

CITY OF NEBRASKA CITY, NEBRASKA
MINUTES OF CITY COUNCIL REGULAR MEETING
March 16, 2009

Pursuant to due call and notice thereof, a Regular Meeting of the City Council of the City of Nebraska City was conducted in the Council Chambers of City Hall, 1409 Central Avenue, on March 16, 2009. Notice of the meeting was given in advance thereof by posting in at least three public places, the designated method for giving notice, as shown by the Certificate of Posting Notice attached to these minutes.

The Mayor and Commissioners met at the Rowe Memorial Public Safety Building to view the construction progress and to consider using the training room for City Council meetings.

Mayor Hobbie called the meeting to order at 6:00 p.m. Upon roll call the following answered present: Jeff Crunk, Dean Handy, Brett Gay, and Mark Mercer. The following City Officials were present: City Clerk Arnold M. Ehlers, City Attorney William Davis, Police Chief David Lacy, Fire Chief Alan Viox and Public Properties Director/Zoning Director Dan Gittinger.

Mayor Jack Hobbie led in the Pledge of Allegiance.

Commissioner Handy moved to approve the minutes of the March 2, 2009 City Council Regular Meeting, seconded by Commissioner Mercer. Upon roll call the following voted AYE: Gay, Crunk, Handy, Mercer and Mayor Hobbie. Voting NO: None. Motion adopted.

Mayor Hobbie opened the Public Hearing to consider the request by Kay Erickson to rezone the property located at 1010 7th Corso. No one else spoke in support or opposition to the request. Commissioner Handy moved to close the Public Hearing. Upon roll call the following voted AYE: Gay, Crunk, Handy, Mercer and Mayor Hobbie. Voting NO: None. Motion adopted.

Mayor Hobbie proclaimed April 24 – 26th 2009 as “Arbor Day Weekend Festival.”

Commissioner Handy moved to add the payment of Estimate #2 for the Rowe Memorial Safety Complex to the agenda. Upon roll call the following voted AYE: Gay, Crunk, Handy, Mercer and Mayor Hobbie. Voting NO: None. Motion adopted.

Commissioner Handy moved to approve the payment of Estimate #2 for the Rowe Memorial Safety Complex to Rife Construction in the amount of \$306,986.40. Upon roll call the following voted AYE: Gay, Crunk, Handy, Mercer and Mayor Hobbie. Voting NO: None. Motion adopted.

Commissioner Gay moved to approve the recommendation by the Board of Public Works to purchase a Mini-Digger Derrick in the amount of \$137,311.00. Upon roll call the following voted AYE: Mercer, Crunk, Handy, Mercer and Mayor Hobbie.. Voting NO: None. Motion passed.

Leroy Frana, General Manager of Nebraska City Utilities, requested the agenda request for water sampling stations be removed.

Resolution 2403-09 was read by City Clerk Arnold M. Ehlers. Commissioner Mercer moved to approve resolution 2403a-09 to call the outstanding Combined Utilities Revenue Refunding Bonds, Series 21. Upon roll call the following voted AYE: Handy, Crunk, Gay, Mercer and Mayor Hobbie. Voting NO: None. Motion adopted. A true, correct and complete copy of said resolution is as follows:

RESOLUTION NO. 2403a-09

A RESOLUTION CALLING THE OUTSTANDING COMBINED UTILITIES REVENUE REFUNDING BONDS, SERIES 21, IN THE OUTSTANDING PRINCIPAL AMOUNT OF \$2,810,000 OF THE CITY OF NEBRASKA CITY, NEBRASKA.

BE IT RESOLVED AND ENACTED BY THE MAYOR AND BOARD OF COMMISSIONERS OF THE CITY OF NEBRASKA CITY, NEBRASKA, as follows:

Section 1. That the following bonds of the City, in accordance with their option provisions, are hereby called for payment on April 16, 2009, after which date interest on the bonds will cease:

Combined Utilities Revenue Refunding Bonds, Series No. 21, dated May 16, 2002, numbered as they are shown on the books and records of the Paying Agent and Registrar, in the total outstanding principal amount of \$2,810,000, issued for the purpose of paying the costs of constructing additions and improvements to the combined utilities of the City, maturing, in the principal amounts, bearing CUSIP numbers as follows:

Principal Amount	Maturity Date	CUSIP No.
\$295,000	March 1, 2010	639648 DV3
310,000	March 1, 2011	639648 DW1

325,000	March 1, 2012	639648 DX9
345,000	March 1, 2013	639648 DY7
360,000	March 1, 2014	639648 DZ4
380,000	March 1, 2015	639648 EA8
405,000	March 1, 2016	639648 EB6
190,000	March 1, 2017	639648 EC4
200,000	March 1, 2018	639648 ED2

Section 2. These bonds are to be paid at the principal corporate trust office of The Fremont National Bank and Trust Company, as Paying Agent and Registrar, in Fremont, Nebraska.

Section 3. A true copy of this Resolution shall be filed by the City Clerk with the Paying Agent at least thirty (30) days prior to call date and the Paying Agent is hereby irrevocably instructed to take appropriate action to mail notice to the registered owner at least thirty (30) days prior to the call date.

PASSED AND APPROVED this 16th day of March, 2009.

(SEAL)

By _____

Jack Hobbie, Mayor

ATTEST:

Arnold M. Ehlers, City Clerk

Mayor Hobbie introduced Ordinance 2748-09: AN ORDINANCE AUTHORIZING THE ISSUANCE OF COMBINED UTILITIES REVENUE REFUNDING BONDS, SERIES NO. 26, OF THE CITY OF NEBRASKA CITY, NEBRASKA, IN THE PRINCIPAL AMOUNT OF TWO MILLION EIGHT HUNDRED TEN THOUSAND DOLLARS (\$2,810,000) FOR THE PURPOSE OF REFUNDING THE CITY'S OUTSTANDING COMBINED UTILITIES REVENUE REFUNDING BONDS, SERIES NO. 21; PRESCRIBING THE FORM OF SAID BONDS AND THE COVENANTS AND AGREEMENTS MADE BY SAID CITY TO FACILITATE AND PROTECT THE PAYMENT THEREOF; PROVIDING FOR THE COLLECTION, SEGREGATION, PLEDGING AND APPLICATION OF THE REVENUES OF THE COMBINED UTILITIES OF SAID CITY FOR THE PURPOSE OF PAYING THE COST OF OPERATION AND MAINTENANCE OF SAID UTILITIES AND PAYING THE INTEREST ON AND PRINCIPAL OF SAID SERIES OF BONDS; PROVIDING FOR THE SALE OF THE BONDS; AUTHORIZING THE DELIVERY OF THE BONDS TO THE PURCHASER; PROVIDING FOR THE DISPOSITION OF THE BOND PROCEEDS AND ORDERING THE ORDINANCE PUBLISHED IN PAMPHLET FORM; and moved that the statutory rule requiring reading on three different days be suspended. Commissioner Mercer seconded the motion and upon roll call the following voted AYE: Mercer, Gay, Crunk, Handy and Mayor Hobbie. Voting NO: None. The motion to suspend the rule was adopted by three-fifths of the Board and the statutory rule was declared suspended for consideration of said ordinance.

Said ordinance was then read by title and thereafter Mayor Hobbie moved for final passage of the ordinance, which motion was seconded by Commissioner Handy. The Mayor stated the question "Shall Ordinance No. 2748-09 be passed and adopted?" Upon roll call the following voted AYE: Gay, Crunk, Mercer, Handy and Mayor Hobbie. Voting NO: None. The passage and adoption of said ordinance having been concurred in by a majority of all members of the Board, the Mayor declared the ordinance adopted and the Mayor in the presence of the Board signed and approved the ordinance and the Clerk attested the passage and approval of the same and affixed his signature thereto and ordered the Ordinance to be published in pamphlet form as provided therein. A true, correct and complete copy of said ordinance is as follows:

ORDINANCE NO. 2748-09

AN ORDINANCE AUTHORIZING THE ISSUANCE OF COMBINED UTILITIES REVENUE REFUNDING BONDS, SERIES NO. 26, OF THE CITY OF NEBRASKA CITY, NEBRASKA, IN THE PRINCIPAL AMOUNT OF TWO MILLION EIGHT HUNDRED TEN THOUSAND DOLLARS (\$2,810,000) FOR THE PURPOSE OF REFUNDING THE CITY'S OUTSTANDING COMBINED UTILITIES REVENUE REFUNDING BONDS, SERIES NO. 21; PRESCRIBING THE FORM OF SAID BONDS AND THE COVENANTS AND AGREEMENTS MADE BY SAID CITY TO FACILITATE AND PROTECT THE PAYMENT THEREOF; PROVIDING FOR THE COLLECTION, SEGREGATION, PLEDGING AND APPLICATION OF THE REVENUES OF THE COMBINED UTILITIES OF SAID CITY FOR THE PURPOSE OF PAYING THE COST OF OPERATION AND MAINTENANCE OF SAID UTILITIES AND PAYING THE INTEREST ON AND PRINCIPAL OF SAID SERIES OF BONDS; PROVIDING FOR THE SALE OF THE BONDS; AUTHORIZING THE DELIVERY OF THE BONDS TO THE PURCHASER; PROVIDING FOR THE DISPOSITION OF THE BOND PROCEEDS AND ORDERING THE ORDINANCE PUBLISHED IN PAMPHLET FORM.

BE IT ORDAINED BY THE MAYOR AND BOARD OF COMMISSIONERS OF THE CITY OF NEBRASKA CITY, NEBRASKA:

Section 1. The Mayor and Board of Commissioners find and determine as follows:

- a. That the City presently owns and operates an electric light and power plant and distribution system, a waterworks system, sewerage plant and collection system and gas

- system (collectively the “combined utilities”);
- b. That the City has heretofore issued pursuant to Ordinance 2521-01, Combined Utilities Revenue Refunding Bonds, Series No. 21, dated May 16, 2002 (the “Series No. 21 Bonds”) of which \$2,810,000 in principal amount remains unpaid and outstanding as of the date of this Ordinance; and that since the issuance of the Series No. 21 Bonds, the rates of interest have so declined in the markets that by taking up and paying off the Series No. 21 Bonds by an issue of refunding bonds of the City, a substantial savings in the amount of yearly running interest will be made to the City; that by issuing its refunding bonds in the amount of \$2,810,000, the Series No. 21 Bonds can be taken up and paid off on April 17, 2009; and the Series No. 21 Bonds have been called for redemption on said date;
 - c. That by Ordinance No. 2673-03 the City authorized the issuance of Combined Utilities Revenue Refunding Bonds, Series No.22, of the City in the amount of Two Million Dollars(\$2,000,000) dated March 20, 2003, of which there presently remain outstanding and unpaid bonds of said issue in the principal amount of \$1,505,000 which bonds are secured by a lien upon and a pledge of the revenue and earnings of the combined utilities (the “Series No. 22 Bonds”);
 - d. That by Ordinance 2586-03 the City authorized the issuance of Combined Utility Revenue Refunding Bonds, Series No. 23, of the City in the amount of Two Million Dollars(\$2,000,000) dated October 21, 2003, of which there presently remain outstanding and unpaid bonds of said issue in the principal amount of \$1,705,000 which bonds are secured be a lien upon and a pledge of the revenue and earnings of the combined utilities (the ”Series No. 23 Bonds”);

Section 2. unless the context shall clearly indicate otherwise, the following terms shall have the following meanings when used in this ordinance:

- a. “combined utilities” shall mean the electric light and power plant and distribution system, waterworks system, sewerage plant and collection system and gas system of the City of Nebraska City, Nebraska, as now existing and all additions (including and additional systems which may hereafter be lawfully included in the combined utilities of the City), extensions, improvements and betterments hereafter made;

Section 3. For the purposes as outlined in Section 1 hereof, there shall be and there hereby are ordered issued Combined Utilities Revenue Refunding Bonds, Series No. 26, of the aggregate principal amount of Two Million Eight Hundred Ten Thousand Dollars(\$2,810,000) to bear date of original issue of April 16, 2009, in fully registered form. Said Series No. 26 Bonds shall bear interest at the rates per annum and mature on March 1 of each year in the principal amounts as follows:

Principal Amount	Maturing on March 1 of year	Interest Rate Per Annum
\$295,000	2010	1.60
310,000	2011	1.90
325,000	2012	2.30
345,000	2013	2.70
360,000	2014	3.05
380,000	2015	3.35
405,000	2016	3.50
190,000	2017	3.70
200,000	2018	3.85

The Series No. 26 bonds shall be issued in the denomination of \$5,000 or any integral multiple thereof and shall be numbered from 1 upwards in the order of their issuance. No. Series No. 26 Bond shall be issued originally or upon transfer or partial redemption having more than one principal maturity. The initial bond numbering and principal amounts for each of the Series No. 26 Bonds issued shall be as directed by the initial purchasers thereof. Interest on the Series No. 26 Bonds shall be payable semiannually on September 1 and March 1 of each year, starting September 1, 2009. The interest due on each interest payment date shall be payable to the registered owners of record as of the close of business on the last day of the calendar month immediately preceding the calendar month in which the interest payment date occurs (the “Record Date”), subject to the provisions of Section 3 hereof. Payment of interest due on the Series No. 26 Bonds prior to maturity or redemption shall be made by the Paying Agent and Registrar, as designated pursuant to Section 4 hereof, by mailing a check in the amount due for such interest on each interest payment date to the registered owner of each Series No. 26 Bond, as of the applicable Record Date, to such owner's registered address as shown on the books of registration, as required to be maintained in Section 3 hereof. Payment of principal due at maturity or at any date fixed for redemption, together with any accrued interest then due, shall be made by said Paying Agent and Registrar to the registered owners upon presentation and surrender of the bonds to said Paying Agent and Registrar. In the event that bonds of this issue are held in the nominee name of a national clearinghouse or depository, payment of principal or interest shall be made by wire transfer of funds in accordance with any applicable regulations governing “Depository Eligible Securities”. The City and said Paying Agent and Registrar may treat the registered owner of any bond as the absolute owner of such bond for the purpose of making payments thereon and for all other purposes and neither the City nor said Paying Agent and Registrar shall be affected by any notice or knowledge to the contrary whether such bond or any installment of interest due thereon shall be overdue or not. All payments on account of interest or principal made to the registered owner of any bond shall be valid and effectual and shall be a discharge of the City and said Paying Agent and Registrar, in respect of the liability upon the bonds or claims for interest to the extent of the sum or sums so paid. If any bond is not paid upon presentation of the bond at maturity or any interest installment is not paid when due, the delinquent bond or delinquent interest installment shall bear interest thereafter until paid at a rate equal to the rate assessed

against delinquent taxes under Section 45-104.01 R.R.S. Nebraska, 2004, as now existing or as the same may be amended from time to time by the Nebraska Legislature.

Section 4. The City Treasurer is hereby designated as Paying Agent and Registrar for the Series No. 26 Bonds. Said Paying Agent and Registrar shall keep and maintain for the City books for the registration and transfer of the bonds at the office of the Paying Agent and Registrar in Nebraska City, Nebraska. The names and registered addresses of the registered owner or owners of the bonds shall at all times be recorded in such books. Any Series No. 26 Bond may be transferred pursuant to its provisions at the office of the Paying Agent and Registrar upon surrender of such bond for cancellation, accompanied by a written instrument of transfer, in form satisfactory to such Paying Agent and Registrar, duly executed by the registered owner in person or by such owner's duly authorized agent, and thereupon the Paying Agent and Registrar will register such transfer upon said registration books and deliver to the transferee registered owner or owners (or send by registered mail to the transferee owner or owners at such owner's or owners' risk and expense), registered in the name of such transferee owner or owners, a new Series No. 26 Bond or Series No. 26 Bonds of the same interest rate, aggregate principal amount and maturity. To the extent of the denominations authorized for the bonds by this ordinance, one bond may be transferred for several such bonds of the same interest rate and maturity and for a like aggregate principal amount, and several such bonds may be transferred for one or several such bonds, respectively, of the same interest rate and maturity and for a like aggregate principal amount. In every case of transfer of a bond, the surrendered bond or bonds shall be cancelled and destroyed. All Series No. 26 Bonds issued upon transfer of the Series No. 26 Bonds surrendered shall be valid obligations of the City evidencing the same obligations as the bonds surrendered and shall be entitled to all benefits and protection of this ordinance to the same extent as the bonds upon transfer of which they were delivered. The City and the Paying Agent and Registrar shall not be required to transfer bonds during any period from any Record Date until its immediately following interest payment date or to transfer any bonds called for redemption for a period of 30 days next preceding the date fixed for redemption prior to maturity. In the event that payments of interest due on the bonds on an interest payment date are not timely made, such interest shall cease to be payable to the registered owners as of the Record Date for such interest payment date and shall be payable to the registered owners of the bonds as of a special date of record for payment of such defaulted interest as shall be designated by the Paying Agent and Registrar whenever monies for the purpose of paying such defaulted interest become available.

Section 5. Bonds maturing on or after March 1, 2015 shall be subject to redemption, in whole or in part, prior to maturity at any time on or after April 16, 2014, at par plus accrued interest on the principal amount redeemed to the date fixed for redemption. The City may select the bonds to be redeemed from such optional redemption in its sole discretion but bonds shall be redeemed only in the amount of \$5,000 or integral multiples thereof. Any bond redeemed in part only shall be surrendered to the Paying Agent and Registrar in exchange for a new bond evidencing the unredeemed principal thereof. Notice of redemption of any bond called for redemption shall be given at the direction of the Mayor and Board by the Paying Agent and Registrar by mail not less than thirty days prior to the date fixed for redemption, first class postage prepaid, sent to the registered owner of such bond at said owner's registered address. Such notice shall designate the bond or bonds to be redeemed by number and maturity, the date of original issue, the date fixed for redemption and state that such bond or bonds are to be presented for payment at the office of the Paying Agent and Registrar. In case of any bond partially redeemed, such notice shall specify the portion of the principal amount of such bond to be redeemed. No defect in the mailing of notice for any bond shall affect the sufficiency of the proceedings of the Mayor and Board designating the bonds called for redemption or the effectiveness of such call for bonds for which notice by mail has been properly given and the Mayor and Board shall have the right to further direct notice of redemption for any such bond for which defective notice has been given.

Section 6. The Series No. 26 Bonds shall be executed on behalf of the City by being signed by the Mayor and the City Clerk, both of which signatures may be facsimile signatures, and shall have the City seal impressed on each bond. The City Clerk shall make and certify a transcript of proceedings had and done precedent to the issuance of said bonds which shall be delivered to the purchaser of said bonds. After being executed by the Mayor and City Clerk, said bonds shall be delivered to the Treasurer of the City who shall be responsible therefore under his/her official bond. Such Treasurer shall maintain a record of information with respect to said bonds in accordance with the requirements of Section 10-140, R.R.S. Neb. 2007, as amended, and shall cause the same to be filed with the office of the Auditor of Public Accounts of the State of Nebraska. The Paying Agent and Registrar shall register each bond in the name of its initial registered owner as designated by the initial purchaser. Each bond shall be authenticated on behalf of the City by the Paying Agent and Registrar. The bonds shall be issued initially as "book-entry only" bonds using the services of The Depository Trust Company (the "Depository"), with one typewritten bond per maturity being issued to the Depository. In such connection said officers of the City are authorized to execute and deliver a letter of representations and inducement (the "Letter of Representations") in the form required by the Depository, for and on behalf of the City, which shall thereafter govern matters with respect to registration, transfer, payment and redemption of the bonds. Upon issuance of the bonds as "book-entry-only" bonds, the following provisions shall apply:

(a) The City and the Paying Agent and Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which the Depository holds bonds as securities depository (each, a "Bond Participant") or to any person who is an actual purchaser of a bond from a Bond Participant while the bonds are in book-entry form (each a "Beneficial Owner") with respect to the following:

(i) the accuracy of the records of the Depository, any nominees of the Depository or any Bond Participant with respect to any ownership interest in the bonds;

(ii) the delivery to any Bond Participant, any Beneficial Owner or any other person, other than the Depository, of any notice with respect to the bonds, including any notice of redemption, or

(iii) the payment to any Bond Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the bonds. The Paying Agent and Registrar shall make payments with respect to the bonds only to or upon the order of the Depository or its nominee, and all such payments shall be valid and effective fully to satisfy and discharge the obligations with respect to such bonds to the extent of the sum or sums so paid. No person other than the Depository shall receive an authenticated Bond, except as provided in (e) below.

(b) Upon receipt by the Paying Agent and Registrar of written notice from the Depository to the effect that the Depository is unable to or unwilling to discharge its responsibilities, the Paying Agent and Registrar shall issue, transfer and exchange bonds requested by the Depository in appropriate amounts. Whenever the Depository requests the Paying Agent and Registrar to do so, the Paying Agent and Registrar will cooperate with the Depository in taking appropriate action after reasonable notice (i) to arrange, with the prior written consent of the City, for a substitute depository willing and able upon reasonable and customary terms to maintain custody of the bonds or (ii) to make available bonds registered in whatever name or names the Beneficial Owners transferring or exchanging such bonds shall designate.

(c) If the City determines that it is desirable that certificates representing the bonds be delivered to the ultimate Beneficial Owners of the bonds and so notifies the Paying Agent and Registrar in writing, the Paying Agent and Registrar shall so notify the Depository, whereupon the depository will notify the Bond Participants of the availability through the Depository of bond certificates representing the bonds. In such event, the Paying Agent and Registrar shall issue, transfer and exchange bond certificates representing the bonds as requested by the Depository in appropriate amounts and in authorized denominations.

(d) Notwithstanding any other provision of this Ordinance to the contrary, so long as any bond is registered in the name of the Depository or any nominee thereof, all payments with respect to such bond and all notices with respect to such bond shall be made and given, respectively, to the Depository as provided in the Letter of Representations.

(e) Registered ownership of the bonds may be transferred on the books of registration maintained by the Paying Agent and Registrar, and the bonds may be delivered in physical form to the following:

(i) any successor securities depository or its nominee;

(ii) any person, upon (A) the resignation of the Depository from its functions as depository or (B) termination of the use of the Depository pursuant to this Section and the terms of the Paying Agent and Registrar's Agreement (if any).

(f) In the event of any partial redemption of a bond unless and until such partially redeemed bond has been replaced in accordance with the provisions of this Ordinance, the books and records of the Paying Agent and Registrar shall govern and establish the principal amount of such bond as is then outstanding and all of the bonds issued to the Depository or its nominee shall contain a legend to such effect.

If for any reason the Depository resigns and is not replaced or upon termination by the City of book-entry-only form, the City shall immediately provide a supply of bond certificates for issuance upon subsequent transfers or in the event of partial redemption. In the event that such supply of certificates shall be insufficient to meet the requirements of the Paying Agent and Registrar for issuance of replacement bond certificates upon transfer or partial redemption, the City agrees to order printed an additional supply of bond certificates and to direct their execution by manual or facsimile signature of its then duly qualified and acting officers. In case any officer whose signature or facsimile thereof shall appear on any bond shall cease to be such officer before the delivery of such bond (including any bond certificates delivered to the Paying Agent and Registrar for issuance upon transfer or partial redemption) such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if such officer or officers had remained in office until the delivery of such bond. The bonds shall not be valid and binding on the City until authenticated by the Paying Agent and Registrar. The bonds shall be delivered to the Paying Agent and Registrar for registration and authentication.

Section 7. Said bonds shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF OTOE
CITY OF NEBRASKA CITY
REFUNDING BOND

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP No.</u>
%	December 15, ____	March 19, 2009	

Registered Owner: _____

Principal Amount: _____

KNOW ALL PERSONS BY THESE PRESENTS: That the City of Nebraska City, in the County of Otoe, in the State of Nebraska, hereby acknowledges itself to owe and for value received promises to pay to the registered owner specified above the principal amount specified above in lawful money of the United States of America on the maturity date specified above, with interest thereon from date of original

issue specified above or most recent interest payment date, whichever is later, to maturity (or earlier redemption) at the rate per annum specified above. Said interest shall be payable semiannually on the fifteenth day of June and December in each year, starting June 15, 2009. If this bond is not paid upon presentation at maturity or any interest installment hereon is not paid when due, the bond or interest installment shall bear interest thereafter until paid at a rate equal to the rate assessed against delinquent taxes under Section 45-104.01 R.R.S. Nebraska 2004, as now existing or as the same may be amended from time to time by the Nebraska Legislature. The interest hereon due prior to maturity or earlier redemption shall be paid on each interest payment date by the City Treasurer, as Paying Agent and Registrar for the City by wire transfer (but only in accordance with the limited terms of the authorizing ordinance), check or draft mailed to the registered owner hereof, as shown on the records of the Paying Agent and Registrar as of the close of business on the last day of the month immediately preceding the month in which the interest payment date occurs, at such owner's registered address as it appears on the books of registration of the City. The principal of this bond and the interest due at maturity or upon call for redemption prior to maturity are payable on presentation and surrender to said Paying Agent and Registrar at the office of the Paying Agent and Registrar in Nebraska City, Nebraska. Any interest not so timely paid shall cease to be payable to the person entitled thereto as of the record date such interest was payable, and shall be payable to the person who is the registered owner of this bond (or of one or more predecessor bonds hereto) on such special record date for payment of such defaulted interest as shall be fixed by the Paying Agent and Registrar whenever monies for such purpose become available. For the prompt payment of this bond, principal and interest as the same become due, the full faith, credit and resources of said City are hereby irrevocably pledged.

The City, however, reserves the right and option of paying bonds of this issue maturing on or after December 15, 2014, in whole or in part, on March 19, 2014, or at any time thereafter, at the principal amount thereof plus accrued interest to the date fixed for redemption. Notice of any such redemption shall be given by mail, sent to the registered owner of any bond to be redeemed at said registered owner's address in the manner provided in the ordinance authorizing said bonds. Individual bonds may be redeemed in part but only in the amount of \$5,000 or integral multiples thereof. Any bond redeemed in part only shall be surrendered to the Paying Agent and Registrar in exchange for a new bond or bonds evidencing the unredeemed principal thereof.

This bond is one of an issue of fully registered bonds of the total principal amount of \$815,000, of like tenor herewith except as to denomination, date of maturity and rate of interest issued by said City for the purpose of paying the bonded debt of said City on its legally issued Various Purpose Bonds, Series 2001, numbered as they are shown on the books and records of the Paying Agent and Registrar, dated December 20, 2001, in the principal amount of \$800,000, now existing and unpaid, and in strict conformity with and in pursuance of the provisions of Section 10-142, R.R.S. Neb. 2007. The issuance of said bonds has been authorized by an ordinance duly passed by the Mayor and Board of said City.

This bond is transferable by the registered owner or such owner's attorney duly authorized in writing at the office of the Paying Agent and Registrar upon surrender and cancellation of this bond, and thereupon a new bond or bonds of the same aggregate principal amount, interest rate and maturity will be issued to the transferee as provided in the ordinance authorizing said issue of bonds, subject to the limitations therein prescribed. The City, its Paying Agent and Registrar and any other person may treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment hereof and for all purposes and shall not be affected by any notice to the contrary, whether this bond be overdue or not.

AS PROVIDED IN THE ORDINANCE REFERRED TO HEREIN, UNTIL THE TERMINATION OF THE SYSTEM OF BOOK-ENTRY-ONLY TRANSFERS THROUGH THE DEPOSITORY TRUST COMPANY, NEW YORK, NEW YORK (TOGETHER WITH ANY SUCCESSOR SECURITIES DEPOSITORY APPOINTED PURSUANT TO THE ORDINANCE, "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISIONS OF THE ORDINANCE TO THE CONTRARY, A PORTION OF THE PRINCIPAL AMOUNT OF THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE PAYING AGENT AND REGISTRAR. DTC OR A NOMINEE, TRANSFEREE OR ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID. THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID SHALL FOR ALL PURPOSES BE THE AMOUNT DETERMINED IN THE MANNER PROVIDED IN THE ORDINANCE.

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED OFFICER OF DTC (A) TO THE PAYING AGENT AND REGISTRAR FOR REGISTRATION OF TRANSFER OR EXCHANGE OR (B) TO THE PAYING AGENT AND REGISTRAR FOR PAYMENT OF PRINCIPAL, AND ANY BOND ISSUED IN REPLACEMENT HEREOF OR SUBSTITUTION HEREFOR IS REGISTERED IN THE NAME OF DTC AND ANY PAYMENT IS MADE TO DTC OR ITS NOMINEE, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL BECAUSE ONLY THE REGISTERED OWNER HEREOF, DTC OR ITS NOMINEE, HAS AN INTEREST HEREIN.

This bond shall not be valid and binding on the City until authenticated by the Paying Agent and Registrar.

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this bond did exist, did happen and were done and performed in regular and due form and time as required by law, and that the indebtedness of said City, including this bond, does not exceed any limitations imposed by law. The City covenants and agrees that it will cause to be levied and collected annually a tax by valuation on all the taxable property in said City, in addition to all other taxes, sufficient in rate and amount to pay the interest on this bond when and as the same becomes due and to create a sinking fund to pay the principal of this bond when the same becomes due.

IN WITNESS WHEREOF, the Mayor and Board of the City of Nebraska City, Nebraska, have caused this bond to be executed on behalf of the City by being signed by the Mayor and Clerk of the City, both of which signatures may be facsimile signatures, and by causing the official seal of the City to be affixed hereto, all as of the date of original issue shown above.

CITY OF NEBRASKA CITY, NEBRASKA

By _____ (Do not sign)
Mayor

ATTEST:

(Do not sign)
City Clerk

(S E A L)

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds authorized by an ordinance passed and approved by the Mayor and Board of the City of Nebraska City as described in said bonds.

(Do not sign)
City Treasurer of Nebraska City, Nebraska,
as Paying Agent and Registrar

(FORM OF ASSIGNMENT)

For value received _____ hereby sells, assigns and transfers unto _____ the within bond and hereby irrevocably constitutes and appoints _____, Attorney, to transfer the same on the books of registration in the office of the within mentioned Paying Agent and Registrar with full power of substitution in the premises.

Date: _____

Registered Owner

SIGNATURE GUARANTEED
By _____

Authorized Officer

Note: The signature(s) of this assignment MUST CORRESPOND with the name as written on the face of the within bond in every particular without alteration, enlargement or any change whatsoever, and must be guaranteed by a commercial bank or a trust company or by a firm having membership on the New York, Midwest or other stock exchange.

Section 8. Said bonds are hereby sold to Ameritas Investment Corp. at ____% of the principal amount thereof, and the City Treasurer is authorized to deliver the bonds to said purchaser upon receipt of the said amount plus accrued interest to the date of payment. Said bonds are sold to the purchaser subject to the opinion of independent bond counsel that said bonds are lawfully issued; that said bonds constitute a valid obligation of the City; and that under existing laws and regulations the interest on said bonds is exempt from both Nebraska state and federal income taxes. Such purchaser and its agents, representative and counsel (including its bond counsel) are hereby authorized to take such actions on behalf of the City as are necessary to effectuate the closing of the issuance and sale of the Bonds, including, without limitation, authorizing the release of the Bonds by the Depository (as defined herein) at closing. The proceeds of the bonds herein authorized shall be applied to provide for redemption of the Outstanding Bonds as called for redemption on March 19, 2009.

Section 9. The Mayor and Board shall cause to be levied and collected annually a tax by valuation on all the taxable property in the City, in addition to all other taxes, sufficient in rate and amount to pay the interest on the bonds herein authorized as the same becomes due and to create a sinking fund to pay the principal of said bonds when and as such principal becomes due.

Section 10. The City of Nebraska City, Nebraska, hereby covenants to the purchasers and holders of the bonds hereby authorized that it will make no use of the proceeds of said bond issue, including monies held in any sinking fund for the payment of said bonds, which would cause said bonds to be arbitrage bonds within the meaning of Sections 103(b) and 148 of the Internal Revenue Code of 1986, as amended (the "Code") and further covenants to comply with said Sections 103 and 148 and all applicable regulations thereunder throughout the term of said bond issue. The City hereby covenants and agrees to take all actions necessary under the Code to maintain the tax-exempt status of interest payable on the bonds with respect to taxpayers generally but not including insurance companies or corporations subject to the additional minimum tax. The City hereby designates the bonds as its "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(B)(i)(III) of the Code and covenants and warrants that it does not anticipate issuing tax-exempt obligations in calendar 2009 in an amount in excess of \$10,000,000.

Section 11. This ordinance shall be published in pamphlet form and take effect as provided by law.

PASSED AND APPROVED this _____ day of _____, 2009.

Mayor

ATTEST:

City Clerk

Commissioner Mercer moved to approve the request by Mike Miller to hold boat races at the pond in Steinhart Park on May 30, 2009. Upon roll call the following voted AYE: Gay, Crunk, Handy, Mercer and Mayor Hobbie. Voting NO: None. Motion adopted.

Commissioner Gay moved to approve the request by Rose Ralstin of N.C.T.C. for the use of picnic tables, temporary way-finding signage, street blocking for the parade and use of shelters at Steinhart Park on April 25th for 5K Registration. Upon roll call the following voted AYE: Crunk, Mercer, Handy, Gay and Mayor Hobbie. Voting NO: None. Motion adopted.

Commissioner Mercer moved to table any action on the 14th Avenue Watershed Drainage issues brought to the attention by property owners until information could be received from FEMA. Pat Wehling and Jim Cavanaugh provided information concerning issues during heavy rains. Upon roll call the following voted AYE: Gay, Crunk, Handy, Mercer and Mayor Hobbie. Voting NO: None. Motion adopted.

Commissioner Mercer moved to table the request by Richard Johnson to vacate the alley in Block 10; Anderson's Addition and purchase a portion of vacated 5th Street right-of-way. Upon roll call the following voted AYE: Gay, Crunk, Handy, Mercer and Mayor Hobbie. Voting NO: None. Motion adopted.

Commissioner Handy moved to approve the rate changes for Wyuka Cemetery as recommended by the Cemetery Advisory Board. Upon roll call the following voted AYE: Crunk, Gay, Mercer, Handy and Mayor Hobbie. Voting NO: None. Motion adopted.

Commissioner Handy moved to approve the request by Nebraska City Jaycees to use the ball diamonds at Steinhart Park on April 11th for an Easter Egg Hunt. Upon roll call the following voted AYE: Gay, Crunk, Handy, Mercer and Mayor Hobbie. Voting NO: None. Motion adopted.

Commissioner Mercer moved to approve an agreement with Berggren Architects not to exceed \$2,500.00 for the review of repairs needed at Wildwood Period House and authorize the Mayor to sign. Upon roll call the following voted AYE: Gay, Crunk, Handy, Mercer and Mayor Hobbie. Voting NO: None. Motion adopted.

Commissioner Handy moved to approve the purchase of a dump truck from the low bidder, Wick's in the amount of \$9,250.00. Upon roll call the following voted AYE: Mercer, Gay, Crunk, Handy and Mayor Hobbie. Voting NO: None. Motion passed.

Commissioner Gay moved to approve the request by the Nebraska City Volunteer Fire and Rescue Department to apply for a FEMA Grant not to exceed \$100,000. Upon roll call the following voted AYE: Crunk, Handy, Mercer, Gay and Mayor Hobbie. Voting NO: None. Motion passed.

Mayor Hobbie informed the Council that those who are not NIMS Certified would have to become certified as soon as possible. Alan Viox and Gregg Goebel outlined requirements.

Commissioner Mercer moved to authorize staff to solicit bids for a new ambulance with the possible trade-in of the 1993 Ford. Upon roll call the following voted AYE: Gay, Crunk, Handy, Mercer and Mayor Hobbie. Voting NO: None. Motion adopted.

Commissioner Mercer moved to approve all claims except Claim #7250E. Upon roll call the following voted AYE: Gay, Crunk, Handy, Mercer and Mayor Hobbie. Voting NO: None. Motion adopted.

Commissioner Handy moved to approve Claim #7250E. Upon roll call the following voted AYE: Gay, Crunk, Handy and Mayor Hobbie. Voting NO: None. Abstain: Mercer.

A&L Storage	60	Rent	MED Alliance Group	456.63	Supp
Action Technology Svc	400	Contr	Mercer's	59.9	Supp
Adkins Signs	60	Misc	Mid-America Termite	43.48	Maint
Alamar Uniforms	450.33	Unif	Midtown Holiday Inn	129.9	Lodging
Alco Store	37.95	Supp	Midwest Machine	249.04	Rep
Allied Recycling & Ref	222.75	Garbage	Midwest ROW	204	ROW
Alltel	138.3	Tele	Midwest Svc & Sales	2,255.66	Culverts
Altec Industries, Inc.	440	Rep	Miller Monroe Farrell	67,200.34	Ins
Ambassador Rehab	115	Med	Moore Medical	403.93	Supp
Angus, C	21.36	Meals	Mullenax Auto Supply	801.34	Rep
Arbor Mart	1,459.58	Fuel	Municipal Emergency	40.95	Unif
Arbor Valley Ani Clnc	382.5	Ani Exp	N.E.E.D.	375	Dues
Battery Zone	80	Supp	Nat'l Entertainment	467.88	Supp
Bob's Welding Shop	145.6	Supp	NC Clerk - Treasurer	33.47	Supp
Bohl Plmbg & Htg	63	Maint	NC News Press	278.25	Ads

Brandt Excavating	101,327.00	Demo	NC Utilities	8,197.91	Util
BSN Sports	224.62	Net	NCTC	5,312.50	Contr
Callaway Golf Co	1,892.65	Msde	NE Community Found	2,291.67	Contr
Card Services	399.65	Supp	NE Dept. of Rev	262.69	Tax
Casey's	126.53	Fuel	NE Environmental	711.81	Rep
Century Lumber Center	43.99	Rep	NE Law Enforcement	32	Dues
Cintas Corporation	125.5	Supp	NE Salt & Grain	7,791.20	Salt
Citizen Printing	355	Supp	NEXTEL .	422.68	Tele
Conrad Fire Equip	344.41	Rep	Odey's Inc.	414	Supp
Douglas Tire Co.	816.71	Rep	Olsson Associates	3,367.38	Eng
Eggers Bros. Inc	73.08	Rep	O'Reilly Auto Parts	145.84	Rep
Ehlers, A	256.3	Mileage	Otoe Cnty Clerk	4,990.86	Contr
Embassy Suites Lincoln	139	Lodging	Cnty Reg of Deed	92.25	Deeds
EMS Billing Svc	513	Contr	Physio-Control, Inc	1,882.94	Contr
Food Pride	15.88	Supp	Pitney Bowes	418.99	Postage
GE Capital	74.67	Tele	R.C.E.D.C.	1,592.20	Contr
Gittinger, D	220.75	Mileage	Rife Construction Inc	306,986.40	Contr
Great American Otrd	838.66	Rep	S Systems	699	Compt
Hart, Anna	450	Contr	SEND D	1,331.41	Contr
Heartland Classified Svc	184.33	Ads	Shell	459.39	Fuel
Hemmer Garage	73.88	Rep	St. Mary's Hospital	296.27	Supp
HGM Associates	1,734.00	Eng	Thurman Bike & Spt	307.5	Supp
Hopkins Automotive	80.48	Rep	Titleist	418.44	Msde
Ideal Pure Water	45	Water	Tom's Radio	900	Rent
Inland Truck Parts	731.62	Rep	Trade Well Pallet	850	Maint
Interstate All Battery	44.88	Rep	Treat America Food	4.21	Meals
KonicaMinolta Business	180.75	Contr	Tri-State Office Prod	553.42	Supp
Kreifels Electric	552.26	Rep	Tri-State Pmpg	340	Contr
Landis Engine	382.73	Rep	United Healthcare	231	Misc
Larson Motors	651.36	Rep	Universal Publications	120	Ads
League of KS Munic	65	Ads	USIS Commercial Svc	25	Med
League of MN Cities	75	Ads	Vintage Automobile	1,875.48	ROW
League of NE Muni	234	Dues	Viox, A	182.89	Mileage
Loveland Lawns	225.95	Supp	Wage & Benefits	82,963.73	Payroll
Mark Hydraulic Co.	780.28	Rep	Wallen, M	51.49	Mileage
Martin Marietta Mat	708.9	Gravel	Watkins True Value	282.99	Rep
Mead Lumber	1,662.32	Rep	Windstream	2,078.95	Tele

Mayor Hobbie moved to re-appoint Dave Messing to the Dock Board for another 3 year term. Upon roll call the following AYE: Gay, Crunk, Handy, Mercer and Mayor Hobbie.

Mayor Hobbie moved to re-appoint Charles Gude to the Civil Service Commission for a six year term. Upon roll call the following voted AYE: Gay, Crunk, Handy, Mercer and Mayor Hobbie. Voting NO: None. Motion adopted.

Commissioner Mercer moved to go into executive session at 8:01 p.m. for the purpose of discussing the acquisition of real estate. Upon roll call the following voted AYE: Gay, Crunk, Handy, Mercer and Mayor Hobbie. Voting NO: None. Motion adopted.

Commissioner Handy moved to return to open meeting at 8:08 p.m. Upon roll call the following voted AYE: Mercer, Gay, Crunk, Handy and Mayor Hobbie.

Commissioner Mercer moved to table discussion on real estate purchase until March 18, 2009 meeting. Upon roll call the following voted AYE: Gay, Crunk, Handy, Mercer and Mayor Hobbie. Voting NO: None. Motion adopted.

Meeting adjourned at 8:16 p.m.

Jack Hobbie, Mayor

Arnold M. Ehlers, Clerk - Treasurer