

AGENDA FOR THE REGULAR MEETING OF
THE MAYOR AND CITY COUNCIL OF THE
CITY OF AUBURN, NEMAHA COUNTY,
NEBRASKA, TO BE HELD AT 7:00 P.M.
JANUARY 11, 2021

1. **PLEDGE OF ALLEGIANCE**
2. **ANNOUNCE** – “This is an open meeting of the Auburn City Council. The City abides by the Open Meetings Act in conducting business. A copy of the Open Meetings Act is displayed for public viewing on the North wall of these Chambers by the entrance door as required by State Law.”
3. **ROLL CALL**
4. **RECOGNITION OF VISITORS***
*The Mayor may fix the time allotted for each individual or each topic. A five-minute limit will apply for each speaker. Speakers are requested to address the Council when presenting. Speakers desiring or requesting to give more information than can be presented in 5 minutes are requested to submit written material (by the Thursday prior to the regularly scheduled meeting) to City Hall for distribution to the Council, Mayor, and required Department Heads.

The Council may make and enforce reasonable rules and regulations regarding the conduct of persons attending its meetings and regarding their privilege to speak. The Council is not required to allow citizens to speak at each meeting but may not forbid public participation at all meetings.
5. **APPROVAL OF MINUTES OF PREVIOUS MEETING(S).**
6. **APPROVAL OF FINANCIAL REPORT.**
7. **CLAIMS.**
8. **CONSIDERATION OF REQUEST** for Attendance at Meeting(s).
9. **CONSIDERATION OF REQUEST FOR FUNDING** for Auburn Arts and Events (Auburn B-day, music, etc) (presented by Leslie Clark).
10. **REQUEST APPROVAL** of Special Designated Liquor License applications for Ruth Heywood at Gallery 75 located at 1122 J Street.
11. **RESOLUTION Authorizing the Redemption of the Combined Utilities Revenue Refunding Bonds, Series 2018.**

Resolution authorizing the redemption of the City’s Combined Utilities Revenue Refunding Bonds, Series 2018, dated 12, 2018
12. **ORDINANCE Authorizing the Issuance of Combined Utilities Revenue Refunding Bonds, Series 2021, in the principal amount of not to exceed \$2,000,000.**

Ordinance authorizing the issuance by the City of not to exceed \$2,000,000 principal amount of Combined Utilities Revenue Refunding Bonds, Series 2021, for the purpose of refunding the City’s outstanding 2018 Bonds and paying for costs of issuance.

13. **CDBG #18-HO-36067** (Homeowner Occupied Housing Rehabilitation) Grants – Recommendation of Housing Committee – Motion for Council Approval of Recommendation of Housing Committee for Project #21.
14. **CONSIDERATION OF APPROVAL OF RESOLUTION** – Nemaha Natural Resources Hazard Mitigation Plan.
15. **APPLICATION TO USDA Rural Development** for financial assistance to help fund new fire equipment.
16. **APPOINTMENT(S)/REAPPOINTMENT(S) –**
 - Adult City Recreation Committee
 - Board of Adjustment
 - Historic Preservation Board
 - Planning Commission.
17. **REPORTS/RECOMMENDATIONS - - From Dept. Heads/Brds.**
 - a. Street Department
 - b. Fire Department
 - c. Library
 - d. Treasurer
 - e. Airport Report
 - f. Board of Health
18. **REPORTS/RECOMMENDATIONS - - From Committees.**
 - a. Street Committee
 - b. Keep Auburn Beautiful
 - c. Economic Development
 - d. Safety Committee
 - e. Building Committee
 - f. Legislative
 - g. Parks and Pool Committee
 - h. Housing
 - i. Other Committees & Reports
19. **ADJOURNMENT.**

Auburn, Nebraska
December 14, 2020

The Mayor and Council of the City of Auburn, Nemaha County, Nebraska, were called to meet at the City Hall at 1101 "J" Street on December 14, 2020, at 7:00 o'clock P.M., in Regular Meeting, open to the general public. Advance notice of said Regular Meeting, the designated method of giving notice including the agenda for said meeting, or the availability thereof having been posted at the west front door of the City Hall, at the east door of the Nemaha County Courthouse and in the Auburn State Bank, and having been transmitted to all members of the City Council, all done on or before December 11, 2020. Mayor Dan White presided over the meeting. The City Clerk of the City of Auburn, Nemaha County, Nebraska, recorded the proceedings.

The meeting was called to order by Mayor Dan White. Upon calling the roll, the following members of the City Council were present: Billings, Shawn Clark, Tom Clark, Erickson, Janssen, and Jeanneret. Absent: No one.

Mayor White announced "I am required by law to inform the public that a copy of the Open Meetings Act is posted on the North wall of these Chambers by the entrance door".

Council Member Tom Clark moved to dispense with the reading of the November 9, 2020 meeting's minutes and to approve the same as written. The foregoing motion was seconded by Council Member Janssen and upon roll call vote, the following Council Members voted "YEA": Shawn Clark, Tom Clark, Erickson, Janssen, Jeanneret, and Billings. The following voted "NAY": No one. Motion: Carried.

Council Member Jeanneret moved to approve the financial report; Seconded by Council Member Tom Clark and upon roll call vote, the following Council Members voted "YEA": Tom Clark, Erickson, Janssen, Jeanneret, Billings, and Shawn Clark. The following voted "NAY": No one. Motion: Carried.

The following November claims were presented before the Council for ratification: Aflac, Wh-73.80; American Recycling & Sanitation, Se-145.00; Baird Holm LLP, CRA Se-765.00; BCom Solutions, Se-980.00; Black Hills Energy, Ut-359.78; Blue Cross-Blue Shield, Ins-6,618.10; Auburn Board of Public Works, Ut-3,964.52; Capital Business Systems, Se-Su-314.41; Linda Bantz, Se-400.00; Mark Harms, Ex-500.00, Nemaha County, Se-29,000.00; Patricia Reid, Local Housing Program-5,000.00; Region V Services, Se-570.00; Ruth Heywood, DTR Reuse Project-42,426.27; Southeast Nebraska Development District, CDBG Housing Program-2,343.72; The Standard, Ins-355.23; Time Warner Cable, Se-700.93; Verizon Wireless, Se-52.22; Windstream, Se-16.22; Wex Bank, Su-863.12. The following December claims were presented before the Council for approval or ratification: Adscreen Group, Se-Su-21,600.00; Airstream Heating and Cooling, Se-62.50; Amazon, Bk-AV-517.60; American Legal Publishing, Sub-Se-399.00; Angelo Ligouri, Se-4,428.75; Auburn Newspapers, Se-246.50; Auto Air & Repair, Se-477.84; Baker & Taylor, Bk-AV-557.88; BKD CPAs & Advisors, Se-10,264.00; Blackstone Publishing, Bk-AV-169.66; Clark Equipment Co., Su-4,449.88; Bockmann Inc., Se-375.00; Bulldog Auto Supply Inc., Su-44.21; Capital Business Systems, Se-Su-466.39; Center Point Large Print, Bk-AV-49.12; CMS Outdoor Solutions Group, Se-Su-11,600.00; Concrete Industries Inc., Su-1,423.30; Darnell Glass Co., Se-152.50; Demco, Su-450.21; DLH Consulting Inc., Se-Su-6,000.00; Eakes Office Solutions, Su-626.70; Eggers Brothers Inc., Su-57.12; Filter Care, Se-22.00; First National Bank Omaha, Su-440.28; General Fire and Safety Equipment, Se-162.25; gWorks, Lic-Se-2,468.08; IIMC, Mem-175.00; JEO Consulting Group Inc., Se-4,000.00; Lavigne Construction Inc., Se-3,940.45; Lynch's Hardware & Gifts, Su-29.23; Menards, Su-199.52; Michael Todd & Co. Inc., Su-291.90; NE Municipal Clerk Assn., Mem-35.00; NE Salt & Grain Co., Su-1,780.80; NE Statewide Arboretum, Mem-100.00; NE Supreme Court, Ref-33.90; Nemaha County Clerk, Fe-44.00; OCLC Inc., Sub-62.44; Odeys Inc., Se-Su-27,040.95; Petty Cash, Se-Su-Reim-38.66; Putting Greens Lawns, Se-Su-14,855.80; Ricoh, USA Inc., Su-23.64; Sack Lumber Company, Su-31.50; Turf Pros Inc., Se-Su-14,250.00; US Postal Service, Se-64.00.

Abbreviations for this legal: AV-Audio Visual; Bk-Book; CDBG-Community Development Block Grant; Contrib-Contribution; CRA-Community Redevelopment Authority; DTR-Downtown Revitalization; Equip-Equipment; Ex-Expense; Fe-Fee; Ins-Insurance; Inspect-Inspection; Int-Interest; Inv-Economic Development Investment; Lic-Licenses; Maint-Maintenance; Mem-Membership; Pen-Pension; Per-Periodical; Re-Repairs; Ref-Reference Materials; Reg-Registration; Reim-Reimbursement; Se-Service; Su-Supplies, Materials & Parts; Sub-Subscription; TIF-Tax Increment Financing; Ut-Utilities; Wh-Withholding.

Council Member Billings moved to approve the claims which have not been previously approved by motion or resolution and ratify the ordinary and necessary expenses allowed and in accordance with Resolution No. 7-11 that was approved February 28, 2011. The foregoing motion was seconded by Council Member Erickson and upon roll call vote, the following Council Members voted "YEA": Erickson, Janssen, Jeanneret, Billings, Shawn Clark, and Tom Clark. The following voted "NAY": No one.

As part of "Old Business", consideration and review was given of the Public Proclamation of the Mayor dated November 25, 2020, as requested by the City's physician and local healthcare professionals with the agreement and approval of the Southeast Nebraska Health Department Director. After hearing comments, Council Member Tom Clark moved to extend the proclamation to the January City Council meeting to allow the Board of Health to meet and provide recommendation. The foregoing motion was seconded by Council Member Janssen and upon roll call vote, the following Council Members voted "YEA": Janssen, Jeanneret, Billings, Tom Clark, and Erickson. The following voted "NAY": Shawn Clark. Motion: Carried.

Under other "Old Business", Linda Dickens did not appear before the Mayor and City Council with an update from the November City Council Meeting on her maintaining ducks, chickens, and fowl at 1329 26th Street. No action was taken.

There being no further old business, Council Billings moved to adjourn Sine-Die to reconvene for the conduction of new business in the presence of the recently re-elected Council Members. The foregoing motion was seconded by Council Member Jeanneret and upon roll call vote, the following Council Members voted "YEA": Jeanneret, Billings, Shawn Clark, Tom Clark, Erickson, and Janssen. The following voted "NAY": No one. Motion: Carried.

The City Clerk read the certified election results and administered the Oath of Office to the re-elected City Council Members. Council Member Erickson moved that the election results as certified by the Nemaha County Clerk be accepted; Seconded by Council Member Billings and upon roll call vote, the following Council Members voted "YEA": Billings, Shawn Clark, Tom Clark, Erickson, Janssen, and Jeanneret. The following voted "NAY": No one. Motion: Carried. The meeting reconvened for the conduction of new business in the presence of the Mayor (Dan White) and City Council Members (Billings, Shawn Clark, Tom Clark, Erickson, Janssen, and Jeanneret).

Council Member Erickson moved that Council Member Shawn Clark be elected Council President and that nominations cease; Seconded by Council Member Janssen and upon roll call vote, the following Council Members voted "YEA": Shawn Clark, Tom Clark, Erickson, Janssen, Jeanneret, and Billings. The following voted "NAY": No one. Motion: Carried.

There weren't any requests to attend meetings or trainings.

Mayor White made the following annual appointment positions: City Clerk/Treasurer Sherry Heskett, City Attorney Angelo Ligouri, Asst. City Attorney Louie Ligouri, City Physician Dr. Gary Ensz, Building Inspector/Zoning Commissioner Jason Armknecht, Street Commissioner Harry Bridgmon, and City Engineer Evan Wickersham with JEO Consulting Group Inc. Upon

calling the roll, the following Council Members voted "YEA": Tom Clark Erickson, Janssen, Jeanneret, Billings, and Shawn Clark. The following voted "NAY": No one. Appointments: Confirmed.

Council Member Erickson moved that "The City appoint Evan B. Wickersham (License number S1139 - Class A License) from JEO Consulting Group Inc. as the 2021 Street Superintendent for the City of Auburn with the type of appointment being in the form of consultant and with a beginning date of January 1, 2021. The foregoing motion was seconded by Council Member Janssen and upon roll call vote, the following Council Members voted "YEA": Erickson, Janssen, Jeanneret, Billings, Shawn Clark, and Tom Clark. The following voted "NAY": No one. Motion: Carried.

Mayor White reappointed the city council standing committees. They were as follows: Street (Jeanneret and Tom Clark), Safety (Shawn Clark and Harry Bridgmon), Keep Auburn Beautiful (Jeanneret and Janssen), Budget & Finance (Billings and Erickson), Economic Development (Billings and Erickson), Building/Special (Shawn Clark and Tom Clark), Property/Casualty Insurance (Janssen and Shawn Clark), Ordinance (Erickson, Jeanneret, Brent Lottman and Angelo Ligouri). Upon calling the roll, the following Council Members voted "YEA": Janssen, Jeanneret, Billings, Shawn Clark, Tom Clark, Erickson. The following voted "NAY": No one. Motion: Carried.

Ordinance No. 9-20, an amendment by ordinance to City Code §32.07 Board of Health, was presented for consideration. The Mayor announced the introduction of the proposed Ordinance was in order.

ORDINANCE NO. 9-20

City Code §32.07 Board of Health

(Approved by suspending the rules for three separate readings and approving Ordinance No. 9-20 at this meeting).

Council Member Erickson moved that these proceedings be kept in a separate and distinct volume known as the "Ordinance Record of the City of Auburn, Nemaha County, Nebraska", and that said volume be made part of these proceedings the same as though it were spread at large herein, which motion was seconded by Council Member Janssen. Upon calling the roll, the following Council Members voted "YEA": Jeanneret, Billings, Shawn Clark, Tom Clark, Erickson, and Janssen. The following voted "NAY": No one.

Mayor White appointed Alicia Moyer and Cade McFarland to the Auburn Volunteer Fire Department. Upon calling the roll, the following Council Members voted "YEA": Tom Clark, Erickson, Janssen, Jeanneret, Billings, and Shawn Clark. The following voted "NAY": No one. Appointments: Confirmed.

The Mayor appointed David Grant to complete the term created by the resignation of Dan Buman effective from January 1, 2021 until January of 2024 and reappointed Phil Shaw and Chuck Knipe to the Auburn Board of Public Works also effective January 1, 2021. Upon calling the roll, the following Council Members voted "YEA": Erickson, Janssen, Jeanneret, Billings, Shawn Clark, and Tom Clark. The following voted "NAY": No one. Appointment and reappointments were confirmed.

Mayor White reappointed Ron Jones, Shawn Clark, Troy Wynn, Linda Ellison, Angelo Ligouri, Cori Rademacher and Ben Adams to the Parks & Pool Committee. Upon calling the roll, the following Council Members voted "YEA": Janssen, Jeanneret, Billings, Shawn Clark, Tom Clark, and Erickson. The following voted "NAY": No one. Reappointments: Confirmed.

Mayor White appointed The Nemaha County Herald as the official newspaper of the City of Auburn. Upon calling the roll, the following Council Members voted "YEA": Jeanneret, Billings, Shawn Clark, Tom Clark, Erickson, and Janssen. The following voted "NAY": No one. Appointment: Confirmed.

The Mayor appointed Dan White (Mayor), Shawn Clark (Council President), Gary Ensz (City Physician) and Dan Johnson as Members of the Board of Health with Jason Armknecht (City Building Inspector), Angelo Ligouri (City Attorney), Sherry Heskett (Acting Secretary) serving in advisory capacities. Upon calling the roll, the following Council Members voted "YEA": Billings, Shawn Clark, Tom Clark, Erickson, Janssen, and Jeanneret. The following voted "NAY": No one. Appointments: Confirmed

Council Member Erickson moved that Mayor Dan White, Council President Shawn Clark and City Clerk/Treasurer Sherry Heskett be approved as the authorized representatives and signers for all the City bank accounts and investments held at Auburn State Bank, and further move that on the two Keno operating accounts (only those two accounts) that the Keno operator (Craig Blake) and his designated representatives (James Reed and Nick Bantz on the Keno Legion Account and Nathan Seitz and Jeni Seitz on the Keno Operating Account for Bowldog Alley) also be designated as authorized signers on the respective keno accounts and further move that on the Auburn Volunteer Fire Department trust fund account (only on that account) Ryan Jones, John Ackerman and Andy Behrends be designated as representatives and authorized signers on that specific account. The foregoing motion was seconded by Council Member Tom Clark and upon roll call vote, the following Council Members voted "YEA": Shawn Clark, Tom Clark, Erickson, Janssen, Jeanneret, and Billings. The following voted "NAY": No one. Motion: Carried.

Consideration of request of keno community betterment funds for Auburn Arts and Events was removed from the agenda by Leslie Clark.

Council Member Billings moved to approve CDBG #18-HO-36067 (Homeowner Occupied Housing Rehab Program) Drawdown #13 and the related claims; Seconded by Council Member Janssen and upon roll call vote, the following Council Members voted "YEA": Tom Clark, Erickson, Janssen, Jeanneret, Billings, and Shawn Clark. The following voted "NAY": No one. Motion: Carried.

Council Member Billings moved to approve CDBG #18-HO-36067 (Homeowner Occupied Housing Rehab Program) Drawdown #14 and the related claims; Seconded by Council Member Janssen and upon roll call vote, the following Council Members voted "YEA": Erickson, Janssen, Jeanneret, Billings, Shawn Clark and Tom Clark. The following voted "NAY": No one. Motion: Carried.

Council Member Tom Clark moved the following holidays for 2021: New Year's Day (January 1, 2021), Memorial Day (May 31, 2021), Independence Day (July 5, 2021), Labor Day (September 6, 2021) Veteran's Day (November 11, 2021), Thanksgiving Day (November 25, 2021), Friday after Thanksgiving (November 26, 2021), Christmas Eve (all day December 23, 2021), Christmas Day (December 24, 2021. and Personal Day (Designated Holiday-Choice with Department Head Approval). The foregoing motion was seconded by Council Member Erickson and upon roll call vote, the following Council Members voted "YEA": Janssen, Jeanneret, Billings, Shawn Clark, Tom Clark, and Erickson. The following voted "NAY": No one. Motion: Carried.

Council Member Billings moved to approve the renewal of Maintenance Agreement #51 between the Nebraska Department of Transportation and the Municipality of Auburn and authorize the Mayor to sign the related agreement. The foregoing motion was seconded by Council Member Shawn Clark and upon roll call vote, the following Council Members voted "YEA": Jeanneret,

Billings, Shawn Clark, Tom Clark, Erickson, and Janssen. The following voted "NAY": No one. Motion: Carried.

Council Member Erickson moved that the Mayor be authorized to sign the Year-End Certification of City Street Superintendent by the passage and approval of Resolution No. 29-20. The foregoing motion was seconded by Council Member Jeanneret and upon roll call vote, the following Council Members voted "YEA": Billings, Shawn Clark, Tom Clark, Erickson, Janssen, and Jeanneret. The following voted "NAY": No one. Motion: Carried. A true and correct copy of said resolution is attached to these minutes.

Council Member Erickson moved to approve the 7th Subsequent Agreement for the Interlocal Agreement between the City of Auburn, the County of Nemaha (Nebraska), and the Nemaha County Sheriff's Office for law/code enforcement. The foregoing motion was seconded by Council Member Shawn Clark and upon roll call vote, the following Council Members voted "YEA": Shawn Clark, Tom Clark, Erickson, Janssen, Jeanneret, and Billings. The following voted "NAY": No one. Motion: Carried.

Council Member Erickson moved to authorize the Mayor and City Clerk to execute documents required to receive United States Department of Agriculture Rural Development Financial Assistance by the passage and adoption of Resolution No. 30-20. The foregoing motion was seconded by Council Member Tom Clark and upon roll call vote, the following Council Members voted "YEA": Tom Clark, Erickson, Janssen, Jeanneret, Billings, and Shawn Clark. The following voted "NAY": No one. Motion: Carried. A true and correct copy of said resolution is attached to these minutes.

Reports from department heads and council committees were given. A written financial report was provided by the Auburn Community Redevelopment Authority. A written report of law enforcement activities within the City of Auburn for November 2020 was provided. The Auburn Airport Authority presented financial and capital improvement program information and will be looking at funding sources for future needs associated with the airport.

There being not further business to come before the Mayor and Council, Council Member Erickson moved for adjournment to meet at the call of the Mayor. Council Member Tom Clark seconded the foregoing motion and upon roll call vote, the following Council Members voted "YEA": Erickson, Janssen, Jeanneret, Billings, Shawn Clark, and Tom Clark. The following voted "NAY": No one. Motion: Carried.

Mayor White declared the meeting adjourned.

Dan White, Mayor

ATTEST:

Sherry Heskett, City Clerk

STATE OF NEBRASKA)
COUNTY OF NEMAHA) ss.
CITY OF AUBURN)

December 14, 2020

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I, the undersigned City Clerk for the City of Auburn, Nebraska, hereby certify that the foregoing is a true and correct copy of proceedings had and done by the Mayor and Council on December 14, 2020; that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and readily available for public inspection at the office of the City Clerk; that such agenda items were sufficiently descriptive to give the public reasonable notice of the matters to be considered at the meeting; 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 said minutes 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; and that a current copy of the Nebraska Open Meeting Act is posted on the North wall of the City Council Chambers at the entrance door.

Sherry Heskett, City Clerk

City Council Proceedings
December 14, 2020

The Mayor and Council of the City of Auburn, Nemaha County, Nebraska, were called to meet at the City Hall at 1101 "J" Street on December 14, 2020, at 7:00 o'clock P.M., in Regular Meeting, open to the general public.

The meeting was called to order by Mayor Dan White. Upon calling the roll, the following members of the City Council were present: Billings, Shawn Clark, Tom Clark, Erickson, Janssen, and Jeanneret. Absent: No one.

Mayor White announced "I am required by law to inform the public that a copy of the Open Meetings Act is posted on the North wall of these Chambers by the entrance door".

The City Council approved the November 9, 2020 meeting's minutes as written.

The City Council approved the financial report.

The following November claims were presented before the Council for ratification: Aflac, Wh-73.80; American Recycling & Sanitation, Se-145.00; Baird Holm LLP, CRA Se-765.00; BCom Solutions, Se-980.00; Black Hills Energy, Ut-359.78; Blue Cross-Blue Shield, Ins-6,618.10; Auburn Board of Public Works, Ut-3,964.52; Capital Business Systems, Se-Su-314.41; Linda Bantz, Se-400.00; Mark Harms, Ex-500.00, Nemaha County, Se-29,000.00; Patricia Reid, Local Housing Program-5,000.00; Region V Services, Se-570.00; Ruth Heywood, DTR Reuse Project-42,426.27; Southeast Nebraska Development District, CDBG Housing Program-2,343.72; The Standard, Ins-355.23; Time Warner Cable, Se-700.93; Verizon Wireless, Se-52.22; Windstream, Se-16.22; Wex Bank, Su-863.12. The following December claims were presented before the Council for approval or ratification: Adscreen Group, Se-Su-21,600.00; Airstream Heating and Cooling, Se-62.50; Amazon, Bk-AV-517.60; American Legal Publishing, Sub-Se-399.00; Angelo Ligouri, Se-4,428.75; Auburn Newspapers, Se-246.50; Auto Air & Repair, Se-477.84; Baker & Taylor, Bk-AV-557.88; BKD CPAs & Advisors, Se-10,264.00; Blackstone Publishing, Bk-AV-169.66; Clark Equipment Co., Su-4,449.88; Bockmann Inc., Se-375.00; Bulldog Auto Supply Inc., Su-44.21; Capital Business Systems, Se-Su-466.39; Center Point Large Print, Bk-AV-49.12; CMS Outdoor Solutions Group, Se-Su-11,600.00; Concrete Industries Inc., Su-1,423.30; Darnell Glass Co., Se-152.50; Demco, Su-450.21; DLH Consulting Inc., Se-Su-6,000.00; Eakes Office Solutions, Su-626.70; Eggers Brothers Inc., Su-57.12; Filter Care, Se-22.00; First National Bank Omaha, Su-440.28; General Fire and Safety Equipment, Se-162.25; gWorks, Lic-Se-2,468.08; IIMC, Mem-175.00; JEO Consulting Group Inc., Se-4,000.00; Lavigne Construction Inc., Se-3,940.45; Lynch's Hardware & Gifts, Su-29.23; Menards, Su-199.52; Michael Todd & Co. Inc., Su-291.90; NE Municipal Clerk Assn., Mem-35.00; NE Salt & Grain Co., Su-1,780.80; NE Statewide Arboretum, Mem-100.00; NE Supreme Court, Ref-33.90; Nemaha County Clerk, Fe-44.00; OCLC Inc., Sub-62.44; Odeys Inc., Se-Su-27,040.95; Petty Cash, Se-Su-Reim-38.66; Putting Greens Lawns, Se-Su-14,855.80; Ricoh, USA Inc., Su-23.64; Sack Lumber Company, Su-31.50; Turf Pros Inc., Se-Su-14,250.00; US Postal Service, Se-64.00.

Abbreviations for this legal: AV-Audio Visual; Bk-Book; CDBG-Community Development Block Grant; Contrib-Contribution; CRA-Community Redevelopment Authority; DTR-Downtown Revitalization; Equip-Equipment; Ex-Expense; Fe-Fee; Ins-Insurance; Inspect-Inspection; Int-Interest; Inv-Economic Development Investment; Lic-Licenses; Maint-Maintenance; Mem-Membership; Pen-Pension; Per-Periodical; Re-Repairs; Ref-Reference Materials; Reg-Registration; Reim-Reimbursement; Se-Service; Su-Supplies, Materials & Parts; Sub-Subscription; TIF-Tax Increment Financing; Ut-Utilities; Wh-Withholding.

The City Council approved the claims which have not been previously approved by motion or resolution and ratified the ordinary and necessary expenses allowed and in accordance with Resolution No. 7-11 that was approved February 28, 2011.

December 14, 2020

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As part of "Old Business", consideration and review was given of the Public Proclamation of the Mayor dated November 25, 2020, as requested by the City's physician and local healthcare professionals with the agreement and approval of the Southeast Nebraska Health Department Director. After hearing comments, the motion to extend the proclamation to the January City Council meeting to allow the Board of Health to meet and provide recommendation was approved with five Council Members (Janssen, Jeanneret, Billings, Tom Clark, and Erickson) voting in favor and one Council Member (Shawn Clark) voting against.

Under other "Old Business", Linda Dickens did not appear before the Mayor and City Council with an update from the November City Council Meeting on her maintaining ducks, chickens, and fowl at 1329 26th Street. No action was taken.

There being no further old business, the City Council adjourned Sine-Die to reconvene for the conduction of new business in the presence of the recently re-elected Council Members.

The City Clerk read the certified election results and administered the Oath of Office to the re-elected City Council Members. The election results were accepted and the meeting reconvened for the conduction of new business in the presence of the Mayor (Dan White) and City Council Members (Billings, Shawn Clark, Tom Clark, Erickson, Janssen, and Jeanneret).

Council Member Shawn Clark was elected Council President.

There weren't any requests to attend meetings or trainings.

The City Council confirmed the following annual appointment positions: City Clerk/Treasurer Sherry Heskett, City Attorney Angelo Ligouri, Asst. City Attorney Louie Ligouri, City Physician Dr. Gary Ensz, Building Inspector/Zoning Commissioner Jason Armknecht, Street Commissioner Harry Bridgmon, and City Engineer Evan Wickersham with JEO Consulting Group Inc.

The City Council approved a motion that Evan B. Wickersham be appointed the 2021 Street Superintendent.

The City Council confirmed the reappointments to the city council standing committees. They were as follows: Street (Jeanneret and Tom Clark), Safety (Shawn Clark and Harry Bridgmon), Keep Auburn Beautiful (Jeanneret and Janssen), Budget & Finance (Billings and Erickson), Economic Development (Billings and Erickson), Building/Special (Shawn Clark and Tom Clark), Property/Casualty Insurance (Janssen and Shawn Clark), Ordinance (Erickson, Jeanneret, Brent Lottman and Angelo Ligouri).

Ordinance No. 9-20, an amendment by ordinance to City Code §32.07 Board of Health, was approved by suspending the rules for three separate readings and approving Ordinance No. 9-20 at this meeting.

The City Council confirmed the appointment of Alicia Moyer and Cade McFarland to the Auburn Volunteer Fire Department. The City Council confirmed the appointment of David Grant and the reappointment of Phil Shaw and Chuck Knipe to the Auburn Board of Public Works. The reappointments of Ron Jones, Shawn Clark, Troy Wynn, Linda Ellison, Angelo Ligouri, Cori Rademacher and Ben Adams to the Parks & Pool Committee were confirmed by the City Council. Dan White (Mayor), Shawn Clark (Council President), Gary Ensz (City Physician) and Dan Johnson were appointed as Members of the Board of Health with Jason Armknecht (City Building Inspector), Angelo Ligouri (City Attorney), and Sherry Heskett (Acting Secretary) serving in advisory capacities. The City Council confirmed The Nemaha County Herald as the official newspaper of the City of Auburn.

December 14, 2020

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Auburn State Bank was designated as the official depository of City Funds and authorized representatives/signers were named for the respective bank accounts and investments held at Auburn State Bank.

Consideration of request of keno community betterment funds for Auburn Arts and Events was removed from the agenda by Leslie Clark.

CDBG #18-HO-36067 (Homeowner Occupied Housing Rehab Program) Drawdown #13 and the related claims were approved.

CDBG #18-HO-36067 (Homeowner Occupied Housing Rehab Program) Drawdown #14 and the related claims were approved.

The 2021 holiday schedule was approved.

The Agreement Renewal of Maintenance Agreement #51 between the Nebraska Department of Transportation and the Municipality of Auburn was approved and the Mayor was authorized to sign the related agreement.

The Mayor was authorized to sign the Year-End Certification of City Street Superintendent by the passage and approval of Resolution No. 29-20.

The 7th Subsequent Agreement for the Interlocal Agreement between the City of Auburn, the County of Nemaha, and the Nemaha County Sheriff's Office for law/code enforcement was approved.

The Mayor and City Clerk were authorized to execute documents required to receive United States Department of Agriculture Rural Development Financial Assistance by the passage and adoption of Resolution No. 30-20.

Reports from department heads and council committees were given. A written financial report was provided by the Auburn Community Redevelopment Authority. A written report of law enforcement activities within the City of Auburn for November 2020 was provided. The Auburn Airport Authority presented financial and capital improvement program information and will be looking at funding sources for future needs associated with the airport.

There being no further business to come before the Mayor and Council, the City Council adjourned.

Sherry Heskett
City Clerk

R. Daniel White
Mayor

A complete copy of the minutes is available for inspection at City Hall.

TREASURER'S REPORT
CALENDAR 12/2020, FISCAL 3/2020

AGENDA ITEM
 NO

6

ACCOUNT TITLE	LAST REPORT ON HAND	RECEIVED	DISBURSED	BALANCE
GENERAL CHECKING	1,373,872.92	114,496.77	189,277.68	1,299,092.01
STREET CHECKING	372,100.69	47,563.03	32,505.47	387,158.25
STREET BOND/WARRANT CHECKING	16,809.90			16,809.90
TOTAL CHECKING:	1,762,783.51	162,059.80	221,783.15	1,703,060.16
TOTAL FIRE DEPT SINKING	75,177.55	37.90	.00	75,215.45
TOTAL KENO RESERVE MMA:	35,380.60	454.14	2,006.22	33,828.52
TOTAL KENO CHECKING	35,243.99	1,026.43	5,000.00	31,270.42
TOTAL CDBG CHECKING	7,073.73	47,816.96	47,859.74	7,030.95
TOTAL CDBG DTR REUSE	93,962.11	3,025.37	10,761.46	86,226.02
TOTAL CDBG HD SAVINGS:	4,905.35	695.73	.00	5,601.08
TOTAL CRA CHECKING	689,461.44	58.39	13,443.10	676,076.73
TOTAL CITY REC CHECKING	44,976.12	.00	.00	44,976.12
GENERAL CD	100,400.29			100,400.29
TOTAL C.D.'S:	100,400.29	.00	.00	100,400.29
TOTAL CASH ON HAND:	2,849,364.69	215,174.72	300,853.67	2,763,685.74

AGENDA ITEM NO. 7

REPORT NOTATION: Please remember that the “Reference” field of this report is not large enough to print a description of each invoice being paid to the Vendor. Examples include but are not limited to: Board of Public Works. For a full description, please contact me.

Sherry Heskett

VENDOR NAME	REFERENCE	
GENERAL FUND		
ADMIN		
AFLAC	AFLAC WH	73.80
AMERICAN RECYCLING SANITATION	RECYCLING LOT MONTHLY	335.00
BLUE CROSS-BLUE SHIELD	HEALTH INSURANCE	3,079.51
AUBURN BPW	REIMBURSEMENT INSURANCE	4,382.43
COME HIGHER SOLUTIONS LLC	LOCAL HOUSING REHAB PROGRAM	517.50
MID-AMERICAN BENEFITS INC	HEALTH INSURANCE	60.50
AUBURN REGION V SERVICES	CLEANING SERVICE	125.00
THE STANDARD	LIFE INSURANCE	87.87
TIME WARNER CABLE	PHONE ACCT	429.07
WINDSTREAM NEBRASKA INC	PHONE ACCT	16.22
	ADMIN TOTAL	9,106.90
POLICE DEPARTMENT		
NEMAHA COUNTY		
	LAW/CODE ENFORCEMENT	29,000.00
	POLICE DEPARTMENT TOTAL	29,000.00
FIRE DEPARTMENT		
BLACK HILLS ENERGY	GAS BILL ACCT	243.19
AUBURN BPW	ELEC	183.96
AUBURN REGION V SERVICES	CLEANING SERVICE	50.00
THE STANDARD	LIFE INSURANCE	147.33
TIME WARNER CABLE	PHONE ACCT	106.76
WEX BANK	FUEL EXPENSE	12.71
	FIRE DEPARTMENT TOTAL	743.95
PARK DEPARTMENT		
AUBURN BPW	ELEC	1,094.39
WEX BANK	FUEL EXPENSE	59.47
	PARK DEPARTMENT TOTAL	1,153.86
SR. CENTER DEPARTMENT		
BLACK HILLS ENERGY	GAS BILL ACCT	58.90
AUBURN BPW	ELEC	383.32
AUBURN REGION V SERVICES	CLEANING SERVICE	125.00
	SR. CENTER DEPARTMENT TOTAL	567.22
LIBRARY DEPARTMENT		
AMERICAN RECYCLING SANITATION	GARBAGE SERVICE/RECYCLING	39.66
BLUE CROSS-BLUE SHIELD	HEALTH INSURANCE	1,025.57
AUBURN BPW	ELEC	469.46
LINDA BANTZ	CUSTODIAL SERVICES	400.00
MID-AMERICAN BENEFITS INC	HEALTH INSURANCE	24.00
THE STANDARD	LIFE INSURANCE	30.65
VERIZON WIRELESS	PHONE ACCT	40.01
WINDSTREAM NEBRASKA INC	PHONE ACCT	255.52

VENDOR NAME	REFERENCE	VENDOR TOTAL
	LIBRARY DEPARTMENT TOTAL	2,284.87
POOL DEPARTMENT		
BLACK HILLS ENERGY	GAS BILL ACCT	31.31
AUBURN BPW	ELEC	463.34
TIME WARNER CABLE	PHONE ACCT	126.97
	POOL DEPARTMENT TOTAL	621.62
	GENERAL FUND TOTAL	43,478.42
STREET FUND		
BLACK HILLS ENERGY	GAS BILL ACCT	108.21
BLUE CROSS-BLUE SHIELD	HEALTH INSURANCE	2,513.02
AUBURN BPW	ELEC	539.23
MARK HARMS	LAND USE	500.00
MID-AMERICAN BENEFITS INC	HEALTH INSURANCE	72.00
THE STANDARD	LIFE INSURANCE	89.38
TIME WARNER CABLE	PHONE ACCT	34.33
VERIZON WIRELESS	PHONE ACCT	49.72
WEX BANK	FUEL EXPENSE	722.10
	STREET FUND TOTAL	4,627.99
CDBG GRANT FUND		
REUSE DTR		
PEGGY KUSER	DTR REUSE PROJECT	6,510.00
RUTH HEYWOOD	DTR REUSE PROJECT	4,247.96
	REUSE DTR TOTAL	10,757.96
	CDBG GRANT FUND TOTAL	10,757.96
COMM REDEVELOP AUTHORITY		
CITY OF AUBURN	REIM WEST WATERLINE PROJECT	13,400.68
	COMM REDEVELOP AUTHORITY TOTAL	13,400.68
	Accounts Payable Total	72,265.05

CLAIMS REPORT
Check Range: 1/07/2021- 1/07/2021

AGENDA ITEM
NO 7

VENDOR NAME	REFERENCE	
GENERAL FUND		
ADMIN		
AUBURN CHAMBER OF COMMERCE	INVESTMENT EC DEV/PROMOTION	2,000.00
AUBURN DEVELOPMENT COUNCIL	INVESTMENT EC DEV/PROMOTION	5,000.00
AUBURN NEWSPAPERS	PUBLISHING	195.51
EAKES OFFICE SOLUTIONS	SUPPLIES	531.19
KIDWELL	PHONES	4,285.00
LOTTER CONSTRUCTION	SNOW REMOVAL	90.00
NEMAHA COUNTY CLERK	ELECTION COSTS	313.61
PETTY CASH	PETTY CASH	25.34
USPS	STAMPS	110.00
	ADMIN TOTAL	----- 12,550.65
PARK DEPARTMENT		
AUTO AIR & REPAIR	PARTS/LABOR	536.52
PETTY CASH	PETTY CASH	131.79
SACK LUMBER COMPANY	SUPPLIES/MATERIALS	24.50
	PARK DEPARTMENT TOTAL	----- 692.81
SR. CENTER DEPARTMENT		
LYNCH'S HARDWARE & GIFTS	SUPPLIES	11.99
MEYER LABORATORY INC	SUPPLIES	132.50
	SR. CENTER DEPARTMENT TOTAL	----- 144.49
LIBRARY DEPARTMENT		
AMAZON	BKS/AVS	260.86
AUBURN CHAMBER OF COMMERCE	INVESTMENT/EC DEV/PROMOTION	110.00
BAKER & TAYLOR	BKS/AVS	332.07
BLACKSTONE PUBLISHING	BKS//AVS	294.51
CENTER POINT LARGE PRINT	BKS/AVS	25.87
LOTTER CONSTRUCTION	SNOW REMOVAL	96.00
OCLC INC	ILL SUBSCRIPTION	312.20
RICOH USA, INC	EQUIPMENT COPIES	19.75
	LIBRARY DEPARTMENT TOTAL	----- 1,451.26
POOL DEPARTMENT		
NE STATE FIRE MARSHAL	BOILER INSPECTION	36.00
	POOL DEPARTMENT TOTAL	----- 36.00
	GENERAL FUND TOTAL	----- 14,875.21
STREET FUND		
AKRS	PARTS	45.64
BOO INC DBA BOBCAT OF OMAHA	PARTS	388.86
BULLDOG AUTO SUPPLY INC	PARTS/SUPPLIES	208.39
EGGERS BROTHERS INC	PARTS/SUPPLIES	91.55
FARMERS COOPERATIVE	FIELDMASTER FUEL	33.61

CLAIMS REPORT
 Check Range: 1/07/2021- 1/07/2021

VENDOR NAME	REFERENCE	VENDOR TOTAL
FILTER CARE	CLEAN FILTERS	23.05
LOTTER CONSTRUCTION	SNOW REMOVAL	114.00
LYNCH'S HARDWARE & GIFTS	SUPPLIES	68.01
MACQUEEN EQUIPMENT	PARTS	1,528.11
MARTIN MARIETTA MATERIALS	ROCK MATERIALS	1,559.04
MENARDS	SUPPLIES	119.96
OK TIRE	TIRES/TIRE REPAIR	343.33

	ADMIN TOTAL	4,523.55

	STREET FUND TOTAL	4,523.55

	Accounts Payable Total	19,398.76

AGENDA ITEM NO. 10 – Request Approval of Special Designated Liquor License applications for Ruth Heywood at Gallery 75 located at 1122 J Street.

Dates Requesting

- February 11, 2021
- February 13, 2021
- March 18, 2021
- March 20, 2021
- April 1, 2021
- April 22, 2021
- May 1, 2021
- May 27, 2021

CALL RESOLUTION

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF CITY OF AUBURN, NEBRASKA (THE "CITY"), IN THE STATE OF NEBRASKA, as follows:

Section 1. The following bonds, in accordance with their option provisions, are hereby authorized to be called for redemption and payment on a date to be determined pursuant to a Call Direction (defined below), after which date interest on the bonds will cease:

Combined Utilities Revenue Refunding Bonds, Series 2018, dated April 12, 2018 (the "2018 Bonds"), pursuant to a Resolution adopted by the Board of the District on February 12, 2018, numbered as shown on the books of the Paying Agent and Registrar, becoming due and bearing interest as follows:

<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
\$400,000	October 1, 2021	2.050%	050513 BW9
\$410,000	October 1, 2022	2.200%	050513 BX7
\$425,000	October 1, 2023	2.350%	050513 BY5
\$435,000	October 1, 2024	2.500%	050513 BZ2
\$280,000	October 1, 2025	2.650%	050513 CA6

Said 2018 Bonds are subject to redemption at any time on or after April 12, 2021, at the principal amount thereof plus accrued interest to date fixed for redemption, and said interest is payable semiannually.

Section 2. Some or all of the 2018 Bonds, as determined by an Authorized Officer in the Call Direction (defined in Section 4 below) are hereby authorized to be irrevocably called for redemption on such date as determined by an Authorized Officer (the particular 2018 Bonds called for redemption as set forth in the Call Direction are referred to as the "Refunded Bonds").

Section 3. The Refunded Bonds are to be paid off at the office of the City Treasurer of the City of Auburn, Nebraska, in its capacity as paying agent and registrar for the Refunded Bonds (the "Paying Agent").

Section 4. The Mayor or the City Clerk (each, an "Authorized Officer") are each individually hereby authorized at any time on or after the date of this resolution to direct the call of all or a portion of the 2018 Bonds (such portion, as so designated, is referred to herein as the "Refunded Bonds") on behalf of the City and such direction, when made in writing (the "Call Direction"), shall constitute the action of the City without further action of the Council. The Call Direction shall include a description of that portion of the 2018 Bonds called for redemption as determined appropriate by the Authorized Officers. The Call Direction shall be made by an Authorized Officer not later than December 31, 2021, after which date the Authorized Officers shall have no authority to make any such determination hereunder without further action of the Board and this resolution shall be of no further force and effect.

Section 5. An executed Call Direction shall be filed with Paying Agent, which delivery is necessary in order for the call of the Refunded Bonds as called for redemption in the Call Direction to be effective hereunder. The Paying Agent shall be directed in the Call Direction to mail notice to all registered owners of the Refunded Bonds as called for redemption to be redeemed not less than thirty days prior to the date fixed for redemption in accordance with resolution authorizing the issuance of the Refunded Bonds and to take all other actions deemed necessary in connection therewith.

Passed and approved _____, 2021.

City Clerk

Mayor

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE OF COMBINED UTILITIES REVENUE REFUNDING BONDS, SERIES 2021, OF THE CITY OF AUBURN, NEBRASKA, IN THE PRINCIPAL AMOUNT NOT TO EXCEED TWO MILLION DOLLARS (\$2,000,000) TO REFINANCE CERTAIN OUTSTANDING BONDS OF THE CITY; AUTHORIZING OFFICERS OF THE CITY TO DESIGNATE FINAL TERMS FOR SAID BONDS WITHIN STATED PARAMETERS; PRESCRIBING THE FORM OF SAID BONDS; PLEDGING AND HYPOTHECATING THE REVENUES AND EARNINGS OF THE WATERWORKS PLANT AND DISTRIBUTION SYSTEM, SANITARY SEWER SYSTEM AND ELECTRIC DISTRIBUTION SYSTEM OWNED BY THE CITY FOR THE PAYMENT OF SAID BONDS; AUTHORIZING OFFICERS OF THE CITY TO APPROVE AND ENTER INTO A CONTRACT ON BEHALF OF THE CITY WITH THE HOLDERS OF SAID 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 COUNCIL OF THE CITY OF AUBURN, NEBRASKA (THE "CITY") AS FOLLOWS:

Section 1. The Mayor and Council hereby find and determine:

(a) that the City owns and operates a waterworks plant and distribution system, sanitary sewer system and electric distribution system (hereinafter collectively, the "combined utilities") which combined utilities are hereby determined to be revenue producing utilities for which revenues bonds may be issued pursuant to Sections 18-1803 to 18-1805, Reissue Revised Statutes of Nebraska, 2012, as amended;

(b) that the City presently has issued and outstanding its Combined Utilities Revenue Refunding Bonds, Series 2018, dated as of April 12, 2018, in the outstanding principal amount of \$1,950,000 (the "Refunded Bonds"), which were issued pursuant to Sections 18-1803 to 18-1805, R.R.S. Neb. 2012 to provide funds to refinance the costs of the acquisition, construction, improvement, repair, rehabilitation or extension of the City's sanitary sewer system (collectively the "Project") and to pay costs of issuance;

(c) that other than the Refunded Bonds, the City presently has outstanding the following indebtedness for which the revenues and earnings of the Combined Utilities have been pledged (the "Outstanding Bonds"):

Combined Utilities Revenue Refunding Bonds, Series 2019, dated December 2, 2019, of the City in the original principal amount of \$3,555,000 of which the principal amount of \$3,400,000 is currently outstanding; and

(d) that since the Refunded Bonds were issued, rates of interest have so declined

that by taking up and paying off the Refunded Bonds, a substantial savings in the amount of yearly running interest will be made to the City and that for purposes of paying off the Refunded Bonds in accordance with their call provisions on a date to be determined by an authorized officer of the City (the "Redemption Date") (including paying costs of issuance of bonds as herein authorized) it is necessary for the City to issue Combined Utilities Revenue Refunding Bonds;

(e) that under the terms of the ordinance(s) authorizing the Outstanding Bonds (the "Outstanding Bond Ordinances"), the City is permitted to issue "Additional Bonds" payable from the revenues of the combined utilities of the City on a parity with the lien of the Outstanding Bonds and equally and ratably secured therewith and entitled to the security and benefits of the Outstanding Bond Ordinances provided, however, that before any such Additional Bonds are actually issued, the revenues of the combined utilities, for the fiscal year next preceding the date of the authorization of such Additional Bonds after deducting therefrom all costs of operation and maintenance of the combined utilities for such fiscal year and before deduction of depreciation or interest as based on a certified public accountants report shall have been equal to 1.25 times the average annual bond requirements of the Outstanding Bonds, any Additional Bonds then outstanding and the Additional Bonds proposed to be issued (and if a statement from a certified public accountant for the year next preceding the date of authorization of such Additional Bonds is not yet available, the City may use the statement of a certified public accountant for the year immediately preceding the year next preceding the date of authorization of the proposed Additional Bonds; provided that the Treasurer for the City shall certify, based upon the unaudited financial information then available, that there were no material events (including results of operations of the combined utilities) which would adversely affect the determination of debt service coverage based upon such prior year's statement);

(f) the revenues of the combined utilities, for the fiscal year ending December 31, 2019, after deducting therefrom all costs of operation and maintenance of the combined utilities for such fiscal year and before deduction of depreciation or interest as based on a certified public accountants report, are not less than \$1,702,690;

(g) average annual bond requirements of the Outstanding Bonds and the Bonds (determined by adding all of the principal and interest which will become due when computed to the absolute maturity of the Outstanding Bonds and all of the principal and interest of the Bonds to be issued, and dividing such total by the number of years remaining that the longest bond of any such issue of bonds (including the Bonds) has to run to maturity) is not more than \$330,259.41; and

(h) that all conditions, acts and things required by law to exist or to be done precedent to the issuance of the Combined Utilities Revenue Refunding Bonds, Series 2021, of the City do exist and have been done in due form and time as provided by law, which bonds will be payable from the revenues of the combined utilities and are equally and ratably secured therewith.

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

(a) "Additional Bonds" shall mean any bond including refunding bonds, authorized and issued pursuant to the provisions of Section 16 of this ordinance at any time outstanding, which are equally and ratably secured therewith.

(b) the "combined utilities" shall mean the waterworks plant and distribution system, the sanitary sewer system and the electric distribution system of the City, as now existing and all additions (including any additional utility systems which might hereafter be lawfully included with the combined utilities of the City pursuant to Section 16 of this Ordinance), extensions and improvements hereafter made;

(c) "revenues" shall mean all the rates, rentals, fees, charges, earnings and other monies from any source whatever derived by the City through its ownership and operation of its combined utilities;

Section 3. For the purposes as set out in Section 1 hereof, there shall be and there hereby are ordered issued Combined Utilities Revenue Refunding Bonds, Series 2021 (the "Bonds"), of the aggregate principal amount of not to exceed Two Million Dollars (\$2,000,000), with said Bonds to mature and become due on such dates and in such years and in such amounts and bear interest at the rates per annum as shall be determined in a written designation (the "Designation") signed by the Mayor or City Clerk (each, an "Authorized Officer") on behalf of the City and which may be agreed to by First National Capital Markets, Inc. (the "Underwriter"), which Designation may also determine or modify the mandatory redemption provisions (if any), and pricing terms as set forth in Section 23 below, all within the following limitations:

- (a) the aggregate principal amount of the Bonds shall not exceed \$2,000,000, provided, however, in the event the Bonds are sold at a net original issue discount such aggregate principal amount may be increased in such amount as is necessary to compensate for any such net original issue discount;
- (b) the aggregate amount of original issue premium and original issue discount (if any) may result in an aggregate net original issue discount (if any) not in excess of two percent (2.00%) of the stated principal amount of the Bonds;
- (c) the longest maturity of the Bonds may not be later than December 31, 2025;
- (d) the Bonds shall bear interest at such rates per annum so that debt service payable on the Bonds provides at least a net present value savings to the City over the debt service payable on the Refunded Bonds in an amount satisfactory to the City (the execution of the Designation by an Authorized Officer shall be conclusive evidence that such net present value savings is satisfactory to the City); and

- (e) two or more of the principal maturities may be combined and issued as “term bonds” and the Authorized Officer may determine the mandatory sinking fund payments and mandatory redemption amounts. Any Bonds issued as “term bonds” shall be redeemed at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon to the date of redemption and may be selected for redemption by any random method of selection determined appropriate by the Registrar (as hereinafter designated) or by the Depository (as hereinafter designated).

The Authorized Officers are hereby authorized to make such determinations on behalf of the Mayor and City Council and to evidence the same by execution and delivery of the Designation and such determinations, when made and agreed to by the Underwriter, shall constitute the action of the City Council of the City without further action of the City Council of the City.

The Bonds shall be in the denomination of \$5,000 or any integral multiple thereof and shall be numbered from 1 upward in the order of their issuance. No Bonds 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 October 1 and April 1 of each year, starting October 1, 2021 (or such other date or dates as may be determined in the Designation, each an “Interest Payment Date”). 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 fifteenth day immediately preceding the interest payment date (the “Record Date”), subject to the provisions of Section 4 hereof. Payment of interest due on the Bonds prior to maturity 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 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 4 hereof. Payment of principal due at maturity, or at any date fixed for redemption prior to maturity, 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. 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 such 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. Neb. 2010, as now existing or as the same may be amended from time to time by the Nebraska Legislature.

Section 4. Unless as otherwise provided in the Designation, the City Treasurer of Auburn, Nebraska, is hereby designated as Paying Agent and Registrar for the Bonds. 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 by surrender of such bond for cancellation, accompanied by a written instrument of transfer, in form satisfactory to said 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 on behalf of the City will register such transfer and will deliver at its office (or send by registered mail to the transferee owner or owners thereof at such transferee 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 canceled 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 the benefits and protection of this ordinance to the same extent as the Bonds upon transfer of which they were delivered. The City and said Paying Agent and Registrar shall not be required to transfer any Bond during any period from any Record Date until its immediately following interest payment date or to transfer any Bond called for redemption for a period of 30 days next preceding the date fixed for redemption. 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. The Bonds shall be subject to redemption, in whole or in part, prior to maturity at any time on or after the second anniversary of the date of original issue thereof (or such other date as provided in the Designation), at par plus accrued interest on the principal amount redeemed to the date fixed for redemption. Any Bonds issued as term bonds (as may be determined in the Designation) shall be redeemed for the years and in the principal amounts as determined in the Designation. Any scheduled mandatory redemptions shall be at a price equal to 100% of the principal amount redeemed plus interest accrued on the principal amount being redeemed to the date fixed for redemption. The Paying Agent and Registrar shall select the Bonds issued as term bonds for mandatory redemption using any random method of selection deemed appropriate by the Paying Agent and Registrar. The City may select the Bonds to be redeemed for optional redemption in its sole discretion. The Bonds shall be redeemed only in amounts of \$5,000 or integral multiples thereof. Bonds redeemed in part only shall be surrendered to said 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 City by said Paying Agent and Registrar in the case of optional redemption and without further direction in the case of mandatory redemption, by said Paying Agent and Registrar by mail not less than 30 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 maturity or otherwise, the date of original issue, series and the date fixed for redemption and shall state that such

Bond or Bonds are to be presented for prepayment at the office of said 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 City 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 City shall have the right to direct further notice of redemption for any such Bond for which defective notice has been given. In the event term maturities and mandatory redemption amounts are determined in the Designation, the provisions of this Section 5 shall apply generally to mandatory redemptions.

Section 6. 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 7. 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. 2012, 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 (which may be in the form of a blanket letter, including any blanket letter previously executed and delivered by the City), 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 (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 8. Said Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF NEMAHA
CITY OF AUBURN

COMBINED UTILITIES REVENUE REFUNDING BOND, SERIES 2021

No.

\$

<u>Interest Rate</u> %	<u>Maturity Date</u>	<u>Date of Original Issue</u> _____, 2021	<u>CUSIP</u>
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Registered Owner: _____

Principal Amount: _____

KNOW ALL PERSONS BY THESE PRESENTS: That the City of Auburn, in the County of Nemaha, in the State of Nebraska (the "City"), hereby acknowledges itself to owe and for value received promises to pay, out of the special sources herein designated, 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 to which interest has been paid or provided for, whichever is later, to maturity (or earlier redemption) at the rate per annum specified above. Said interest shall be payable semiannually on the _____ day of _____ and _____ in each year, starting _____. If this bond is not paid upon presentation of the bond at maturity or if any interest installment is not paid when due, such 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 shall be paid on each interest payment date by the City Treasurer, as Paying Agent and Registrar for the City by wire transfer, check or draft mailed to the registered owner hereof as of the close of business on the fifteenth day immediately preceding the interest payment date, at such owner's registered address as it appears on the books of registration of the City (the "Record Date"). 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 its office in Auburn, 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.

The Bonds shall be subject to redemption, in whole or in part, prior to maturity at any time on or after the _____ anniversary of the date of original issue thereof, at par plus accrued interest on the principal amount redeemed 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 \$ _____, of like tenor herewith except as to denomination, date of maturity and rate of interest issued by the City for the purpose of refinancing the City's outstanding Combined Utilities Revenue Refunding Bonds, Series 2018, dated April 12, 2018, in the outstanding principal amount of \$1,950,000, which were issued for the purpose of refinancing the costs of constructing improvements to the combined utilities of the City, in pursuance of the provisions of Sections 18-1803 to 18-1805, R.R.S. Neb. 2012. 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 revenue and earnings derived and to be derived from the operation of the waterworks plant and distribution system owned and operated by the City, and all extensions and additions thereto and all improvements thereof hereafter made, the sanitary sewer system owned and operated by the City, and all extensions and additions thereto and all improvements thereof hereafter made and the electric distribution system owned and operated by the City, and all extensions and additions thereto and all improvements thereof hereafter made (hereinafter collectively, the "combined utilities") are pledged and hypothecated, equally and ratably for the payment of the bonds and the Outstanding Bonds (as defined in the ordinance authorizing this bond), all of which bonds of said issue are equally and ratably secured by said pledge and are of equal priority as to lien upon the revenues of said combined utilities owned and operated by the City. The City agrees to maintain and collect rates and charges for the combined utilities which shall be reasonable and adequate to produce revenues and earnings sufficient at all times to pay the interest and principal of all of said bonds as such interest and principal become due and to maintain and operate said combined utilities efficiently. The ordinance which authorized the issuance of the bonds of this series constitutes a contract between the City and the holders of said bonds and reserves the right to the City to issue bonds equal in lien to the bonds of this series of bonds or junior lien bonds or notes under certain conditions. The bonds of this issue are not general obligations of the City and are payable solely from the revenues of said combined utilities as so pledged.

Under the ordinance authorizing this issue of bonds, the City has agreed to establish and maintain a special fund known as the Combined Utility Fund into which it will pay all of the gross revenues collected and received from the operation of its said combined utilities and will use the monies in said fund only for the operation and maintenance of said combined utilities and for the payment of the interest on and principal of the bonds of this series, the Outstanding Bonds and Additional Bonds authorized in accordance with the terms of said ordinance and for such other purposes as are permitted by said ordinance and will apply the monies in said fund to the payment of said bonds as the principal and interest thereof become due.

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 and the series of which this bond is a part in order to make the same legal and binding obligations of said City according to the terms thereof, do exist, have happened and have been performed in due time, form and manner as required by law, and that before the issuance of this bond provision has been duly made for the collection and segregation of the revenue of the City's combined utilities and for the application of the same as hereinbefore provided.

IN WITNESS WHEREOF, the Mayor and Council of the City of Auburn, 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 AUBURN, 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 Council of the City of Auburn as described in said bond.

(Do not sign)
City Treasurer of Auburn, 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: _____

SIGNATURE GUARANTEED

Registered Owner

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 9. For the payment of the Bonds, the Outstanding Bonds and any Additional Bonds, the City hereby pledges and hypothecates the entire revenues derived and to be derived of the combined utilities subject only to the payment of reasonable expenses of operating and maintaining said combined utilities.

Section 10. The City will maintain and collect rates and charges for all electric and water furnished from its combined utilities adequate to produce revenue and earnings sufficient at all times:

(a) to provide for the payment of interest on and principal of the Bonds, the Outstanding Bonds and any Additional Bonds as such interest and principal become due;

(b) to pay all reasonable costs of operation and maintenance of the combined utilities, including adequate insurance as provided by this ordinance and to pay for the necessary and reasonable repairs, replacements and extensions of said combined utilities;

(c) to establish and maintain an Combined Utility Bond Reserve Account as hereinafter set forth; and

(d) to meet all contractual obligations of the City pursuant to or with respect to the Bonds, the Outstanding Bonds and any Additional Bonds, all as then outstanding;

Section 11. The entire revenue and earnings derived from the operation of the combined utilities of said City shall be set aside as collected and deposited in a separate fund which is hereby created and designated as the "Combined Utility Fund". The monies in the Combined Utility Fund shall be deposited in a separate bank account properly identified as such in a bank or banks designated by the Council and shall be secured as provided by law for public deposits. The City shall set up and maintain as long as the Bonds, the Outstanding Bonds or any Additional Bonds are outstanding the following accounts for the administration of said fund:

I. OPERATION AND MAINTENANCE ACCOUNT: There is hereby established within the Combined Utility Fund a separate account designated as the "Operation and Maintenance Account". The City shall set aside in this account each month an amount sufficient for the operation and maintenance of its combined utilities and the expenses of maintenance and operation of said combined utilities shall be paid out of this account.

II. COMBINED UTILITY REVENUE BOND ACCOUNT: Out of the Combined Utility Fund there shall be credited monthly on or before the first day of each month to the Combined Utility Revenue Bond Account, starting with the month immediately following the month the Bonds were issued, the following amounts:

(1) Commencing on the first day of the month following the month in which the Bonds are issued (the "Initial Deposit Date"), and continuing on the corresponding day of

each month thereafter an amount which, when combined with additional equal monthly amounts to be deposited pursuant to this subparagraph prior to the next falling Interest Payment Date, will be sufficient to provide funds to pay the installment of interest due with respect to the Bonds on such Interest Payment Date;

(2) Commencing on the Initial Deposit Date, and continuing on the corresponding day of each month thereafter an amount which, when combined with additional equal monthly amounts to be deposited pursuant to this subparagraph prior to the next principal maturity date (or mandatory sinking fund redemption date, if applicable) with respect to the Bonds will be sufficient to provide funds to pay such maturing principal amount (or make such mandatory sinking fund redemption payment, if applicable) on such date; and

(3) during such periods, such amounts as are required for payments of principal and interest on the Outstanding Bonds and any Additional Bonds.

III. COMBINED UTILITY BOND RESERVE ACCOUNT: There is hereby established within the Combined Utility Fund a separate account designated as the "Combined Utility Bond Reserve Account". From cash on hand, the City will deposit the sum of \$0 (or such other amount as set forth in the Designation, the "2021 Required Balance") into a separate sub-account within the Combined Utility Bond Reserve Account for the Bonds (the "2021 Sub-account"), which amount shall be maintained in the 2021 Sub-account as long as any of the Bonds are outstanding. Monies in the Combined Utility Bond Reserve Account, but only from the designated sub-account for a specific issue, are to be applied to prevent any default in payments due on such specific issue for such purpose in the Bond Payment Account established by the Ordinance. In the event that monies are withdrawn from the 2021 Sub-account, but subject to allocation among other sub-accounts in the Combined Utility Bond Reserve Account which may be established as described in this Ordinance, all revenues of the combined utilities remaining after making payments required to be made to the Operation and Maintenance Account and the Combined Utility Revenue Bond Account are to be credited to the 2021 Sub-account until the balance in such account has been restored to the 2021 Required Balance. In the event that Additional Bonds are issued, the amount to be maintained in the Combined Utility Bond Reserve Account, in a separate sub-account for such Additional Bonds, shall be set in the discretion of the Mayor and Council of the City (which amount may be \$-0-). Additional amounts may be provided for by deposit of available City funds or by monthly credits from revenues. Each sub-account in the Combined Utility Bond Reserve Account shall be held solely for the specific issue for which it is established. In the event of withdrawal from any such sub-account which results in the amount in such sub-account being deficient to meet the required balance, available amounts for restoring sub-account balances shall be credited to each deficient sub-account on a pro rata basis in accordance with the respective outstanding principal amounts for those issues for which the respective sub-accounts are then deficient. When the Bonds or any issue of Additional Bonds for which a sub-account has been established are no longer outstanding, the particular sub-account for such issue shall no longer be required to be maintained. The maximum amount required to be maintained in the Combined Utility Bond Reserve Account shall not exceed the maximum amount permitted to be invested without yield restriction under the regulations of the

United States Treasury Department relating to Sections 103(b) and 148 of the Internal Revenue Code of 1986, as amended.

IV. SURPLUS ACCOUNT: There is hereby established within the Combined Utility Fund a separate account designated as the "Surplus Account". After provisions have been made for each of the foregoing accounts, all remaining funds shall be transferred into the Surplus Account to be used as follows:

- 1) To fill any deficiency in the foregoing accounts.
- 2) To pay on an accelerated basis the required fund balance of the Combined Utility Bond Reserve Account.
- 3) To be used for any lawful purpose connected with the combined utilities including paying principal and interest on general obligation bonds or junior lien revenue bonds or notes of the City authorized to pay the cost of constructing improvements to the combined utilities.
- 4) Retiring the Bonds, the Outstanding Bonds and Additional Bonds prior to their maturity under their option provisions or by purchase on the open market.
- 5) To be transferred to the general fund of the City for any lawful municipal purpose.

Monies on deposit in the Combined Utility Fund, which have not as yet been credited to an account therein in accordance with this section, and monies credited to the Operation and Maintenance Account and the Combined Utility Revenue Bond Account may, to the extent practicable and reasonable, be invested in direct general obligations of or obligations the principal and interest of which are unconditionally guaranteed by the United States of America, maturing in the case of unallocated monies invested from the Combined Utility Fund not later than the first business day of the month next following such investment and maturing in the case of monies invested from the Operation and Maintenance Account and the Combined Utility Revenue Bond Account at such times and in such amounts as shall be required to provide monies to make the payments to be made from said accounts. Monies credited to the Combined Utility Bond Reserve Account shall be invested in direct obligations of or obligations the principal and interest of which are unconditionally guaranteed by the United States of America, maturing or redeemable at stated fixed prices at the option of the holder, by not more than eight years from the date of such investment. Monies credited to the Surplus Account shall be invested in such obligations as are permitted by law for cities of the class of which the City is one, maturing at such times not later than ten (10) years of the date of such investment and in such amounts as shall be determined by the City in accordance with its estimate of the payments to be made from said Accounts and, if permitted by law, in Bonds, the Outstanding Bonds or Additional Bonds, which bonds so purchased shall be held for the credit of said Accounts and not cancelled, and in Revenue Bond Anticipation Notes of the City and in paving, sewer and water warrants of the City which are to be funded by the issuance of bonds of the City. All interest

and income derived from monies to the credit of the Combined Utility Fund, the Operation and Maintenance Account, and the Surplus Account shall, when realized and collected, be credited to the said Fund or to the respective Account from which such investments were made. All monies and income from investments made from monies credited to the Combined Utility Bond Reserve Account and the Combined Utility Revenue Bond Account shall, when realized and collected, be credited to the respective Account from which such investments were made, unless there shall then be credited thereto the respective full amounts required by paragraphs II and III of this section, in which event such interest and income shall be credited to the Surplus Account. All investments held for the credit of any Fund or Account may be sold when required to make payments to be made from such Fund or Account.

It is understood that the revenues of the combined utilities are to be credited to the various accounts hereinabove established in the order in which said Accounts have been listed, and if within any period the revenues are insufficient to credit the required amounts in any of the said Accounts, the deficiencies shall be made up the following period or periods after payments into all Accounts enjoying a prior claim on the revenues have been made in full.

Section 12. The City is hereby authorized and directed to keep proper records, books and accounts (separate from all other records and accounts) in which complete and correct entries shall be made of all transactions relating to the said combined utilities and all of the funds and accounts established hereby. Within 120 days after the close of each fiscal year a certified public accountant's report on the financial condition and results of operation shall be furnished to the underwriter of the Bonds (which shall specifically include, without limitation, the number of customers served as of the close of the fiscal year). The expense of such reports shall be considered an operating expense. Any holder or holders of twenty-five per cent (25%) in aggregate principal amount of the Bonds at the time then outstanding shall have the right at all reasonable times to inspect the combined utilities and all records, accounts and data of the City relating thereto.

Section 13. The City Treasurer and the City Clerk shall be bonded, in addition to their official bond, by an insurance company or bonding company licensed to do business in Nebraska, in amounts sufficient to cover at all times all the revenues of the combined utilities placed in their hands. Any other person employed by the City in the collection or handling of monies derived from the operation of said property shall also be bonded in an amount sufficient to cover all monies which may at any time be placed in such person's hands. The amount of such bonds shall be fixed by the Council and the cost thereof shall be paid from the earnings of said combined utilities and they shall secure the faithful accounting of all monies.

Section 14. The City will carry adequate insurance on the combined utilities in such amounts as are normally carried by private companies engaged in similar operations, including, without limiting the generality of the foregoing, fire and windstorm insurance, public liability insurance or workers compensation insurance and any insurance covering such risks as shall be recommended by a consulting engineer. The cost of all such insurance shall be regarded and paid as an operation and maintenance expense.

All such insurance policies shall be in such form and amount as shall be approved or

recommended by a consulting engineer. All insurance proceeds, except proceeds from public liability insurance shall be used in making good the loss or damage in respect of which they were paid either by repairing the property damaged or replacing the property destroyed, and expenditures from said monies shall be made only upon a certificate issued by a consulting engineer and filed with the City Clerk stating that the proceeds, together with any other monies available for such purposes, are sufficient for the repair or replacement of any such properties; and when the City shall have been furnished with a certificate of a consulting engineer stating that the property damaged or destroyed has been fully repaired or replaced and such repairs or replacements have been fully paid for, the residue, if any, of such insurance proceeds shall be transferred to the Combined Utility Revenue Bond Account to make up any deficiency in said account, if any such deficiency exists, and if no such deficiency exists said residue shall be transferred to the Combined Utility Fund and credited to the accounts provided for in Section 11 in the same manner as other revenues of the combined utilities.

If the proceeds of any insurance shall be insufficient to repair or replace the property damaged or destroyed, the City may use and shall pay out for such purpose, to the extent of such deficiency, any money remaining in the Surplus Account. If in the opinion of a consulting engineer the proceeds of any insurance, together with any amount then available for that purpose in the Surplus Account shall be insufficient to fully complete and pay for such repairs or replacements and if the City shall fail to supply such deficiency from other sources within a period of six (6) months after receipt by the City of such insurance monies, or if in the opinion of a consulting engineer it is to the best interest of the City not to repair or replace all or any part of the damaged properties and that failure to repair or replace the damaged properties shall not affect the sufficiency of the income and revenue from the remaining properties to properly maintain and operate the same and provide funds for the Combined Utility Revenue Bond Account and Combined Utility Bond Reserve Account, as herein provided for, then such insurance monies to the extent not applied to repair or replace the damaged properties shall be deposited in the Combined Utility Bond Reserve Account as described in Section 11 hereof and used for the purposes for which said account has been created, so as to fill said account to its required balance, or if said account is filled to its required balance, and any amount which may be in excess of the amount required shall be credited to the Surplus Account.

If the holders of sixty percent (60%) or more in principal amount of the Bonds, Outstanding Bonds and any Additional Bonds at the time outstanding hereunder shall at any time direct the City in writing to do so, then any insurance monies theretofore credited to Surplus Account and then in the hands of the City may be used for extensions and betterments of said combined utilities properties or applied to the pro rata payment of the principal of and accrued interest on all such bonds then outstanding hereunder.

The proceeds of any and all policies for public liability or workers compensation insurance shall be paid to the respective claimants or to the City Treasurer to be held and used in paying the claims on account of which they were received.

Section 15. The City will maintain the combined utilities in good condition and operate the same in an efficient manner and at a reasonable cost. The City agrees with the holders from time to time of the Bonds that the City will continue to own, free from all liens and encumbrances (other

than the pledge of revenues as provided herein and other than purchase money security interests in equipment in favor of the seller thereof and the lessor's interest in leased property, as long as such security interest or lessor's interest extends only to the equipment financed or leased), and will adequately maintain and efficiently operate said combined utilities; provided, however, the City may sell for cash property which is recommended to be sold by the manager or superintendent of utilities, or an independent Consulting Engineer, and which is determined as a matter of record by the Council to have become obsolete, non-productive or otherwise unusable to the advantage of the City.

Section 16. Nothing in this ordinance shall be construed in such a manner as to prevent the issuance by the City of Additional Bonds payable from the revenues of the combined utilities of the City on a parity with the lien of the Bonds and Outstanding Bonds equally and ratably secured therewith and entitled to the security and benefits of this ordinance; provided, however, that before any such Additional Bonds are actually issued, the revenues of the combined utilities, for the fiscal year next preceding the date of the authorization of such Additional Bonds, after deducting therefrom all costs of operation and maintenance of the combined utilities for such fiscal year and before deduction of depreciation or interest as based on a certified public accountants report shall have been equal to 1.25 times the average annual debt service requirements of the Bonds, the Outstanding Bonds any Additional Bonds then outstanding, and the Additional Bonds proposed to be issued or such revenues would have met such test by applying the provisions of the second paragraph of this Section 16. If no audit report is available for the fiscal year next preceding the year in which such proposed additional bonds are issued, the report from the next proceeding year may be used in determining compliance with this section, provided that the City Treasurer shall certify that no substantial or material changes in circumstance have occurred which would reduce the amount of revenues of the combined utilities so as to make the issuance of such additional bonds in conflict with this ordinance. For this purpose, the average annual debt service requirements shall be determined by adding all of the principal and interest which will become due when computed to the absolute maturity of the Bonds, the Outstanding Bonds Additional Bonds, if any, then outstanding and Additional Bonds proposed to be issued and dividing such total by the number of years remaining that the longest bond of any such issue of bonds has to run to maturity. In the event of the issuance of Additional Bonds payable from the Combined Utility Fund as authorized above, sufficient funds (which may be available funds of the City or revenues of the combined utilities) as determined in accordance with this Ordinance (and which may be \$0) shall be deposited into a separate sub-account for such Additional Bonds within the Combined Utility Bond Reserve Account (as provided in Section 11 above). The City may, at its option, deposit in said accounts available funds from other sources, provided, however, the City shall not in any event be required by this ordinance to accumulate in the Combined Utility Bond Reserve Account an amount in excess of the maximum amount permitted to be invested without yield restriction under Sections 103(b) and 148 of the Internal Revenue Code of 1986, as amended, and applicable regulations of the United States Treasury Department, both as then currently in effect.

In the event any change in the rates, rentals and charges for the use and service of the combined utilities has been made during the preceding fiscal year or during the interval between the end of such fiscal year and the issuance of such Additional Bonds, or in the event the City shall covenant in the ordinance or resolution authorizing the issuance of such Additional Bonds to impose, effective upon the issuance of such Additional Bonds, higher rates, rentals and charges for such use

and service, compliance with the provisions of this Section 16 of this ordinance may be evidenced by a certificate of an independent Consulting Engineer or firm of engineers or Certified Public Accountant or independent Certified Public Accountants to be filed with the City Clerk prior to the issuance of any such Additional Bonds. Such certificate shall state fully the facts upon which such certificate is based and, if it is a certificate of the Consulting Engineer or firm of Consulting Engineers, shall have attached thereto the certified financial statement for the fiscal year next preceding the date of authorization of such Additional Bonds used by the Engineer or firm of Engineers in arriving at the conclusion stated in said certificate. The Consulting Engineer or independent Certified Public Accountant of the City shall, in determining the earnings for such fiscal year adjust the collections to reflect the result as if such changed rates, rentals and charges, or such higher rates, rentals and charges had been in existence for such entire preceding fiscal year period, and the amount of such net collections and adjusted earnings as aforesaid shall be conclusive evidence and the only evidence required to show compliance with the provisions and the requirements of Section 16 of this ordinance.

If the City shall find it desirable, the City shall also have the right when issuing additional bonds to combine with its electric, water utilities and sanitary sewer systems, any gas distribution, solid waste removal system, or other utility or revenue producing facility of the City (which shall thereafter be known as the "Combined Utilities System") authorized to be combined under Sections 18-1803 through 18-1805 R.R.S. Nebraska 2012, and to cause all of the revenues of all such Combined Utility Systems to be paid into the Combined Utility Fund, and to provide that all of the Bonds all as then outstanding, and any proposed issue of Additional Bonds shall be payable from the revenues of such Combined Utilities System and shall stand on a parity and in equality as to security and payment, provided, however, no utility shall be combined with the current combined utilities and such other combined utilities as contemplated in this paragraph unless the City is current with all the payments required to be made into the accounts created in Section 11 and the net revenues of such Combined Utilities Systems shall satisfy at least one of the requirements for additional bonds provided in this Section 16. For purposes of meeting such requirements, the definition of revenues of the combined utilities shall include the additional utility or utilities and take into consideration the ordinary expenses of operating and maintaining the additional utility or utilities and for such purposes any engineer furnishing projections may take into consideration the factors described in the second or third paragraphs of this Section 16.

If, prior to the payment of the Bonds herein authorized or the Outstanding Bonds, it shall be found desirable to refund any Additional Bonds then outstanding, under the provisions of any law then available, said bonds or any part thereof may be refunded without the consent of the holders thereof and the refunding obligations so issued shall enjoy complete equality of lien with the portion of the bonds which is not refunded, if any there be, and the refunding obligations shall continue to enjoy whatever priority of lien over subsequent issues may have been enjoyed by the bonds refunded, provided, however, that unless all of the outstanding Bonds and Outstanding Bonds are being refunded, the total of the interest and principal payment obligation in any succeeding year shall not be greater, after such refunding, than it would have been in each such succeeding year without such refunding without the consent of the holders of the unrefunded portion of said bonds. Refunding bonds shall also be permitted to be issued in accordance with the first three paragraphs of this Section 16 and for purposes of calculating average annual bond requirements, the City shall not

be required to include principal or interest due on any bonds to be refunded, from and after the time that such refunded bonds shall no longer be outstanding under the terms of their authorizing ordinance.

Section 17. Nothing herein contained shall prevent the City from issuing bonds, revenue notes or other forms of indebtedness, the payment of the principal and interest of which is a charge upon all or a portion of the revenues of the combined utilities, junior or inferior to the Bonds and to the payments to be made into the Operation and Maintenance Account, Combined Utility Revenue Bond Account and the Combined Utility Bond Reserve Account, and the City shall have the right to pay interest thereon and the principal thereof, as long as no deficiency exists in the payments into such Accounts, from funds available for improvements and enlargements to the combined utilities of the City or from other funds which are available for such debt service.

Section 18. The City will not hereafter grant any franchise or right to any person, firm or corporation to own or operate an electric, water system in competition with those owned by the City.

Section 19. While any of the Bonds are outstanding, the City will render bills to all customers for electric service and, subject to applicable statutes and rules, if bills are not paid within sixty (60) days after due, the City will use all remedies lawfully available to collect such amounts due and owing.

Section 20. Except for amendments which are required for the correction of language to cure any ambiguity or defective or inconsistent provisions, omission or mistake or manifest error contained herein, no changes, additions or alterations of any kind shall be made by the City in the provisions of this Ordinance in any manner; provided, however, that from time to time the holders of sixty percent (60%) in principal amount of the Bonds, the Outstanding Bonds and of Additional Bonds outstanding authorized hereunder (not including any of said bonds credited to any of the accounts set out in Section 11 of this Ordinance or any other of said bonds owned or controlled directly or indirectly by the City) by an instrument or instruments in writing signed by such holders and filed with the City Clerk shall have power to assent to and authorize any modification of the rights and obligations of the City and of the holders of the Bonds and of Additional Bonds and the provisions of this Ordinance that shall be proposed by the City, and any action authorized to be taken with the assent and authority given as aforesaid of the holders of sixty percent (60%) in principal amount of said bonds shall be binding upon all holders of said Bonds, the Outstanding Bonds and Additional Bonds at the time outstanding hereunder and upon the City as fully as though such action were specifically and expressly authorized by the terms of this Ordinance; provided, always, that no such modification shall be made which will (a) extend the time of payment of the principal or interest on any of said bonds or reduce the principal amount thereof or the rate of interest thereon; or (b) give to any of said bonds secured by this Ordinance any preference over any other of said bond or bonds; or (c) authorize the creation of any lien prior to the pledge of the revenues afforded by this Ordinance for the Bonds, the Outstanding Bonds and any Additional Bonds; or (d) reduce the percentage in principal amount of said outstanding bonds required to assent to or authorize any such modification. Any modification of the provisions of this Ordinance made as aforesaid shall be set forth in a supplemental ordinance to be adopted by the Mayor and City Council of said City.

Section 21. So long as any of the Bonds, the Outstanding Bonds or any Additional Bonds of equal lien are outstanding, each of the obligations, duties, limitations and restraints imposed upon the City by this Ordinance shall be deemed to be a covenant between the City and every holder of said bonds, and this Ordinance and every provision and covenant thereof shall constitute a contract of the City with every holder from time to time of said bonds. Any holder of a Bond, Outstanding Bond or Additional Bond or Bonds may by mandamus or other appropriate action or proceeding at law or in equity in any court of competent jurisdiction enforce and compel performance of this Ordinance and every provision and covenant thereof including, without limiting the generality of the foregoing, the enforcement of the performance of all duties required by the City by this Ordinance and the applicable laws of the State of Nebraska, including in such duties the making and collecting of sufficient rates, rentals, fees or charges for the use and service of the combined utilities, the segregation of the revenues of said system and the application thereof to the respective Fund and Accounts referred to and described in Section 11 of this Ordinance.

Section 22. The City's obligations under this Ordinance and the liens, pledges, dedications, covenants and agreements of the City herein made or provided for shall be fully discharged and satisfied as to any Bonds, the Outstanding Bonds or Additional Bonds issued hereunder, and said bonds shall no longer be deemed outstanding hereunder, if such bonds shall have been purchased and cancelled by the City or, as to any of said bonds not theretofore purchased and cancelled by the City, when payment of the principal of and any applicable redemption premium, if any, on such bonds plus interest thereon, to the respective dates of maturities or redemption (a) shall have been made or caused to be made in accordance with the terms thereof; or (b) shall have been provided for by depositing in escrow with any state or national bank having trust powers, or trust company, in trust solely for such payment (i) sufficient monies to make such payment or (ii) direct general obligations of or obligations the principal and interest of which are unconditionally guaranteed by the United States of America (herein referred to as "Government Obligations") in such amount and bearing interest payable and maturing or redeemable at stated fixed prices at the option of the holder as to principal at such time or times as will insure the availability of sufficient monies to make such payment, and such bonds shall cease to draw interest from the date of their redemption or maturity and, except for the purposes of such payment, shall no longer be entitled to the benefits of this Ordinance except for payment from such deposit and shall no longer be considered as outstanding; provided that, with respect to any such bonds called or to be called for redemption, the City shall have duly given notice of redemption, or made irrevocable provision for giving such notice. Any such monies so deposited with the aforesaid bank or trust company as provided in this section may be invested and reinvested in Government Obligations at the direction of the City, and all interest and income from all such Government Obligations in the hands of the aforesaid bank or trust company which is not required to pay principal or interest on such bonds for which deposit has been made shall be paid to the City as and when realized and collected.

Section 23. Upon execution, registration and authentication of the Bonds, they shall be delivered to the City Treasurer, who is authorized to deliver them to the Underwriter, as the initial purchaser thereof, upon receipt of not less than 98.975% of the principal amount of the Bonds plus accrued interest thereon to date of payment of the Bonds (which purchase price may be modified by the terms of the Designation), and the City Treasurer is authorized to deliver the bonds to said purchaser upon receipt of the purchase price plus accrued interest to 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.

Section 24. The Authorized Officers (or any one of them) are hereby authorized to approve, execute, and deliver a Bond Purchase Agreement for and on behalf of the City. Upon the execution and delivery of the Bond Purchase Agreement, any Authorized Officer of the City is hereby authorized and directed for and on behalf of the City to take such actions and execute such documents as may be necessary or appropriate to effect prepayment of the Refunded Bonds on the Redemption Date, including without limitation, providing any required written notice to bondholders and other parties, as applicable, to repay the Refunded Bonds in accordance with their prepayment provisions on the Redemption Date.

Section 25. The net proceeds of the Bonds shall be applied upon receipt for the purposes described in Section 1 hereof, and to pay issuance costs. Any accrued interest received from the sale of the Bonds shall be applied to pay interest falling due on said Bonds on the first Interest Payment Date. Expenses of issuance of the Bonds may be paid from the proceeds of the Bonds. The Authorized Officers of the City (or any one or more of them) are hereby authorized to take all actions deemed necessary in connection with the issuance of the Bonds and the calling of the Refunded Bonds. If the date of delivery of the Bonds occurs prior to the Redemption Date for all or a portion of the Refunded Bonds, such proceeds of the Bonds (along with funds of the City on hand, as necessary) shall be set aside and held and invested in a special trust account which is hereby ordered established. The Authorized Officers are hereby authorized to designate an escrow agent ("Escrow Agent"), to have custody and safekeeping of the funds and investments which are to be set aside for the payment of the Refunded Bonds. For purposes of governing such escrow account and the holding and application of such funds and investments, the City shall be authorized to enter into an escrow agreement (the "Escrow Agreement") with the Escrow Agent. The Authorized Officers are hereby authorized to approve, execute, and deliver on behalf of the City said Escrow Agreement, including necessary counterparts, to approve the investments provided for in said Escrow Agreement, to make any necessary subscriptions for United States Treasury Securities, State and Local Government Series, or to contract for the purchase of securities in the open market, and to agree to such other terms governing the proceeds as deemed necessary and appropriate. The holders of the Bonds of this issue shall be subrogated to all rights of the holders of any claims which are paid from the proceeds of said Bonds.

Section 26. In accordance with the requirements of Rule 15c2-12 of the Securities Exchange Act of 1934 (the "Rule") promulgated by the Securities and Exchange Commission, the City being the only "obligated persons" other than the City with respect to the Bonds, and being an "obligated person" with respect to no more than \$10,000,000 in aggregate amount of outstanding municipal securities (including the Bonds), agrees that it will provide the following continuing disclosure information to the Municipal Securities Rulemaking Board (the "MSRB") in an electronic format as prescribed by the MSRB:

- (a) at least annually, and not less than nine months following the end of the City's fiscal

year, financial information or operating data for the City which is customarily prepared by the City and is publicly available, consisting of the City's audited financial statements;

- (b) in a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of any of the following events with respect to the Bonds:
- (1) principal and interest payment delinquencies;
 - (2) non-payment related defaults, if material;
 - (3) unscheduled draws on debt service reserves reflecting financial difficulties;
 - (4) unscheduled draws on credit enhancements reflecting financial difficulties;
 - (5) substitution of credit or liquidity providers, or their failure to perform;
 - (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
 - (7) modifications to rights of the holders of the Bonds, if material;
 - (8) bond calls, if material, and tender offers;
 - (9) defeasances;
 - (10) release, substitution, or sale of property securing repayment of the Bonds, if material;
 - (11) rating changes;
 - (12) bankruptcy, insolvency, receivership or similar events of the City (this event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority

having supervision or jurisdiction over substantially all of the assets or business of the City);

- (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) incurrence of a financial obligation, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation, any of which affect security holders, if material; or
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation, any of which reflect financial difficulties.

The City has not undertaken to provide notice of the occurrence of any other event, except the events listed above.

The City agrees that all documents provided to the MSRB under the terms of this continuing disclosure undertaking shall be in such electronic format and accompanied by such identifying information as shall be prescribed by the MSRB. The City reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information or the accounting methods in accordance with which such information is presented, to the extent necessary or appropriate in the judgment of the City, consistent with the Rule. The City agrees that such covenants are for the benefit of the registered owners of the Bonds (including Beneficial Owners) and that such covenants may be enforced by any registered owner or Beneficial Owner, provided that any such right to enforcement shall be limited to specific enforcement of such undertaking and any failure shall not constitute an event of default under the Ordinance. The continuing disclosure obligations of the City, as described above, shall cease when none of the Bonds remain outstanding. The City Clerk is the person from whom the foregoing information, data and notices can be obtained. The City believes it has substantially complied with its continuing disclosure undertakings pursuant to the Rule with respect to each of the five most recently completed fiscal years. Any failure to comply with the Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market.

Section 27. The officers of the City are hereby authorized to execute and deliver any and all certificates and documents and to take any and all actions determined appropriate in connection with the issuance and sale of the Bonds and refunding of the Refunded Bonds including, without

limitation, to review and approve a preliminary official statement related to the Bonds and approval of a final official statement on behalf of the City, and said final official statement, if and as applicable, shall be delivered in accordance with the requirements of the Rule.

Section 28. The City hereby covenants to the purchasers and holders of the Bonds 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 alternative minimum tax. As and to the extent not "deemed designated" under Section 265 of the Code (with respect to current refunding bonds), 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 the calendar year in which the Bonds are issued in an amount in excess of \$10,000,000 taking into account statutory exceptions for current refunding issues. The officers of the City are hereby authorized to make such allocations and certifications as are necessary to establish that all or a portion of the Bonds are "deemed designated".

Section 29. In order to promote compliance with certain federal tax and securities laws relating to the bonds herein authorized (as well as other outstanding bonds) the policy and procedures attached hereto as Exhibit "A" (the "Post-Issuance Compliance Policy and Procedures") are hereby adopted and approved in all respects. To the extent that there is any inconsistency between the attached Post-Issuance Compliance Policy and Procedures and any similar policy or procedures previously adopted and approved, the Post-Issuance Compliance Policy and Procedures shall control.

Section 30. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

Section 31. All ordinances, resolutions or orders or parts thereof in conflict with the provisions of this ordinance are to the extent of such conflict hereby repealed.

Section 32. This ordinance shall be published in pamphlet form and take effect as provided by law.

PASSED AND APPROVED this _____ day of _____, 2021.

Mayor

ATTEST:

City Clerk

(S E A L)

I, the undersigned, City Clerk, of the City of Auburn, Nebraska, hereby certify that the foregoing is a true and correct copy of proceedings had and done by the Mayor and Council on _____; that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and readily available for public inspection at the office of the City Clerk; that such agenda items were sufficiently descriptive to give the public reasonable notice of the matters to be considered at the meeting; 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 and that a current copy of the Nebraska Open Meetings Act was available and accessible to members of the public, posted during such meeting in the room in which such meeting was held.

(SEAL)

City Clerk

EXHIBIT "A"

**Policy and Procedures
Federal Tax Law and Disclosure Requirements for
Tax-exempt Bonds and/or Tax Advantaged Bonds**

ISSUER NAME: City of Auburn, Nebraska

COMPLIANCE OFFICER (BY TITLE): City Treasurer

POLICY

It is the policy of the Issuer identified above (the "Issuer") to comply with all Federal tax requirements and securities law continuing disclosure obligations for its obligations issued as tax-exempt bonds (or as tax credit, direct pay subsidy or other tax-advantaged bonds, as applicable) to ensure, as applicable (a) that interest on its tax-exempt bonds remains exempt from Federal income tax, (b) that the direct payments or tax credits associated with its bonds issued as "tax-advantaged bonds" are received in a timely manner and (c) compliance with any continuing disclosure obligations of the Issuer with respect to its outstanding bonds.

PROCEDURES

Compliance Officer. Review of compliance with Federal tax requirements and securities law continuing disclosure obligations as generally outlined below shall be conducted by the Compliance Officer identified above (the "Compliance Officer"). To the extent more than one person has been delegated specific responsibilities, the Compliance Officer shall be responsible for ensuring coordination of all compliance review efforts.

Training. The Compliance Officer shall evaluate and review educational resources regarding post-issuance compliance with Federal tax and securities laws, including periodic review of resources published for issuers of tax-exempt obligations by the Internal Revenue Service (either on its website at <http://www.irs.gov/taxexemptbond>, or elsewhere) and the Municipal Securities Rulemaking Board (either on its Electronic Municipal Market Access website ["EMMA"] at <http://www.emma.msrb.org>, or elsewhere).

Compliance Review. A compliance review shall be conducted at least annually by or at the direction of the Compliance Officer. The review shall occur at the time the Issuer's annual audit takes place, unless the Compliance Officer otherwise specifically determines a different time period or frequency of review would be more appropriate.

Scope of Review.

Document Review. At the compliance review, the following documents (the "Bond Documents") shall be reviewed for general compliance with covenants and agreements and applicable regulations with respect to each outstanding bond issue:

- (a) the resolution(s) and/or ordinance(s), as applicable, adopted by the governing body of the Issuer authorizing the issuance of its outstanding bonds, together with any documents setting the final rates and terms of such bonds (the “Authorizing Proceedings”),
- (b) the tax documentation associated with each bond issue, which may include some or all of the following (the “Tax Documents”):
 - (i) covenants, certifications and expectations regarding Federal tax requirements which are described in the Authorizing Proceedings;
 - (ii) Form 8038 series filed with the Internal Revenue Service;
 - (iii) tax certificates, tax compliance agreements, tax regulatory agreement or similar documents;
 - (iv) covenants, agreements, instructions or memoranda with respect to rebate or private use;
 - (v) any reports from rebate analysts received as a result of prior compliance review or evaluation efforts; and
 - (vi) any and all other agreements, certificates and documents contained in the transcript associated with the Authorizing Proceedings relating to federal tax matters.
- (c) the Issuer’s continuing disclosure obligations, if any, contained in the Authorizing Proceedings or in a separate agreement (the “Continuing Disclosure Obligations”), and
- (d) any communications or other materials received by the Issuer or its counsel, from bond counsel, the underwriter or placement agent or its counsel, the IRS, or any other material correspondence relating to the tax-exempt status of the Issuer’s bonds or relating to the Issuer’s Continuing Disclosure Obligations.

Use and Timely Expenditure of Bond Proceeds. Expenditure of bond proceeds shall be reviewed by the Compliance Officer to ensure (a) such proceeds are spent for the purpose stated in the Authorizing Proceedings and as described in the Tax Documents and (b) that the proceeds, together with investment earnings on such proceeds, are spent within the timeframes described in the Tax Documents, and (c) that any mandatory redemptions from excess bond proceeds are timely made if required under the Authorizing Proceedings and Tax Documents.

Arbitrage Yield Restrictions and Rebate Matters. The Tax Documents shall be reviewed by the Compliance Officer to ensure compliance with any applicable yield restriction requirements under Section 148(a) of the Internal Revenue Code (the “Code”) and timely calculation and payment of any rebate and the filing of any associated returns pursuant to Section 148(f) of the Code. A qualified rebate analyst shall be engaged as appropriate or as may be required under the Tax Documents.

Use of Bond Financed Property. Expectations and covenants contained in the Bond Documents regarding private use shall be reviewed by the Compliance Officer to ensure compliance. Bond-financed properties shall be clearly identified (by mapping or other reasonable means). Prior to execution, the Compliance Officer (and bond counsel, if deemed appropriate by the Compliance Officer) shall review (a) all proposed leases, contracts related to operation or management of bond-financed property, sponsored research agreements, take-or-pay contracts or other agreements or

arrangements or proposed uses which have the potential to give any entity any special legal entitlement to the bond-financed property, (b) all proposed agreements which would result in disposal of any bond-financed property, and (c) all proposed uses of bond-financed property which were not anticipated at the time the bonds were issued. Such actions could be prohibited by the Authorizing Proceedings, the Tax Documents or Federal tax law.

Continuing Disclosure. Compliance with the Continuing Disclosure Obligations with respect to each bond issue shall be evaluated (a) to ensure timely compliance with any annual disclosure requirement, and (b) to ensure that any material events have been properly disclosed as required by the Continuing Disclosure Obligation.

Record Keeping. If not otherwise specified in the Bond Documents, all records related to each bond issue shall be kept for the life of the indebtedness associated with such bond issue (including all tax-exempt refundings) plus six (6) years.

Incorporation of Tax Documents. The requirements, agreements and procedures set forth in the Tax Documents, now or hereafter in existence, are hereby incorporated into these procedures by this reference and are adopted as procedures of the Issuer with respect to the series of bonds to which such Tax Documents relate.

Consultation Regarding Questions or Concerns. Any questions or concerns which arise as a result of any review by the Compliance Officer shall be raised by the Compliance Officer with the Issuer's counsel or with bond counsel to determine whether non-compliance exists and what measures should be taken with respect to any non-compliance.

VCAP and Remedial Actions. The Issuer is aware of (a) the Voluntary Closing Agreement Program (known as "VCAP") operated by the Internal Revenue Service which allows issuers under certain circumstances to voluntarily enter into a closing agreement in the event of certain non-compliance with Federal tax requirements and (b) the remedial actions available to issuers of certain bonds under Section 1.141-12 of the Income Tax Regulations for private use of bond financed property which was not expected at the time the bonds were issued.

SEND D

Southeast Nebraska Development District

www.sendd.org

MAIN OFFICE
2631 "O" Street, Lincoln, NE 68510
Office: 402-475-2560
Fax: 402-475-2794
jmaxson@sendd.org

AGENDA ITEM
NO

13

December 17th, 2020

City of Auburn Housing Committee Members

RE: City of Auburn OOR program (18-HO-36067)

Housing Advisory Committee



On December 11th, a bid opening was held at 12:00 P.M., in the afternoon on applicant #021 through the City of Auburn Housing Rehabilitation Program (see attached bid sheet). The following is SENDD's recommendation to the City of Auburn Housing Advisory Committee Members on the following applicants:

FOR PROJECT #021, our Office recommends to award contract to MIT Contracting in the amount of \$650.00 from the Affordable Housing Program (AHP).

Bantz Quality Builders has successfully completed similar projects in communities in SENDD's District using CDBG & HOME funds. Bantz Quality Builders is certified in Lead Base Paint training; has the proper insurance coverage; and has adequate manpower to complete project #021.

Sincerely,

Jarett Maxson
SEND D

cc: City of Auburn /
Housing Advisory Committee Members



Southeast Nebraska Development District

www.sendd.org

MAIN OFFICE
2631 "O" Street, Lincoln, NE 68510
Office: 402-475-2560
Fax: 402-475-2794
jmaxson@sendd.org

HUMBOLDT OFFICE
PO Box 308, Humboldt, NE 68376
Office: 402-862-2201
Fax: 402-862-2201
senddhumboldt@windstream.net

December 17th, 2020

**City of Auburn Owner Occupied Rehabilitation Housing Program
18-HO-36067
City Housing Rehabilitation Program**

**Re: Narrative outline for Recommendation of Construction Contract Award
For Project: #-021.**

Project #-021

Construction contract award amount: \$650.00

Contractor: Bantz Quality Builders

Description of work:

- Interior kitchen ceiling replace

RESOLUTION NUMBER _____

WHEREAS, the Federal Disaster Mitigation Act of 2000 was signed in to law on October 30, 2000, placing new emphasis on state and local mitigation planning for natural hazards and requiring communities to adopt a hazard mitigation action plan to be eligible for pre-disaster and post-disaster federal funding for mitigation purposes; and

WHEREAS, a Multi-Jurisdictional Hazard Mitigation Plan was prepared by the Nemaha Natural Resources District, with assistance from JEO Consulting Group, Inc.

WHEREAS, the purpose of the mitigation plan was to lessen the effects of disasters by increasing the disaster resistance of the counties and participating jurisdictions located within the planning boundary by identifying the hazards that affect Auburn and prioritize mitigation strategies to reduce potential loss of life and property damage from those hazards, and

WHEREAS, FEMA regulations require documentation that the plan has been formally adopted by the governing body of the City of Auburn in the form of a resolution and further requesting approval of the plan at the Federal Level; and

NOW, THEREFORE, the governing body of the City of Auburn does herewith adopt the Nemaha Natural Resources Hazard Mitigation Plan 2020 in its entirety; and

PASSED AND APPROVED this _____ day of _____, 2021.

Mayor

ATTEST:

City Clerk



AGENDA ITEM
NO 17

January 11, 2021

City of Auburn

1101 J Street
Auburn, Nebraska 68305

402-274-3420
402-274-4154 fax
www.auburn.ne.gov

MAYOR

Dan White

COUNCIL MEMBERS

Katy Billings

Shawn Clark

Tom Clark

Chris Erickson

Rick Janssen

Jeff Jeanneret

Street Department Activity Report (December 2020)

- Appliance and Furniture Recycle Lot – 3 times
- Brush Lot – 4 times
- Burned brush lot – 2 times
- Worked on equipment at city shop
- Garbage run at Parks/Rec Complex/business area bi-monthly
- Cleaned storm drains
- Filled potholes around town
- Swept streets around town
- Trimmed trees in the street right of way
- Worked on alleys
- Snow Removal
- Cleaned out ditch and removed brush and hauled away debris (north of Concrete Industries)

Harry Bridgmon
Street Commissioner



EQUAL HOUSING OPPORTUNITY

AGENDA ITEM
NO

17

Auburn Memorial Library

1810 Courthouse Ave
Auburn, NE 68305

City Council Report January 2021

- Not too much to report at the moment. We are still quarantining items and cleaning.

Statistical Report:

<u>Date:</u>	<u>Circulation:</u>	<u>Patrons:</u>
November	2,694	1,047
OverDrive	<u>517</u>	<u>71</u>
	3,211	1,118
December	2,380	1,046
OverDrive	<u>485</u>	<u>67</u>
	2,865	1,113

MONTHLY LAW ENFORCEMENT REPORT TO THE
MAYOR AND CITY COUNCIL OF THE CITY OF
AUBURN

FOR THE MONTH OF DECEMBER 2020

Total Number of Calls within the City of Auburn	118
Total Number of Ordinance/Animal Calls	4
Total Number of Actual Criminal Cases Reported/Initiated	11

Respectfully submitted,



Brent Lottman
Sheriff

City of Auburn
TIF Activity
Report Date 12-31-2020

AGENDA ITEM
NO
18

Date	Description	Account	Auburn 1	Terrace Heights I	Terrace Heights II	Auburn Bowling Center I	Auburn Bowling Center II	Hemmingsen Funeral Home	West Project	Orschehn
		Activity	Project #2 SE Corner					Core Area		
5/31/2020	Balance	\$ 699,962.58	\$ 521,676.99					\$ 8,761.53	\$ 13,167.51	\$ 21,512.46
6/12/2020	Co. Collections	\$ 3,288.25	\$ 1,052.87					\$ 186.93	\$ 2,048.45	
6/30/2020	City-west waterline	\$ (15,215.96)							\$ (15,215.96)	
6/30/2020	Orschehn Balance	\$ (21,512.46)								
6/30/2020	Interest on Account	\$ 57.55	\$ 44.89					\$ 0.57		
7/10/2020	Co. Collections	\$ 314.72	\$ 314.72							
7/14/2020	Baird Holm-Legal	\$ (369.00)						\$ (369.00)		
7/31/2020	Interest on Account	\$ 58.43	\$ 45.58					\$ 0.58		
8/11/2020	Baird Holm-Legal	\$ (1,168.50)						\$ (1,168.50)		
8/14/2020	Co. Collections	\$ 72.61	\$ 72.61							
8/31/2020	Interest on Account	\$ 56.42	\$ 44.01					\$ 0.56		
9/11/2020	Co. Collections	\$ 22,132.26	\$ 10,549.58					\$ 1,022.18	\$ 10,560.50	
9/16/2020	Baird Holm-Legal	\$ (340.00)						\$ (340.00)		
9/30/2020	Interest on Account	\$ 55.75	\$ 42.37					\$ 0.56	\$ 1.11	
10/13/2020	Baird Holm-Legal	\$ (1,074.00)						\$ (1,074.00)		
10/13/2020	Auburn Newspapers	\$ (72.50)	\$ (72.50)							
10/16/2020	Co. Collections	\$ 3,847.03	\$ 823.33					\$ 186.93	\$ 2,836.77	
10/31/2020	Interest on Account	\$ 58.35	\$ 44.35					\$ 0.58	\$ 1.17	
11/12/2020	Baird Holm-Legal	\$ (765.00)						\$ (765.00)		
11/13/2020	Co. Collections	\$ 18.37	\$ 18.37							
11/30/2020	Interest on Account	\$ 56.54	\$ 42.97					\$ 0.57	\$ 1.13	
12/11/2020	Check books (chg)	\$ (42.42)	\$ (42.42)							
12/31/2020	City-west waterline	\$ (13,400.68)								
12/31/2020	Interest on Account	\$ 58.39	\$ 44.96					\$ 0.58	\$ (13,400.68)	
12/31/2020	Balance	\$ 676,076.73	\$ 521,871.20	\$ -	\$ -	\$ -	\$ -	\$ 6,445.07	\$ -	