

CITY OF NEBRASKA CITY, NEBRASKA
MINUTES OF CITY COUNCIL REGULAR MEETING
May 21, 2012

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 at City Hall, 1409 Central Avenue, on May 21, 2012. 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. Availability of the agenda was communicated in advance to the media, Mayor and Commissioners of this proceeding and said meeting was open to the public.

Mayor Hobbie called the meeting to order at 6:00 p.m. The Mayor publicly stated to all in attendance that a current copy of the Nebraska Open Meetings Act was available for review and indicated the location of such copy posted in the room where the meeting was being held. Mayor Jack Hobbie then led in the Pledge of Allegiance. Upon roll call the following answered present: Brett Gay, Jeff Crunk, Dean Handy and Mayor Hobbie. Absent: Mark Mercer. The following City Officials were present: City Clerk-Treasurer Arnold M. Ehlers, City Attorney William Davis and Police Chief David Lacy.

Commissioner Handy moved to approve the minutes of the May 7, 2012, City Council Regular Meeting, seconded by Commissioner Crunk. Upon roll call the following voted AYE: Gay, Crunk, Handy and Mayor Hobbie. Voting NO: None. Motion adopted.

Commissioner Crunk moved to pay all claims as presented, seconded by Commissioner Handy. Upon roll call the following voted YES: Gay, Handy, Crunk and Mayor Hobbie. Voting NO: None. Motion passed.

Moved by Mayor Hobbie and seconded by Commissioner Handy to appoint Bertha Sammons to the Cemetery Board for a three year term. Upon roll call the following voted YES: Gay, Crunk, Handy and Mayor Hobbie. Voting NO: None. Motion passed.

Moved by Commissioner Handy and seconded by Crunk to approve the Electrician's Registration to Work application of Michael Reynolds. Upon roll call the following voted YES: Gay, Crunk, Handy and Mayor Hobbie. Voting NO: None. Motion passed.

Mayor Hobbie proclaimed June 2, 2012 as 'Buddy Poppy Day' and urged all citizens the remember merits of this cause by contributing generously to its support.

Mayor Hobbie led the dedication of the Flag Box for retired American Flags. The Retired American Flag Box will be placed in front of City Hall and be accessible 24 hours per day.

The Treasurer reported a beginning balance on hand April 1, 2012 of \$824,831.38, revenues of \$1,598,538.57, expenditures of \$1,300,336.82 leaving a balance on hand as of April 30, 2012 of \$1,123,033.13.

Mayor Hobbie introduced Ordinance No. 2882-12 entitled AN ORDINANCE PROVIDING FOR THE ISSUANCE OF HIGHWAY ALLOCATION FUND PLEDGE BONDS, SERIES 2012, IN THE AMOUNT OF FIVE HUNDRED TWENTY FIVE THOUSAND DOLLARS (\$525,000) FOR THE PAYMENT OF COSTS IN CONNECTION WITH THE CONSTRUCTION OF STREET AND PAVING IMPROVEMENTS IN THE CITY; PRESCRIBING THE FORM OF SAID BONDS; PLEDGING FUNDS TO BE RECEIVED BY THE CITY FROM THE STATE OF NEBRASKA HIGHWAY ALLOCATION FUND; AGREEING TO LEVY TAXES; 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 PUBLICATION OF THE ORDINANCE IN PAMPHLET FORM; and moved that the statutory rule requiring reading on three different days be suspended. Commissioner Handy seconded the motion to suspend the rules and upon roll call the following voted YES: Gay, Crunk, Handy and Mayor Hobbie. Voting NO: None. The motion to suspend was adopted by three-fifths of the Council 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 then stated the question: "Shall Ordinance No. 2882-12 be passed and adopted?" Upon roll call the following voted YES: Gay, Crunk, 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 Council, the Mayor declared the ordinance adopted and the Mayor, in the presence of the Council, signed

and approved the ordinance and the Clerk attested the passage and approval of the same and affixed his signature thereto. A true and correct copy of said ordinance is as follows:

ORDINANCE NO. 2882-12

AN ORDINANCE PROVIDING FOR THE ISSUANCE OF HIGHWAY ALLOCATION FUND PLEDGE BONDS, SERIES 2012, IN THE AMOUNT OF FIVE HUNDRED TWENTY FIVE THOUSAND DOLLARS (\$525,000) FOR THE PAYMENT OF COSTS IN CONNECTION WITH THE CONSTRUCTION OF STREET AND PAVING IMPROVEMENTS IN THE CITY; PRESCRIBING THE FORM OF SAID BONDS; PLEDGING FUNDS TO BE RECEIVED BY THE CITY FROM THE STATE OF NEBRASKA HIGHWAY ALLOCATION FUND; AGREEING TO LEVY TAXES; 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 PUBLICATION OF THE ORDINANCE 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 hereby find and determine: That the City is engaged in the construction of certain street improvements within the City and that the payment of a portion of the costs of said improvements is necessary, which costs will constitute valid obligations of the City; that the City does not have funds with which to pay the cost of the improvements and it is necessary and advisable for the City to borrow money and pledge the funds to be received from the Highway Allocation Fund to the payment of the bonds issued by the City for this purpose; that the total estimated cost necessary to be funded at this time, as certified by the City and considering the costs of the bonds herein contemplated, is not less than \$525,000; that based upon current receipts by the City for its road funds from funds which are attributable to the State of Nebraska Highway Allocation Fund, the City anticipates receipts in future years which will exceed the payments due on the bonds herein authorized in each year; that the City currently has no bonds outstanding issued pursuant to Section 66-4,101, Reissue Revised Statutes of Nebraska, 2009 and that all conditions exist for the issuance of bonds in the amount of \$525,000 pursuant to Section 66-4,101, R.R.S. Neb. 2009.

Section 2. Bonds to be designated Highway Allocation Fund Pledge Bonds, Series 2012, in the amount of \$525,000, shall be and hereby are ordered issued, to bear date of original issue of June 21, 2012 and to be in fully registered form. Said bonds shall bear interest at the rates per annum and mature on June 15 of each year in the principal amounts as follows:

<u>Principal Amount</u>	<u>Maturing on June 15 of Year</u>	<u>Interest Rate Per Annum</u>
\$65,000	2014	
65,000	2015	
65,000	2016	
65,000	2017	
65,000	2018	
65,000	2019	
70,000	2020	

The 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 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 bonds issued shall be as directed by the initial purchasers thereof. Interest on the bonds shall be payable semiannually on December 15 and June 15 of each year, starting December 15, 2012. 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 bonds prior to maturity or redemption shall be made by the Paying Agent and Registrar, as designated pursuant to Section 3 hereof, by mailing a check in the amount due for such interest on each interest payment date to the registered owner of each 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 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, 2010, as now existing or as the same may be amended from time to time by the Nebraska Legislature.

Section 3. The City Treasurer is hereby designated as Paying Agent and Registrar for the 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 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 bond or 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 bonds issued upon transfer of the bonds so 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. 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 4. Bonds maturing on or after June 15, 2016 shall be subject to redemption, in whole or in part, prior to maturity at any time on or after June 21, 2015, 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. Notice of redemption of any bond called for redemption shall be given at the direction of the Mayor and Council 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 prepayment 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 Council 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 Council shall have the right to further direct notice of redemption for any such bond for which defective notice has been given.

Section 5. If the date for payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City where the office of the Paying Agent and Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

Section 6. The 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 therefor 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 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; or
- (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.

(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
HIGHWAY ALLOCATION FUND PLEDGE
BOND, SERIES 2012

Bond No. _____ \$

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP No.</u>
%	June 15, ____	June 21, 2012	

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 at the rate per annum specified above. Said interest shall be payable semiannually on the fifteenth day of December and June in each year, starting December 15, 2012. 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 2010, 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 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 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 is payable on presentation and surrender to said Paying Agent and Registrar at the office of the Paying Agent 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 City hereby pledges all receipts by the City which are attributable to the Highway Allocation Fund of the State of Nebraska. In the event such receipts for the Highway Allocation Fund are insufficient to meet the payments of principal and interest, the full faith, credit and resources of said City are hereby irrevocably pledged.

This bond is one of an issue of fully registered bonds of the total principal amount of \$525,000, of like tenor herewith except as to date of maturity and rate of interest, issued by said City for the purpose of paying purpose of paying the cost of street improvements constructed within the City of Nebraska City, Nebraska, and is issued pursuant to Section 66-4,101, R.R.S. Neb., 2009. This bond and the others of said issue have been duly authorized by an ordinance duly passed and adopted by the Mayor and Council of said City.

The City, however, reserves the right and option of paying bonds of this issue maturing on or after June 15, 2016, in whole or in part, on June 21, 2015, or at any time thereafter. Notice of 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.

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 limitation imposed by law. This bond and the interest accruing hereon shall be payable from funds received by the City from the Highway Allocation Fund of the State of Nebraska which have been pledged to the payment of such principal and interest or from ad valorem taxes levied by the City, within applicable statutory limitations, as provided in Section 66-4,101, R.R.S. Neb., 2009. The City has reserved the right to issue additional bonds payable from receipts from the Highway Allocation Fund of the State of Nebraska, without limitation.

IN WITNESS WHEREOF, the Mayor and Board of Commissioners 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 Commissioners of the City of Nebraska City as described in said bonds.

(do not sign)
City Treasurer, City of Nebraska City,
Nebraska, 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. (the "Underwriter") 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, representatives 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 at closing. The proceeds of the bonds herein authorized shall be used to redeem certain outstanding bond anticipation notes of the City.

Section 9. For the payment of the bonds, principal and interest as the same fall due, there are hereby pledged all receipts by the City which are attributable to the Highway Allocation Fund of the State of Nebraska. So long as the City has in each year made adequate provision for the payments of principal and interest due on all outstanding Highway Allocation Fund Pledge Bonds of the City falling due in such year, monies received by the City attributable to the Highway Allocation Fund may be applied for any other permitted purpose. The City reserves the right to issue additional bonds pursuant to Section 66-4,101, R.R.S. Neb., 2009 which shall also be secured equally and ratably with the bonds by a pledge of funds to be received by the City attributable to the Highway Allocation Fund without limitation. The City hereby agrees that, in the event that receipts by the City in any year attributable to the Highway Allocation Fund are insufficient to meet the payments of principal and interest falling due on all outstanding Highway Allocation Fund Pledge Bonds of the City, the City shall levy ad valorem taxes upon all taxable property in the City, at such rate or rates, within applicable statutory limitations, as will provide funds which, together with receipts from the Highway Allocation Fund, will be sufficient to pay principal and interest on the bonds as they severally mature. The City reserves the right to issue bonds pursuant to Section 66-44,101, R.R.S. Nebraska, 2009 and Section 10-142, R.R.S. Nebraska, 2007 for the purpose of refunding the bonds herein authorized.

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 2011 in an amount in excess of \$10,000,000. The City Treasurer is hereby authorized to make allocations of bonds and bond proceeds with respect to said issue in accordance with the Regulations of the United States Treasury under Section 148 of the Code.

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

PASSED AND APPROVED this _____ day of _____, 2012.

ATTEST:

Mayor

City Clerk

Mayor Hobbie introduced Ordinance No. 2883-12 entitled AN ORDINANCE TO AMEND CHAPTER 33-136, UNDERGROUND CABLE AND EQUIPMENT; MAP REQUIREMENT TO INCLUDE ADDITIONAL CONTRACTOR RESPONSIBILITIES; TO REPEAL THE ORIGINAL SECTION 33-136, AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT WITH THIS ORDINANCE; AND TO DECLARE AN EFFECTIVE DATE; ; and moved that the statutory rule requiring reading on three different days be suspended. Commissioner Handy seconded the motion to suspend the rules and upon roll call the following voted YES: Gay, Crunk, Handy and Mayor Hobbie. Voting NO: None. The motion to suspend was adopted by three-fifths of the Council 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 then stated the question: "Shall Ordinance No. 2883-12 be passed and adopted?" Upon roll call the following voted YES: Gay, Crunk, 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 Council, the Mayor declared the ordinance adopted and the Mayor, in the presence of the Council, signed and approved the ordinance and the Clerk attested the passage and approval of the same and affixed his signature thereto. A true and correct copy of said ordinance is as follows:

ORDINANCE NO. 2883-12

AN ORDINANCE TO AMEND CHAPTER 33-136, UNDERGROUND CABLE AND EQUIPMENT; MAP REQUIREMENT TO INCLUDE ADDITIONAL CONTRACTOR RESPONSIBILITIES; TO REPEAL THE ORIGINAL SECTION 33-136, AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT WITH THIS ORDINANCE; AND TO DECLARE AN EFFECTIVE DATE.

NOW THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COMMISSIONERS OF THE CITY OF NEBRASKA CITY, AS FOLLOWS:

Section 1. That Section 33-136 of the Code of Nebraska City, Nebraska, be amended to read as follows:

"Sec. 33-136. Underground cables and equipment; map requirement.

- (1) Any person, firm, or corporation constructing, installing, operating or maintaining underground cables and equipment shall provide a proper map to the City Clerk-Treasurer, showing the exact location of all underground cables and equipment, together with a statement showing the exact nature of the same.
- (2) Any person, firm, or corporation involved in the construction, installation, removal or maintenance of underground cables and equipment shall hold the City of Nebraska City, Nebraska, harmless, and shall indemnify the City for any damage occurring as the result of the installation, removal, or maintenance of such buried cable, wires or pipe.
- (3) Any person, firm, or corporation involved in the construction of underground cables, wires, or pipes, shall be responsible for removing and replacing grass and/or streets in the area of such construction and shall be responsible to restore the area of such construction to its pre-existing condition or better.
- (4) Any person, firm, or corporation involved in the construction of underground cables, wires, or pipes, shall install a metal warning tape twenty-four inches (24") above the buried cable, wire or pipe.
- (5) Any person, firm, or corporation involved in the removal or moving of buried cables, wires, or pipes, for any reason in the future shall perform such work at the expense of the owner of such cable, wire or pipe.
- (6) Any person, firm, or corporation involved in the construction, removal, or moving of underground cable, wire or pipe, shall make every reasonable attempt to notify all affected property owners adjacent to said project."

Section 2. That all ordinances or parts of ordinances in conflict with this ordinance are hereby repealed.

Section 3. That this ordinance shall be effective from and after its adoption, approval and publication as provided by law.

PASSED and APPROVED this 21st day of May, 2012.

Jack Hobbie, Mayor
Attest:

Arnold M. Ehlers, City Clerk-Treasurer

Carl Abbott, Secretary for the Fraternal Order of Eagles submitted an application for a 'Special Designated Liquor License' to serve beer at Larson Motors Customer Appreciation Event featuring a MMA Fight Show on June 30, 2012 with an alternate date of July 7, 2012. Brian Dunn with the Nebraska State Athletic Commission and Andrew Longacre, Event Promoter

provided additional information to the Council. Moved by Commissioner Handy and seconded by Crunk to approve the application for a SDL for the Fraternal Order of Eagles 968. Upon roll call vote the following voted YES: Gay, Crunk, Handy and Mayor Hobbie. Voting NO: None. Motion passed.

Mayor Hobbie introduced a request by property owner at 5th and 2nd Avenue stating that since 2nd Avenue has been closed east of 5th Street the stop signs should be removed that control traffic flow on 5th Street and place a stop sign on 2nd Avenue controlling east bound traffic. Moved by Commissioner Handy and seconded by Mayor Hobbie to direct the City Attorney to draft a resolution removing the stop signs at 5th and 2nd Ave controlling north-south traffic and install a stop sign on 2nd Avenue controlling east bound traffic. Upon roll call vote the following voted YES: Gay, Crunk, Handy and Mayor Hobbie. Voting NO: None. Motion passed.

Mayor Hobbie introduced the agenda item requesting the Council to authorize staff to advertise for consultant services to assist the City in making a determination on future solid waste collection in Nebraska City. Moved by Mayor Hobbie and seconded by Commissioner Handy to authorize staff to advertise for Requests for Proposals for Solid Waste handling for Nebraska City. Upon roll call vote the following voted YES: Gay, Crunk, Handy and mayor Hobbie. Voting NO: None. Motion passed.

Mayor Hobbie introduce Resolution 2565-12 authorizing the Mayor to sign a funding agreement with the Nebraska Department of Roads which would help pay for a comprehensive transportation plan for the City of Nebraska City. Moved by Commissioner Handy and seconded by Mayor Hobbie to approve Resolution 2565-12. Upon roll call vote the following voted YES: Gay, Crunk, Handy and Mayor Hobbie. Voting NO: None. Motion passed. A true and correct copy of said resolution is as follows:

RESOLUTION 2565-12
SIGNING OF PROFESSIONAL SERVICES AGREEMENT

Whereas: The City of Nebraska City is developing a transportation project for which it intends to obtain Federal funds;

Whereas: The City of Nebraska City understands that it must strictly follow all Federal, State and local laws, rules, regulations, policies and guidelines applicable to the funding of the Federal-Aid project; and

Whereas: The City of Nebraska City and Nebraska Department of Roads (NDOR) wish to enter into a new Planning Project Program Agreement setting out the various duties and funding responsibilities for the Federal-Aid project.

Be It Resolved: by the Mayor and Commissioners of the City of Nebraska City, Nebraska that: Jack Hobbie, Mayor of the City of Nebraska City, Nebraska, is hereby authorized to sign the attached Planning Project Program Agreement between the City of Nebraska City, Nebraska and the NDOR.

NDOR Project Number: N/A

NDOR Control Number: 00880B

NDOR Project Name: Nebraska City Transportation Plan

Adopted this 21st day of May, 2012 at Nebraska City, Nebraska.

The City Council of the City of Nebraska City, Nebraska.

Brett Gay	Public Works Commissioner
Jeff Crunk	Parks Commissioner
Dean Handy	Street Commissioner
Mark Mercer	Finance Commissioner
Jack Hobbie	Mayor

Commissioner Handy moved the adoption of said resolution.

Commissioner Mercer seconded the motion.

Roll Call: 4 Yes 0 No 0 Abstained 1 Absent

Resolution adopted, signed and billed as adopted.

Attest:

Arnold M. Ehlers, City Clerk – Treasurer

ACCO	1,586.75	Chem		Lee, Richard	466.72	Rfnd
Adkins Signs	40.00	Supp		Matheson Tri-Gas	153.10	Med
Allied Insurance	350.00	Ins		MD Aquatics, LLP	1,178.00	Contr
American Rep Ins	173.43	Rfnd		Mead Lumber	263.51	Supp
Arbor Mart, Inc	3,697.23	Fuel		Mercer's Do-It-Best	389.43	Supp
Arbor Outdoor Pwr	36.50	Supp		Farmers Coop	76.00	Chem
Arrow Manufacturing	79,217.00	Equip		Midwest Turf	500.64	Rep
Benefiel Truck Rep	150.80	Rep		Miller Monroe Farrell	8,988.00	Ins
Bill Walters & Son	862.29	Rep		Mullenax	363.56	Rep
BCBS	95.00	Med		Nationwide	14,686.90	Inv
Bob's Welding Shop	95.00	Rep		NC Clerk - Treasurer	75.00	Supp

Bound Tree Med	469.06	Med	Nebraska City Ut	3,890.49	Util
Bridgestone Golf	426.54	Supp	NE Dept of Revenue	1,542.18	Sls Tax
Callaway Golf	802.59	Supp	NE Dept of Roads	88,812.88	ROW
Carrot-Top Ind	53.43	Supp	O'Reilly Auto Parts	17.07	Supp
Cede and Company	9,782.50	Bond	Orscheln	426.57	Supp
Century Lumber	3.70	Supp	Otoe County Clerk	5,752.59	Contr
Cintas Corporation	67.30	Supp	Otoe County Title	15,200.00	CDBG
Doheny's Water	482.51	Rep	Payroll	89,494.95	Payroll
Don's Johns	90.00	Contr	Pepsi-Cola	334.65	Conc
Douglas Tire Co.	360.00	Rep	Presto-X Company	75.00	Pst Cntrl
Fire Protection Serv	30.00	Contr	Purchase Power	400.00	Postage
Food Pride	47.46	Conc	River View Pest	342.00	Pst Cntrl
Fore! Reservations	700.00	Sftwre	Shell	2,475.60	Fuel
Galls	134.97	Unif	Straw, Cheri	200.00	Rfnd
Gatehouse Media	1,292.94	Advert	Thurman's Bike	9,567.05	Loan
Harding & Shultz	2,346.12	Legal	Tielke's Sandwiches	40.44	Conc
Intl Code Council	125.00	Dues	Tom's Radio	420.00	Contr
Ideal Pure Water	73.92	Supp	Tri-State Office	632.61	Supp
Jebro Inc.	1,011.15	Maint	Tri-State Pumping	225.00	Rep
JEO Consulting	3,055.00	Contr	Turf Supply Co	9,527.00	Chem
Jerry's Landscaping	255.00	Contr	Van Wall Turf	124.30	Supp
Landis Engine	105.46	Rep	Verizon Wireless	16.85	Tele
Latimer Reporting	250.00	Legal	Watkins True Value	396.71	Supp
Lawton Printing, Inc.	84.00	Supp	Windstream, Inc.	2,314.28	Tele

Meeting adjourned at 6:34 p.m.

Arnold M. Ehlers, City Clerk – Treasurer

AFFIDAVIT

I, the undersigned City Clerk for the City of Nebraska City, Nebraska, hereby certify that the foregoing is a true and correct copy of proceedings had and done by the Mayor and Board of Commissioners, that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and available for public inspection at the office of the City Clerk; that such subjects were contained in said agenda for at least twenty-four hours prior to said meeting; that at least one copy of all reproducible material discussed at the meeting was available at the meeting for examination and copying by members of the public; that the said minutes from which the foregoing proceedings have been extracted were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; that all news media requesting notification concerning meetings of said body were provided advance notification of the time and place of said meeting and the subjects to be discussed at said meeting.

Arnold M. Ehlers, City Clerk-Treasurer