



Cozad City Council Meeting October 19, 2026 at 5:30 p.m.
AGENDA



Pledge of Allegiance and Invocation

Roll Call

Public Hearing

Consent Agenda

- 1) City Council Minutes – October 6

Approval of Claims

New Business

- 1) Approve application and certificate for payment No. 2 - \$161,319.12 – 12th Street Watermain
- 2) Approve the Mayor to sign agreement - JK Energy Consulting Cost of Service/Rate Design Study Letter
- 3) Ordinance 1588 – Street Intersections - No parking zones
- 4) Approve the Mayor to sign the Sort Payoff Approval Letter – Releasing Deed of Trust on Cobblestone Inn and Suites to allow sale - \$5,000 payment

City Administrator Report

Citizens Comments (Please step up to the microphone)

Adjournment

Next meeting will be Monday, November 2, 2026.

In accordance with Section 84-1412 sub-section eight (8) of the Reissue Revised Statutes of the State of Nebraska 1943, as amended, one copy of all reproducible written material to be discussed is available to the public at this meeting for examination and copying. The Mayor and Council reserve the right to adjourn into closed session as per Section 84-1410 of the Nebraska Revised Statutes.

A meeting of the Mayor and City Council of Cozad, Dawson County, Nebraska was convened in an open and public session at 5:30 p.m. on Tuesday, October 6, 2026, in the Council Chambers of the City Office Building at 215 West 8th Street. A copy of the Open Meetings Act is available in the Council Chambers.

Present for the meeting were: City Attorney Jennifer Rowling, Mayor Marcus Kloepping, City Administrator Mike Morgan, City Clerk Brandi Kloepping, Councilmembers Jordan Curtice, Jennifer Howerter, Pat Worthman, David Hernandez.

Also present: Caroline Valenzuela with Cozad Community Leaders, Mel Nutt w/ Cozad Local.

Notice of the meeting was given in advance by publishing in the Cozad Local. Advance notice and a copy of the agenda was given to members of the City Council. All proceedings hereafter shown were taken while the meeting was opened to the attendance of the public.

Mayor Kloepping opened the meeting at 5:30 p.m.

Worthman moved, Howerter seconded, to approve the consent agenda which included:

City Council Minutes – September 21, 28

Building Permit Report – September

WingFest – Oct 18 – Block street between Big E's and Meridian Tap House from 7th Street to alley

Roll call vote: Yea – Hernandez, Curtice, Howerter, Worthman. No – None.

Worthman moved, Curtice seconded, to approve claims excluding none: BLACK HILLS ENERGY – 452.12-EX, BOARD OF PUBLIC WORKS - 8751.72-EX, Blue Cross Blue Shield of Nebraska - 78058.06-EX, Sandra Brunick - 440.00-EX, CARDMEMBER SERVICES - 1318.58-SU, CENGAGE LEARNING INC/GALE – 173.84-SU, CITY OF HASTINGS - 1000.00-EX, CNA Surety - 340.00-EX, COLONIAL LIFE - 4975.42-EX, COMMUNITY ACTION PARTNERSHIP OF MID-NEBR - 2200.00-EX, COZAD WELLNESS CENTER - 20000.00-EX, COZAD TELEPHONE COMPANY - 1595.63-EX, COZAD VETERINARY CLINIC - 92.00-EX, CULLIGAN - 92.40-SU, Cozad Local / For the Record, LLC -518.14-EX, DANKO - 74.00-SU, DAWSON-PUBLIC POWER DISTRICT - 247.50-EX, DAWSON COUNTY CLERK - 624.03-EX, DOUBLE L TREE SERVICE - 3400.00-EX, Dinges Fire Company - 206.00-SU, EAKES OFFICE SOLUTIONS -964.11-SU, EFTPS -25454.60-EX, EJS SUPPLY - 83319.00-SU, Mary Edenburn -630.00-EX, FAMILY ADVOCACY NETWORK - 1000.00-EX, Tommy Fischer - 175.00-EX, HOMETOWN LEASING – 360.00-EX, Klye Hansen - 100.00-SU, Debra J Herbert - 220.00-EX, INGRAM LIBRARY SERVICES INC - 1376.34-SU, ISLAND SUPPLY WELDING CO – 105.50 SU, Inovalon Provider, Inc. -149.95-EX, J.P. COOKE CO. - 115.50-SU, JOHN DEERE FINANCIAL – 734.78-EX, KSO CPA'S P.C.- 2508.00-EX, LEAGUE OF MUNICIPALITIES - 11969.00-EX, LEXINGTON AREA SOLIDWASTE AGEN -14344.61-EX, LIPS Printing Service - 150.43-SU, Raymond Long - 75.00-EX, MICROFILM IMAGING SYSTEMS -70.00 EX, MUNICIPAL SUPPLY, INC - 2436.00-SU, Mike Morgan- Consulting - 6290.00-EX, NEBRASKA CHILD SUPPORT - 198.93-EX, NEBRASKA DEPT REVENUE - 3388.58-EX, NORTH PLATTE KUBOTA - 21053.63-SU, Oliver Consulting Services, Inc. - 27.42-EX, PAULSEN INC – 1402.62-SU, Rivet Design Company - 76.00-SU, SONNY'S SUPER FOODS - 12.5 SU, SUN LIFE FINANCIAL - 2167.20-EX, Stryker Sales Corporation - 150.00-SU, T A S C – 304.53-EX, TYE & ROWLING, PC LLO - 4098.54-EX, The Lincoln National Life Insurance Comp - 243.69-EX, Titan Machinery - 35601.15-SU, Troy's Tire & Auto -196.76-EX, VAN DIEST SUPPLY COMPANY -3656.68-SU, VILLAGE UNIFORM – 127.64-SU, VOYA FINANCIAL - 11546.54-EX, Verizon Wireless - 60.06-EX, WEX BANK - 3773.94-SU, Wilson Public Library - 18.78-EX Total - 367956.51 Roll call vote: Yea – Howerter, Hernandez, Curtice, Worthman. No – None.

Curtice moved, Hernandez seconded, to approve application and certificate for payment No. 2 - \$72,713.70 for the WRRF Project. Roll call vote: Yea – Worthman, Howerter, Hernandez, Curtice. No – None.

Caroline Valenzuela with Cozad Community Leaders (CCL) explained they would like to have a new path for the Winter Wonderland Parade to route the floats to go the regular path and then north to go by Emerald Nursing and across West 19th north on O Street to pass by Meadowlark Pointe, across West 24th Street and South on Meridian to end at the Santa House in the Green Space. There will be no throwing candy on the route, and they ask those who normally do to donate to the goodie bags that can be picked up at the end when visiting Santa and the reindeer.

Worthman moved, Howerter seconded, to approve the parade route as presented. Roll call vote: Yea – Hernandez, Curtice, Howerter, Worthman. No – None.

Curtice moved, Hernandez seconded, to introduce Ordinance 1586 Floodplain Ordinance Update. Roll call vote: Yea

Worthman, Howerter, Hernandez, Curtice. No – None.

Curtice moved, Worthman seconded, to waive the 3 readings of Ordinance 1586. Roll call vote: Yea – Howerter, Hernandez, Worthman, Curtice. No – None.

Clerk Kloepping read the Ordinance by title.

Curtice moved, Worthman seconded, to adopt Ordinance 1586 Floodplain Ordinance Update. Roll call vote: Yea – Hernandez, Howerter, Worthman, Curtice. No – None.

ORDINANCE NO. 1586
Floodplain Management Ordinance

AN ORDINANCE INTRODUCED BY THE COZAD CITY COUNCIL IDENTIFYING FLOODPLAIN AREAS DEFINING THE SAME AND SETTING FORTH REGULATIONS THEREOF.

Worthman moved, Howerter seconded, to introduce and waive the 3 readings of Ordinance 1587 Amendment to Vendor Code §113.21 & 113.26. Roll call vote: Yea – Hernandez, Curtice, Howerter, Worthman. No – None.

Clerk Kloepping read the Ordinance by title.

Worthman moved, Hernandez seconded, to adopt Ordinance 1587 Amendment to Vendor Code §113.21 & 113.26. Roll call vote: Yea – Curtice, Howerter, Hernandez, Worthman. No – None.

ORDINANCE NO. 1587

AN ORDINANCE OF THE CITY OF COZAD, DAWSON COUNTY, NEBRASKA, ESTABLISHING RULES GOVERNING VENDORS BY AMENDING SECTIONS 113.21 AND 113.26 TO THE COZAD MUNICIPAL CODE, REPEALING ALL ORDINANCES IN CONFLICT HERewith, AND PROVIDING FOR AN EFFECTIVE DATE:

Howerter moved, Hernandez seconded, to approve the Wellness Center Agreement. Roll call vote: Yea – Worthman, Curtice, Hernandez, Howerter. No – None.

Strike through #6 No parking zone – West of Hospital E Street at East 12th Street, will discuss at a different meeting.

Administrator Morgan reported that 12th Street waterline project is nearing completion. The tree dump will be relocated so that it's not an eyesore coming into Cozad. There will be significant repairs in front of City Office with more parking, concrete work, new light pole, and Handicap stall in the next few weeks. Mowing of the overpass went well, 4 way stop signs seem to be working, the treatment plant work is starting, and alley work is being done.

There being no further business, the meeting adjourned at 5:47 p.m.

ATTEST:

Mayor Marcus Kloepping

City Clerk/Treasurer Brandi Kloepping

Brandi Kloepping

From: Elizabeth Mendyk - M&A <emendyk@miller-engineers.com>
Sent: Thursday, October 8, 2026 9:23 AM
To: Brandi Kloepping
Subject: 119-C1-001 - 12th Street Pay App 2
Attachments: 119-C1-001-pr2.pdf

Brandi,

Attached is the following:

- a) Application and Certificate for Payment No. 2 - \$161,319.12

Please place this on your City Council Meeting Agenda for the City Council's consideration.

Please contact us if you have any questions regarding this matter.

Thank you,
Elizabeth

Elizabeth Mendyk



1111 Central Avenue | ☎ 308-234-6456
Kearney, NE 68847 | ☎ 308-234-1146

www.miller-engineers.com

emendyk@miller-engineers.com 

APPLICATION FOR PAYMENT

PROJECT: COZAD NE - 12th ST WATER MAIN REPLACEMENT

ENGINEER: MILLER & ASSOCIATES, CONSULTING ENGINEERS, P.C.

ENGINEER'S PROJECT NO. 119-C1-001-25

1516

TO: (OWNER) CITY OF COZAD

P O BOX 65

COZAD NE 69130

CONTRACTOR: Midlands Contracting, Inc.

CONTRACT FOR: WATER

APPLICATION DATE: 9/30/2026 APPLICATION NO.: 2

FOR WORK ACCOMPLISHED THROUGH THE DATE OF: 9/30/2026

ATTN:

CHANGE ORDER SUMMARY:

Continuation sheets are attached.

Change orders approved in previous month by Owner.

Application is made for payment, as shown below in connection with the Contract.

The present status of the account is as follows:

ORIGINAL CONTRACT PRICE.....	\$436,100.00
Net Change by Change Orders & Written Amendments	\$207,152.50
CURRENT CONTRACT PRICE.....	\$643,252.50
TOTAL COMPLETED & STORED TO DATE.....	\$485,525.60
LESS RETAINAGE : 10%	\$48,552.56
TOTAL COMPLETED & STORED TO DATE LESS RETAINAGE	\$436,973.04
LESS PREVIOUS APPLICATION FOR PAYMENT.....	\$275,653.92
AMOUNT DUE THIS APPLICATION.....	\$161,319.12

CO #	DATE	ADDITIONS	DEDUCTIONS
1	8/21/26	\$207,152.50	
2			
3			
4			
5			
TOTAL		\$207,152.50	
NET CHANGE		\$207,152.50	

The undersigned CONTRACTOR certifies that (1) all previous progress payments received from Owner on account of Work done under the Contract referred to above have been applied to discharge CONTRACTOR'S legitimate obligations incurred in connection with Work covered by prior Applications for Payment numbered _____, inclusive; (2) title of all Work, materials and equipment incorporated in said Work or otherwise listed in or covered by this Application for Payment will pass to OWNER at time of payment free and clear of all Liens, security interests and encumbrances (except such as are covered by a Bond acceptable to OWNER indemnifying OWNER against any such Lien, security interest or encumbrance); and (3) all Work covered by this Application for Payment is in accordance with the Contract Documents and not defective.

The undersigned certifies that the work has been carefully inspected and to the best of their knowledge and belief, the quantities shown in this estimate are correct and the work has been performed in accordance with the contract.

ENGINEER: MILLER & ASSOCIATES
 By: *Chris Miller*

Owner	Contractor	Engineer	City

OWNER: CITY OF COZAD

CONTRACTOR: MIDLANDS CONTRACTING, INC.
 By: *P. G. G. G.* Date: 10-7-26

Please mail a check payable to Midlands Contracting P O Box 1065 Kearney NE 68848-1065.

If you would like to wire or ACH funds, please call Susan Nickerson 308-237-7979 ext. 132 to confirm banking and wiring information before sending funds.

APPLICATION AND CERTIFICATE FOR PAYMENT-CONTINUATION SHEET

APPLICATION NUMBER:

Job #1516

APPLICATION DATE:

30-Sep-26

FOR WORK ACCOMPLISHED THROUGH :

30-Sep-26

ENGINEER'S PROJECT #:

119-C1-001-25

ITEM NO.	DESCRIPTION OF WORK	ESTIMATED QUANTITY	UNIT	UNIT PRICE	QUANTITY COMPLETED TO DATE	TOTAL COMPLETED	STORED TO DATE	TOTAL COMPLETED AND STORED TO DATE
1	Mobilization	1	LS	\$ 25,000.00	1	\$25,000.00		\$25,000.00
2a	Remove & Salvage Valve	3	EA	\$ 350.00	0	\$0.00		\$0.00
2b	Remove & Salvage Fire Hydrant	3	EA	\$ 525.00	0	\$0.00		\$0.00
3	Abandon Valve in Place	10	EA	\$ 400.00	0	\$0.00		\$0.00
4a	Furnish & Install 4" C900 DR18 Water Main & Tracer	84	LF	\$ 40.00	37	\$1,480.00		\$1,480.00
4b	Furnish & Install 6" C900 DR18 Water Main & Tracer	195	LF	\$ 50.00	103	\$5,150.00		\$5,150.00
5	F&I 8" RJ C900 DR18 - HDD w/ Tracer Wire	2504	LF	\$ 75.00	2534	\$190,050.00		\$190,050.00
6a	F&I 5.5' Bury Fire Hydrant	4	EA	\$ 5,550.00	4	\$22,200.00		\$22,200.00
6b	F&I 0.5' Hydrant Extension	1	EA	\$ 1,250.00	0	\$0.00	\$567.10	\$567.10
7a	F&I 4" MJ Plug	1	EA	\$ 250.00	0	\$0.00	\$107.03	\$107.03
7b	F&I 4" MJ 45 Deg Bend	8	EA	\$ 425.00	2	\$850.00		\$850.00
7c	F&I 4" MJ 90 Deg Bend	3	EA	\$ 425.00	2	\$850.00		\$850.00
7d	F&I 6" x 4" MJ Reducer	2	EA	\$ 375.00	0	\$0.00		\$0.00
7e	F&I 6" MJ 45 Degree Bend	1	EA	\$ 525.00	2	\$1,050.00		\$1,050.00
7f	F&I 6" MJ Plug	6	EA	\$ 375.00	4	\$1,500.00	\$282.00	\$1,782.00
7g	F&I 6" x 4" MJ Tee	5	EA	\$ 725.00	4	\$2,900.00		\$2,900.00
7h	F&I 6" x 6" MJ Tee	1	EA	\$ 800.00	1	\$800.00		\$800.00
7i	F&I 8" x 6" MJ Tee	5	EA	\$ 900.00	5	\$4,500.00		\$4,500.00
7j	F&I 8" x 8" MJ Tee	3	EA	\$ 1,000.00	2	\$2,000.00		\$2,000.00
7k	F&I 8" x 6" MJ Cross	3	EA	\$ 1,200.00	2	\$2,400.00		\$2,400.00
7l	F&I 8" x 6" MJ Reducer	2	EA	\$ 475.00	1	\$475.00		\$475.00
7m	F&I 8" MJ Plug	3	EA	\$ 425.00	1	\$425.00	\$378.97	\$803.97
7n	F&I 8" x 4" Tee	1	EA	\$ 850.00	1	\$850.00		\$850.00
8	F&I Concrete Plug - CIP	10	EA	\$ 400.00	0	\$0.00		\$0.00
9a	F&I 4" Gate Valve & Box	2	EA	\$ 2,225.00	2	\$4,450.00		\$4,450.00
9b	F&I 6" Gate Valve & Box	10	EA	\$ 2,475.00	10	\$24,750.00		\$24,750.00
9c	F&I 6" Gate Valve & Box - Restrained	1	EA	\$ 2,700.00	1	\$2,700.00		\$2,700.00
9d	F&I 8" Gate Valve & Box	5	EA	\$ 3,225.00	5	\$16,125.00		\$16,125.00
10	F&I 4" Line Stop	1	EA	\$ 3,500.00	0	\$0.00		\$0.00
11	F&I 8" x8" Tapping Tee w/ Valve & Box	1	EA	\$ 6,500.00	1	\$6,500.00		\$6,500.00
12a	F&I 4" Connection	6	EA	\$ 1,100.00	3	\$3,300.00		\$3,300.00
12b	F & I 6" Connection	1	EA	\$ 1,175.00	2	\$2,350.00		\$2,350.00
13	Service Recon Inc New 1" Line & Curb Stop w/o Mete	47	EA	\$ 3,000.00	43	\$129,000.00		\$129,000.00
14	Service Ext from Meter Pit/Curb Stop to 5' from Fo	20	EA	\$ 1,000.00	1	\$1,000.00		\$1,000.00
15a	R&R 4" Thick Concrete Sidewalk	1870	SF	\$ 12.25	0	\$0.00		\$0.00
15b	R&R 6" Concrete Pavement	670	SY	\$ 130.00	0	\$0.00		\$0.00

APPLICATION AND CERTIFICATE FOR PAYMENT-CONTINUATION SHEET

Job #1516

2

APPLICATION NUMBER:

APPLICATION DATE:

30-Sep-26

FOR WORK ACCOMPLISHED THROUGH :

30-Sep-26

ENGINEER'S PROJECT #:

119-C1-001-25

ITEM NO.	DESCRIPTION OF WORK	ESTIMATED QUANTITY	UNIT	UNIT PRICE	QUANTITY COMPLETED TO DATE	TOTAL COMPLETED	STORED TO DATE	TOTAL COMPLETED AND STORED TO DATE
16	Remove & Dispose of Retaining Wall	1	LS	\$ 1,200.00	1	\$1,200.00		\$1,200.00
17	F&I Detectable Warning Plates for Sidewalk	6	EA	\$ 525.00	0	\$0.00		\$0.00
18	Dewatering - Complete Project	1	LS	\$ 2,000.00	1	\$2,000.00		\$2,000.00
19	Furnish & Apply Gravel Surfacing	2	TON	\$ 80.00	0	\$0.00		\$0.00
20	F&A Seeding Mulch Fertilizer (Type	0.1	AC	\$ 10,000.00	0	\$0.00		\$0.00
21	Provide Density & Concrete Testing	1	LS	\$ 2,300.00	1	\$2,300.00		\$2,300.00
22	Construction Staking	1	LS	\$ 2,100.00	1	\$2,100.00		\$2,100.00
23	Traffic Control for Project	1	LS	\$ 7,500.00	1	\$7,500.00		\$7,500.00
A	Cost to install 2" Water Service @ STA 1+98 (HOSPITAL)	1	LS	\$ 4,485.50	1	\$4,485.50		\$4,485.50
B	Cost to install 2" Water Service @ STA 107+56 (CHURCH)	1	LS	\$ 4,250.00	1	\$4,250.00		\$4,250.00
C	Cost to install City provided meter pit	13	EA	\$ 500.00	13	\$6,500.00		\$6,500.00
D	6" 90 Deg.	2	EA	\$ 600.00	2	\$1,200.00		\$1,200.00
TOTALS						\$484,190.50	\$ 1,335.10	\$485,525.60

STORED MATERIALS LIST

07-Oct-26

As of: 30-Sep-26

Sales Tax Rate: 7.0%

BID ITEM	BID QTY.	ITEM DESCRIPTION	STORED QTY.	UNIT	TAX	UNIT PRICE	SUBTOTAL	TAX AMT.	TOTAL
6b	1	F&I 0.5' Hydrant Extension	1	EA	Y	\$530.00	\$530.00	\$37.10	\$567.10
7a	1	F&I 4" MJ Plug	1	EA	Y	\$31.76	\$31.76	\$2.22	\$33.98
7a	1	F&I 4" MJ Plug	1	EA	Y	\$68.27	\$68.27	\$4.78	\$73.05
7f	6	F&I 6" MJ Plug	2	EA	Y	\$113.13	\$226.26	\$15.84	\$242.10
7f	6	F&I 6" MJ Plug	1	EA	Y	\$37.29	\$37.29	\$2.61	\$39.90
7m	3	F&I 8" MJ Plug	1	EA	Y	\$42.12	\$42.12	\$2.95	\$45.07
7m	3	F&I 8" MJ Plug	2	EA	Y	\$156.03	\$312.06	\$21.84	\$333.90
						TOTALS -->	\$1,247.76	\$87.34	\$1,335.10



CITY COUNCIL AGENDA

ITEM NO: 2

FROM: Mike Morgan, Interim City Administrator
MEETING: October 19, 2026
SUBJECT: Electrical Rate Study
PRESENTER: Mike Morgan, Interim City Administrator

Discussion:

NPPD had advised the city that effective January 1, 2027, our wholesale electricity rate will increase approximately 10%. As the purchase of electricity is our largest component of our electrical department budget, we need to increase our customer rates to offset the increase. Additionally, due to increased costs approved in the 2026-27 budget related to increased staffing, insurance, fuel and other operational needs, we need to make sure to cover those increased costs as well. Finally, the consultant will evaluate and recommend necessary changes regarding updating our rate structure and a suggested fund balance target.

Due to the complexity and technical knowledge needed to calculate the appropriate rate increase needed to cover such costs, staff recommends a consultant to assist us. The attached agreement provides consulting services to accomplish goals detailed above.

The first phase of the study will be completed in time to adjust our local rates to cover the 2027 NPPD rate increase. The remaining phases of the study will be completed by April 1, 2027.

Fiscal Note:

\$13,500 to complete all phases of the study. Funds are included in the Electrical Department 2026-27 budget.

Recommendation:

Staff recommends approval



October 12, 2026

Mike Morgan
Interim City Administrator
City of Cozad
211 West 8th Street
Cozad, NE 69130

RE: Cost of Service / Rate Design Study Letter Agreement

Dear Mike:

JK Energy Consulting, LLC (JKEC) is pleased to submit this letter agreement to prepare a Cost of Service and Rate Design Study for the City of Cozad (City) and its electric utility (Utility). This proposal was prepared pursuant to our telephone conversation on October 1, 2026, and includes the scope of services, fee proposal, deliverables, and schedule.

Project Understanding

The City purchases its total power supply requirements from Nebraska Public Power District (NPPD) under a General Firm Power Service agreement. The City is interested in having a cost of service and rate design study prepared to ensure its electric rate structure is adequate to pay for projected expenses.

After reviewing the City's financial statements and the proposed NPPD rate change, JKEC is concerned about delaying the implementation of a rate increase until the completion of the rate study. The rate study will likely not have rates finalized for implementation until April 2027 while NPPD's rate change goes into effect on January 1, 2027. JKEC is structuring this proposal to implement an interim rate change, effective January 1, 2027. A full rate study will be completed to determine if further rate changes are necessary to cover internal operating costs.

Scope of Services

Task 1: Data Collection. This task involves collecting retail usage, operating expense, purchased power, and other data necessary to complete the cost of service analysis. A data request will be prepared and submitted to the City. To the extent certain data is not available, alternatives to the requested data will be identified.

John A. Krajewski, P.E.
74408 Road 433
Smithfield, Nebraska 68976
402-440-0227
jk@jkenergyconsulting.com
www.jkenergyconsulting.com

For the purpose of calculating the needed interim rate change, JKEC will rely on summary retail sales data from the Utility billing system for the period October 1, 2024, through September 30, 2026. JKEC will also use the cost analysis NPPD prepared for its customers summarizing the likely rate impacts of NPPD and SPP transmission rate changes.

A kick-off meeting will be held to answer questions about the data request, discuss goals and objectives of the rate study, identify key issues, and finalize the project schedule. This will likely be held after receipt of the summary usage information and NPPD rate change calculation.

Task 2: Calculate Interim Rate Change: The purpose of this task will be to develop an interim rate increase to recover costs associated with NPPD's proposed rate increase. Since NPPD is increasing its rates on January 1, 2027, the City should increase its rates to help ensure there is adequate revenue to cover the increased cost. This rate change will likely be implemented by increasing the energy charge for each rate class a like amount to cover the projected rate increase. This interim rate change will be effective until such time the full rate study is completed and rates are approved by the City Council. Provided the City can provide sufficient data by October 26, the rate change will be implemented with an effective date of January 1, 2027.

Task 3: Calculate Revenue Requirements and Operating Results. This task involves reviewing the projected operating expenses, non-retail revenues, debt service expenses and other elements that make up the projected revenue requirements. Revenue requirements will be calculated for a "Test Year" and for a projected period of three additional years. Projections will be prepared on a "cash basis" to ensure adequate cash flow to cover projected expenses, including capital improvement and debt service requirements. Projected retail revenues will be compared to projected expenses to develop projected operating results going forward. The purpose of this task is to identify necessary rate increases for future periods.

Part of Task 3 will include working with City staff to develop financial targets for the electric utility. These targets will likely include minimum fund balances, annual operating margin requirements, and potentially a minimum debt service coverage target higher than that required by bond indentures. These targets will be used to inform the overall rate plan going forward.

Task 4: Prepare Cost of Service Analysis. This task involves calculating the cost of service for each retail rate class, using generally accepted ratemaking principles for municipal utilities. Principles consistent with guidelines prepared by the American Public Power Association, the National Association of Regulatory Utilities Commissioners, the Federal Energy Regulatory Commission, and others will be followed.

The various expenses incurred by the City will be identified and assigned to a function based on the type of service provided, such as transmission, distribution, and customer

service. An appropriate method for allocating expenses for each function among the various rate classes will be identified. For example, purchased energy costs may be allocated based on the energy purchased by each retail class, while customer service expenses may be allocated based on the weighted number of retail customers.

The allocated cost of service for each rate class will be compared to the projected revenues for each rate class to determine the need for future rate changes and provide guidance for the rate design process.

Task 5: Rate Design. This task involves designing retail rates for each rate class. This task considers the cost of service results as well as other goals established by the City. These goals may include long-term rate stability, competitiveness with neighboring utilities, financial stability, mitigation of large rate increases on particular rate classes, and funding of future capital projects. JKEC will visit with City staff to review these goals and establish rates that best accomplish the identified goals. Rate comparisons with neighboring utilities will be prepared.

Task 6: Draft Report. This task involves preparing a draft report for review by City staff. The report will be suitable for review by non-utility personnel with tables that summarize the key results of the cost of service analysis. An updated rate ordinance will be provided that implements the proposed rates. JKEC staff will present the results at a meeting with City staff via Zoom.

Task 7: Present Results. This task involves preparing a formal report for presentation to the City Council. The report will be suitable for review by the City Council with tables that summarize the key results of the cost of service analysis. An updated rate ordinance will be provided to implement the proposed rates. JKEC staff will present the results at a meeting of the City Council and be available to answer any questions.

Schedule

The following schedule is based on the City providing notice to proceed no later than October 21, 2026. Any change in the date of executing the agreement or providing requested data will likely result in a similar change in subsequent milestones. It is JKEC's understanding that the goal is to implement the interim rate change, effective January 1, 2027. The final rate analysis will be completed, and any additional rate changes will be implemented with an effective date of April 1, 2027. All dates are approximate and will be adjusted to conform to the regular schedule for City Council meetings.

October 21:	Notice to proceed with customer data provided. NOTE: JKEC has a copy of the analysis NPPD prepared for the City, so only other data will be customer sales and revenue data by month for the period October 1, 2024 through September 30, 2026.
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October 26, 2026:	Kick-off meeting with City staff to collect data and discuss the full study process, including rate design goals (in person)
November 2, 2026:	All remaining data provided
November 9, 2026:	Provide interim rate change letter report to City and proposed rate ordinance
November 16, 2026:	First reading for interim rate change
December 2026:	Second and third readings for interim rate change (if required)
January 22, 2027:	Draft report of full cost of service study to City staff
February 1, 2027:	Review draft report with City staff (in person)
February 2027:	Present results to the City Council (in person)
February-March 2027:	Rate ordinance approval (three readings, if necessary)
April 1, 2027:	Final report, including all workpapers, submitted to City
April 1, 2027:	Effective date for new rates

Fee Proposal

The cost to provide the above-listed Scope of Services will be a lump sum fee of \$13,500. Billing is based on the following schedule:

- \$2,000 to be invoiced upon completion of interim rate change letter report
- \$8,000 to be invoiced upon completion and transmittal of the draft report
- \$2,000 to be invoiced upon presentation of the final report to the City Council
- \$1,500 to be invoice upon issuance of final report

Mr. Krajewski's current billing rate is \$160 per hour, which includes overhead expenses including telephone calls, copying, and postage. Administrative services are billed at \$70 per hour. Automobile mileage will be billed at the then-current IRS reimbursement rate, which is currently \$0.76 per mile. Other travel will be billed based on the actual out-of-

pocket cost, without mark-up. A copy of JKEC's standard billing rate schedule is attached (see Attachment 1).

All invoices will be transmitted electronically via email and are due upon receipt. Interest accrues on unpaid balances after 30 days at a rate of 1% per month.

Meetings

The fee proposal includes three on-site meetings: kick-off meeting, draft review meeting, and presentation of full cost-of-service report to the City Council. All other meetings will be held remotely. The proposed interim rate change will be provided in letter report format with a proposed rate ordinance for City Council approval, but no in-person presentation will be provided for the interim rate change. If additional visits are requested, billing will be based on JKEC's standard billing rate schedule, which is shown in Attachment 1.

Deliverables

1. One electronic copy of the summary report (summary form of report with proposed rate ordinance).
2. One hard copy of final report, including all work papers.
3. One electronic copy of the final report, including all work papers, in Adobe Acrobat (.pdf) format.
4. One electronic copy of the proposed rate ordinance in Microsoft Word format.
5. Presentation of results to the City Council.

City Responsibilities

The City will be responsible for:

1. Providing requested data on a timely basis, including timely response to any questions or clarifications regarding the data provided.
2. Reviewing draft study results on a timely basis.
3. Scheduling appropriate meeting(s) with the City Council and others.

Additional Services

Any services not included in the above-listed Scope of Services will only be provided upon written agreement by the City and JKEC. Such services will be billed at JKEC's standard billing rate schedule (see Attachment 1).

Mike Morgan
October 12, 2026
Page 6

JKEC appreciates the opportunity to provide this letter agreement to the City. If it is acceptable, please print this letter, sign, and return it to JKEC (electronically is acceptable).

Sincerely yours,



John A. Krajewski, P.E.
JK Energy Consulting, LLC

Attachment

ACCEPTED BY:

City of Cozad, Nebraska

Signature: _____

Printed Name: _____

Title: _____



Standard Billing Rate Schedule Effective January 1, 2026

The following rate schedule will be used to determine monthly billings unless a fixed fee or other billing arrangement is specified. The rate schedule will also be used to determine charges for additional services requested but not included in the agreed-upon Scope of Services.

<u>Billable Item</u>	<u>Billing Rate</u>
John A. Krajewski, P.E.	\$160.00 per hour
Senior Consultant	\$130.00 per hour
Administrative Staff	\$70.00 per hour
Mileage	IRS standard rate for business use (\$0.76 per mile as of July 1, 2026)
Lodging, meals, other travel	Actual cost, without markup
Copies, faxes, postage, phone, other office overheads	Included in hourly billing rate
Outside professional services	Actual cost

John A. Krajewski, P.E.
74408 Road 433
Smithfield, Nebraska 68976
402-440-0227
jk@jkenergyconsulting.com
www.jkenergyconsulting.com



NICK REYNOLDS

CHIEF OF POLICE

229 East 8th Street
Cozad, Nebraska 69130-0309
City Office (308) 784-3907
Police Dept. (308) 784-2366
E-mail nick.reynolds@cozadpolice.com
www.cozadpolice.com

October 2, 2026

**CITY OF COZAD
MEMORANDUM TO THE MAYOR AND CITY COUNCIL**

From: Nicholas Reynolds, Chief of Police

Subject: Proposed No Parking Area – E Street at 12th Street

Mayor and Members of the City Council:

The Police Department is requesting that the City Council approve an additional no-parking restriction along E Street near the intersection of 12th Street, on the side of E Street used by southbound traffic.

The city has received several complaints regarding vehicles, including vehicles associated with hospital staff, parking along the curb in close proximity to the intersection of 12th Street and E Street. Vehicles parked in this area can restrict the line of sight for motorists traveling westbound on 12th Street as they approach the intersection.

Cozad City Code §72.27 currently prohibits parking within 25 feet of intersecting curb lines. To further improve visibility and traffic safety at this intersection, the Police Department recommends extending the existing no-parking area an additional 25 feet along E Street. This would establish a total 50-foot no-parking setback from the intersecting curb line.

The proposed restricted area would be clearly identified with appropriate NO PARKING signage and curb markings. The additional setback would improve the sight distance available to westbound motorists on 12th Street and reduce visibility concerns caused by vehicles parked near the intersection.

Prior to adoption and enforcement of the proposed parking restriction, the Police Department recommends that the City Attorney review the proposed change and determine the appropriate legal method for establishing the additional no-parking area. This review should determine whether the restriction should be adopted through an amendment to the existing City Code, modification of the applicable ordinance, or adoption of a new ordinance specifically identifying this location. The City Attorney may make any necessary revisions to ensure the restriction is properly established, clearly defined, and enforceable under applicable City and state law.

Following review and recommendation by the City Attorney, the Police Department respectfully requests that the City Council approve the additional 25-foot no-parking restriction and authorize the installation of the necessary signage and curb markings.

Respectfully submitted,

Nicholas Reynolds

Chief of Police

Cozad Police Department

ORDINANCE NO. 1588

AN ORDINANCE OF THE CITY OF COZAD, DAWSON COUNTY, NEBRASKA, AMENDING SECTION 72.27 OF THE COZAD MUNICIPAL CODE REGARDING STREET INTERSECTIONS, REPEALING ALL ORDINANCES IN CONFLICT HEREWITH, AND PROVIDING FOR AN EFFECTIVE DATE:

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF COZAD, DAWSON COUNTY, NEBRASKA.

Section I. That §72.27 of the Cozad Municipal Code shall be amended to appear as follows:

§72.27 STREET INTERSECTIONS. Except in compliance with traffic-control devices, no vehicle shall be parked or left standing for any purpose, except momentarily to load or discharge passengers, within 25 feet of the intersection or curb lines or, if none, then within 15 feet of the intersection of property lines. There shall be an extension on the west side of E Street from 12th Street to 50 feet of the intersection or curb line.

Section II. That any ordinance or parts of ordinances in conflict herewith, are hereby repealed.

Section III. This ordinance shall be in full force and effect upon its passage, approval and publication or posting as required by law.

Passed and approved this 19th day of October, 2026.

Marcus Kloepping, Mayor of the City of Cozad

Brandi Kloepping, Cozad City Clerk



CITY COUNCIL AGENDA

ITEM NO: 4

FROM: Mike Morgan, Interim City Administrator
MEETING: October 19, 2026
SUBJECT: Cozad Hotel Group LLC
PRESENTER: Mike Morgan, Interim City Administrator

Discussion:

Cozad Hotel Group, owners of the Cobblestone Inn and Suites, have signed a purchase agreement to sell the hotel. This request Short Payoff Approval Letter., comes after an extended and good faith effort by the current ownership to restructure and bring the property to a successful sale. The sales price, however, is not sufficient to repay all the debts owed. The City of Cozad is being asked to accept a \$5,000 payment to release the deed of trust on the hotel and allow for the sale to go through as planned on or before November 30, 2026. The original loan was from the USDA REDLG Revolving Loan Fund in 2019, so no direct liability from the City.

While this is not the expected outcome to this project, we want to keep the hotel open and operating in our community. This capital restructuring is our best hope to retain the current jobs, receive hotel occupation taxes and keep the hotel open.

Fiscal Note:

No fiscal liability for the City. City will receive \$5,000 payment

Recommendation:

Staff recommends approval and requests the Mayor to sign the attached Sort Payoff Approval Letter.

October ____, 2026

To: Cozad Hotel Group LLC, Attn: Jeremy Griesbach, 980 American Drive,
Neenah, WI 54956

And to: Hart Law Group, as Title Company and Escrow Agent, Attn: Eric Miller,
P.O. Box 229, 121 E 8th, Cozad, NE 69130, emiller@hartlg.net

Borrower: Cozad Hotel Group, LLC

Payee: City of Cozad, a Nebraska municipality

Obligation / Lien: Deed of Trust among Thomas Kennedy, Trustor and Scott Trusdale, a
member of the Nebraska Bar Association, Trustee and City of Cozad, a
Nebraska municipality, Beneficiary dated August 24, 2019 and filed for
record May 17, 2022 at Instrument No. 2022-1570 in the office of the
Dawson County Register of Deeds.

Property: Cobblestone Inn & Suites Cozad, 805 York Drive, Cozad, Nebraska
69130

Buyer: Rajan Chaudhari and/or Assigns

SHORT PAYOFF APPROVAL LETTER

Dear Mr. Griesbach and Mr. Miller:

The City of Cozad, Nebraska ("City") is the holder of the obligation and lien described above (the "Obligation"). City has been advised that Borrower has entered into a Purchase and Sale Agreement with an Effective Date of September 30, 2026 (the "PSA") to sell the Property to Buyer for a purchase price of \$2,200,000.00 (the "Purchase Price"), and that the PSA is contingent upon the written approval of City to accept a reduced payoff of the Obligation. City has reviewed the PSA and the Purchase Price, and confirms the following:

1. Approval. City approves the sale of the Property to Buyer under the PSA and agrees to accept the sum of \$5,000.00 (the "Approved Payoff Amount"), received in good funds by City on or before November 30, 2026 (the "Approval Expiration Date"), in full and complete satisfaction of the Obligation.

2. Release of All Remaining Obligations. Upon receipt of the Approved Payoff Amount, City releases and forever discharges Borrower, each guarantor and surety of any obligation to City relating to the Property or the Borrower, and the Property, from all remaining principal, interest, fees, charges, costs, and other amounts owed, and from all claims, obligations, and liabilities arising out of or relating to the Obligation. City waives any deficiency and agrees not to pursue collection of any balance of the Obligation from Borrower, any guarantor, or the Property. City further releases, and will within five (5) business days after receipt of the Approved Payoff Amount deliver to the Title Company in recordable form a release or satisfaction of, every lien, mortgage, deed of trust, assignment of leases and rents, security interest, judgment lien, UCC

financing statement, restriction, and other encumbrance securing or relating to the Obligation or affecting the Property.

3. Payment Instructions. The Approved Payoff Amount shall be paid by wire transfer or check from the Title Company to City. No per diem interest, late charge, prepayment premium, legal fee, or other charge is due in addition to the Approved Payoff Amount.

4. Estimated Settlement Statement. City has reviewed the estimated seller settlement statement prepared in connection with the sale. The estimated seller settlement statement is only an estimate, and each amount reflected on it is an estimate only and is subject to change. The Approved Payoff Amount is determined by this letter and the final settlement statement prepared at Closing, and not by the estimated seller settlement statement.

5. Conditions. This approval is conditioned only on: (a) Closing of the sale to Buyer on or before the Approval Expiration Date; and (b) the sale being an arm's-length transaction, with no affiliation between Borrower and Buyer.

6. Authority; Reliance. The undersigned is authorized to execute this letter on behalf of City and, if required, such execution has been approved by all necessary action of City's Council or governing body. Borrower, Buyer, and the Title Company may rely on this letter. This letter may be delivered by electronic transmission.

Sincerely,

CITY OF COZAD

By: _____

Name: [_____]

Title: [_____]