

RESOLUTION 26-11

**RESOLUTION RATIFYING PRIOR YEAR FUND TRANSFERS FOR THE
FIRE DEPARTMENT RESERVE FUND AND AMBULANCE REVENUE FUND
FOR FISCAL YEARS 2024 AND 2025**

WHEREAS, the City of Holstein, Iowa has historically transferred unspent fire department budget funds at the end of each fiscal year into a designated Fire Department Reserve Fund, and net ambulance revenues (revenues minus expenses) into a designated Ambulance Revenue Fund, pursuant to a prior agreement approved by the City Council; and

WHEREAS, the transfers for Fiscal Year 2024 and Fiscal Year 2025 were not completed in full at the close of those respective fiscal years; and

WHEREAS, the City Council finds it is in the best interest of the City to ratify and authorize the remaining balances owed for those transfers to ensure the funds are properly accounted for and deposited into their designated funds.

NOW THEREFORE BE IT RESOLVED by the Mayor and City Council of the City of Holstein, Iowa, that the following prior year fund transfers are hereby ratified and authorized:

Fire Department Reserve Fund — Unspent Budget Transfer:

Fiscal Year 2024	\$20,832.13
Fiscal Year 2025	\$10,138.46

Ambulance Revenue Fund — Net Revenue Transfer:

Fiscal Year 2024:

Net Ambulance Revenue	\$25,760.00
Previously Transferred	(\$10,000.00)
Remaining Balance to Transfer	\$15,760.00

Fiscal Year 2025:

Net Ambulance Revenue	\$38,222.00
Previously Transferred	(\$10,000.00)
Remaining Balance to Transfer	\$28,222.00

BE IT FURTHER RESOLVED that the City Administrator is hereby authorized and directed to make the necessary accounting entries and fund transfers to effectuate the above remaining balances.

Motion by _____ and seconded by _____

Upon due consideration by the Council, the Mayor put the question; and, upon the roll being called, the vote was:

Roll Call Vote	Aye	Nay	Absent
Mike Johnson			
Terri Schimmer			
Steve Tiefenthaler			
Marcus Prell			
Bonnie Stevenson			

WHEREUPON, the Mayor declared the foregoing resolution duly adopted on _____, 2026.

Kathy Breyfogle, Mayor

ATTEST:

Tamara Nuckolls, City Administrator

RESOLUTION 26-12

**RESOLUTION ESTABLISHING ANNUAL FUND TRANSFER POLICY FOR THE
FIRE DEPARTMENT RESERVE FUND AND AMBULANCE REVENUE FUND**

WHEREAS, the City of Holstein, Iowa maintains a designated Fire Department Reserve Fund for the purpose of accumulating funds for future fire department equipment, apparatus, and operational needs; and

WHEREAS, the City of Holstein, Iowa maintains a designated Ambulance Revenue Fund for the purpose of accumulating net ambulance revenues for future ambulance operations, equipment, and related needs; and

WHEREAS, the City Council finds it is in the best interest of the City to formally establish and memorialize the annual transfer structure for both funds to ensure consistent and transparent accounting in future fiscal years.

NOW THEREFORE BE IT RESOLVED by the Mayor and City Council of the City of Holstein, Iowa, that the following annual fund transfers are hereby established and shall be made at the close of each fiscal year (June 30) beginning with Fiscal Year 2026:

Fire Department Reserve Fund:

Any unspent (unexpended) funds remaining in the Fire Department budget at the close of each fiscal year shall be transferred from the General Fund into the Fire Department Capital Fund.

Ambulance Revenue Fund:

The net ambulance revenue (total ambulance revenues minus total ambulance expenses) for each fiscal year shall be transferred into the Ambulance Capital Fund at the close of each fiscal year.

BE IT FURTHER RESOLVED that the City Administrator is hereby authorized and directed to make the necessary accounting entries and fund transfers to effectuate these transfers annually, and to include these transfers in the city's annual financial reporting.

Motion by _____ and seconded by _____

Upon due consideration by the Council, the Mayor put the question; and, upon the roll being called, the vote was:

Roll Call Vote	Aye	Nay	Absent
Mike Johnson			
Terri Schimmer			
Steve Tiefenthaler			
Marcus Prell			
Bonnie Stevenson			

WHEREUPON, the Mayor declared the foregoing resolution duly adopted on _____, 2026.

Kathy Breyfogle, Mayor

ATTEST:

Tamara Nuckolls, City Administrator

RESOLUTION NO. 26 – 13

RESOLUTION AUTHORIZING PROPERTY SALE

WHEREAS, the City of Holstein, Iowa (hereinafter “City”), has title to the following properties:

Lots Thirty-three (33) and Thirty-four (34), Block One (1), East Addition, City of Holstein, Ida County, Iowa,

WHEREAS, before the City can convey any interest in real estate, the City must set forth its proposal to do so in a resolution and there must be a public hearing, pursuant to Iowa Code §364.7, on the proposed sale; and

WHEREAS, notice of the public hearing must be given by publication in accordance with Iowa Code §362.3 which requires publication of the notice at least once in a newspaper of general circulation within the city and county, not less than four nor more than twenty days prior to the hearing; and

WHEREAS, in accordance with Iowa Code §362.3, notice of the public hearing was given by publication in the *Holstein Advance* on March 18, 2026, and proof of such publication is on file in the City Office; and

WHEREAS, at the scheduled hearing on March 24, 2026, comments were taken concerning the proposed sale; and

WHEREAS, it would be in the best interest of the City of Holstein to sell the above property to _____ to the terms and conditions of the Development Agreement attached hereto; and

WHEREAS, the Holstein City Council has reviewed the proposed Purchase Agreement to sell the above property; and

NOW, THEREFORE, BE IT RESOLVED by the Holstein City Council as follows:

1. It is a public purpose and in the best interests of the City of Holstein, Iowa, to sell the above property to _____ according to the terms of the Purchase Agreement and for the further consideration described within the Development Agreement.
2. The Development Agreement and Purchase Agreement are approved and the Mayor and City Clerk are authorized and directed to execute the same.
3. City Staff is directed to prepare any and all additional documents required by the Purchase Agreement to complete the transaction, and the Mayor and City Clerk are authorized and

directed to execute the same unless City Code or Iowa Code requires additional approval by the City Council.

Councilperson _____ caused to be read and moved the adoption of the foregoing resolution.

Councilperson _____ seconded the motion to adopt. Upon due consideration by the Council, the Mayor put the question; and, upon the roll being called, the vote was:

Ayes: _____

Nayes: _____

WHEREUPON, the Mayor declared the foregoing resolution duly adopted on March 24, 2026.

Kathy Breyfogle, Mayor

ATTEST:

Tamara Nuckolls, City Administrator

REAL ESTATE PURCHASE AGREEMENT

This Real Estate Purchase Agreement (the "**Agreement**") is made and entered into as of this ___ day of _____, 2026, by and between the *City of Holstein, Iowa*, an Iowa municipal corporation (the "**SELLER**") and _____ (the "**BUYER**").

BUYER hereby offers to buy, and SELLER by their acceptance agrees to sell the real property situated in Ida County, Iowa, legally described as:

Lots Thirty-three (33) and Thirty-four (34), Block One (1), East Addition, City of Holstein, Ida County, Iowa,

together with any easements and appurtenant servient estates, but subject to any easements of record for public utilities or roads, any zoning restrictions, customary restrictive covenants and mineral reservations of record, if any (the "**Property**"), upon the following terms and conditions.

1. **PURCHASE PRICE.** The Purchase Price shall be Twenty-nine Thousand and 00/100 Dollars (\$29,000.00). No earnest money is required with this offer. The balance of the Purchase Price shall be paid in cash at closing.
2. **DEVELOPMENT AGREEMENT.** As additional consideration and a condition precedent to closing, BUYER and SELLER hereby agree to contemporaneously execute the Development Agreement attached hereto as Exhibit "A".
3. **REAL ESTATE TAXES.** SELLER shall pay all unpaid real estate taxes payable in prior years. There shall be no tax proration. BUYER shall pay any subsequent real estate taxes.
4. **SPECIAL ASSESSMENTS.** SELLER shall pay at time of closing all installments of special assessments which are a lien on the Property and, if not paid, would become delinquent during the calendar year this offer is accepted, and all prior installments thereof. All charges for solid waste removal, sewage and maintenance that are attributable to SELLER'S possession, including those for which assessments arise after closing, shall be paid by SELLER. Any preliminary or deficiency assessment which cannot be discharged by payment shall be paid by SELLER through an escrow account with sufficient funds to pay such liens when payable, with any unused funds returned to SELLER. BUYER shall pay all other special assessments or installments not payable by SELLER.
5. **RISK OF LOSS AND INSURANCE.** SELLER shall bear the risk of loss or damage to the Property prior to closing or possession, whichever first occurs. SELLER agrees to maintain existing insurance and BUYER may purchase additional insurance. In the event of substantial damage or destruction prior to closing, this Agreement shall be null and void; provided, however, BUYER shall have the option to complete the closing and receive insurance proceeds regardless of the extent of damages. The Property shall be deemed substantially damaged or destroyed if it cannot be restored to its present

condition on or before the closing date.

6. **POSSESSION AND CLOSING.** If BUYER timely performs all obligations, possession of the Property shall be delivered to Buyers on _____, 2026, and any adjustments of rent, insurance, interest and all charges attributable to SELLER'S possession shall be made as of the date of possession. SELLER agrees to permit BUYER to inspect the Property within twenty-four (24) hours prior to closing to assure that the premises are in the condition required by this Agreement. This transaction shall be considered closed upon the filing of the title transfer documents and receipt of all funds due at closing from BUYER under the Agreement.
7. **CLOSING COSTS.**
 - a. Seller shall pay the following closing costs:; Seller's attorney fees.
 - b. Buyer will pay the following closing costs: the cost of the creation of the abstract of title, if desired the cost of a title opinion, if desired; any closing or escrow fee; the cost of the final abstract continuation; Buyer's attorney fees; all costs associated with obtaining any inspections which Buyer desires; and the filing fee payable to the Ida County Recorder for the filing of the deed.
8. **CONDITION OF PROPERTY.** The Property as of the date of this Agreement, will be preserved by the SELLER in its present condition until possession, ordinary wear and tear excepted. BUYER acknowledges that the Property is being purchased "as-is" "where-is" with no warranties from SELLER, whether express or implied.
9. **ABSTRACT AND TITLE.** BUYER, may, at their expense, obtain an abstract of title to the Property continued through the date of acceptance of this Agreement and deliver it to BUYER'S attorney for examination. It shall show marketable title in SELLER in conformity with this Agreement, Iowa law, and title standards of the Iowa State Bar Association. SELLER shall make every reasonable effort to promptly perfect title. If closing is delayed due to SELLER'S inability to provide marketable title, this Agreement shall continue in force and effect until either party rescinds the Agreement after giving ten (10) days written notice to the other party. The abstract shall become the property of BUYER when the Purchase Price is paid in full. SELLER shall pay the costs of any additional abstracting and title work due to any act or omission of SELLER, including transfers by or the death of SELLER or their assignees.
10. **DEED.** Upon payment of the Purchase Price, SELLER, and SELLER'S spouse, if any, shall convey the Property to BUYER by quit claim/city deed, free and clear of all liens, restrictions, and encumbrances except as provided in this Agreement.
11. **STATEMENT AS TO LIENS.** If BUYER intends to assume or take subject to a lien on the Property, SELLER shall furnish BUYER with a written statement prior to closing from the holder of such lien, showing the correct balance due.
12. **REMEDIES OF THE PARTIES.**
 - A. If BUYER fails to timely perform this Agreement, SELLER may forfeit it as

provided in the Iowa Code (Chapter 656), and all payments made shall be forfeited; or, at SELLER'S option, upon thirty (30) days written notice of intention to accelerate the payment of the entire balance because of BUYER'S default (during which thirty (30) days the default is not corrected), SELLER may declare the entire balance immediately due and payable. Thereafter this Agreement may be foreclosed in equity and the Court may appoint a receiver.

B. If SELLER fails to timely perform this Agreement, BUYER has the right to have all payments made returned to them.

C. BUYER and SELLER are also entitled to utilize any and all other remedies or actions at law or in equity available to them, and the prevailing parties shall be entitled to obtain judgment for costs and attorney fees.

13. **NOTICE.** Any notice under this Agreement shall be in writing and be deemed served when it is delivered by personal delivery or mailed by certified mail, addressed to the parties at the addresses given below.
14. **GENERAL PROVISIONS.** In the performance of each part of this Agreement, time shall be of the essence. Failure to promptly assert rights herein shall not, however, be a waiver of such rights or a waiver of any existing or subsequent default. This Agreement shall apply to and bind the successors in interest of the parties. This Agreement shall survive the closing. This Agreement contains the entire agreement of the parties and shall not be amended except by a written instrument duly signed by SELLER and BUYERS. Paragraph headings are for convenience of reference and shall not limit or affect the meaning of this Agreement. Words and phrases herein shall be construed as in the singular or plural number, and as masculine, feminine, neutral or other gender according to the context.
15. **CERTIFICATION.** BUYER and SELLER each certify that they are not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person" or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and are not engaged in this transaction, directly or indirectly on behalf of, any such person, group, entity or nation. Each party hereby agrees to defend, indemnify and hold harmless the other party from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to my breach of the foregoing certification.
16. **NO PRIVATE SEWAGE DISPOSAL SYSTEM.** SELLER represents and warrants to BUYER that the Property is not served by a private sewage disposal system, and there are no known private sewage disposal systems on the Property.
17. **ACCEPTANCE.** When accepted, this Agreement shall become a binding contract.

Dated as of the Effective Date.
SELLER
CITY OF HOLSTEIN, IOWA

Dated as of the Effective Date.
BUYER

By: Kathy Breyfogle
Its: Mayor

ATTEST:

By: Tammy Nuckolls
Its: City Clerk

Address:
119 S. MAIN STREET
PO BOX 500
HOLSTEIN, IA 51024
Telephone: __712-368-4898_____

Address :

Telephone: _____

EXHIBIT "A"

[ATTACH DEVELOPMENT AGREEMENT]

DEVELOPMENT AGREEMENT

EAST ADDITION LOTS 33 & 34 PROJECT

This Development Agreement (the "**Agreement**") made this day ___ of _____, 2026 (the "**Effective Date**") by and between the *City of Holstein, Iowa* (the "**City**") and _____ (the "**Developer**").

WITNESSETH:

WHEREAS, the City owns certain property located in Ida County, Iowa, legally described as follows: (the "**Property**")

Lots Thirty-three (33) and Thirty-four (34), Block One (1), East Addition, City of Holstein, Ida County, Iowa (the "**Property**").

WHEREAS, Developer and City are negotiating a transfer of Property from City to Developer for the purpose of Developer's completion of a proposed residential development project upon the Property including the activities and other obligations to be performed and accomplished as described in this Agreement (including the Scope of Work) (the "**Project**");

WHEREAS, the Developer, upon transfer of the Property to Developer, agrees to accept and comply with the terms and conditions as set forth in this Agreement;

WHEREAS, the Developer is willing to cause certain building improvements and repairs as described herein to be made to the Property (the "**Minimum Improvements**");

WHEREAS, the parties desire to memorialize their understandings with respect to the foregoing Project and other matters related to the Project;

WHEREAS, but not for the Developer entering into this Agreement, the City would not transfer the Property to the Developer;

WHEREAS, the City believes that the development of the Property is in the vital and best interests of the City and is in accordance with the public purposes and provisions of the applicable State and local laws and requirements under which the Project has been undertaken and is being assisted.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and other valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows.

ARTICLE I
CONDITION, PREPARATION AND TRANSFER OF THE PROPERTY

Section 1.1. Condition of Property. By execution of this Agreement, the Developer agrees to accept the Property "AS IS" and in its present condition and, for itself and its successors and assigns, does hereby waive and relinquish any claim it might otherwise have against the City by reason of the condition of the Property, the suitability of the Property for the Developer's intended purposes and any defect or hazardous substance or environmental contamination located in or on the Property.

Section 1.2. No Work to be Performed by City. Developer acknowledges that Developer shall be responsible for all site preparation and construction of the Minimum Improvements on the Property and that no site preparation work or construction shall be required of the City except as otherwise set forth in this Agreement.

Section 1.3. Purchase Price. Subject to all of the terms, covenants and conditions of this Agreement, the City will sell the Property to the Developer for, and the Developer will purchase the Property from the City and pay therefore, a purchase price equal to the sum Twenty-nine Thousand and 00/100 Dollars (\$29,000.00). (the "**Purchase Price**").

Section 1.4. Tax and Assessments. Any outstanding property taxes attributable to the period of City ownership of the Property and any outstanding taxes from prior years shall be the responsibility of the City. The City shall pay all special assessments on the Property which have been certified to the County Treasurer for collection prior to Closing. The City may, in its sole discretion, satisfy its tax obligations by a deduction for the amount of such taxes and assessments from the Purchase Price.

Section 1.5. Time and Place for Closing and Delivery of Deed. The City shall deliver the Deed and possession of the Property to the Developer on a date as the parties hereto may mutually agree in writing (the "**Closing Date**"). Conveyance of the Deed shall be made at the principal office of the City on the Closing Date and the Developer shall accept such conveyance and pay to the City at such time and place the Purchase Price in immediately available funds.

Section 1.6. Conditions Precedent to Transfer. Possession of the Property shall not be delivered until each of the following conditions precedent have been satisfied:

- (a) The Developer shall be in material compliance with all the terms and provisions of this Agreement and any purchase agreement entered by the parties;
- (b) The Developer shall have executed all additional documents reasonably required by the City to effectuate the terms of this Agreement or other agreements contemplated herein.
- (c) The completion and satisfaction of certain separate City Council actions and all required legal proceedings relating to the transactions proposed herein

ARTICLE II CONSTRUCTION OF MINIMUM IMPROVEMENTS

Section 2.1. Construction of Minimum Improvements. The Developer agrees that it will cause the Minimum Improvements to be constructed on the Property in conformance with the construction plans submitted to the City by Developer (the “**Construction Plans**”). The Developer agrees that the scope and scale of the Minimum Improvements to be constructed shall not be significantly less than the scope and scale of the Minimum Improvements as detailed and outlined in the Construction Plans. For purposes of this Agreement, the Minimum Improvements shall include but shall not be limited to the repairs specifically listed on Exhibit “A” attached hereto and made a part hereof by this reference (the “**Scope of Work**”). Notwithstanding anything to the contrary in this Agreement, in no event may Developer encumber or permit any lien to be filed against the Property.

Section 2.2. Construction Plans. The Developer shall cause Construction Plans to be provided for the Minimum Improvements which shall be in conformity with all applicable state and local laws and regulations. Approval of the Construction Plans by the City shall not relieve Developer of any obligation to comply with the terms and provisions of this Agreement, any provision of applicable federal, State and local laws, or ordinances and regulations, nor shall approval of the Construction Plans by the City be deemed to constitute a waiver of any Event of Default. Approval of Construction Plans hereunder is solely for purposes of this Agreement, and shall not constitute approval for any other City purpose nor subject the City to any liability for the Minimum Improvements as constructed.

Section 2.3 Project Completion Period. The Developer shall cause construction of the Minimum Improvements and all other necessary aspect of the Project to be completed in phases, but in no event shall the construction be completed later than as contemplated in this Section 2.3.

The completion of the work as contemplated in the Scope of Work, shall be completed no later than two (2) years from the Closing Date.

Section 2.4 Project Completion Rebate. Within thirty (30) days after completion of the work as contemplated in the Scope of Work, Developer shall submit a written request to the City for a rebate in the amount of \$9,000.00. Such request shall include reasonable evidence of completion, including but not limited to a certificate of occupancy, and any other documentation the City reasonably requires to verify completion. The City shall pay the rebate to Developer within thirty (30) days of the City’s approval of the rebate request.

ARTICLE III GRANT FUNDING

[INTENTIONALLY OMITTED]

**ARTICLE IV
ECONOMIC DEVELOPMENT GRANT**

[INTENTIONALLY OMITTED]

**ARTICLE V
COVENANTS**

Section 5.1. Covenants of the Developer. The Developer agrees with the City as follows:

(a) The Developer will maintain, preserve and keep the Property, including but not limited to the Minimum Improvements in good repair and working order, ordinary wear and tear excepted, and from time to time will make all necessary repairs, replacements, renewals and additions. Developer shall not commit waste or damage upon the Property

(b) The Developer shall pay, or cause to be paid, when due, all real property taxes and assessments payable with respect to all and any parts of Minimum Improvements and the Property.

(c) The Developer will comply with all applicable land development laws and City ordinances, and all laws, rules and regulations relating to its businesses, other than laws, rules and regulations the failure to comply with which or the sanctions and penalties resulting therefrom, would not have a material adverse effect on the business, property, operations, or condition, financial or otherwise, of the Developer.

(d) The Developer agrees during construction of the Minimum Improvements and thereafter until the completion of construction, to maintain builder's risk, property damage, and liability insurance coverages with respect to the Minimum Improvements in an amount not less than the full insurable value of the Property, and such amount as is customarily carried by like organizations engaged in activities of comparable size and liability exposure, with insurance companies reasonably satisfactory to the City, together with such additional coverages as the City may reasonably request, and shall provide evidence of such coverages to the City upon request. Developer shall name the City as mortgagee and/or an additional loss payee.

The provisions of this Article shall survive the termination of this Agreement.

**ARTICLE VI
REPRESENTATIONS AND WARRANTIES OF DEVELOPER**

Section 6.1. The Developer makes the following representations and warranties:

(a) The Developer is a resident of the State of Iowa, and Developer has all requisite power and authority to own and operate its properties, to carry on its business as now conducted and as presently proposed to be conducted, and to enter into and perform its obligations under this Agreement.

(b) This Agreement has been duly and validly authorized, executed and delivered by the Developer and, assuming due authorization, execution and delivery by the other parties hereto, is in full force and effect and is a valid and legally binding instrument of the Developer enforceable in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, or other laws relating to or affecting creditors' rights generally.

(c) The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms and conditions of this Agreement are not prevented by, limited by, in conflict with, or result in a violation or breach of, any other agreements or obligations of the Developer or of any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which the Developer is now a party or by which it or its property is bound, nor do they constitute a default under any of the foregoing.

(d) There are no actions, suits or proceedings pending or threatened against or affecting the Developer in any court or before any arbitrator or before or by any governmental body in which there is a reasonable possibility of an adverse decision which could materially adversely affect the business (present or prospective), financial position or results of operations of the Developer or which in any manner raises any questions affecting the validity of the Agreement or the Developer's ability to perform its obligations under this Agreement.

(e) The Developer will cause the Minimum Improvements to be constructed in accordance with the terms of this Agreement and all local, State and federal laws and regulations, except for approved variances necessary to construct the Minimum Improvements contemplated in this Agreement and the Construction Plans.

(f) The Developer will use its best efforts to obtain, or cause to be obtained, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable local, State, and federal laws and regulations which must be obtained or met before the Minimum Improvements may be lawfully constructed.

(g) The Developer has not received any notice from any local, State or federal official that the activities of the Developer with respect to the Property may or will be in violation of any environmental law or regulation (other than those notices, if any, of which the City has previously been notified in writing). The Developer is not currently aware of any State or federal claim filed or planned to be filed by any party relating to any violation of any local, State or federal environmental law, regulation or review procedure applicable to the Property, and the Developer is not currently aware of any violation of any local, State or federal environmental law, regulation or review procedure which would give any person a valid claim under any State or federal environmental statute with respect thereto.

(h) Developer represents and warrants that, to its best knowledge and belief after due inquiry, no officer or employee of the City, or their designees or agents, nor any consultant or member of the governing body of the City, and no other public official of the City (except those persons already disclosed to the City in writing) who exercises or has exercised any functions or responsibilities with respect to the Project during his or her tenure, or who is in a position to participate in a decision-making process or gain insider information with regard to the Project, has had or shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work or services to be performed in connection with the Project, or in any activity, or benefit therefrom, which is part of the Project at any time during or after such person's tenure.

ARTICLE VII INDEMNIFICATION

Section 7.1. Release and Indemnification Covenants.

(a) The Developer releases the City and the governing body members, officers, agents, servants and employees thereof (the "**Indemnified Parties**") from, covenant and agree that the Indemnified Parties shall not be liable for, and agree to indemnify, defend and hold harmless the Indemnified Parties against, any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Property.

(b) Except for any willful misrepresentation or any willful or wanton misconduct or any unlawful act of the Indemnified Parties, the Developer agrees to protect and defend the Indemnified Parties, now or forever, and further agree to hold the Indemnified Parties harmless, from any claim, demand, suit, action or other proceedings whatsoever by any person or entity whatsoever arising or purportedly arising from (i) any violation of any agreement or condition of this Agreement (except with respect to any suit, action, demand or other proceeding brought by the Developer against the City to enforce its rights under this Agreement), (ii) the condition of the Property and the construction, installation and operation of the Minimum Improvements on the Property; or (iii) any hazardous substance or environmental contamination located in or on the Property.

(c) The Indemnified Parties shall not be liable for any damage or injury to the persons or property of the Developer or its officers, agents, servants or employees or any other person who may be about the Minimum Improvements due to any act of negligence of any person, other than any act of negligence on the part of any such Indemnified Party or its officers, agents, servants or employees.

(d) All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City, and not of any governing body member, officer, agent, servant or employee of the City in the individual capacity thereof.

(e) The provisions of this Article shall survive the termination of this Agreement.

ARTICLE VIII ASSIGNMENT OR TRANSFER

Section 8.1. Status of the Developer: No Transfer or Assignment. As security for the obligations of the Developer under this Agreement, the Developer represents and agrees that, prior to the Termination Date, the Developer will not dispose of all or substantially all of its property, or assign, participate, or otherwise act in such manner as to convey to any third party any interest in this Agreement to any other party unless: (a) the transferee, partnership, corporation, limited liability company or individual assumes in writing all of the obligations of the Developer under this Agreement; and (b) the City consents thereto in writing in advance thereof.

Section 8.2. Prohibition Against Use as Non-Taxable or Centrally-Assessed Property. During the term of this Agreement, the Developer agrees that no portion of the Developer's interest in the Property or Minimum Improvements shall be assigned or in any way transferred to a non-profit entity or used for a purpose that would exempt said Property from property tax liability. During the term of this Agreement, Developer agrees not to allow any portion of the Property to be used as centrally-assessed property (including but not limited to, Iowa Code § 428.24 to 428.29 (Public Utility Plants and Related Personal Property); Chapter 433 (Telegraph and Telephone Company Property); Chapter 434 (Railway Property); Chapter 437 (Electric Transmission Lines); Chapter 437A (Property Used in the Production, Generation, Transmission or Delivery of Electricity or Natural Gas); and Chapter 438 (Pipeline Property)).

ARTICLE IX DEFAULT AND REMEDIES

Section 9.1. Events of Default Defined. The following shall be “**Events of Default**” under this Agreement and the term “Event of Default” shall mean, whenever it is used in this Agreement, any one or more of the following events:

- (a) Failure by the Developer to cause the construction of the Minimum Improvements to be commenced and completed pursuant to the terms, conditions and limitations of this Agreement;
- (b) Transfer of any interest (either directly or indirectly) in this Agreement or Property in violation of the provisions of this Agreement;
- (c) Failure by the Developer to timely pay (before delinquency) any ad valorem taxes levied on the Property and Minimum Improvements;
- (d) The holder of any security interest in the Minimum Improvements owned by Developer, or any portion thereof, commences foreclosure proceedings on any part of the Minimum Improvements as a result of any default by Developer under the applicable security documents;

(e) Failure by the Developer to substantially observe or perform any covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement;

(f) If the Developer does or allows any of the following:

(A) files any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the United States Bankruptcy Act of 1978, as amended, or under any similar federal or state law; or

(B) makes an assignment for the benefit of its creditors; or

(C) admits in writing its inability to pay its debts generally as they become due; or

(D) is adjudicated a bankrupt or insolvent; or if a petition or answer proposing the adjudication of the Developer as a bankrupt or its reorganization under any present or future federal bankruptcy act or any similar federal or state law shall be filed in any court and such petition or answer shall not be discharged or denied within ninety (90) days after the filing thereof; or a receiver, trustee or liquidator of the Developer or part thereof, shall be appointed in any proceedings brought against the Developer and shall not be discharged within ninety (90) days after such appointment, or if the Developer shall consent to or acquiesce in such appointment; or

(E) ceases to be corporation in good standing in its state of incorporation;

(g) Any representation or warranty made by the Developer in this Agreement, or made by the Developer in any written statement or certificate furnished by the Developer pursuant to this Agreement, shall prove to have been incorrect, incomplete or misleading in any material respect on or as of the date of the issuance or making thereof; or

(h) Any mechanics lien is filed upon any part of the Property.

Section 9.2. Remedies on Default. Whenever any Event of Default referred to in Section 9.1 of this Agreement occurs and is continuing, the City, as specified below, may take any one or more of the following actions after (except in the case of an Event of Default under subsections (e), (f) or (g) of said Section 9.1) the giving of thirty (30) days written notice by the City to the Developer of the Event of Default, but only if the Event of Default has not been cured within said thirty (30) days, or if the Event of Default cannot reasonably be cured within thirty (30) days and the Developer does not provide assurances reasonably satisfactory to the City that the Event of Default will be cured as soon as reasonably possible:

(a) The City may suspend its performance under this Agreement until it receives assurances from the Developer, deemed adequate by a reasonable person, that the Developer will cure its default and continue its performance under this Agreement;

(b) The City may terminate this Agreement;

(c) The City shall be entitled to recover, and the Developer shall pay to the City, an amount equal to the sum of any payments made to Developer under this Agreement, and the City may take any action, including any legal action, it considers necessary or desirable to recover such amount from the Developer; or

(d) The City may take any other action, including legal, equitable or administrative action, which may appear necessary or desirable to enforce performance and observance of any obligation, agreement, or covenant of the Developer under this Agreement.

Section 9.3 Option to Repurchase. If Developer fails to commence construction of the Minimum Improvements within one (1) year of acquiring title to the Property subject to this Agreement, or fails to cure a default as set forth in Section 9.1 herein, City is given and granted the option to repurchase the Property for the Purchase Price upon written notice to Developer exercisable at any time one (1) year after acquiring title to the Property subject to this Agreement and prior to commencement of construction of the Minimum Improvements or failure to cure a default as set forth in Section 9.1 herein. The purpose of the repurchase option is to guarantee that the Property will be promptly used for the purposes set forth in this Agreement. City may, in City's sole and absolute discretion, extend the period in which construction upon the Property must commence or waive a default. Any such extension or waiver shall be given in writing. If a written extension is granted and construction has not commenced on the Property by the end of the extended period, the option to repurchase granted by this Section 9.3 may be exercised at any time after the expiration of said extended period.

Section 9.4. No Remedy Exclusive. No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 9.5. No Implied Waiver. In the event any agreement contained in this Agreement should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 9.6. Agreement to Pay Attorneys' Fees and Expenses. Whenever any Event of Default occurs and the City shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any obligation or agreement on the part of the Developer herein contained, the Developer agrees that it shall, on demand therefor, pay to the City the reasonable fees of such attorneys and such other expenses as may be reasonably and appropriately incurred by the City in connection therewith.

**ARTICLE X
MISCELLANEOUS**

Section 10.1. Term of Agreement. Developer, and Developer's successors and assigns, agree to continue to comply with the terms of this Agreement until terminated by the City or otherwise by operation of law.

Section 10.2. Notices. Any notice, demand, or other communication under this Agreement by either party to the other shall be effective upon receipt or refusal of receipt to the following addresses:

(a) in the case of Developer, is addressed or delivered personally to Developer
at:

(b) in the case of the City, is addressed to or delivered personally to the City at:

City of Holstein
Attn: Tammy Nuckolls, City Clerk
119 S. Main Street
PO Box 500
Holstein, IA 51024

Any party may change the address for notices to be delivered to it, and copies thereof to any address other than a post office box by serving not less than ten (10) days prior written notice to the other party in accordance with the provisions contained in this paragraph.

Section 10.3. Governing Law. The parties intend that this Agreement and the relationship of the parties shall be governed by the laws of the State of Iowa applicable to contracts wholly to be performed therein. The parties agree that any action, suit or proceeding based upon any matter, claim or controversy arising hereunder or relating hereto shall be brought solely in the state or federal courts serving Ida County, Iowa. The parties irrevocably waive objection to the venue of the above-mentioned courts, including any claim that such action, suit or proceeding has been brought in an inconvenient forum.

Section 10.4. Entire Agreement. This Agreement and exhibits attached, along with any incorporated materials, constitute the entire agreement of the parties and supersedes all prior offers, agreements, arrangements and contracts, whether oral or written, concerning the subject matter hereof.

Section 10.5. Severability. If any provision of this Agreement or the application of such provision to any person or circumstance shall be held invalid, then the remainder of this Agreement or the application of such provision to persons or circumstances other than those to which it is held

invalid shall not be affected thereby and the parties shall thereupon amend this Agreement to legally and most closely embody the spirit and intent of the invalid provisions.

Section 10.6. Performance by City. Developer acknowledges and agrees that all of the obligations of the City under this Agreement shall be subject to, and performed by the City in accordance with, all applicable statutory, common law or constitutional provisions and procedures consistent with the City's lawful authority.

Section 10.7. No Third Party Beneficiaries. No rights or privileges of any party hereto shall inure to the benefit of any landowner, contractor, subcontractor, material supplier, or any other person or entity and no such contractor, landowner, subcontractor, material supplier, or any other person or entity shall be deemed to be a third-party beneficiary of any of the provisions contained in this Agreement.

Section 10.8. Interpretation. Article and Section headings are for convenience of reference only and are in no way intended to interpret, define or limit the scope or content of this Agreement or any provision hereof and shall be given no legal effect in the interpretation of this Agreement. This Agreement shall not be construed more strictly against one party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the parties, it being recognized that the City and Developer and their respective attorneys, have contributed substantially and materially to the preparation of each and every provision of this Agreement.

Section 10.9. Amendment; Waiver. This Agreement may not be amended, waived or modified in any respect unless the same shall be in writing and signed by all parties. No waiver by a party of any default by another party shall constitute a waiver of any other breach or default by another party, whether of the same or any other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a party shall give another party any contractual right by custom, estoppel, or otherwise.

Section 10.10. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the City and Developer and their affiliates, and their respective transferees, permitted successors, and assigns, including all covenants and conditions contained in this Agreement.

Section 10.11. Agreement. The parties may agree to file of record a Memorandum of Development Agreement in a form and content to be mutually agreed upon by the parties. If no such memorandum can be mutually agreed upon, then this Agreement may be recorded in its entirety.

Dated as of the Effective Date.

CITY OF HOLSTEIN, IOWA

Kathy Breyfogle, Mayor

ATTEST:

Tammy Nuckolls, City Clerk

STATE OF IOWA)
) ss.
COUNTY OF IDA)

On this ___ day of _____, 2026, before me, a Notary Public duly commissioned and qualified in and for said County and State, personally appeared Kathy Breyfogle, Mayor of the City of Holstein, Iowa, and Tammy Nuckolls, City Clerk of said City, each being to me personally known to be the identical persons and officers named in the foregoing instrument, who executed the same under and by virtue of the authority vested in them by the City Council of said City, and each for herself acknowledged the execution thereof to be her voluntary act and deed for the purposes herein expressed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and notarial seal in Ida County, State of Iowa, the day and year last above written.

(SEAL)

NOTARY PUBLIC

Dated as of the Effective Date.

STATE OF IOWA, COUNTY OF IDA:

This record was acknowledged before me on this ___ day of _____, 2026, by _____, Developer.

(SEAL)

NOTARY PUBLIC

EXHIBIT "A"
SCOPE OF WORK

1. Construction of two (2) single-family residences.

RESOLUTION NO. 26-14

**RESOLUTION APPROVING PAY APPLICATION NUMBER 2
FOR THE WASTEWATER SYSTEM IMPROVEMENTS PROJECT**

WHEREAS, the City of Holstein, Iowa, (hereinafter CITY), has entered into an agreement for construction of the Wastewater System Improvements Project, (hereinafter PROJECT) with:

Contractor Name: **King Contracting, LLC (hereinafter CONTRACTOR)**
Contractor Location: **Wall Lake, Iowa**
Date of Agreement: **August 26, 2025**

WHEREAS, the CONTRACTOR has submitted to the Project Engineer and the City Pay Application No. 1 for consideration of payment on the PROJECT for work completed as of November 26, 2025; and,

WHEREAS, prior to the submission of Pay Application No. 1 the CONTRACTOR has submitted for payment the following pay applications:

Pay Application No.	Amount	Total Paid to Date
1	348,556.50	\$348,556.50

WHEREAS, the agreement between the CITY and the CONTRACTOR has a total value of \$6,610,923.15 and includes 1 change orders impacting the overall value and completion time on the project; and,

WHEREAS, Pay Application No. 2 shows the following:

Total Value of Work Completed to Date:	\$500,348.65
Total Value of Retainage Held	\$25,017.43
Total Request for Payment	\$126,774.72

WHEREAS, the CONTRACTOR and Project Engineer have reviewed the pay application for compliance with the federal Buy American, Build America (BABA) compliance requirements and have signed off on certification that all products and materials for which payment is requested are either certified by approved BABA Certificates or have an approved BABA wavier.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HOLSTEIN, IOWA:

SECTION 1. That the City Council has approved Pay Application No. 2 and authorized payment of \$126,774.72 to the CONTRACTOR.

SECTION 2. The City Council authorizes and directs the Mayor to sign Pay Application No. 2 on behalf of the CITY.

SECTION 3. The City Council hereby directs the Clerk to work with the Grant Administrator to process and submit a request for reimbursement from the Iowa Economic Development Authority for reimbursement of funds from the City's Community Development Block Grant (CDBG) as follows:

Total Value of Pay Application	\$126,774.72
Reimbursement Amount from CDBG	\$9,151.00
Value Paid by State Revolving Loan Funds	\$117,623.72

SECTION 4. The City Council hereby directs the Clerk to work with the Grant Administrator to process and submit a request to the Iowa Finance Authority for reimbursement of funds from the City's approved State Revolving Loan Fund in the amount of **\$117,623.72**.

SECTION 5. The City Council hereby certifies that **\$9,151.00** of Pay Application No. 2 is attributed to the CDBG portion of this project and that this resolution authorizes obligation of CDBG funds to reimburse the City for those funds.

SECTION 6. That Pay Application No. 2 is hereby accepted and approved by the City.

PASSED AND APPROVED THIS 24TH DAY OF MARCH, 2026.

APPROVED BY THE
CITY OF HOLSTEIN

Kathy Breyfogle, Mayor

ATTEST

Tammy Nuckolls, City Administrator



Contractor's Application for Payment No. 2

Application Period:	11.27.2025 - 12.31.2025	Application Date:	12.31.2025
To (Owner):	City of Holstein	Via (Engineer):	I & S Group, Inc. (ISG)
Project:	Wastewater System Improvements	Contract:	King Construction
Owner's Contract No.:	725005	Contractor's Project No.:	24051

Application For Payment Change Order Summary

Approved Change Orders	Additions	Deductions
Number CO No. 01		\$10,000.00
TOTALS		\$10,000.00
NET CHANGE BY CHANGE ORDERS		-\$10,000.00

1. ORIGINAL CONTRACT PRICE..... \$ **\$6,620,923.15**
2. Net change by Change Orders..... \$ **-\$10,000.00**
3. Current Contract Price (Line 1 ± 2)..... \$ **\$6,610,923.15**
4. TOTAL COMPLETED AND STORED TO DATE
(Column F total on Progress Estimates)..... \$ **\$500,348.65**
5. RETAINAGE:
 - a. 5% X \$172,050.00 Work Completed..... \$ **\$8,602.50**
 - b. 5% X \$328,298.65 Stored Material..... \$ **\$16,414.93**
 - c. Total Retainage (Line 5.a + Line 5.b)..... \$ **\$25,017.43**
6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5.c)..... \$ **\$475,331.22**
7. LESS PREVIOUS PAYMENTS (Line 6 from prior Application)..... \$ **\$348,556.50**
8. AMOUNT DUE THIS APPLICATION..... \$ **\$126,774.72**
9. BALANCE TO FINISH, PLUS RETAINAGE
(Column G total on Progress Estimates + Line 5.c above)..... \$ **\$6,145,591.93**

Contractor's Certification

The undersigned Contractor certifies, to the best of its knowledge, the following:

- (1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;
- (2) Title to 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 Liens, security interest, or encumbrances); and
- (3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

Payment of:	\$ \$126,774.72	
(Line 8 or other - attach explanation of the other amount)		
is recommended by:		03.18.2026 (Date)
(Engineer)		
Payment of:	\$	(Line 8 or other - attach explanation of the other amount)
is approved by:	_____	(Date)
(Owner)		
Approved by:	_____	(Date)
Funding or Financing Entity (if applicable)		

Contractor Signature

By: Date: 3/18/2026

Progress Estimate - Lump Sum Work

Contractor's Application

A		B			C		D		E	F	G
Specification Section No.	Description	Scheduled Value (\$)	Work Completed		Materials Presently Stored (not in C or D)	Total Completed and Stored to Date (C + D + E)	% (F / B)	Balance to Finish (B - F)			
			From Previous Application (C+D)	This Period							
10	SAGR Package Materials	1,041,700.00						\$1,041,700.00			
20	SAGR Cells Material Install	1,150,013.65						\$1,150,013.65			
30	Lagoon Aeration Lines	44,770.48						\$44,770.48			
40	Lagoon Baffle Curtain	5,182.91						\$5,182.91			
60	Mobilization	329,933.11	\$50,000.00			\$50,000.00	15.2%	\$279,933.11			
70	Grading	582,500.00	\$116,500.00			\$116,500.00	20.0%	\$466,000.00			
80	Surfacing Stone	65,800.00						\$65,800.00			
90	Erosion Stone	90,650.00						\$90,650.00			
100	SWPPP - Fence Work	66,500.00						\$66,500.00			
110	Testing	10,000.00						\$10,000.00			
113	6" Air	60,480.00						\$60,480.00			
115	10" Air Header	158,625.00						\$158,625.00			
120	Sanitary Sewer 10" DIP	1,375.00			\$56,801.00	\$56,801.00	40.9%	\$82,175.00			
130	Sanitary Sewer 12" DIP	138,976.00						\$138,976.00			
140	Sanitary Sewer 4" PVC	3,060.00						\$3,060.00			
150	Sanitary Sewer 8" PVC	22,192.00			\$19,250.00	\$19,250.00	86.7%	\$2,942.00			
160	Sanitary Sewer 10" PVC	151,000.00			\$32,226.00	\$32,226.00	21.3%	\$118,774.00			
170	Sanitary Sewer 12" PVC	71,780.00			\$30,892.00	\$30,892.00	43.0%	\$40,888.00			
180	Sanitary EM 6" PVC	5,984.00						\$5,984.00			
190	Sanitary FM 8" PVC	86,189.00			\$22,433.40	\$22,433.40	26.0%	\$63,755.60			
205	Splash Pads	15,200.00						\$15,200.00			
210	Site Storm Sewer	23,912.00						\$23,912.00			
220	Site Sanitary Structures	210,000.00						\$210,000.00			
225	Splitter structures	220,000.00						\$220,000.00			
230	Lift Station	352,000.00			\$8,795.00	\$8,795.00	4.0%	\$211,205.00			
235	Lift Station Building	280,000.00			\$69,811.18	\$69,811.18	19.8%	\$210,188.82			
240	Blower - UV Building	652,000.00			\$26,450.17	\$26,450.17	9.4%	\$625,549.83			
250	UV System	100,000.00			\$61,839.90	\$61,839.90	9.5%	\$38,160.10			
260	Electrical - HVAC	530,000.00						\$530,000.00			
270	Demo	40,000.00						\$40,000.00			
280	Sludge	11,100.00						\$11,100.00			
290	Excess Top soil Allowance (\$26,000/CY)	100,000.00			\$5,550.00	\$5,550.00	50.0%	\$94,450.00			
Totals		\$6,620,923.15	\$172,050.00		\$328,298.65	\$500,348.65	7.6%	\$6,120,574.50			

For (Contract):

Application Number: 2

Application Period: 11.27.2025 - 12.31.2025

Application Date: 12.31.2025

MARCH 18, 2026

City of Holstein
119 S. Main Street
Holstein, IA 51025



PROJECT: HOLSTEIN WASTEWATER SYSTEM IMPROVEMENTS
RE: LETTER OF RECOMMENDATION - PAY APPLICATION NO. 02

Council,

Pay Application No. 02 includes work completed between November 27, 2025 and December 31, 2025 on the Holstein Wastewater System Improvements project. The contractor is requesting payment for stored materials only. ISG has reviewed the documentation and recommends that the payment of \$126,774.72 be made to the contractor, King Construction.

Please return a signed copy to ISG after Council approval.

If you have any questions regarding this pay application, please don't hesitate to reach out to me at 712.732.7745.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tom Grafft'.

Tom Grafft
Water/Wastewater Group Leader

Tom.Grafft@ISGInc.com