

ORDINANCE NO. 1646

LEXINGTON, NEBRASKA

AN ORDINANCE PROVIDING FOR THE ISSUANCE OF BOND ANTICIPATION NOTES IN AN AMOUNT NOT TO EXCEED ONE MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS (\$1,250,000) FOR PAYMENT OF COSTS IN CONNECTION WITH THE CONSTRUCTION OF IMPROVEMENTS TO THE WATER PLANT AND DISTRIBUTION SYSTEM AND SEWER PLANT AND SYSTEM AND ELECTRIC LIGHT AND POWER PLANT AND DISTRIBUTION SYSTEM OF THE CITY OF LEXINGTON, NEBRASKA; AGREEING TO ESTABLISH RATES AND CHARGES TO PROVIDE FOR COSTS OF OWNERSHIP, OPERATION AND DEBT SERVICE; AGREEING TO ISSUE REVENUE BONDS TO PAY THE NOTES AND ACCRUED INTEREST AT MATURITY AND ORDERING THE PUBLICATION OF THE ORDINANCE IN PAMPHLET FORM

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF LEXINGTON, NEBRASKA:

Section 1. The Mayor and Council of the City of Lexington, Nebraska, hereby find and determine that it is necessary and in the public interest that the City construct additions and improvements to the water plant and distribution system, sewer plant and system, and electric light and power plant and distribution system, hereinafter referred to as the combined utility system, owned and operated by the City; that the City will issue revenue bonds payable from the revenues and earnings of the combined utility system of the City after further determination as to the total costs of the improvements and finding an appropriate market for the bonds; and that pending the permanent revenue financing, the City shall issue and sell Notes to be designated Combined Utility Bond Anticipation Notes to pay the costs of improvements to the said combined utility system which shall not be a debt of the municipality within the meaning of any constitutional, statutory, or other limitation on the creation of general obligation indebtedness, and the municipality shall not be liable for the payment thereof out of any money of the municipality other than the money received by the issuance and sale of bonds as contemplated herein or from the funds of the City available to pay interest on said Notes and to pay a portion of the cost of the project so as to reduce the required financing by revenue bonds. The City hereby agrees that it will establish, maintain, revise, and collect charges and rates with respect to its combined utility throughout

the life of the Notes sufficient to provide for all costs associated with the ownership, operation, maintenance, renewal and replacement of said utility and the payment of the principal and interest on all indebtedness incurred with respect thereto as well as all outstanding bonded indebtedness payable from the earnings of the combined utility system and to produce earnings sufficient to enable the City to issue and sell bonds in an amount sufficient to pay the principal and interest thereon of all notes issued pursuant hereto and it will issue such Combined Revenue Bonds in an amount sufficient to pay the notes, both principal and interest, and will use the proceeds of the sale of said bonds for such payment at or before maturity.

Section 2. Notes to be designated Combined Utility Bond Anticipation Notes in an amount not to exceed \$1,250,000 are hereby authorized to be issued to Robert E. Schweser Company Incorporated, Agent, for a specified amount to become due and be optional for prepayment at par plus accrued interest on such date as shall be fixed by the Mayor and City Council and which shall bear interest from the date of delivery until maturity at the rate and at the time specified by the Mayor and City Council when authorizing the issuance of the notes. The notes will all mature and be optional on the same date and will be authorized to be delivered from time to time by resolution of the Mayor and City Council. Said notes shall be dated the date of their delivery, be executed on behalf of the City of Lexington by the manual signatures of the Mayor and Clerk and be delivered to Robert E. Schweser Company Incorporated acting as agent for the purchasers thereof, upon receipt of payment for said notes which shall not be less than par.

Section 3. The Combined Utility Bond Anticipation Notes shall be in substantially the following form:

CITY OF LEXINGTON, NEBRASKA  
COMBINED UTILITY  
BOND ANTICIPATION NOTE

No. \_\_\_\_\_

\$ \_\_\_\_\_

On \_\_\_\_\_, for value received the City of Lexington, Nebraska, hereby promises to pay to Robert E. Schweser Company Incorporated, Agent, \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) with interest from the date of delivery until maturity at the rate of \_\_\_\_\_ per centum (\_\_\_%) per annum, payable \_\_\_\_\_, and annually thereafter at the office of Robert E. Schweser Company Incorporated, acting as Paying Agent for the City for purpose of interest payments only, in Omaha, Nebraska, upon presentation and surrender of the Notes for notation of interest payment. The principal of this Note shall be payable at the office of the City Treasurer upon presentation and surrender of the Note when due or when called for payment under its option provision. If the Note or an interest payment is not paid at maturity or due date, the Note or interest installment will bear interest at the rate of nine per centum (9%) per annum until paid. This Note and accrued interest shall be payable from funds received by the City from the issuance and sale of its Combined Revenue Bonds and is optional for payment \_\_\_\_\_, or at any time thereafter. All of the provisions and agreements of Ordinance No. \_\_\_\_\_ are by reference made a part of this instrument, and all such agreements accrue to the payee, owner or assignee of this Note. This Note shall not be a debt of the City of Lexington within the meaning of any constitutional, statutory or charter limitation upon the creation of general obligation indebtedness of said City and said City shall not be liable for the payment thereof out of any money of the municipality other than from proceeds of the issuance of its Combined Revenue Bonds, as aforesaid, or other funds of the City

available to pay interest on said Note or a portion of the cost of the project so as to reduce the required financing.

Delivered this \_\_\_\_\_ day of \_\_\_\_\_, 1979.

(Do not sign)  
Mayor

(Do not sign)  
City Clerk

Payment Record \_\_\_\_\_  
\_\_\_\_\_

Total Bond Anticipation	
Notes Authorized	\$ 1,250,000
Total Previously Issued	\$ _____
Total This Note	\$ _____
Total Issued	\$ _____

Section 4. The principal of said notes shall be payable at the office of the City Treasurer upon presentation and surrender of the notes when due or when called for payment on their option date, or at any time thereafter. Robert E. Schweser Company Incorporated is hereby designated to serve as Paying Agent for interest payments only. Interest on said notes will be payable at the offices of said Paying Agent in Omaha, Nebraska, upon presentation and surrender of the notes for notation of interest payment. The City Treasurer is hereby authorized to make payment to said Paying Agent of an amount sufficient to cover the interest falling due on all such notes as may be outstanding not less than three days prior to any interest payment date.

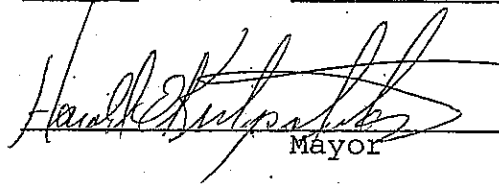
Section 5. Notice of the call of any of said notes for payment prior to maturity shall be sufficient if it has been communicated by any means by the City to the named payee of each of the notes.

Section 6. The amount of the Notes herein authorized can be increased if deemed necessary by the Council by appropriate amendment to this ordinance.

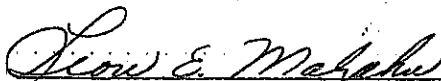
Section 7. The City further agrees that if for any reason the City is prevented from paying interest on the Bond Anticipation Notes herein provided for, the City will issue Bond Anticipation Notes for the purpose of paying said interest as and when the same becomes due and will sell said Notes and use the proceeds of the sale of said Notes to pay said interest.

Section 8. This ordinance shall be published in pamphlet form and take effect as provided by law.

PASSED AND APPROVED this 28th day of August, 1979.

  
Mayor

ATTEST:

  
City Clerk

(S E A L)

