

AN INTERLOCAL COOPERATION AGREEMENT BETWEEN

THE CITY OF FRIEND, NEBRASKA

and

FRIEND RURAL FIRE DISTRICT, NEBRASKA

This agreement is made and entered into upon execution hereof by and between the City of Friend, Nebraska (the "City"), and Friend Rural Fire District (the "District"), both political subdivisions of the State of Nebraska.

WHEREAS, the State of Nebraska, pursuant to the Interlocal Cooperation Act, NEB. REV. STAT. Section 13-801 *et seq.*, allows interlocal agreements between governmental entities; and,

WHEREAS, the City and the District wish to cooperate in the construction and operation of a fire station in and for the benefit of the City and its residents and for the benefit of the District and its residents;

NOW THEREFORE, in consideration of the mutual promises and benefits to accrue to both Parties hereto, the City and District agree as follows:

1. The City agrees that it shall construct and own a fire station for use by the City and the District (the "Project"), to the extent sales tax revenues are available for such purposes as described in Section 4 below.

2. The City and the District agree to hold annual meetings each year, prior to the September 30 fiscal year end of the City. The official participants in such meetings will consist of three representatives appointed by the City Council and two representatives appointed by the Board of Directors of the District. Additional meetings may be held at the request of any such appointed representative.

3. The representatives appointed by the City and the District to attend the annual meeting shall constitute the "The Friend Area Fire Protection Committee". The Committee shall: (a) evaluate the design of the Project and offer recommendations to the City for the design and construction of the Project; (b) discuss the status and functionality of the Project and any other facilities of the City and District which may affect use of the Project, (c) review and provide input and advice with respect to maintenance, improvements, and repairs to the Project; and (d) recommend to the City Council of the City and the Board of Directors of the District the terms pursuant to which the City and the District will cooperate in the use and operation of the Project to provide fire protection services for the City and the District, and the amounts to be paid to the City by the District from time to time to support the operation and maintenance of the Project. For purposes of NEB. REV. STAT. Section 77-27,142(3), the Committee shall be a separate administrative entity relating to a public infrastructure project, as defined in Neb. Rev. Stat. Section 77-27,142(2) and including without limitation the unified governance of the Project and other public safety facilities of the City. Said Committee shall be created and come

into existence effective September 1, 2024. Such committee shall be responsible for evaluating and making recommendations for long term development of unified governance of said public infrastructure Project with respect to the City and District, and at least every five years after this Agreement is entered into such Committee shall review performance of the Project, including without limitation capital and operating costs, effectiveness and efficiencies, with comparable facilities of the City or District, in addition to any other benchmarks periodically established by the Committee or the Nebraska Legislature. The Committee shall not exercise any levy authority and shall not have a separate budget. The costs of the Committee shall be paid by the City and the District from time to time as agreed to by the parties.

4. The City has agreed to call an election at the Statewide general election to be held November 5, 2024, to increase the local sales and use tax rate of the City by one-half of one percent (0.50%) in order to provide funding for the construction of the Project. The term of this Agreement shall be twenty (20) years from its effective date and thereafter from year-to-year unless terminated on an anniversary date thereof by at least three (3) years prior written notice given by either Party to the other. Notice to terminate this Agreement can be given by either Party any time after the thirteenth (13th) year of the original twenty (20) year term. The parties may terminate this Agreement at any time by mutual agreement. Notwithstanding the foregoing, in the event the voters of the City fail to approve construction of the fire station and/or fail to approve an additional one-half percent (½%) sales and use tax, the City shall have the option to terminate this Agreement by written notice delivered to the District on or before March 31, 2025.

5. Notwithstanding anything herein to the contrary, (a) the Project shall be owned by the City, provided, that the City and the District will each separately own fire equipment housed in the Project unless such equipment is (or is agreed to be) owned jointly by separate agreement; (b) the City shall bear all operational and maintenance responsibility with respect to the Project, subject to the District's obligation to contribute to such costs as agreed from time to time by the parties; (c) the separate administrative entity created hereunder shall have no authority to issue bonds, and any financing of the Project by the City shall in no way be attributable to the District; and (d) upon the recommendation of the Committee, the District and City shall agree separately with respect to the liability of the District to pay funds to the City for use of the Project by the District.

6. This agreement may be amended by a majority vote of the elected bodies of the City and the District after the completion of the first year of the agreement. It is expressly understood and agreed by and between the parties hereto that this agreement shall continue in full force and effect until it is amended, replaced, or terminated as provided herein.

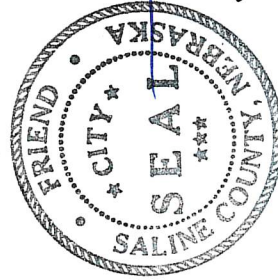
IN WITNESS WHEREOF, the parties did execute this Agreement as of the 6 day of August, 2024.

CITY OF FRIEND, NEBRASKA

By: *Judith Kynoke*
Mayor

ATTEST:

[Signature]
City Clerk



FRIEND RURAL FIRE DISTRICT,
NEBRASKA

By: *Mike Miller*
President

ATTEST:

District Secretary