

Summary Report

To: Robyn Geiser, Executive Director
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OVERVIEW

Olsson Associates has performed a property assessment and due diligence review for the Cozad Development Corporation on a parcel of land located in Cozad, Nebraska. The purpose of the assessment was to review existing property features, identify existing transportation and utility infrastructure, and analyze the property's readiness and limitations for industrial development. The findings of this assessment are provided as follows.

GENERAL SITE INFORMATION

- The site's location is as follows:
 - » West Boundary: Highway 21/Meridian Avenue and Dawson County Canal
 - » North Boundary: Dawson County Canal and Monroe Street
 - » East Boundary: East line of Sec. 7 & 18 T10N R23W
 - » South/Southwest: Interstate 80
- There are no existing structures in the industrial park.
- The proposed industrial park is +/- 165 acres; nearly all of that acreage is available for development.
- The industrial park consists of three parcels: CDC Addition Lots 2-3 and Cover Addition Lot 1, Block 1.
- CDC Addition Lots 2-3 are owned by the Cozad Development Corporation, Cover Addition Lot 1 is owned by the Cover Foundation. Cozad Development Corporation has an option to purchase Cover Addition Lot 1.
- The easements that exist on this property are as follows (*background information for these easements is included in the title report included in the Attachments section of this document*):

Block 1, Cover Subdivision

- » Right-of-Way Deeds conveyed to The Farmers & Merchants Irrigation Company and Dawson County Irrigation Company
- » Electric Line Easement granted to Consumers Public Power District
- » Right-of-Way Easement granted to Loup River Public Power District
- » Right-of-Way Grants granted to Tallgrass Energy (*formerly Kansas-Nebraska Natural Gas Company*)
- » Telephone Easement granted to Cozad Telephone Company
- » Easement granted to Nebraska Department of Roads
- » Right-of-Way Easement granted to City of Cozad
- » Utility Easements granted to City of Cozad
- » Right-of-Way Easement granted to Cable USA

Block 2 and 3, CDC Addition No. 3

- » Right-of-Way and Warranty Deeds conveyed to The Farmers & Merchants Irrigation Company and Dawson County Irrigation Company
- » Electric Line Easement granted to The Western Service Company
- » Right-of-Way Grants granted to Tallgrass Energy (*formerly Kansas-Nebraska Natural Gas Company*)
- » Easement for Telephone Cable granted to Cozad Telephone Company
- » Right-of-Way Easement granted to City of Cozad
- » Right of Way Easement granted to Cable USA
- The exact site location is shown on the Site Map within the "Site Developability" section of this report.

SITE ACCESS

The site currently has the potential to gain access to public roadways in three locations:

- Access Point 1: Disposal Road (*Highway 21 Frontage Road*)
- Access Point 2: Highway 21
- Access Point 3: Monroe Street

The first location is along Disposal Road, which is now an Interstate 80 frontage road to the south and west of the site. This frontage road meets Highway 21 at a point across from the existing commercial properties on the west side of the highway. The frontage road is currently Nebraska Department of Roads (NDOR) right-of-way. Direct access to the site would then be from the frontage road (*Disposal Road*) and would need to be permitted through NDOR. This would require a permit application for new access to NDOR right-of-way (*DR-22*), which, in addition to the application, would include a traffic impact study and plans showing the recommend improvements from the study. A drainage study would also be required if site stormwater were to run onto NDOR right-of-way.

Alternatively, the Disposal Road intersection with Highway 21 could be reconfigured to be the direct site access, similar to the commercial access on the west side of the street. Preliminary discussions with NDOR indicate that this could be an acceptable option provided that access is maintained to the wastewater treatment plant (*WWTP*) abutting the site on the south side. This option would require additional coordination with NDOR to determine the ultimate ownership of this intersection.

Regardless of how the Disposal Road is accessed, the intersection with Highway 21 will need to be improved before completing this project, including paving, turn lanes, or upgraded intersection control. It is likely that a northbound right-turn lane would be required due to the increase in turning traffic, especially heavy trucks. Additional public improvements would reconfigure lane markings for the new intersection geometry and potentially signalization of the Disposal Road intersection. Turn lane improvements and minor road paving would likely be required as part of the initial platting of the site. If the intersection is signalized, the improvement would not be made until there is enough traffic generated by the site to satisfy traffic signal warrants. Initial estimates indicate that multiple lots would need to be developed, approximately equating to 10 percent of the total site traffic.

Location two is an existing full-movement access directly to Highway 21 and is located on the west side of the site directly north of the existing Disposal Road intersection. This is currently permitted as a farm entrance. If this intersection is used to provide access for future industrial development, it would need to be upgraded to allow commercial uses. The process of applying for this would necessitate completing a traffic impact study, plans showing the recommended improvements from the study, and a permit application. It should be noted that this access is very close to the Disposal Road intersection and reconfiguring and adding traffic to the Disposal Road intersection could jeopardize the existence of the existing farm entrance. It is unlikely that this access would remain, and if it did, it would likely be limited to right-in right-out access only due to the close intersection spacing.

The third and final potential access is on Monroe Street, a local road directly north of the site. This would likely be the easiest location to gain permitted access to the site; however, this would also likely require significant improvements to Monroe Street to handle the additional truck traffic and would be the least convenient access to the interstate.

SITE TOPOGRAPHY AND FLOODPLAIN INFORMATION

- The maximum elevation on the property is 2,485 (1,929 NGVD); the minimum elevation on the property is 2,476. There is 9 feet of fall across the property and the terrain of the industrial park is flat.
- The entire industrial property is located outside of the 100-year floodplain as shown on FEMA FIRM panel number 31047C0405C.

WETLANDS AND WATERWAYS INFORMATION

- The National Wetlands Inventory Map does not indicate the existence of existing wetlands on the industrial park property.
- Any wetlands that may exist on the industrial property would be regulated by the Army Corps of Engineers.

SOILS INFORMATION

- The Dawson County soil survey maps indicate that the soils on this site are primarily loam. A soils survey map is included in the Site Development section of this report.

ENVIRONMENTAL

- A Phase I Environmental Site Assessment (*ESA*) was prepared by Olsson Associates in July 2011 on the industrial park parcels.
- The executive summary of the Phase I *ESA* indicated that Recognized Environmental Conditions (*RECs*) and Historical Recognized Environmental Conditions (*HRECs*) were identified on the parcel. A summary of the review is included below, for additional information reference the Phase 1 *ESA* document.

RECs

- Tenneco is located upgradient of the assessment property. This facility is under RCRA investigation and remediation for VOC contamination in the groundwater. The groundwater at the assessment property has VOC contamination associated with the Tenneco facility. This contaminated groundwater is a *REC*.

HRECs

- Upgradient Leaking Underground Storage Tanks (*LUST*) and Leaking Aboveground Storage Tanks (*LAST*) facilities have been investigated to the satisfaction of the NDEQ and are *HRECs*.

Monitoring Wells

- Olsson reviewed records from the Nebraska Department of Natural Resources website regarding well information. A copy of this search map is included in the Phase I *ESA*. This search indicated that there are seven monitoring wells and two irrigation wells located on the assessment property.

UTILITY INFRASTRUCTURE INFORMATION

Sanitary Sewer

- The City of Cozad operates the public wastewater system.
- The wastewater treatment plant is at the immediate southeast corner of the industrial park.
- The treatment plant has an average treatment capacity of 0.83 million gallons/day (MGD). The peak treatment capacity of the system is 0.99 MGD.
- An existing 10-inch sanitary sewer line is located in the center of the industrial park.
- An existing 18-inch sanitary sewer is located along the east property line of the industrial park.

Water

- The City of Cozad operates the public water system.
- An existing 10-inch water main is located at the north property line along Monroe Street. An existing 8-inch water main is located along the west and south property line, leading to the wastewater treatment plant.
- The 8-inch and 10-inch water mains have static pressures of 50-55psi.

Electrical Service

- The City of Cozad operates the local power distribution that serves the industrial park.
- A 34.5 kV subtransmission line exists at the east property line.
- A 4.16 kV substation is located one mile to the north. A larger substation could be constructed on the 34.5 kV line to supply larger industrial demands.

Gas Service

- Source Gas operates the local natural gas distribution that serves the industrial park.
- An existing 2-inch gas line is located adjacent at the southwest corner of the industrial park.
- The 2-inch gas line currently has a pressure of 15psi, but has the ability to be increased to 30-40psi.
- There are three Tall Grass transmission lines crossing the site. A 10-inch and 16-inch line run parallel to each other from northwest to southeast across the northern third of the property.
- An existing 8-inch line crosses the lower third of the site traveling southwest to northeast.

Telecommunication Providers

The Cozad Telephone Company (CTC) is a privately owned provider of telecommunication service to the City of Cozad.

CTC has recently undertaken a major upgrade to the system with the installation of Fiber to the Home (FTTH) technology. The technology significantly increases the available bandwidth and redundancy for residential and commercial/industrial users in Cozad.

CTC has significant fiber infrastructure within Cozad city limits, and could deploy fiber to new sites as needed to support business. CTC's modern fiber infrastructure can support almost any bandwidth requirements, up to and beyond 1 Gbps.

TRANSPORTATION INFRASTRUCTURE

Roadway Infrastructure

- The property ingress/egress can occur at either Hwy 21 (*west side of property*) or Monroe Street (*north side of property*).
- Access to the industrial park is not controlled by a traffic signal.
- The nearest north-south interstate is Interstate 29, which is located 230 miles east.
- Access to the property from I-29: Travel from the I-29 and Nebraska Hwy 2 interchange and travel west 50 miles to the Hwy 77 and Hwy 2 interchange in Lincoln, Nebraska. Follow Hwy 77 north for 5 miles to the I-80 and Hwy 77 interchange. Follow I-80 west for 175 miles to the Cozad exit (*Hwy 21 and I-80 interchange*). Travel north along Hwy 21 (*S. Meridian Ave.*) 1/2 mile to the west property entrance. Otherwise, continue north along S. Meridian Ave. 1 mile to E. Monroe Street. Travel east on Monroe 3/4 mile to north property entrance.
- The nearest east-west interstate is Interstate 80, located 1/2 mile south of the property along S. Meridian Avenue.
- Currently, all road access from I-80 and Hwy 21 interchange in Cozad is paved to the project boundary. Intersection improvements and site paving infrastructure would need to be installed at the property

Railroad Infrastructure

- There is no railroad access to the industrial property.

ZONING AND LAND USE

- The property is currently zoned within the City of Cozad as General Industrial (*GI*).
- A zoning change would not be necessary for industrial development of the property.

COMMERCIAL AIR SERVICE

- The nearest commercial air service is North Platte Regional Airport (*KLBF*), located 45 miles west along Highway 30 and Kearney Regional Airport (*KEAR*), located 55 miles east via Interstate 80 and Highway 30. Both offer daily flights to Denver (*DIA*).
- Central Nebraska Regional Airport (*KGRJ*), approximately 100 miles east of Cozad, offers daily flights to Dallas (*DFW*).
- Cozad has a general aviation airport (*Cozad Municipal Airport KCZD*). The airport has a 5,000-foot concrete, lighted runway with non-precision instrument approach procedures. The airport offers all services, including terminal building, pilot's lounge, fuel, maintenance, and assistance with ground transportation.
- The city has height restriction zoning regulations. The height limit in the subject area is 140 feet-150 feet. However, the site lines up with the runway centerline and an FAA airspace review will be required for any structure more than approximately 70 feet in height.

ENTERPRISE AND FOREIGN TRADE ZONES

Enterprise Zone (*EZ*)

- This area does not meet the two out of the three criteria to qualify as an Enterprise Zone.
 - » The one and only criteria met was that a small portion of this area is above the 20 percent poverty rate.

Foreign Trade Zone (*FTZ*)

- The closest foreign trade zone is located in Lincoln, Nebraska, located 175 miles from the industrial park. The foreign trade zone (*Zone Number 59*) is located at the Lincoln Airport, 1135 M Street, Lincoln, NE, 68508. The trade zone is 372 acres in size.