

DORCHESTER/CRETE AGREEMENT FOR ELECTRICAL SERVICES

This Agreement for Services is made this _____ day of February, 2026 between the City of Crete, hereinafter called "City", and the Village of Dorchester, hereinafter called "Village", both political subdivisions of the State of Nebraska.

Recitals:

Whereas the Village of Dorchester is the owner of an existing electrical system currently operated and maintained by the Village and the certified and trained employees thereof; and

Whereas the Village wishes to change how it operates its electrical system; and

Whereas the Village desires to engage the City of Crete to operate and maintain this system on behalf of the Village, and the City desires to accept such engagement, all upon the terms and conditions hereafter set forth; and

Whereas the Village and City are authorized by law to enter in this Agreement;

Now, therefore, in consideration of the terms and conditions herein contained, the parties agree to as follows:

Article I – Scope of Services

1. The City of Crete will supply operation/service similar to the current City's standard operation policy. The Village's electrical system will be analyzed for reliability concerns as done for Crete.
2. The City has a staff of six full time electrical personnel, and said staff will respond to trouble calls and take minor proactive steps to avoid outages and damage 24 hours a day, 7 days per week.
3. The City will spend time working on the Village's electrical system as required or requested.
4. The City owns and maintains specialized equipment for the tasks covered in this agreement. The City's machinery will be utilized in the Village to complete the terms of this Agreement.
5. The City will furnish equipment and hardware necessary to complete call outs, repairs, or scheduled service. The City will attempt to use the current inventory of transformers, materials, and hardware owned by the Village. Should additional materials and hardware be needed, the City will attempt to locate those items in the City's items and sell them to the Village at current replacement cost. The exception to this would be for distribution system transformers. Salvage Charges for equipment will be calculated using the Equipment Rental Schedule noted elsewhere in this Agreement. The City maintains the right to review and/or modify these rates. Should additional items not in the possession of the Village or the City be needed, the City will seek approval of the Village's representative for purchases under \$2,000.00. Purchases above \$2,000.01 will require approval by the Village Board.
6. The City will submit to the Village Board, for consideration and budget purposes, any capital projects deemed necessary. No major work will be done without prior authorization/approval of the Village; however the possibility exists that an unforeseen catastrophic equipment or system failure could occur. In that event, the City of Crete would be prepared to proceed to take any steps necessary to restore service to the affected parts of the community. It may not be feasible to receive prior approval before mobilizing equipment/personnel. The City of Crete would use

best practices to minimize the costs in order to repair the system until authorization is secured for more permanent repairs or a review of options is able to be performed.

7. The City is a participant of Nebraska Municipal Public Power Energy's Mutual Aid Program. That agreement includes many of the municipalities in the area. The City would be able to pass those benefits on to the Village in the even of a storm or other incident.

ARTICLE II- RESPONSIBILITIES OF THE VILLAGE

1. The Village shall maintain in full force and effect, in accordance with their respective terms, all guarantees, warranties, easements, permits, licenses and other similar approvals and consents received or granted to the Village as owner of the electrical systems and component parts thereof.
2. The Village shall maintain and be responsible for meter reading, for all billing and collection of electrical fees to the end-user, as well as setting end-user rates as determined by the Village Board.
3. The Village shall be responsible for all items necessary to provide power into the Village of Dorchester. Power Sources and contracts and agreements therewith shall not be the responsibility of the City. Any reports or notices required with the aforementioned responsibilities will also be completed by the Village. The Village is responsible for fines imposed for any violations of any laws, regulations or permit parameters.
4. The Village will maintain in full force and effect any and all existing policies of property and general liability insurance pertaining to the electrical system. The Village shall be responsible for any damage and liability to the electrical system caused by anything other than the negligence of an employee of the City of Crete.
5. The Village shall be responsible for expenditures and capital replacements or improvements.
6. The Village shall provide access to the electrical system and any records thereof to the City at all times.

ARTICLE III – COMPENSATION

1. The City of Crete will furnish the required personnel and equipment for call outs, repairs, or other scheduled service and charges will be calculated using the Hourly Rates Schedule as noted in Attachment #1, attached hereto and incorporated by reference. Mileage will be calculated at the current established IRS allowable rate. Out of hours trouble calls are billed at a two-hour minimum unless subsequent calls happen within the two-hour window.
2. Equipment needed to complete the necessary tasks will be billed using the Rental Rates Schedule as noted in Attachment #2, attached hereto and incorporated by reference.
3. The City shall have the right to review and modify employee and rental rates as necessary and will notify the Village of changes.
4. Bills for services, equipment rent, etc., shall be rendered monthly by the City and shall be paid by the Village within 30 days. If any bill is not paid in full within 30 days, interest shall accrue on any unpaid amount from the date the bill is rendered until payment is made at the rate of one percent (1%) per month or fraction thereof.

ARTICLE IV – TERM

The term of this Agreement is four years from the date of execution by the parties.

ARTICLE V – MICELLANEOUS

1. This Agreement calls for the performance of the services of the City as an independent contractor and the City will not be considered an employee of the Village for any purpose. It is hereby further mutually agreed that any employees of the City performing services for the Village provided for under this agreement shall be deemed to be employees of the City at all times during the period of this agreement and the City shall maintain adequate liability and worker's compensation insurance for its employees during the term of the agreement.
2. The Village shall hold the City, its employees and its agents, harmless under this Agreement for all claims, damages, costs or expenses caused by malfunction or failure of the utility systems or components thereof, or other liability or loss including injury, death, or damages to any person or property related in any way to the performance of this Agreement unless said injury or damages shall be caused by the active and actual negligence of the City. This provision shall survive the termination of this Agreement.
3. Neither party shall assign, in whole or in part, any of the rights, obligations, or benefits of this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld.
4. The City assumes no liability, nor is any warranty expressed or implied for services provided under this agreement.
5. In the event the Village is fined by a regulatory agency as a result of negligence, errors or improper acts by the City, the Village may terminate this agreement upon sixty (60) day's notice.

IN WITNESS THEREOF, each party has caused this agreement to be executed by its duly authorized officer on the date indicated below and the contract will become effective on the ____ day of _____, 2026.

City of Crete

Village of Dorchester