)</b>	<b>(63,727)</b>	<b>(66,689)</b>	<b>(100,996)</b>	<b>(66,256)</b>	<b>(409,415)</b>	<b>(67,968)</b>	<b>(65,246)</b>	<b>(69,910)</b>	<b>(71,256)</b>	<b>(64,136)</b>	<b>(70,898)</b>	
<b>NET INCOME</b>	<b>534,301</b>	<b>23,613</b>	<b>401,090</b>	<b>26,094</b>	<b>21,798</b>	<b>(24,026)</b>	<b>12,694</b>	<b>73,608</b>	<b>21,247</b>	<b>10,926</b>	<b>9,005</b>	<b>12,005</b>	<b>11,803</b>	<b>8,621</b>	
less P&I Payment Accrual	435,000	36,250	36,250	36,250	36,250	36,250	36,250	217,500	36,250	36,250	36,250	36,250	36,250	36,250	
<b>Adjusted Net Income</b>	<b>99,301</b>	<b>(12,637)</b>	<b>364,840</b>	<b>(10,156)</b>	<b>(14,452)</b>	<b>(60,276)</b>	<b>(23,556)</b>	<b>(143,892)</b>	<b>(15,003)</b>	<b>(25,324)</b>	<b>(27,245)</b>	<b>(24,245)</b>	<b>(24,447)</b>	<b>(27,629)</b>	

Garbage Department														
	YTD							YTD						
2025	12/31/2025	Dec 2025	Nov 2025	Oct 2025	Sept 2025	Aug 2025	Jul 2025	6/30/2025	Jun 2025	May 2025	Apr 2025	Mar 2025	Feb 2025	Jan 2025
Total Operating Rev	119,096	0	0	0	0	0	0	119,096	19,863	19,895	19,848	19,857	19,809	19,824
Total Other Revenue	10,569	0	0	0	0	0	0	10,569	1,925	2,064	2,049	1,467	1,310	1,753
Total Non Operating Rev	-	0	0	0	0	0	0	-	0	0	0	0	0	0
TOTAL REVENUE	129,664	0	0	0	0	0	0	129,664	21,788	21,960	21,897	21,324	21,119	21,577
Total Operating Exp	(128,761)	0	0	0	0	0	0	(128,761)	(21,727)	(21,705)	(21,514)	(21,257)	(21,004)	(21,555)
Total Admin & Gen Exp	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Depreciation Exp	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Non Operating Exp	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL EXPENSES	(128,761)	0	0	0	0	0	0	(128,761)	(21,727)	(21,705)	(21,514)	(21,257)	(21,004)	(21,555)
NET INCOME	903	0	0	0	0	0	0	903	61	255	383	68	115	22
less Principal Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjusted Net Income	903	0	0	0	0	0	0	903	61	255	383	68	115	22
2024	YTD							YTD						
	12/31/2024	Dec 2024	Nov 2024	Oct 2024	Sept 2024	Aug 2024	Jul 2024	6/30/2024	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024
Total Operating Rev	237,101	19,819	19,413	19,781	158,264	(118,682)	19,749	118,757	19,756	19,810	19,825	19,759	19,818	19,788
Total Other Revenue	19,435	1,520	1,410	1,381	13,371	(10,241)	2,000	9,995	1,815	1,777	1,502	2,092	1,538	1,272
Total Non Operating Rev	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL REVENUE	256,536	21,339	20,823	21,162	171,635	(128,923)	21,749	128,751	21,571	21,587	21,326	21,851	21,356	21,061
Total Operating Exp	(260,248)	(21,267)	(21,125)	(21,059)	(174,811)	132,169	(21,662)	(132,492)	(21,491)	(21,516)	(20,870)	(21,897)	(25,750)	(20,969)
Total Admin & Gen Exp	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Depreciation Exp	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Non Operating Exp	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL EXPENSES	(260,248)	(21,267)	(21,125)	(21,059)	(174,811)	132,169	(21,662)	(132,492)	(21,491)	(21,516)	(20,870)	(21,897)	(25,750)	(20,969)
NET INCOME	(3,712)	71	(302)	102	(3,175)	3,246	87	(3,741)	81	71	456	(46)	(4,394)	91
less Principal Payment														
Adjusted Net Income	(3,712)	71	(302)	102	(3,175)	3,246	87	(3,741)	81	71	456	(46)	(4,394)	91



Board of Public Works

Bank Reconciliation Report - by Bank Number

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Report Criteria:

Print Outstanding Checks and Deposits and Bank and Book adjustments

Auburn State Bank (Checking Acct) (1)

June 30, 2025

Account: 1010202

Bank Account Number: 191494

Bank Statement Balance:	4,939,680.43	Book Balance Previous Month:	4,863,932.43
Outstanding Deposits:	6,778.97	Total Receipts:	772,215.60
Outstanding Checks:	57,763.44	Total Disbursements:	747,452.07
Bank Adjustments:	.00	Book Adjustments:	.00
Bank Balance:	4,888,695.96	Book Balance:	4,888,695.96
		Proof (Bank balance less book balance):	.00

Outstanding Deposits Section

Deposit Number	Deposit Amount	Deposit Number	Deposit Amount	Deposit Number	Deposit Amount	Deposit Number	Deposit Amount
1197	3,374.64	1205	856.51	1206	2,547.82		
Grand Totals:							6,778.97

Deposits cleared: 61 items

Deposits Outstanding: 3 items

Outstanding Checks Section

Check Number	Check Amount	Check Number	Check Amount	Check Number	Check Amount	Check Number	Check Amount
1209	325.70	48866	129.70	48984	82.95	49055	165.58
49141	40.25	49204	99.73	49207	228.22	49355	47.89
49509	1.25	49640	30.00	49732	262.68	49787	57.63
49980	250.00	50107	79.79	50109	157.55	50110	22.39
50114	30.53	50120	24.06	50155	1,861.12	50159	55.80
50163	132.44	50166	975.00	50169	171.76	50182	31,538.50
50185	97.82	50186	150.00	63025106	18,667.07	63025107	1,702.80
63025109	375.23						
Grand Totals:							57,763.44

Checks cleared: 113 items

Checks Outstanding: 29 items

Bank Adjustments Section

Description	Amount	Description	Amount
adj	.00		
Grand Totals:			.00

Book Adjustments Section

Board of Public Works

Bank Reconciliation Report - by Bank Number

Page: 1

Jul 03, 2025 11:59AM

Report Criteria:

Print Outstanding Checks and Deposits and Bank and Book adjustments

Auburn State Bank-DESIGNATED FUNDS (MMG) (2)

June 30, 2025

Account: 1010204

Bank Account Number: 457285

Bank Statement Balance:	1,093,833.29	Book Balance Previous Month:	1,093,339.94
Outstanding Deposits:	.00	Total Receipts:	493.35
Outstanding Checks:	.00	Total Disbursements:	.00
Bank Adjustments:	.00	Book Adjustments:	.00
Bank Balance:	1,093,833.29	Book Balance:	1,093,833.29
		Proof (Bank balance less book balance):	.00

Outstanding Deposits Section

Deposits cleared: 1 items      Deposits Outstanding: 0 items

Checks cleared: 0 items      Checks Outstanding: 0 items

Bank Adjustments Section

Book Adjustments Section

CD - INVESTMENTS - June 2025

GL	ISSUED/ RENEWED DATE	MATURITY DATE	NUM.	TERM	INT.	RATE	OWNER	BANK	ORIGINAL\$	CURRENT\$
<b>ELECTRIC DEPARTMENT</b>										
1200	09/18/24	09/18/25	21003	12 MO	CMPQ	4.60%	Capitol Reserves	ASB	489,675.41	532,461.54
1200	09/18/24	09/18/25	21004	12 MO	CMPQ	4.60%	Capitol Reserves	ASB	545,764.92	564,364.08
1200	09/18/24	09/18/25	21005	12 MO	CMPQ	4.60%	Capitol Reserves	ASB	924,613.73	956,123.70
1200	09/18/24	09/18/25	21006	12 MO	CMPQ	4.60%	Capitol Reserves	ASB	688,056.24	711,504.55
1200	09/18/24	09/18/25	21007	12 MO	CMPQ	4.60%	Capitol Reserves	ASB	545,764.92	564,364.08
1200	01/06/23	07/08/25	20693	12 MO	CMPQ	5.11%	Capitol Reserves	ASB	731,965.61	803,480.41
1200	07/08/24	07/08/25	20688	12 MO	CMPQ	5.11%	Capitol Reserves	ASB	618,210.48	641,669.29
1200	07/08/24	07/08/25	20689	12 MO	CMPQ	5.11%	Capitol Reserves	ASB	618,210.72	641,669.55
1200	10/31/24	10/31/25	21148	12 MO	CMPQ	4.30%	Capitol Reserves	ASB	671,599.51	685,755.70
1200	05/29/25	05/29/26	21425	12 MO	CMPQ	4.00%	Capitol Reserves	ASB	588,972.64	588,972.64
1200	03/24/25	03/24/26	1106849	12 MO	CMPQ	4.06%	Capitol Reserves	UBT	217,451.90	217,451.90
<b>TOTAL ELECTRIC INVESTMENTS</b>										<b>\$6,907,817.44</b>
<b>WATER DEPARTMENT</b>										
1200	09/18/24	09/18/25	21008	12 MO	CMPQ	4.60%	Capitol Reserves	ASB	260,865.02	269,755.06
1200	7/8/2024	07/08/25	20691	12 MO	CMPQ	4.65%	Capitol Reserves	ASB	222,528.62	241,737.68
1200	5/29/2025	05/29/26	21424	12 MO	CMPQ	4.00%	Capitol Reserves	ASB	308,278.67	308,278.67
<b>TOTAL WATER INVESTMENTS</b>										<b>\$819,771.41</b>
<b>SEWER DEPARTMENT</b>										
1200	09/18/24	09/18/25	21009	12 MO	CMPQ	4.60%	Capitol Reserves	ASB	563,974.22	583,193.93
1200	09/18/24	09/18/25	21010	12 MO	CMPQ	4.60%	Capitol Reserves	ASB	84,324.87	91,692.89
1200	07/08/24	07/08/25	20690	12 MO	CMPQ	5.11%	Capitol Reserves	ASB	446,587.62	463,533.97
<b>TOTAL W.W. INVESTMENTS</b>										<b>\$1,138,420.79</b>
<b>TOTAL INVESTMENTS</b>										<b>\$8,866,009.64</b>

INTEREST ALLOCATION								
AUBURN STATE BANK RECONCILIATION - Through 06/30/2025								
		Prior Months balance #457285 \$1,093,339.94	Allocation		Deposits/ Transfers	Increase/ Decrease in Designated Funds	Checks/ Transfers/ Adjustments	Ending Balance #457285 \$1,093,833.29
E.Prev.Bal.		\$834,160.95	76.3%					
\$376.40		\$376.40						
E. REV.%	76.3%	\$834,160.95	100.0%	interest rounding	\$376.40 -\$0.02		\$0.01 \$0.00	\$834,537.34
		\$834,160.95	100.0%			376.38		
		\$0.00						\$834,537.34
W Prev. Bal.		\$162,110.54	14.83%				\$0.00	
\$73.16		\$73.16						
W. REV.%	14.83%	\$162,110.54	100.0%	interest rounding	\$73.16			\$162,183.70
		\$162,110.54	100.00%			73.16		
		\$0.00						\$162,183.70
WW.Prev.Bal.		\$97,068.43	8.88%					
\$43.81		\$43.81		rounding			\$0.00	
WW. REV%	8.88%	\$97,068.43	100.0%	interest	\$43.81			\$97,112.23
		\$97,068.43	100.00%			43.81		
		\$0.00	100.00%					\$97,112.23
492.9	493.35	\$1,093,339.92 v			\$493.35	493.35		\$1,093,833.27
** adjusted for rounding								
						INTEREST		\$376.38
						INTEREST		73.16
						INTEREST		\$43.81
Total Interest								493.35

2024 Interest

Dec	2,349.24
Nov	2,384.29
Oct	3,062.31
Sept	4,262.97
Aug	5,236.69
Jul	5,159.70
June	4,930.55
May	5,019.53
Apr	4,915.14
Mar	5,066.74
Feb	4,539.93
Jan	4,728.42

49,306.27 YTD Interest

2025 Interest

Dec	
Nov	
Oct	
Sept	
Aug	
Jul	
Jun	2,706.98
May	2,761.46
Apr	2,622.92
Mar	2,673.84
Feb	2,343.16
Jan	2,433.86

15,542.22 YTD Interest

PLEDGING ANALYSIS						
Auburn State Bank - June 2025 Pledge Analysis						
PLEDGE#	ISSUE DATE	ORIGINAL AMOUNT	MATURITY	SECURITY PLEDGED	RATING- SP/Moodys	6/30/2025
112128KN2	12/19/17	\$ 130,000.00	12/15/29	BROKEN BOW NEB GO	NR	\$ 120,169.40
187857GD3	11/27/23	\$ 900,000.00	04/01/40	CLINTON-MACOMB MI PUB LIBR	NR	\$ 742,599.00
915899RK6	03/17/21	\$ 1,000,000.00	01/15/51	UPPER MERION PA AREA SCH DIST	NR	\$ 866,420.00
31395VHNO	07/01/05	\$ 1,330,000.00	07/15/25	FHLMC REMIC SERIES 3005 ED	NR	\$ 1.17
3137FL2Q6	04/20/20	\$ 2,000,000.00	01/25/26	FHLMC REMIC SERIES K-F58	NR	\$ 449,640.02
3137FL7L2	03/28/19	\$ 1,300,000.00	02/25/26	FHLMC REMIC SERIES K-F60	NR	\$ 227,168.56
3137H5FZ5	04/25/23	\$ 500,000.00	11/25/30	FHLMC REMIC Series K-J37	NR	\$ 462,736.15
3137FMCW0	08/07/19	\$ 2,000,000.00	05/25/29	FHMS KF63 A	NR	\$ 1,016,392.66
3140LE6E2	09/20/22	\$ 500,000.00	12/01/27	FNMA MBS 2ND LIEN MULT	NR	\$ 475,133.97
3140J2QH2	10/26/23	\$ 500,000.00	12/01/30	FNMA MBS BL9455	NR	\$ 428,943.43
3140LANP6	01/01/21	\$ 500,000.00	01/01/31	FNMA MBS BLLN MULTI 7+	NR	\$ 407,989.94
3140LBB85	12/21/23	\$ 500,000.00	02/01/36	FNMA MBS BLLN MULTI 7+	NR	\$ 357,503.23
3136AYEX7	09/01/17	\$ 500,000.00	09/25/35	FNMA REMIC TRUST 2017-83	NR	\$ 91,384.91
3136BLET3	09/18/23	\$ 500,000.00	12/25/46	FNR 2022-3EA	NR	\$ 300,312.97
34682EML4	03/01/19	\$ 330,000.00	09/01/36	FORT BEND CNTY TEX MUN UTIL	NR	\$ 300,880.80
3617LUUA4	06/27/22	\$ 1,100,000.00	02/20/70	GNMA HMBS	NR	\$ 184,227.31
38378BA74	08/01/12	\$ 875,000.00	11/16/51	GNMA REMIC TRUST 2012-100 AC	NR	\$ 142,861.37
38376RB70	04/09/20	\$ 1,150,000.00	10/20/66	GNMA REMIC TRUST 2016-H23	NR	\$ 249,477.30
38383PLB5	04/09/20	\$ 1,150,000.00	10/20/66	GNMA REMIC TRUST 2022-05	NR	\$ 745,079.64
414108KB5	05/15/20	\$ 375,000.00	08/15/36	HARRIS CO TX FRESH WTR SUPP	NR	\$ 290,831.25
564386TG5	02/20/24	\$ 595,000.00	02/15/31	MANSFIELD TEX INDPT SCH DIST	NR	\$ 519,863.40
564386TA8	08/20/24	\$ 105,000.00	02/15/31	MANSFIELD TEX INDPT SCH DIST	NR	\$ 93,373.35
64044XCH2	05/15/19	\$ 290,000.00	12/15/29	NEMAHA. CO NE SCH DIST LTD TAX	NR	\$ 279,542.60
64044XCT6	06/20/24	\$ 290,000.00	12/15/29	NEMAHA. CO NE SCH DIST NO 00	NR	\$ 257,189.40
803770WZ5	01/19/23	\$ 1,000,000.00	12/15/43	SARPY COUNTY NEB SCH DIST NO 037	NR	\$ 905,130.00
83165BBH4	03/01/19	\$ 1,000,000.00	08/25/28	SBA PC VAR QTRLY ADJ	NR	\$ 128,695.13
83165BBN1	04/18/19	\$ 1,000,000.00	07/25/29	SBA POOL VARIABLE RATE	NR	\$ 191,582.97
78443VAG7	01/25/07	\$ 1,000,000.00	01/25/42	SLM STUDENT LOAN TR 2007-1	NR	\$ 514,509.82
78443FAF4	07/19/07	\$ 1,000,000.00	01/25/43	SLM STUDENT LOAN TR 2007-5	NR	\$ 355,608.70
878867AF7	04/15/20	\$ 600,000.00	11/01/34	TECUMSEH NE RFD BDS	NR	\$ 518,988.00
91282CCE9	03/28/22	\$ 2,000,000.00	05/31/28	UNITED STATES TREASURY	NR	\$ 1,861,250.00
91282Z94	07/18/22	\$ 500,000.00	02/15/30	UNITED STATES TREASURY	NR	\$ 450,878.91
91282CBL4	08/16/23	\$ 450,000.00	02/15/31	UNITED STATES TREASURY	NR	\$ 387,457.03
91282CBS9	08/17/22	\$ 500,000.00	03/01/28	UNITED STATES TREASURY	NR	\$ 467,089.85
682001GZ9	02/20/225	\$ 1,000,000.00	02/01/46	OMAHA PUB PWR DIST NEB ELEC REC	nr	\$ 1,018,750.00
BOOK VALUE		\$28,470,000.00		MKT. VALUE		\$15,809,662.24

PLEDGING ANALYSIS (cont.)

**AUBURN STATE BANK BALANCES - June 2025**

Flexible Spending #443450	\$4,921.03
MMG # 457285 (T/D,Ins.,Rev.)	\$1,093,833.29
MMG #191494 E,W,WW Rev.	\$4,670,425.40
SNA #191460 E,W,WW Rev.	\$269,252.03
	<b>\$6,038,431.75</b>

**Bank/CDs Total**

**\$14,686,989.49**

RECAP:	Original Pledge	Market Value
F.D.I.C.	\$250,000.00	\$250,000.00
Pledges	\$28,470,000.00	\$15,809,662.24
Sub-total	\$28,720,000.00	\$16,059,662.24
Bank/CD x 1.02	\$14,980,729.28	\$14,980,729.28
Difference	<b>\$13,739,270.72</b>	<b>\$1,078,932.96</b>

Need additional pledge in the amount of = \$00.00

**Auburn State Bank C.D.'s -June 2025**

20688	\$641,669.29
20689	\$641,669.55
20690	\$463,533.97
20691	\$241,737.68
20693	\$803,480.41
21003	\$532,461.54
21004	\$564,364.08
21005	\$956,123.70
21006	\$711,504.55
21007	\$564,364.08
21008	\$269,755.06
21009	\$583,193.93
21010	\$91,692.89
21148	\$685,755.70
21424	\$308,278.67
21425	\$588,972.64
	<b>\$8,648,557.74</b>

**Proof**

**CD Totals All Institutions**

**\$8,866,009.64**

**Union Bank & Trust Company - June 2025 Pledge Analysis**

PLEDGE #	ISSUE DATE	AMOUNT	MATURITY	SECURITY PLEDGED	RATING- SP/Moodys	6/30/2025
91282CCZ2	11/17/21	310,000.00	9/30/2026	UNITED STATES TREASURY NOTE		\$298,605.01
38381WT99	09/05/19	146,416.28	07/20/49	US TREASURER BILL	AAA	\$118,128.16
36179YAT1	12/27/23	1,000,000.00		GNMA PASS THRU POOL #MA9018M		\$683,480.65
	<b>BOOK VALUE</b>	<b>\$1,456,416.28</b>			<b>MKT. VALUE</b>	<b>\$1,100,213.82</b>

**BANK BALANCES - June 2025**

	<b>\$6,038,431.75</b>

**Bank/CDs Total**

**\$217,451.90** ✓

**Union Bank C.D.'s - June 2025**

1106849	217,451.90
<b>TOTAL</b>	<b>\$217,451.90</b>

✓✓

RECAP:	Original Pledge	Market Value
F.D.I.C.	\$250,000.00	\$250,000.00
Pledges	<u>\$1,456,416.28</u>	<u>\$1,100,213.82</u>
Sub-total	\$1,706,416.28	\$1,350,213.82
Bank/CDx1.02	\$221,800.94	\$221,800.94
Difference	<b>\$1,484,615.34</b>	<b>\$1,128,412.88</b>

Need additional pledge in the amount of = \$0.00

City of Auburn  
Board of Public Works

Check Register - For Board Claims - no signature line  
Check Issue Dates: 7/1/2025 - 7/31/2025

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Report Criteria:  
Report type: Summary

Check Issue Date	Check Number	Payee	Description	Amount
07/16/2025	50190	Airstream Heating & Cooling	SERVICE CENTER - PLUGGED CONDENSATE LINE IN OF	255.53
07/16/2025	50191	Altec Industries Inc	UNIT 8 REPAIRS	1,411.52
07/16/2025	50192	American Recycling & Sanitation	CONTRACTED AMOUNT	20,965.69
07/16/2025	50193	Anderson, Aracelly	CLEANING	1,050.00
07/16/2025	50194	Auburn Auto Center	UNIT 9 - PARTIAL REFRIGERANT CHARGE	109.35
07/16/2025	50195	Auburn Family Health Center PC	DRUG SCREEN COLLECTION FEE	140.00
07/16/2025	50196	B 103	COOP AD	152.00
07/16/2025	50197	Beard's Salvage	FLAP DISCS & S OXYGEN	54.21
07/16/2025	50198	Board Of Public Works	NORTH WELL FIELD	17,411.52
07/16/2025	50199	Border States Industries Inc	FUSE - S & C TYPE 15 AMP STD	4,771.56
07/16/2025	50200	Bulldog Auto Supply	DETAILING SUPPLIES	112.53
07/16/2025	50201	Capital Business Systems, Inc	RICOH COPIER	388.20
07/16/2025	50202	Capital One Spark Business	WEBCAM	1,061.36
07/16/2025	50203	Caselle Inc	CONTRACT SUPPORT	2,267.00
07/16/2025	50204	City of Auburn	FRANCHISE FEE	13,612.03
07/16/2025	50205	Concrete Industries Inc	47B SCREENED LIMESTONE BULK	46.50
07/16/2025	50206	County Publications	PROPOSALS	994.04
07/16/2025	50207	Credit Information Services	CREDIT CHECKS	134.50
07/16/2025	50208	Dettman, Naomi	REBATE	30.00
07/16/2025	50209	DHHS State of Nebraska	CBOD NH3, TKN TSS	397.25
07/16/2025	50210	Eggers Brothers Inc	HYD FITTING MALE RUN TEE	15.60
07/16/2025	50211	Erickson, Paul	TRAVEL EXPENSE - GM HIRE	1,437.06
07/16/2025	50212	Filter Care of Nebraska	CLEANED FILTERS	24.55
07/16/2025	50213	Gardner, Barbara	REBATE	30.00
07/16/2025	50214	Gerdes Construction LLC	LESLIE PROPERTY CLAIM	13,824.70
07/16/2025	50215	Glenn's Corner Market	Restroom Supplies	53.54
07/16/2025	50216	Grainger Inc	4CFH4 - COMM PRESSURE GAUGE 100 PSI 2-1/2 IN DIAL	118.07
07/16/2025	50217	Great Plains Lawn Care	MOWING	1,710.00
07/16/2025	50218	Green Care Lawn Service	LAWN CARE	1,120.00
07/16/2025	50219	Hawkins Inc	CHLORINE CYLINDERS	1,509.75
07/16/2025	50220	HireRight Solutions LLC	BACKGROUND CHECK	541.20
07/16/2025	50221	Husker Electric	CONDUIT - PVC SCH 40 2 IN	473.56
07/16/2025	50222	Jackson Services Inc.	MATS	2,140.98
07/16/2025	50223	Kansas Municipal Utilities	LINEWORKER APPRENTICESHIP - GORACKE	600.00
07/16/2025	50224	Lavigne Construction Inc	OFFICE KITCHEN REMODEL	12,646.52
07/16/2025	50225	League Of Nebraska Municipalities	LIGHT MEMBERSHIP FEES	270.00
07/16/2025	50226	Lincoln Winwater	VALVE - 1/4 X 1/2 IN INJECTION VALVE ASSEMBLY	929.08
07/16/2025	50227	Lynch's Hardware & Gifts	GFI WHITE	96.51
07/16/2025	50228	McConnaughey, Jodie	REBATE	30.00
07/16/2025	50229	Meyer-Earp Auto Center LLC	UNIT 31 TIRE REPAIR - REPLACE 2 TPMS	262.35
07/16/2025	50230	Midwest Laboratories Inc	SUPPLY LONGS CREEK	110.35
07/16/2025	50231	Miller & Associates Consulting Engineers	PROFESSIONAL SERVICES - NEW WATER SOURCE EVAL	8,380.39
07/16/2025	50232	Nemaha County Clerk	LEIN	40.00
07/16/2025	50233	Omaha Winwater Works Company	VALVE - BALL 3/4 IN	398.26
07/16/2025	50234	One Call Concepts Inc	LOCATES	147.23
07/16/2025	50235	Petty Cash	SAFETY BOOTS - SHERMAN	175.00
07/16/2025	50236	Pinpoint Auburn, Inc	PHONE SERVICE 7/01/2025-7/31/2025	433.93
07/16/2025	50237	PIP Marketing Signs & Print	UTILITY BILL	3,350.08
07/16/2025	50238	RESCO	CRIMPIT - 336-336 - WR775	312.18
07/16/2025	50239	Sack Lumber Company	CRADLE CAULK GUN	26.59
07/16/2025	50240	SECUR-SERV	PROOFPOINT SUPPORT	1,295.36
07/16/2025	50241	SKJ Enterprises LLC	REBATE	1,200.00
07/16/2025	50242	Subsurface Technologies Inc.	AQUA GARD SERVICE WELLS 1, 2,3,5,6,19 & 20	125,590.00
07/16/2025	50243	Truck Center Companies	UNIT 4 RADIATOR PLST FTL M2106 BC 08-1	872.80
07/16/2025	50244	US Cellular	MONTHLY SERVICE CHG -6/10/2025-7/09/2025	726.17



City of Auburn  
Board of Public Works

Check Register - For Board Claims - no signature line  
Check Issue Dates: 7/1/2025 - 7/31/2025

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Check Issue Date	Check Number	Payee	Description	Amount
07/16/2025	50245	Utility Equipment Company	8"x20' DR18 CERTA-LOK C900 INTEGRAL BELL RJ PIPE	27,809.28
07/16/2025	50246	Village of Brownville	WASTE WATER	8,168.44
07/16/2025	50247	Village of Nemaha	GARBAGE	4,834.42
07/16/2025	50248	Water Engineering Inc	MONTHLY AGREEMENT	432.11
07/16/2025	50249	Wesco Distribution Inc	ADAPTER - PVC 3/4 IN MALE	3,241.07
07/16/2025	50250	Western Area Power Administration	ENERGY- JUNE 2025	39,958.95
07/16/2025	50251	Zoro Tools Inc	Burndy Penetrox A-13 Electrical Joint Compound - MFR # P8	67.71
Grand Totals:				330,768.58

Report Criteria:  
Report type: Summary

Check Number	Check Issue Date	Payee	Amount
50252	07/16/2025	ST of NE-DHHS Finiancial Srvs	869.45
50253	07/16/2025	Andrew, Jordan B	197.82
50254	07/16/2025	Atkinson, Mitchell	210.74
50255	07/16/2025	Edstrand, Sherri	407.91
50256	07/16/2025	Fausti, Joseph	116.98
50257	07/16/2025	Kaelin, Ronald	64.97
50258	07/16/2025	Siebold, Gabrielle	237.78
Grand Totals:			2,105.65

CHECKS WRITTEN NEED RATIFIED	
AFLAC	271.16
Ameritas	7,945.40
ASB	475.00
ASSURITY	138.40
BCBS	18,667.07
Black Hills Energy	127.80
Chase Paymentech	1,654.57
DIRECT DEPOSIT TOTAL	60,892.86
Guardian Life	1,702.80
IBEW 1536	781.51
IRS	23,098.10
Mutual of Omaha	375.23
NDOR W/H	6,510.96
NE Dept of Revenue	24,096.10
NPPD	151,167.14
Point C	7,648.11
Quadient	100.00
Southwest Power Pool	37,942.91
The Principal Group	1,191.73
United Parcel Service	325.70
Verizon Wireless	90.22
WEX Fleet Universal	2,672.43
Windstream	175.66
Xpress Bill Pay	1,021.54
	<u>349,072.40</u>

CLAIMS BY FUND	
Electric	73,779.20
Water	196,700.06
Wastewater	28,521.60
Villages	13,002.86
Garbage	20,870.51
	<u>332,874.23</u>

**June Claims Transfer Request - ASB Money Market to Checking**

Vendor Claims		332,874.23	<b>Prior Month ACH Claims</b>	<b>349,072.40</b>
Prior Month ACH Claims		349,072.40	AFLAC	271.16
Payroll		100,000.00	Ameritas	7,945.40
			ASB	475.00
	Payments	<u>781,946.63</u>	ASSURITY	138.40
			BCBS	18,667.07
			Black Hills Energy	127.80
			Chase Paymentech	1,654.57
Bank Balance Checking	6/30/2025	269,252.03	DIRECT DEPOSIT TOTAL	60,892.86
O/S Checks & ACH		57,763.44	Guardian Life	1,702.80
O/S Deposits - 191460		6,778.97	IBEW 1536	781.51
		<u>218,267.56</u>	IRS	23,098.10
			Mutual of Omaha	375.23
			NDOR W/H	6,510.96
Payments - Balance		(563,679.07)	NE Dept of Revenue	24,096.10
			NPPD	151,167.14
Operational Transfer Request		677,000.00	Point C	7,648.11
			Quadient	100.00
Estimated Ending Balance		113,320.93	Southwest Power Pool	37,942.91
			The Principal Group	1,191.73
			United Parcel Service	325.70
			Verizon Wireless	90.22
			WEX Fleet Universal	2,672.43
			Windstream	175.66
			Xpress Bill Pay	1,021.54

**Cost of Unbilled  
Services Provided to the City of Auburn  
2025**

Month	Labor	Equipment	Materials	Street Lights Utility Bill	Total
January	10,606.07	3,690.00	19.41	2,189.24	16,504.72
February	9,526.29	3,060.00	19.84	1,765.47	14,371.60
March	2,785.63	840.00	960.32	1,443.35	6,029.30
April	2,697.82	800.00	25.43	1,331.02	4,854.27
May	1,519.36	300.00	613.41	1,034.72	3,467.49
June	111.15	300.00	197.98	1,367.72	1,976.85
July					0.00
August					0.00
September					0.00
October					0.00
November					0.00
December					0.00
<b>Grand Totals</b>	<b>\$27,246.32</b>	<b>\$8,990.00</b>	<b>\$1,836.39</b>	<b>\$9,131.52</b>	<b>\$47,204.23</b>

City of Auburn  
Board of Public Works

Task and Activity Report - Task Hours for Board Meetings  
Report Dates: 6/1/2025 - 6/30/2025

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Activity Code	Activity Description	Task Number	Task Title	Date	Hours
Total Activity: 100 Regular:					3,148.25
Total Activity: 200 Overtime:					131.00
Total Activity: 300 Vacation:					445.50
Total Activity: 401 Sick:					144.25
Total Activity: 500 Leave Without Pay:					48.00
Total Activity: 805 Funeral Leave - Immediate Family (See Handbook):					13.00
Total Activity: 812 Nemaha - Regular:					28.50
Total Activity: 813 Nemaha - Overtime:					4.00
Total Activity: 901 Comp Time Used:					62.50
Total Activity: 902 Comp Time Earned:					8.50
Grand Totals:					4,033.50

**Village of Brownville  
2025 Costs Incurred and Billed**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Labor for Billing	350.00	350.00	350.00	350.00	350.00	350.00							2100.00
Billing Charge per Bill	58.00	58.50	58.00	58.00	57.00	57.00							346.50
Verizon SCADA													0.00
Shipping Samples													0.00
Mileage		33.60	-16.80										16.80
Materials			30.20										30.20
Credit													0.00
Water Meters		623.00				464.27							1,087.27
Meals													0.00
Labor - Electric REG													0.00
Labor - Elec OT													0.00
Labor- Water REG		175.00	35.00										210.00
Labor- WW REG					140.00								140.00
Labor- Admin REG													0.00
Labor - Water OT													0.00
Labor - WW OT													0.00
Labor - HOLDBL													0.00
Equipment					150.00								150.00
<b>Monthly Totals</b>	<b>408.00</b>	<b>1,240.10</b>	<b>456.40</b>	<b>408.00</b>	<b>697.00</b>	<b>871.27</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4,080.77</b>

**Village of Johnson  
2025 Costs Incurred and Billed**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Shipping Samples													0.00
Mileage				14.00									14.00
Materials													0.00
Water Meters													0.00
Meals													0.00
Labor - Electric REG													0.00
Labor- Water REG													0.00
Labor- WW REG													0.00
Labor- Admin REG													0.00
Labor - Water OT													0.00
Labor - WW OT				210.00									210.00
Labor - HOLDBL													0.00
Equipment				300									300.00
<b>Monthly Totals</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>524.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>524.00</b>

**Village of Nemaha  
2025 Costs Incurred and Billed**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Labor for Billing	280.00	280.00	280.00	280.00	280.00	280.00							1680.00
Billing Charge per Bill	50.00	50.00	50.00	50.00	50.00	50.00							300.00
Verizon SCADA	40.01	40.01	40.01	40.01	40.01	40.01							
Shipping Samples				13.38	13.36	13.47							40.21
Mileage	164.57	166.95	175.00	175.00		534.17							1,215.69
Materials	865.21	4,185.81	79.83		32.88	28.56							5,192.29
Water Meters													0.00
Meals													0.00
Misc				372.75									
Labor - Elec REG													
Labor- Water REG	1330.00	595.00	2,135.00	665.00	1,645.00	630.00							7,000.00
Labor- WW REG	245.00	175.00	210.00	490.00	175.00	210.00							1,505.00
Labor- Admin REG	140.00	140.00											280.00
Labor - Water OT	210.00				945.00								1,155.00
Labor - WW OT													0.00
Labor - HOLDBL													0.00
Equipment													0.00
<b>Monthly Totals</b>	<b>3,324.79</b>	<b>5,632.77</b>	<b>2,969.84</b>	<b>2,086.14</b>	<b>3,181.25</b>	<b>1,786.21</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>18,368.19</b>

**City of Peru  
2025 Costs Incurred and Billed**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Verizon SCADA	50.25	50.25	50.21	50.29	50.25	50.21							301.46
Shipping Samples													0.00
Mileage	80.50	36.40	36.40	63.00		37.80							254.10
Materials	368.80												368.80
Water Meters													0.00
Bulk Water													0.00
Meals													0.00
Finance Fees													
Labor- Water REG	140.00			1,260.00	35.00	980.00							2,415.00
Labor- WW REG	595.00	805.00	140.00										1,540.00
Labor- Admin REG	490.00	490.00											980.00
Labor - Water OT/CTE	420.00		210.00		210.00								840.00
Labor - WW OT	52.50												52.50
Labor - HOLDBL	700.00												700.00
Equipment	375.00	1,725.00		717.50		1,050.00							3,867.50
<b>Monthly Totals</b>	<b>3,272.05</b>	<b>3,106.65</b>	<b>436.61</b>	<b>2,090.79</b>	<b>295.25</b>	<b>2,118.01</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>11,319.36</b>