

ECONOMIC DEVELOPMENT AGREEMENT

This Agreement made by the City of Grand Island, Nebraska (City), and the Grand Island Area Economic Development Corporation (GIAEDC) with Bosselman Tank & Trailer, Inc. (Bosselman) does hereby set forth the terms and conditions of a forgivable economic development loan requested by Bosselman and granted by the City and the EDC as follows:

I. INTRODUCTION

A. Bosselman has filed with the City and GIAEDC an Application for Economic Development Incentives (Application). In the Application, Bosselman stated it planned to expand its Grand Island workforce by eight (8) additional full time equivalent Shop Technicians.

B. The City and the GIAEDC find Bosselman is a qualifying business under the City's Economic Development Program, the Bosselman project qualifies for economic development incentives under the Program, the project will be of substantial economic benefit to the people of Grand Island and its surrounding area, and the forgivable economic development loan set forth below constitutes a fulfillment of the major objective of the City's Economic Development Plan.

II. DEFINITIONS

As used in this Agreement the following words and phrases shall be defined as follows:

A. Full Time Equivalent (FTEs) - Shall be persons employed by Bosselman and working at its facilities located in Grand Island on the date of the Measuring Benchmark. The total number of FTEs shall be determined by dividing the total number of hours Bosselman employees worked at its facilities located in Grand Island by two thousand and eighty (2,080).

B. Additional Full Time Equivalent (AFTEs) - Shall be persons hired by Bosselman as part of its expansion of operations in Grand Island as detailed in paragraph I A of this Agreement. The total number of AFTEs shall be determined by dividing the total number of hours the AFTEs worked at Bosselman's facilities in Grand Island by two thousand and eighty (2,080).

C. Minimum Hourly Rate - Shall be a minimum of Sixteen Dollars (\$16.00) per hour for each AFTE hired as part of Bosselman's expansion of its operations in Grand Island. The hourly rate shall be determined by dividing the total wages and salaries paid to AFTEs by two thousand and eighty (2,080).

D. Employment Certificate - A document for a defined period containing the sworn statement of a duly authorized representative of Bosselman specifically setting forth compliance with the terms of this Agreement. The Employment Certificate shall contain the following information and adhere to the following terms:

1. The total number of hours which AFTEs worked and received compensation at Bosselman's facilities in Grand Island;

2. The hourly rate for all AFTEs in compliance with the minimum hourly rate as stated in paragraph II C of this Agreement.

3. Bosselman agrees upon written notice pursuant to paragraph VII of this Agreement to allow the City Administrator or his or her designee to personally inspect Bosselman's employment records as confirmation of the statements contained in the Employment Certificate.

E. Measuring Benchmark - The measuring benchmark shall be the first day of the month following the one (1) year anniversary of the application received at the GIAEDC.

III. EMPLOYMENT REQUIREMENTS

Bosselman shall meet each of the following employment requirements:

- A. Bosselman shall have a minimum of thirty-two (32) FTEs at its facilities in Grand Island on the date of the Measuring Benchmark as defined in paragraph II E of this Agreement.

- B. Bosselman shall have a minimum of eight (8) AFTEs being compensated at the minimum hourly rate as defined in paragraph II C of this Agreement working at its facilities in Grand Island on the date of the Measuring Benchmark as defined in paragraph II E of this Agreement.

IV. FORGIVABLE ECONOMIC LOAN DISBURSEMENTS

Disbursements of the Forgivable Economic Development Loan shall be paid to Bosselman by the City according to the following schedule:

A. TRAINING - Disbursements related to training shall be paid to Bosselman by the City as follows:

1. A disbursement for training AFTEs in the total amount of Fifty Thousand Dollars (\$50,000.00), representing Six Thousand, Two Hundred and Fifty Dollars (\$6,250.00) for each AFTE, shall be paid to Bosselman by the City within sixty (60) days of the approval of this Agreement by the Council.

2. The maximum amount the City shall disburse to Bosselman for training shall be Fifty Thousand Dollars (\$50,000.00).

3. Bosselman agrees to provide the City and the GIAEDC evidence of expenditure of the training disbursement for training purposes on or before the date of the Measuring Benchmark as defined in paragraph II E of this Agreement.

B. JOB CREATION - Disbursements related to job creation in the total amount of Forty Thousand Dollars (\$40,000.00) for eight (8) AFTEs representing Five Thousand Dollars (\$5,000.00) for each AFTE shall be paid to Bosselman by the City as follows:

1. Disbursements in the amount of Five Thousand Dollars (\$5,000.00) per AFTE shall be paid to Bosselman by the City upon Bosselman providing appropriate evidence to the City of the hiring of the particular AFTE(s).

2. The maximum amount the City shall disburse to Bosselman for job creation shall be Forty Thousand Dollars (\$40,000.00).

3. Bosselman agrees to hire eight (8) AFTEs by the date of the Measuring Benchmark as defined in paragraph II E of this Agreement.

C. TOTAL DISBURSEMENTS - The maximum total amount the City shall disburse to Bosselman pursuant to this Agreement shall be Ninety Thousand Dollars (\$90,000.00).

V. ECONOMIC DEVELOPMENT LOAN FORGIVENESS

The City shall forgive the entire economic development loan disbursed to Bosselman, representing a total of Ninety Thousand Dollars (\$90,000.00) upon Bosselman meeting the following conditions:

A. Bosselman fully complies with the terms as set forth in paragraphs III and IV of this Agreement.

B. If Bosselman continues to remain in compliance with the Terms as set forth in paragraphs III and IV of this Agreement the economic development loan will be forgiven pursuant to the following schedule:

1. On the date of the Measuring Benchmark as defined in paragraph II E of this Agreement, thirty-three and a third percent (33 1/3%) or Thirty Thousand Dollars (\$30,000.00);

2. One (1) year after the date of the Measuring Benchmark as defined in paragraph II E of this Agreement, an additional thirty-three and a third percent (33 1/3%) or Thirty Thousand Dollars for a total forgiven amount of Sixty Thousand Dollars (\$60,000.00); and

3. Two (2) years after the date of the Measuring Benchmark as defined in paragraph II E of this Agreement, an additional thirty-three and a third percent (33 1/3%) or Sixty Thousand Dollars for a total forgiven amount of Ninety Thousand Dollars (\$90,000.00).

VI. BREACH OF AGREEMENT

A. In the event Bosselman fails to comply with any of the terms as set forth in this Agreement the City may declare it to be in breach. Any such declaration shall be in writing, signed by a person authorized to make such a declaration, and delivered by Certified U.S. Mail, Return Receipt Requested to Bosselman at its last known address.

B. In the event the City declares Bosselman to be in breach, any monies disbursed by the City shall become immediately due and owing by Bosselman to the City and if unpaid shall accrue interest at the rate of eight percent (8%) per annum.

VII. COMMUNICATION

A. Bosselman agrees to fully respond within fifteen (15) calendar days to any request for information from the City and/or the GIAEDC related to Bosselman's compliance with the terms of this Agreement. All responses to such inquiries shall be in writing and electronic and provided to the City and the EDC at the following addresses:

1. Grand Island City Administrator
100 East First St.
P.O. Box 1968
Grand Island, NE 68802-1968
cityadministrator@grand-island.com

2. Grand Island Area Economic Development Corp.
308 North Locust St., Suite 400
P.O. Box 1151
Grand Island, NE 68802-1151
rgard@grandisland.org

B. Bosselman agrees to inform the City and the GIAEDC of any changes in its address, telephone number, or email address within three (3) business days of such changes.

VIII. LEGAL EFFECT

Notwithstanding the other provisions of this Agreement, Bosselman specifically agrees to the following:

A. If Bosselman is purchased, absorbed, or merged with any other person or entity the terms of this Agreement shall continue to be in force on any such purchaser or successor entity.

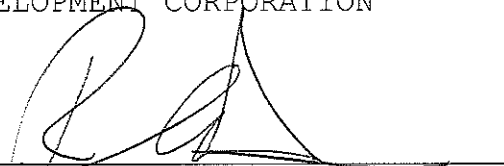
B. If Bosselman ceases operations in Grand Island at any time while this Agreement is in force, any monies disbursed by the City shall become immediately due and owing to the City, and any monies owed shall accrue interest at the rate of eight percent (8%) per annum until paid in full.

C. If any provision of this Agreement is declared void or illegal by a Court of law, all other unaffected provisions shall remain in full force and effect.

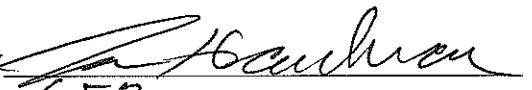
D. This document constitutes the entirety of the terms and conditions of this Agreement. This Agreement shall not be altered or modified in any way unless agreed to by all parties thereto, memorialized in writing, and executed by the parties.

Dated this 10th day of June, 2014.

GRAND ISLAND AREA ECONOMIC
DEVELOPMENT CORPORATION


By 
Randy Gard, President

BOSSELMAN TANK & TRAILER,
INC.

By 
CFO
Bosselman Tank & Trailer.

THE CITY OF GRAND ISLAND

By 
Jay Vavridek, Mayor

By 
Mary Lou Brown,
City and Program Administrator