

**AGENDA**  
**SEWARD CITY COUNCIL MEETING**  
**Tuesday, February 3, 2015 @ 7:00 PM**

**NOTICE IS HEREBY GIVEN** that a meeting of the City Council of the City of Seward, Nebraska will be held at 7:00 PM on Tuesday, February 3, 2015, in the Municipal Building Council Chambers, 142 North 7th Street, Seward, Nebraska, which meeting will be open to the public. The Mayor and City Council reserve the right to adjourn into Closed Session as per Section 84-1410 of the Nebraska Revised Statutes. An Agenda for such meeting, kept continually current, is available at the Office of the City Clerk, 537 Main Street, Seward, Nebraska, during normal business hours. Individuals requiring physical or sensory accommodations, who desire to attend or participate, please contact the City Clerk's Office at 402.643.2928 no later than 3:30p.m. on the Friday preceding the Council Meeting.

City financial claims and related invoices will be available for Councilmember review, audit and voluntary signatures at Council Chambers beginning 30 minutes prior to the scheduled meeting time.

**AGENDA ITEMS**

**CALL TO ORDER** – Mayor Eickmeier

**PLEDGE OF ALLEGIANCE-MOMENT OF SILENCE** - Mayor Eickmeier

**DISCLOSURE OF OPEN MEETINGS ACT & OTHER NOTIFICATIONS** - Mayor Eickmeier

This is an Open Meeting of the Seward Nebraska Governing Body. The City of Seward abides by the Nebraska Open Meetings Act in conducting business. A copy of the Nebraska Open Meetings Act is displayed on the north wall of this meeting room facility as required. Disclosure of meeting recording processes is posted in the Meeting Room. A participant sign-in sheet is available for use by any Citizen addressing the Council. Presenters shall approach the podium, state their name & address for the Clerk's record and are asked to limit remarks to five minutes. All remarks shall be directed to the Mayor who shall determine by whom any appropriate response shall be made. The City of Seward reserves the right to adjust the order of items on this Agenda if necessary and may elect to take action on any of the items listed.

**ROLL CALL** - Mayor Eickmeier

**1. INTRODUCTIONS, SPECIAL PRESENTATIONS & PROCLAMATIONS - Mayor Eickmeier**

A. New Hire - Brandon Wood as Permits Technician

**2. CONSIDERATION OF APPROVAL OF DRAFT MINUTES OF JANUARY 20, 2015 - Bonnie Otte**

**3. CONSENT AGENDA CONSIDERATION ITEMS**

A. Claims & Payables Reports

B. Infrastructure Cost Items Reimbursable Back to the City

**4. CONFIRMATION OF MAYOR'S APPOINTMENTS - Mayor Eickmeier**

A. Seward Foundation -1 yr term; Reappointment of Councilmember Dean Fritz and

- Councilmember Barbara Pike
- B. Park & Recreation Board- 3 yr term; Reappointment of Dennis Erks, Ken Schmieding, Justin Hartman
  - C. Seward Aging Services Commission - 2 yr term; Appointment of Millie Guthrie (replace Nita Goings) and Dell Peters (replace Wilma Luth) and Reappointment of Clifford Lowell and Councilmember Chris Schmit
  - D. Community Redevelopment Authority For Tax Increment Financing - 5 yr term; Reappointment of Mike Hecker
  - E. Accept resignation of Gary Fett from the LB840 Sales Tax Application Review Board
5. **CONSIDERATION OF CLAIM OF GARY ROLF, 404 LINCOLN STREET FOR PERSONAL PROPERTY DAMAGE - Tim Richtig**
  6. **CONSIDERATION OF A RESOLUTION CALLING WATER SYSTEM REVENUE REFUNDING BONDS, SERIES 2010, FOR REDEMPTION - D.A. Davidson, Paul Grieger**
  7. **CONSIDERATION OF AN ORDINANCE AUTHORIZING THE ISSUANCE OF WATER SYSTEM REVENUE REFUNDING BONDS - PRINCIPAL AMOUNT OF \$1,620,000 FOR THE PURPOSE OF REFUNDING \$1,495,000 OF OUTSTANDING WATER SYSTEM REVENUE REFUNDING BONDS - D.A. Davidson, Paul Grieger**
  8. **CONSIDERATION OF AN AGREEMENT WITH HUGHES BROTHERS, INC TO CONSTRUCT A 3-PHASE ELECTRICAL SERVICE - Larry Ruether**
  9. **CONSIDERATION OF REAL ESTATE OPTION AND ACCESS AGREEMENT WITH PHYLLIS MAE AEGERTER - City Atty Hoffschneider**
  10. **CONSIDERATION OF SUBMITTING A COMMENT LETTER TO NDED REGARDING 2015-2019 PROPOSED CONSOLIDATED PLAN AND 2015 ACTION PLAN- CDBG ED PROGRAM INCOME - Bonnie Otte**
  11. **CONSIDERATION OF SPECIAL DESIGNATED LIQUOR PERMIT FOR KIMMEL ORCHARD & VINEYARD EDUCATIONAL FOUNDATION, INC - Ernest Weyeneth**
  12. **CONSIDERATION OF SPECIAL DESIGNATED LIQUOR PERMIT FOR JAMES ARTHUR VINEYARDS, RAYMOND, NE- James M. Ballard**
  13. **CAPITAL PROJECTS UPDATE - John Hughes**
  14. **FUTURE REQUESTS FOR COUNCIL AGENDA ITEMS OR ADMINISTRATIVE ACTION - Mayor Eickmeier**
  15. **ANNOUNCEMENT OF UPCOMING EVENTS - Mayor Eickmeier**
    - A. City of Seward Farm Lease Auction - Municipal Bldg - February 6, 2015 @ 10:00 a.m.
    - B. Annual Employee Awards and Recognition Dinner - VFW - February 6, 2015 @ 6:00 p.m.
    - C. League of Nebraska Municipalities Mid-Winter Conference – February 23 & 24, 2015
  16. **MOTION TO ADJOURN**

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I, Bonnie Otte, the duly appointed, qualified and acting Assistant Administrator/Clerk-Treasurer/Budget & Human Resource Director of the City of Seward, Nebraska, hereby certify:

That the foregoing Notice of Meeting and Agenda for such meeting has been posted in the following places: Seward City Hall, Seward County Courthouse, Seward Memorial Library and CityofSewardNE.com

IN WITNESS WHEREOF, I have hereunto set my hand officially and affixed the seal of the City this 30th day of January.

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Bonnie Otte  
Assistant Administrator/Clerk-Treasurer/Budget & Human Resource Director

**City of Seward, NE**  
**Tuesday, February 3, 2015**  
**Regular Session**

**Item G1**

**INTRODUCTIONS, SPECIAL PRESENTATIONS &  
PROCLAMATIONS - Mayor Eickmeier**

*New Hire - Brandon Wood as Permits Technician*

**Staff Contact:**

**City of Seward, NE**  
**Tuesday, February 3, 2015**  
**Regular Session**

**Item G2**

**CONSIDERATION OF APPROVAL OF DRAFT MINUTES OF  
JANUARY 20, 2015 - Bonnie Otte**

**Staff Contact:**

The Seward City Council met at 7:00 p.m. on Tuesday, January 20, 2015, with Mayor Joshua Eickmeier presiding and Assistant Administrator/Clerk-Treasurer/Budget & Human Resources Director Bonnie Otte recording the proceedings. Upon roll call, the following Councilmembers were present: Charles Lieske, Ellen Beck, Sid Kamprath, Dean Fritz, Barbara Pike, John Singleton, Chris Schmit, Richard Hans. Other officials present: City Attorney Kelly Hoffschneider. Absent: Interim City Administrator Jack Vavra.

Notice of the meeting was given in advance thereof by the method of communicating advance notice of the regular and special meetings of the City Council of the City of Seward, Nebraska, as stated in Resolution Number 14-99, which was adopted on the 17th day of August, 1999; said method stating that the notice of such meeting, with the agenda thereon, be posted in the following places: City Hall, County Courthouse and Seward Public Library. The certificate of posting notice is attached to these minutes. Notice of this meeting was simultaneously given to the Mayor and all members of the City Council and a copy of their acknowledgment of receipt of notice and the agenda are attached to these minutes. Availability of the agenda was communicated in the advance notice and in the notice to the Mayor and Council of this meeting. All proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public.

#### THE PLEDGE OF ALLEGIANCE

Mayor Eickmeier announced that a copy of the Agenda for this meeting is posted in the front window of the Municipal Building and copies are available on the north wall where a copy of the Open Meetings Act is also posted for public inspection. He also noted that any citizen wishing to address the Council should come to the podium, state their name and address and limit their comments to five minutes. All remarks should be directed to the Mayor/Chairperson, who will then determine who will make any appropriate response. The City of Seward reserves the right to adjust the order of items on this agenda if necessary and may elect to take action on any of the items listed.

#### 1. APPROVAL OF MINUTES OF JANUARY 6, 2015 COUNCIL MEETING

Councilmember Pike moved, seconded by Councilmember Singleton, that the minutes of the January 6, 2015 City Council meeting be approved.

Aye: Schmit, Hans, Lieske, Beck, Kamprath, Pike, Singleton, Fritz

Nay: None

Absent: None. Motion carried.

#### 2. CONSENT AGENDA CONSIDERATION ITEMS

Councilmember Singleton moved, seconded by Councilmember Pike, that the following Consent Agenda items be approved in one single motion:

- A. Claims & Payables Reports
- B. City Clerk-Treasurer Report
- C. City Codes Director Report
- D. Police Department Report
- E. Seward County Economic Development Corporation Director's Report
- F. Add Joseph Yant, Jessie Yant, and Mitchell Anderson to list of Volunteer Firefighters
- G. Approve Refuse Hauler's Licenses
- H. Infrastructure Cost Items Reimbursable Back to the City.

CLAIMS LIST  
1-20-15  
COUNCIL MEETING

Abbreviations: Bu, Building Upkeep; Eq, Equipment; Ex, Expense; Ma, Maintenance; Mi, Mileage; Misc, Miscellaneous; Re, Repairs; Sa, Salaries, Se, Services; Su, Supplies; Ut, Utilities, CI, Capital Improvements.

Payroll	115,366.47
Alliance Technologies, Se	1,284.73
Black Hills Energy, Ut	1,738.29
Advanced Floor Care, Ma	250.00
Melvin Aldrich, Ex	90.00
Amazon.Com Credit, Su	660.86
Alamar Uniforms, Misc	662.15
Nickalas Bloebaum, Ex	90.00
Car & Driver Magazine, Su	12.00
Kent Brunckhorst, Ex	90.00
Baker & Taylor, Su	2,930.27
Charlotte Baldinger, Mi	27.61
Chemsearch, Su	198.37
Alan Cihal, Ex	90.00
Capital Business Systems, Ma	79.00
Center Point Large Print, Su	116.00
Library Petty Cash, Su	93.70
Continental Fire/Alarm/Detect, CI	7,172.50
Demco, Inc., Su	228.19
D&D Communications, Eq	2,466.00
Commonwealth Electric, Re, Bu, Ma	1,927.70
Danko Emergency Equipment, Re, Eq	4,716.40
Don's Pioneer Uniform, Eq	96.94
Clayton Dredge, Ex	90.00
Bryan Duer, Ex	90.00
Merchant Services, Ex	958.34
Emergency Medical Products, Su	239.60
Steven Ferguson, Ex	90.00
Fastenal Co, Su, Re	404.07
Gabriel Burger & Else, Se	2,200.00
One Call Concepts, Se	42.25
Graham Tire, Re, Ma	1,364.00
Ryan Hurst, Ex	90.00
Hemphill Electric, Bu	125.00
John Hughes, Ex	90.00
H&S Plumbing, Ma	1,220.00
Dan Hansen, Ex, Ma	276.80
Hobson Automotive & Tire, Re	141.34
Hach Company, Se	3,548.32
Horticulture Magazine, Su	44.95
Jared Hochstein, Ex	90.00
Harding & Shultz, Se	2,495.90
Hartmann Custom Service, Se	15,606.30
Husker Electric Supply, Se	719.04
Jaco Analytical Lab, Su	1,449.00
Intoximeters, Su	37.50
International Paper, Se	125.00
Meyer Automotive, Re	10.00
Randy Johner, Ex	90.00
Jackson Services, Ma	123.12
Lincoln Winwater Works, Ma	531.27
Kriz-Davis, Se	5,051.47
Latschs, Su	39.78
Midwest Auto Parts, Su, Re	531.75
Nebraska Rural Water Assoc, Conf	375.00

Windstream, Se	2,365.92
Last Mile Network, Se	90.00
Mikes Fresh Market, Su	12.42
Matheson Tri-Gas, Su	146.37
League NE Municipalities, Conf	75.00
Mead Lumber & Rental, Re	154.96
Capital Business Systems, Se	225.00
Midwest Laboratories, Se	1,178.41
Midwest Automotive, Re	4,580.67
Robert Miers, Ex	90.00
Menards, Su, Bu, Eq	50.94
Midwest Service & Sales, Su	757.09
Merles Garden Center, Ma	1,269.41
Verizon Wireless, Se	50.75
Nebraska Public Power, Ut	468,138.15
NIFCO Mechanical Systems, Bu	160.50
Amsan, Su	424.30
Orscheln Farm & Home, Bu, Su, Re	263.48
Omaha World Herald, Ex	280.91
O'Reilly Auto Parts, Su, Re, Bu	683.94
Northern Safety Co, Su	533.79
John O'Kief, Ex	\$90.00
Donna Otte, Mi	39.20
Nebraska Dept of Revenue, Tax	230.73
Cody Pollak, Ex	90.00
Fast Mart, Su	44.68
Brent Pedersen, Ex	90.00
OCLC, Se	174.61
Rega Engineering Group, Se	1,220.00
Douglas Pollak, Ex	90.00
Pac N Save, Su	104.23
Riotec Industrial Products, Su	171.00
Brandon Policky, Ex	90.00
Quill Corp, Su	132.47
Memorial Health, Su	2,185.26
Redfield & Company, Su	144.84
Visa	769.26
Walmart, Su	279.44
First Book, Su	77.40
Accucut, Su	102.50
Amazon.com, Su	37.28
Shopko, Eq	171.19
LibraryEduc, Su	101.45
Tim Richtig, Ex	90.00
Sam's Club, Su	100.69
Rural Apprehension Program, Drug Program	5,282.25
Sam's Club, Dues	144.45
Patricia Sanley, Ex	90.00
Olsson Associates, Se	9,413.16
Troy Schaefer, Ex	90.00
Larry Ruether, Ex	90.00
Seward Lumber & Home Center, Su, Bu	1,505.49
Farmers coop, Re, Su, Bu	2,529.64
Plains Equipment Group, Re	95.75
Seward School District, License Fees	610.00
Seward Electronics, Re, Eq	740.84
Memorial Health-Drug, Se	30.00
Seward County Independent, Ex	1,812.01
Seward County Public Power, Ut	1,395.58
Seward County Treasurer, E911 Se	14,959.33



ST P J Supply, Su	363.44
Salt Creek Software, Eq	2,140.00
Nebraska Equipment, Su	45.18
Michelle St Louis, Ex	90.00
Schlueter Repair & Specialties, Re	119.63
Precision Tool & Machine, Su	309.78
US Postal Service, Su	\$181.00
Michael Smith, Ex	90.00
Tiger Direct, Eq	3,212.69
Mark Wattier, Ex	90.00
Fred Foltz, Se	220.00
Wayne Price, Se	300.00
Art On Display, Eq	75.00
Plunkett's Pest Control, Bu	55.12
Jack Vavra, Se	7,334.08
St Vincent DePaul Church, Incentive	840.00
Jack /Lynette Broderick, Ex	25.00
Orville Pearson, Se	40.00
Edward Gonzalez, Ex	90.00
Henry Pankoke, Ma	495.00
Robert Core, Ex	90.00
Total	<u>721,060.38</u>

Aye: Schmit, Hans, Lieske, Beck, Kamprath, Fritz, Pike, Singleton

Nay: None

Absent: None. Motion carried

### 3. 7:00 P.M. - PUBLIC HEARING - PRESENTATION AND DISCUSSION OF FUNCTIONING AND PROGRESS OF THE SEWARD ECONOMIC DEVELOPMENT PLAN

Greg Jerger addressed the Council stating the Citizens Advisory Review Committee conducted their semi-annual review on December 18, 2014 of the actions taken by the LB 840 Application Review Committee. He stated the Committee felt that the approved projects met the broad guidelines established by the Economic Development Plan and that the transactions listed in the financial reports appeared to be appropriate. Mr. Jerger commented that the Committee was encouraged by the LB840's ongoing guideline development with an emphasis on funding loans vs grants.

Mayor Eickmeier opened the public hearing. Hearing no comment, Mayor Eickmeier closed the public hearing.

Councilmember Fritz moved, seconded by Councilmember Pike, that the Semi-Annual Report from the Citizens Advisory Review Committee on the functioning and progress of the Seward Economic Development Plan be approved.

Aye: Schmit, Hans, Beck, Lieske, Fritz, Kamprath, Pike, Singleton

Nay: None.

Absent: None. Motion carried.

### 4. CONSIDERATION OF A FIRST AMENDMENT TO REDEVELOPMENT AGREEMENT - TIF - TRUE VALUE HARDWARE PROJECT

TIF Attorney Andrew Willis stated the Community Redevelopment Authority (CRA) met on January 13, 2015 to review the Developer's request to amend the Redevelopment Agreement, which provides for an effective date of January 1, 2016. He stated Richard Gokie, as the Developer, experienced delays in the construction of the Project and will not be completed by the original effective date. He stated since there has been no TIF indebtedness or expenses incurred, there will be no negative effect of the delay. Mr. Willis stated the project value has decreased due to a change of building plan (deleted basement) and due to a drop in the levy rate.

The new TIF amount is \$84,000 (was \$124,000). He stated the CRA approved the amendment.

Councilmember Lieske introduced the following resolution:

**CITY OF SEWARD, NEBRASKA**

**RESOLUTION #2015-02**

(Approval of Amendment to Redevelopment Agreement -  
Hardware Store Project)

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA, AUTHORIZING  
AND APPROVING THE FIRST AMENDMENT TO REDEVELOPMENT AGREEMENT.**

RECITALS

A. The Community Redevelopment Authority of the City of Seward, Nebraska ("CRA") and Rattlesnake Boys, LLC, entered into that certain Redevelopment Agreement (Hardware Store Project) approved by the City Council on or about April 15, 2014 (the "Redevelopment Agreement").

B. Redeveloper desires to amend the Project Completion Date, the TIF Effective Date, and the amount of TIF Indebtedness for the Project, effectively delaying Redeveloper's obligations under the Redevelopment Agreement by one year.

C. Attached hereto as Exhibit "1" is a copy of the First Amendment to Redevelopment Agreement ("First Amendment").

D. On January 13, 2015, the CRA approved the First Amendment.

NOW THEREFORE, BE IT RESOLVED, the City Council of the City of Seward, Nebraska hereby approves the form of the First Amendment and authorizes the CRA to execute and enter into the First Amendment.

The City Council hereby rescinds any other resolutions or actions that are contradictory or incompatible with this Resolution.

Councilmember Schmit moved, seconded by Councilmember Kamprath, that the resolution be adopted. Upon vote, the following Council members voted Aye: Lieske, Beck, Kamprath, Fritz, Pike, Singleton, Schmit, Hans. Nay: None. Absent: None.

Mayor Eickmeier declared the resolution adopted.

Dated this 20<sup>th</sup> day of January, 2015.

CITY OF SEWARD, NEBRASKA

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

**Exhibit "1"**

**First Amendment to Redevelopment Agreement**

(Starts on the next page)

**FIRST AMENDMENT TO REDEVELOPMENT AGREEMENT  
(Hardware Store Project)**

"Exhibit 1"

This First Amendment to Redevelopment Agreement ("First Amendment") is entered into by and between the Community Redevelopment Authority of the City of Seward, Nebraska ("CRA") and Rattlesnake Boys, LLC, a Nebraska limited liability company ("Redeveloper").

**RECITALS**

A. The CRA and Redeveloper entered into that certain Redevelopment Agreement dated April 3, 2014 and approved by the Seward City Council on April 15, 2014 ("Redevelopment Agreement") to implement the Hardware Store tax increment financing project (the "Project").

B. Redeveloper has experienced delays in the construction of the Project and the Project will not be completed by the Effective Date.

C. As of the date of the First Amendment, no TIF Indebtedness funds have been issued for the Project and Redeveloper has not incurred any expenses for the TIF uses of the Project.

D. Because no TIF Indebtedness has been issued and no expenses for TIF uses have been incurred, the CRA is willing to amend the Redevelopment Agreement to assist the Redeveloper in completing the Project.

NOW THEREFORE, in consideration of mutual promises contained herein and in the Redevelopment Agreement, the parties agree to amend the Redevelopment Agreement as follows:

1. Minimum Project Valuation. Section 1.01.F. shall be revised and amended and follows:

"Minimum Project Valuation" means the amount of Seven Hundred Thousand and No/100 Dollars (\$700,000.00)."

2. Effective Date. The "Effective Date", as defined in Section 3.01 of the Redevelopment Agreement, is hereby revised and amended such that the Effective Date shall be January 1, 2016.

3. Division of Taxes. The last sentence of Section 3.02 of the Redevelopment Agreement is hereby revised and amended as follows:

"For this Project, the anticipated Tax Increment is the difference between the projected taxes payable for 2016 (after construction completion) and the taxes payable for 2015 (before completion of construction), as more particularly set forth on Exhibit "B"."

4. Issuance of TIF Indebtedness. The first sentence of Section 3.03(a) of the Redevelopment Agreement is hereby deleted and restated as follows:

"On or after thirty (30) days following the approval and execution of this Agreement, the CRA shall incur or issue Redeveloper TIF Indebtedness in the estimated amount of Eighty

**Exhibit "B"**

Four Thousand and No/100 Dollars (\$84,000.00), as calculated on the attached and incorporated Exhibit "B", to be issued to the Redeveloper or a lender of the Redeveloper."

5. Project Completion Date. The "Project Completion Date" as defined in Section 4.01(a) of the Redevelopment Agreement is hereby revised and amended such that the Project Completion Date shall be December 31, 2015.
6. Exhibit "A". The amount of the CRA Administrative Fee set forth on Exhibit "A" of the Redevelopment Agreement is hereby revised and amended such that the CRA Administrative Fee shall be the amount of Two Thousand Five Hundred Twenty and No/100 Dollars (\$2,520.00).
7. Exhibit "B". Exhibit "B" of the Redevelopment Agreement is hereby deleted in its entirety and replaced with the attached and incorporated Exhibit "B".
8. Exhibit "C". Exhibit "C" of the Redevelopment Agreement is hereby deleted in its entirety and replaced with the attached and incorporated Exhibit "C".
9. Memorandum of Redevelopment Agreement. The parties shall file a First Amendment of the Memorandum of Redevelopment Agreement to identify that the revised project effective date is January 1, 2016.
10. Reconfirm other Terms. The City and Redeveloper hereby reconfirm all other terms and conditions of the Redevelopment Agreement, except as expressly modified by the terms of this First Amendment.

This First Amendment to Redevelopment Agreement is effective as of the 20<sup>th</sup> day of January, 2015.

"CRA"

COMMUNITY REDEVELOPMENT AUTHORITY OF  
THE CITY OF SEWARD, NEBRASKA

ATTEST:

By: \_\_\_\_\_  
Secretary

By: \_\_\_\_\_  
E. Thomas Spunaugle, Chairman

"REDEVELOPER"

RATTLESNAKE BOYS, LLC, a Nebraska  
limited liability company

By: \_\_\_\_\_  
Richard Gokie, Manager

#### **EXHIBIT "B"**

##### **REDEVELOPER TIF INDEBTEDNESS**

1. **Principal Amount**. The principal amount of the Redeveloper TIF Indebtedness shall be the amount, together with interest accruing thereon, which can

Exhibit "B"

be amortized by December 31, 2031, solely from the Tax Increment Revenues based upon the current aggregate ad valorem tax rate applicable to the Project Site multiplied by an assumed valuation of \$700,000.00, subject to required debt service coverage, required reserve, and cost of issuance.

2. **Anticipated Tax Increment:** \$8,028 annually.
3. **Payments.** Semi-annually with interest only until real estate taxes are fully collected for the tax year 2016 in an amount sufficient to fully amortize the TIF Indebtedness on or before December 31, 2031.
4. **Maturity Date.** On or before December 31, 2031.

#### **EXHIBIT "C"**

#### **PROJECTED TIF SOURCES AND USES**

##### **1. PROJECTED TIF SOURCES**

<b>Assumptions:</b>	Seward Co. Tax Levy (2014)	1.735917	
	Interest Rate	5.00%	
	TIF period (years)	15	
<b>Property Value Assumptions:</b>		Assessed Value	Estimated Taxes
	Pre-Project	\$237,520	\$4,123
	Completed Project	\$700,000	\$12,151
	Difference	\$462,480	\$8,028
	Annual TIF Amount	\$8,028	
<b>TIF Calculations:</b>	Annual TIF Amount	\$8,028	
	<b>TIF Loan Amount</b>	<b>\$84,000</b>	
	less 3% Admin Fee	(\$2,520)	
	Total TIF Available	\$81,480	

##### **2. PROJECTED TIF USES**

	<b>Project Costs</b>
A. Cost of Issuance	TDB
B. Land Acquisition	\$250,000
C. Site Prep, Demolition	\$15,000

Exhibit "B"

January 20, 2015

5. UPDATE ON B & M SEED TAX INCREMENT FINANCING PROJECT

TIF Attorney Andrew Willis stated B & M Seed (Ben Benson) is selling a portion of this property to Jimmy Spahr; however, Mr. Benson will hold the original TIF guarantee that any shortfall of taxes to pay the note will be covered. Mr. Willis stated the purchase price of the transaction is greater than the original TIF loan, which should increase the project value and cover the tax levy drop. He stated the Community Redevelopment Authority approved the Assignment and Assumption of the Redevelopment Agreement and a Deed of Partial Reconveyance will be filed on the property. He stated the Assignment and Assumption of the Redevelopment Agreement has a provision that the purchaser will not protest a real estate property valuation to an amount less than \$400,000. No action was required or taken.

6. UPDATE ON ELECTRIC TRANSPORTATION PARTNERS OF NEBRASKA GRANT- ELECTRIC VEHICLES

Public Facilities/Capital Improvements/GIS Director John Hughes stated the City received a grant for two electric charging stations and two electric vehicles. The charging stations are on site and ready to install. The cars have not been purchased or delivered. He stated there was \$14,000 in the 2013/2014 budget for the purchase of the electric vehicles which did not get carried over to the current budget. The grant covers one-half the cost of two vehicles and stations. The City needs approximately \$23,000 to cover the non-grant cost for two vehicles and \$7,500 for the stations. The City will get reimbursed \$7,500 for the charging stations as soon as they are installed. Mr. Hughes stated there are Capital Project funds in the current budget that could be reallocated to purchase the electric vehicles in the current year. He proposed reallocating funding for the Security System at City Hall - \$17,500; Color Copier Scanner - \$5,700; SGR Employee Training - \$2,500 for a total of \$25,700.

There was a brief discussion regarding the reallocation of funding and whether the Council still felt this as a priority to lease the vehicles and also which departments would benefit most by their use. One suggestion was the Community Service Officer.

Councilmember Hans moved, seconded by Councilmember Singleton, that the City proceed with the lease of the two electric vehicles, partially reimbursed through grant funding, with reallocation of funding, as proposed, unless other projects are less than budgeted and the reallocation is not required.

Aye: Kamprath, Singleton, Pike, Schmit, Hans, Beck, Fritz, Lieske

Nay: None

Absent: None. Motion carried.

7. CITY ADMINISTRATOR'S REPORT

Public Facilities/Capital Improvement & GIS Director John Hughes presented an update on capital projects.

Councilmember Fritz moved, seconded by Councilmember Kamprath, that the City Administrator's/City Project Report dated January 20, 2015 be accepted.

Aye: Kamprath, Singleton, Pike, Schmit, Hans, Beck, Fritz, Lieske

Nay: None

Absent: None. Motion carried.

January 20, 2015

8. FUTURE REQUESTS FOR COUNCIL AGENDA ITEMS OR ADMINISTRATIVE ACTION

Councilmember Singleton stated he would be submitting an agenda item request for bids on a new rescue squad for the Fire Department.

Councilmember Kamprath stated he would be submitting an agenda item request for discussion of the recent discrimination charges filed against the City, which may require a closed session.

9. ANNOUNCEMENT OF UPCOMING EVENTS

League of Nebraska Municipalities Mid-Winter Conference -  
February 23 & 24, 2015

10. MOTION TO ADJOURN

Councilmember Singleton moved, seconded by Councilmember Kamprath, that the January 20, 2015 City Council Meeting be adjourned.

Aye: Kamprath, Singleton, Pike, Schmit, Hans, Beck, Fritz, Lieske

Nay: None

Absent: None. Motion carried.

THE CITY OF SEWARD, NEBRASKA

\_\_\_\_\_  
Joshua Eickmeier, Mayor

\_\_\_\_\_  
Bonnie Otte  
Assistant Administrator  
Clerk-Treasurer  
Budget & Human Resources Director

**City of Seward, NE**  
**Tuesday, February 3, 2015**  
**Regular Session**

**Item G3**

**CONSENT AGENDA CONSIDERATION ITEMS**

*Claims & Payables Reports*

*Infrastructure Cost Items Reimbursable Back to the City*

**Administrative Report:** After review of listed Consent Agenda items and supporting documents/reports, one motion to approve the consent agenda would be in order. Council may choose to pull any item from the Consent Agenda and consider/act on it separately.

**Staff Contact:**



CLAIMS LIST  
2-3-15  
COUNCIL MEETING

Abbreviations: Bu, Building Upkeep; Eq, Equipment; Ex, Expense; Ma, Maintenance; Mi, Mileage; Misc, Miscellaneous; Re, Repairs; Sa, Salaries, Se, Services; Su, Supplies; Ut, Utilities, CI, Capital Improvements.

Payroll	166,199.54
Alliance Technologies, Se	9,769.06
Alamar Uniforms, Uniforms	104.29
Blue River Jewelry, Se	11.50
Time Warner Cable, Se	79.38
Chase Card Services	1,863.31
Walmart, Su, Re	454.35
Amazon.com, Su, Eq	503.78
DHW Buckstaff, Eq	52.36
McVicker Auto Trim, Re	232.88
Lowe's, Bu	198.00
Radiatorexpress.com, Bu	277.61
PayPal, Su	15.99
DNH*GoDaddy.com, Misc	30.34
GCI*MSCN-Frnd-WB, Emp Service Awd	80.00
NE State Patrol, Se	18.00
Seward Area Chamber of Commerce, Emp Awards, Misc	900.00
Petty Cash, Su	247.91
Constellation NewEnergy Gas, Ut	2,183.40
Library Petty Cash, Su	147.92
Cornhusker Press, Su	107.13
Continental Fire/Alarm/Detect, Bu	1,443.88
Commonwealth Electric Co, Bu	936.67
Ditch Witch of Omaha, Eq	45,187.94
Electric Fund, Ut	45,368.01
Seward Buildings/Grounds, Operations	2,000.00
Fastenal Company, Su, Re	361.33
Gabriel Burger & Else, Se	1,750.00
GP Tech Solutions, Su	108.91
H & S Plumbing Heating & AC, Re	22.80
Hobson Automotive & Tire, Re	805.25
Intoximeters, Su	37.50
Jones National Bank & Trust, Ex	68.00
Jackson Services, Inc, Ma	123.12
Kriz-Davis, Su	23,438.35
Inland Truck Parts & Service, Re	2,371.95
Capital Business Systems, Se	302.36
Mattson Ricketts Law Firm, Se	4,950.00
Metering & Technology Solution, Re	644.50
Midwest Turf & Irrigation, Su	292.44
Midwest Service & Sales, Su	1,084.36
Mid-American Benefits Inc, Ins	1,822.13
Verizon Wireless, Se	36.65
Nebraska Treasurer, Ex	97.97
Nebraska Machinery Company, Re	266.00
Orscheln Farm & Home, Su, Bu	353.59
O'Reilly Auto Parts, Su, Re	124.41
Northern Safety Co, Su	530.25
Fast Mart, Su	38.55

Pitney Bowes, Ex	105.00
Quill Corp, Su	544.01
Sam's Club, Bu, Su	376.35
Sam's Club, Su, Bu	555.35
Patricia Sanley, Misc	15.00
Olsson Associates, Se	654.54
Nebraska Public Health Env Lab, Se	469.00
Plains Equipment Group, Re	80.12
Hireright Solutions, Se	68.30
Gerhold Concrete, Re	244.86
St. PJ Supply, Su	23.45
Sports Express, Su	258.75
Nebraska Equipment, Re	49.89
Trans-Alarm, Inc., Se	324.00
US Cellular, Se	53.32
Seward Veterans Foreign Wars, Emp Dinner	1,680.50
Wesco Distribution, Su	2,514.50
Randy Sanley, Su	33.34
Delta Star, Ci	349,376.45
Waterloo Tent & Tarp, Eq	1,816.54
Auto Kraft Upholstery, Re	495.00
Woodhouse Auto, Eq	1,000.00
Nebraska Code Officials Assc, Ex	100.00
Municipal Automation & Control, Se	755.00
Total	<hr/> 677,773.63

**City of Seward, NE**  
**Tuesday, February 3, 2015**  
**Regular Session**

**Item G4**

**CONFIRMATION OF MAYOR'S APPOINTMENTS - Mayor  
Eickmeier**

*Seward Foundation -1 yr term; Reappointment of Councilmember Dean Fritz and Councilmember Barbara Pike*

*Park & Recreation Board- 3 yr term; Reappointment of Dennis Erks, Ken Schmieding, Justin Hartman*

*Seward Aging Services Commission - 2 yr term; Appointment of Millie Guthrie (replace Nita Goings) and Dell Peters (replace Wilma Luth) and Reappointment of Clifford Lowell and Councilmember Chris Schmit*

*Community Redevelopment Authority For Tax Increment Financing - 5 yr term; Reappointment of Mike Hecker*

*Accept resignation of Gary Fett from the LB840 Sales Tax Application Review Board*

**Staff Contact:**

**City of Seward, NE**  
**Tuesday, February 3, 2015**  
**Regular Session**

**Item G5**

**CONSIDERATION OF CLAIM OF GARY ROLF, 404 LINCOLN STREET FOR PERSONAL PROPERTY DAMAGE - Tim Richtig**

**Administrative Report: Mr. Rolf submitted a claim for sewer backup into his basement area, which Mr. Rolf reported occurred on January 18, 2015. Mr. Rolf is claiming reimbursement of charges from Roto Rooter in the amount of \$551, Marlins Plumbing, Heating & AC in the amount of \$60.50 and for personal labor by Mr. Rolf in the amount of \$200.**

**Following discussion, a motion to a) approve the claim (as submitted or authorize staff to negotiate the settlement amount, b) or deny the claim and forward to the City's insurance carrier.**

**Staff Contact:**

## CITY OF SEWARD NEBRASKA

PO BOX 38

SEWARD NE 68434

402-643-2928

DAMAGE CLAIM FORM

DATE: 1/21/15 SUBMITTED BY: Gary Relf  
Name  
AMOUNT OF CLAIM: \$811.50 404 Lincoln Street  
Address  
Seward NE 68434  
City, State, Zip Code  
402 641 9765  
Telephone Number  
grelf@neb.rr.com  
Email Address

COPIES OF BILLS MUST BE ATTACHED VERIFYING AMOUNT OF CLAIM  
SUBMITTED

CLAIM IS HEREBY MADE AGAINST THE CITY OF SEWARD, NEBRASKA DUE TO THE FOLLOWING  
EVENT THAT OCCURRED ON 1/18/15 AT 2 P.M.  
DATE TIME

AT 404 Lincoln Street  
LOCATION

DESCRIBE WHAT HAPPENED: Sac ~~Att~~ Attached Document.

Roto Rooter - \$551.00

Maulin's Plumbing - 60.50

Gary Relf Labor - 10 hrs - \$20/hr = \$200

\$811.50

I wouldn't be charging labor (if the city's map had  
been accurate and they would have jetted the line  
on Sunday.

Attach More Pages as Necessary

1/21/15

On January 18<sup>th</sup> at about 2PM we noticed water filling up the indent area in our basement floor drain. There was about 10 gallons in it. I scooped it out into a 5 gallon bucket and got rid of it outside. In the next 30 minutes I hauled out five or six of those buckets, as the water continually came in. I had instructed everyone in the house not to run water, but it kept coming in. I also ran down our block asking neighbors to the North not to run any water. They all complied.

Phone calls to local plumbers went unanswered and no emergency contact information given on their machines. Which I'll deal with separately. I called the City and they came right over. The City crew explained that their maps show my sewer connecting to what they called a "Private" sewer line in our alley to the West and running north from Lincoln Street. A quick check of the manhole in Lincoln next to our alley showed there is no connection to that line into the street. So the line runs North down the City's alley. They explained that they understood this was probably a blockage in that line due to the fact that water continued to come into our house.

In the next 5 hours I bailed probably 25 of those buckets. Meanwhile I got a 50' clearing line from Orscheln's and that line hit no obstructions. We didn't think it would. Marlin's plumbing came over at 7PM and with his 100' line could not find any obstructions. We figured we were close to the main line. The water had stopped coming in and so I kept an eye on it all night long. Repeat, all night long. The bailing prevented any damage to belongings on the floor in our basement. Though I spent a good amount of time and effort running stuff upstairs. Including an entire new roll of carpet yet to be installed! ☺

I called Roto-rooter as they were the only ones who revealed that they have a camera to help find blockages. They came over on Monday and found three things. 1. My line connects to the City's line on the South side of Lincoln Street in the alley between 4<sup>th</sup> & 5<sup>th</sup> Streets. 2. My line ties in at the 119' distance from my clean out in my basement and joins right in the middle of that alley about 2ft. from the curb. 3. We also found that at about the 140ft mark (into the main line), the water started filling up. We ran water in our house for 15 minutes and soon found the water in the main pipe backing up into my pipe at the 119' mark. Roto-rooter advised that I call the City again right away. I was on borrowed time until that pipe began to fill up again. They came out and once we showed them the video and location of the probe, they jetted that section of main line between Roberts and Lincoln. I have had no further problems. Just two bills and two lost days working on this problem. I also did not get to watch any football playoff games or get any of the yard work done that I had planned.

Additionally, I want to have a discussion with City staff about Private sewer line ownership and let you know what the City should have done to help me out that first day.

Thanks for your time.

Gary Rolf  
404 Lincoln Street.





1-800-GET-ROTO (438-7686)

SAVE THIS INVOICE FOR YOUR GUARANTEE  
SEE BINDING TERMS ON REVERSE

Roto-Rooter • Wentz Plumbing  
PO Box 83817, Lincoln NE 68601-3817  
Roto-Rooter (402) 489-4801  
Wentz Plumbing (402) 484-8354 • Fax (402) 438-7686  
PNC254

DATE OF SERVICE 1 <sup>st</sup> 19 <sup>th</sup> 15	LOCATION LINCOLN/WENTZ	
SERVICE TECHNICIAN'S NAME GARY		
136552		
SEWER & DRAIN <input type="checkbox"/>	PLUMBING <input type="checkbox"/>	PUMPING <input type="checkbox"/>
INDUSTRIAL <input type="checkbox"/>	EXCAVATION <input type="checkbox"/>	DRAIN TILE <input type="checkbox"/>
CUSTOMER CLASS <input checked="" type="checkbox"/> RESIDENTIAL <input type="checkbox"/> COMMERCIAL		

CUSTOMER NAME Larry Rolf		CUSTOMER NO.
SERVICE ADDRESS 404 Lincoln St		APT. NUMBER
CITY Seward	STATE/PROVINCE NE	ZIP/POSTAL 68434
BILLING ADDRESS (IF DIFFERENT FROM SERVICE ADDRESS)		CITY
FEDERAL I.D. # 45-0400553		P.O. NUMBER/AUTHORIZATION
STATE/PROVINCE		ZIP/POSTAL

REPAIR CODE	ESTIMATE AND DESCRIPTION OF WORK TO BE PERFORMED (The approximate starting date is _____, and the approximate completion date is _____ Neither date is guaranteed. Unexpected conditions or problems could cause delays. A definite completion date is not of the essence.)	\$ AMOUNT
	Followed main line 140' to City Very Very Little	275 <sup>00</sup>
	Followed line 115' to City Very Little	110 <sup>00</sup>
	Followed line 115' to City Very Little	
	Followed line 115' to City Very Little	

WORK ORDER AUTHORIZATION I authorize the services indicated and agree to pay the amounts specified. I have read and agree to the terms on the reverse side, including the limits on Roto-Rooter's responsibility specified in those terms.

(SIGNATURE)	(PRINT NAME)
CHANGES TO ESTIMATE I authorize these changes	ADJUSTMENTS/CHANGES IN WORK TO BE PERFORMED (Use additional invoice if needed to describe changes)
	Turned to local sewer

COMMENTS
----------

COMPLETION I acknowledge completion of the above described work which has been done to my complete satisfaction.	LABOR \$ 460 <sup>00</sup>
(SIGNATURE)	PARTS \$ 30 <sup>00</sup>
(E-MAIL ADDRESS)	PRODUCTS \$
Send plumbing tips, product/services information and coupons via email.	OTHER \$ 50 <sup>00</sup>
	\$ 25 <sup>00</sup>
	\$
	TAX \$ 36 <sup>00</sup>
	INVOICE TOTAL \$ 551 <sup>00</sup>

PAYMENT	
<input type="checkbox"/> CASH	<input type="checkbox"/> CHECK NO. _____ * <input type="checkbox"/> CREDIT CARD <input type="checkbox"/> NET 10 DAYS
OVER 30 DAYS = LATE CHARGE OF 1 1/2% PER MONTH * In the event check is returned, the CUSTOMER is responsible for all related bank fees.	

NEXT VISIT
------------

RESIDENTIAL GUARANTEE		COMMERCIAL GUARANTEE	
LABOR		LABOR	
<input type="checkbox"/> Main/Branch Lines	6 months	<input type="checkbox"/> Main/Branch Lines	30 days
<input type="checkbox"/> Toilet Auger	7 days	<input type="checkbox"/> Toilet Auger	24 hours
<input type="checkbox"/> Plumbing Repair	6 months	<input type="checkbox"/> Plumbing Repair	90 days
<input type="checkbox"/> Plumbing Replacement	1 year	<input type="checkbox"/> Plumbing Replacement	90 days
<input type="checkbox"/> Extended Guarantee	1 year		
REASON FOR NO GUARANTEE			

(Service Technician's Signature)

Rely on the experts at Roto-Rooter for complete plumbing and drain services. Call 1-800-GET-ROTO (438-7686).

Visit us at [rotorooter.com](http://rotorooter.com) for coupons, helpful hints and more. Complete our customer survey at: [rotorooter.com/contact-us/customer-survey](http://rotorooter.com/contact-us/customer-survey).

And, follow us online for news, timely updates, and other plumbing and drain information.

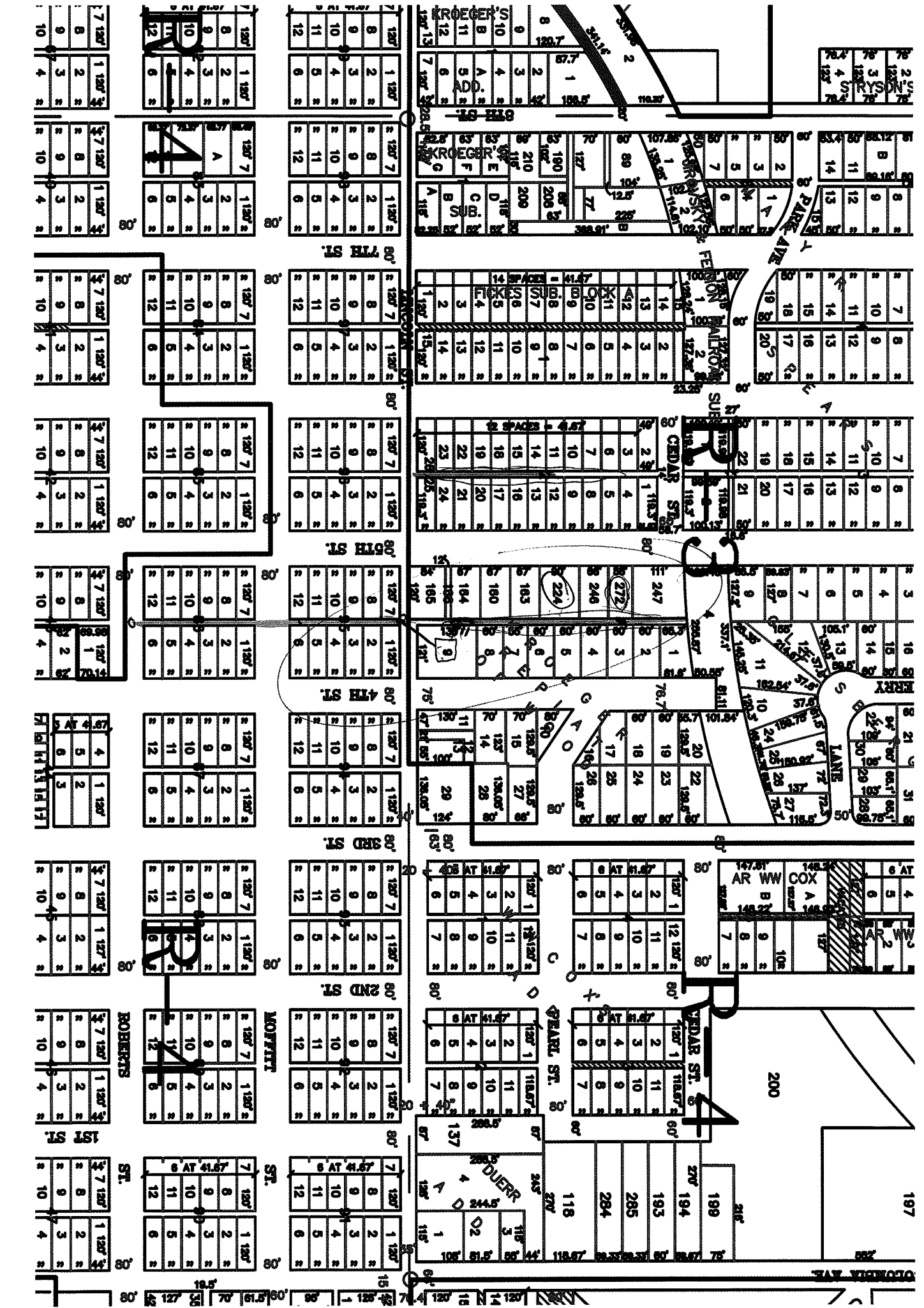
- facebook.com/rotorooter
- twitter.com/rotorooter
- blog.rotorooter.com/blog/rotorooter
- youtube.com/rotorootertv

**1.5% INTEREST/MONTH AFTER 30 DAYS PAST DUE.**

24936

THANK YOU





**City of Seward, NE**  
**Tuesday, February 3, 2015**  
**Regular Session**

**Item G6**

**CONSIDERATION OF A RESOLUTION CALLING WATER  
SYSTEM REVENUE REFUNDING BONDS, SERIES 2010, FOR  
REDEMPTION - D.A. Davidson, Paul Grieger**

**Staff Contact:**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION CALLING WATER SYSTEM REVENUE REFUNDING BONDS,  
SERIES 2010, FOR REDEMPTION**

BE IT RESOLVED by the Mayor and City Council of the City of Seward, Nebraska:

Section 1. That the following bonds of the City of Seward, Nebraska (the “City”), which are callable at any time on or after March 30, 2015, are hereby authorized to be irrevocably called for redemption on such date as set forth in the Designation of Call Date (as defined below):

**Water System Revenue Refunding Bonds, Series 2010**, date of original issue—March 30, 2010, in the principal amount of One Million Four Hundred Ninety-five Thousand Dollars (\$1,495,000), numbered as shown on the books of the Paying Agent becoming due and bearing interest as follows:

Principal <u>Amount</u>	Maturing June 1 <u>Of Year</u>	Interest <u>Rate</u>	<u>CUSIP No.</u>
\$165,000	2015	2.40%	818488 EH7
145,000	2016	2.80	818488 EJ3
155,000	2017	3.15	818488 EK0
160,000	2018	3.45	818488 EL8
160,000	2019	3.60	818488 EM6
170,000	2020	3.75	818488 EN4
175,000	2021	3.85	818488 EP9
180,000	2022	3.95	818488 EQ7
185,000	2023	4.05	818488 ER5

Said bonds were issued for the purpose of refunding the City’s outstanding Water System Revenue Refunding Bonds, Series 2003, date of original issue – February 15, 2003, in the principal amount of \$105,000, the City’s outstanding Water System Revenue Bonds, Series 2003B, date of original issue – June 6, 2003, in the principal amount of \$2,070,000 and the City’s outstanding Water System Revenue Bonds, Series 2004, date of original issue – May 21, 2004, in the principal amount of \$100,000, and to pay costs of issuance and underwriting associated with issuance of the Series 2010 Bonds.

Section 2. Said bonds are payable at the principal corporate trust office of The Jones National Bank & Trust Company of Seward, in Seward, Nebraska, as paying agent and registrar (the “Paying Agent”).

Section 3. The Mayor or City Clerk of the City (each, an “Authorized Officer”) are each individually hereby authorized at any time on or after the date of this resolution to determine the call date for said Bonds on behalf of the City and such determination, when made in writing (the “Direction for Call”), shall constitute the action of the City without further action of the Mayor and City Council of the City. The Call Date shall be set for such date as determined in the Direction for Call, and such determination shall be made by an Authorized Officer not later than August 1, 2015, after which the Authorized Officers shall have no authority to make any such determination hereunder without further action of the Mayor and City Council of the City and this resolution shall be of no further force and effect. Upon delivery of this resolution and the Direction for Call to the Paying Agent, said bonds shall be irrevocably called for redemption on the Call Date.

Section 4. A copy of this resolution and the Direction for Call shall be filed at least 30 days prior to the date of call with the Paying Agent and said Paying Agent is hereby irrevocably instructed to mail notice to each registered owner of said bonds not less than thirty days prior to the date fixed for redemption, all in accordance with the ordinance authorizing said called bonds.

PASSED AND APPROVED this 3<sup>rd</sup> day of February, 2015.

ATTEST:

\_\_\_\_\_  
Joshua Eickmeier, Mayor

\_\_\_\_\_  
Bonnie Otte  
Assistant Administrator / Clerk-Treasurer /  
Budget & Human Resource Director

[SEAL]

# **City of Seward, NE**

**Tuesday, February 3, 2015**

**Regular Session**

## **Item G7**

**CONSIDERATION OF AN ORDINANCE AUTHORIZING THE  
ISSUANCE OF WATER SYSTEM REVENUE REFUNDING  
BONDS - PRINCIPAL AMOUNT OF \$1,620,000 FOR THE  
PURPOSE OF REFUNDING \$1,495,000 OF OUTSTANDING  
WATER SYSTEM REVENUE REFUNDING BONDS - D.A.  
Davidson, Paul Grieger**

**Staff Contact:**

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF SEWARD, NEBRASKA, AUTHORIZING THE ISSUANCE OF WATER SYSTEM REVENUE REFUNDING BONDS OF THE CITY OF SEWARD, NEBRASKA, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED ONE MILLION SIX HUNDRED TWENTY THOUSAND DOLLARS (\$1,620,000) FOR THE PURPOSE OF REFUNDING \$1,495,000 OF OUTSTANDING WATER SYSTEM REVENUE REFUNDING BONDS, SERIES 2010; PROVIDING FOR NECESSARY RESERVE FUNDS AND PAYING COSTS OF ISSUANCE OF SAID BONDS; PRESCRIBING THE FORM, TERMS AND DETAILS OF SAID BONDS; PLEDGING AND HYPOTHECATING THE REVENUE AND EARNINGS OF THE WATERWORKS PLANT AND WATER SYSTEM OF SAID CITY FOR THE PAYMENT OF SAID BONDS AND INTEREST THEREON; PROVIDING FOR THE COLLECTION, SEGREGATION AND APPLICATION OF THE REVENUE OF SAID WATERWORKS PLANT AND WATER SYSTEM; ENTERING INTO A CONTRACT ON BEHALF OF THE CITY WITH THE HOLDERS OF SAID BONDS; REPEALING ANY CONFLICTING ORDINANCES AND PROVIDING FOR PUBLICATION OF THE ORDINANCE IN PAMPHLET FORM.**

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

Section 1. The Mayor and Council of the City of Seward, Nebraska (the “City”), hereby find and determine as follows:

- (a) that the City owns and operates a waterworks plant and water system (the “Water System”), which represents a revenue-producing undertaking of the City. Reference herein to the Water System shall include all additions and improvements thereto hereafter acquired by the City;
- (b) that the City has previously issued and there are now outstanding the following issues of revenue bonds for which the revenues of the Water System have been pledged:

Water System Revenue Refunding Bonds, Series 2010, date of original issue—March 30, 2010, issued pursuant to Ordinance No. 5-10 (the “2010 Ordinance”) of which there remain outstanding and unpaid Bonds in the principal amount of \$1,495,000 (the “2010 Bonds”);

Water System Revenue Refunding Bonds, Series 2011, date of original issue—June 7, 2011, issued pursuant to Ordinance No. 8-11 (the “2011 Ordinance”) of which there remain outstanding and unpaid bonds in the principal amount of \$1,255,000 (the “2011 Bonds”);

Water System Revenue Bonds, Series 2013, date of original issue—March 22, 2013, issued pursuant to Ordinance No. 1-13 (the “2013 Ordinance”) of which there remain outstanding and unpaid bonds in the principal amount of \$90,000 (the “2013 Bonds”); and

Water System Revenue Bonds, Series 2013B, date of original issue—December 13, 2013, issued pursuant to Ordinance No. 15-13 (the “2013B Ordinance”) of which there remain outstanding and unpaid bonds in the principal amount of \$1,520,000 (the “2013B Bonds”)

the 2011 Bonds, the 2013 Bonds and the 2013B Bonds are sometimes hereinafter referred to as the “Outstanding Bonds”; the 2011 Ordinance, the 2013 Ordinance and the 2013B Ordinance are sometimes hereinafter referred to collectively as the “Prior Ordinances”.

- (c) that the 2010 Bonds are subject to redemption at any time on or after March 30, 2015, all at par plus accrued interest to the date fixed for redemption and have been authorized to be irrevocably called for redemption in accordance with their call provisions on a date to be determined (the "Redemption Date") pursuant to a call resolution adopted contemporaneously herewith; that since the 2010 Bonds (the "Called Outstanding Bonds") were issued, the rates of interest available in the market have declined such that by taking up and paying off the Called Outstanding Bonds through the issuance of refunding bonds as provided herein, a savings in the amount of yearly running interest will be made to the City;
- (d) that under the terms of the Prior Ordinances, bonds of equal lien with the Outstanding Bonds may be issued provided that certain revenues have been experienced by the Water System for its most recent fiscal year; that the "Net Revenues" (as defined in the Prior Ordinances and based upon financial statements currently available) of the Water System for the fiscal year ended September 30, 2014, are not expected to have been less than \$750,000; and that the Authorized Officers (as defined herein) are hereby authorized to and shall certify prior to the issuance of the bonds authorized herein that said Net Revenues are not less than 1.25 times the average annual debt service requirements (as described in the Prior Ordinances) of the Outstanding Bonds and the bonds herein authorized; that said Outstanding Bonds and the Called Outstanding Bonds represent the only outstanding indebtedness of the City for which the revenues of the Water System have been pledged; that, upon the issuance of the bonds herein authorized, all payment requirements of said Called Outstanding Bonds will be paid and satisfied; that all conditions required under the terms of the Prior Ordinances for the issuance of the bonds herein authorized as "additional bonds" of equal lien and standing with the Outstanding Bonds do exist and have happened; and
- (e) that for the purpose of making said redemption of the Called Outstanding Bonds on the Redemption Date, it is in the best interest of the City to issue revenue refunding bonds of the City in the principal amount of not to exceed \$1,620,000;
- (f) that all conditions, acts and things required to exist or to be done precedent to the issuance of Water System Revenue Refunding Bonds of the City of Seward, Nebraska, in the principal amount of not to exceed One Million Six Hundred Twenty Thousand Dollars (\$1,620,000) pursuant to Sections 18-1803 to 18-1805, R.R.S. Neb. 2007, do exist and have been done as required by law.

Section 2. The Mayor and City Council further find and determine in order to provide for the refunding as described in Section 1 hereof, the City is authorized to issue Water System Revenue Refunding Bonds of the City of Seward, Nebraska, pursuant to the Prior Ordinances and Sections 18-1803 to 18-1805, R.R.S. Neb. 2007, as amended, in the aggregate principal amount of not to exceed \$1,620,000; that all conditions, acts and things required to exist or to be done precedent to the issuance of such Water System Revenue Refunding Bonds do exist and have been done as required by law and there shall be and there are hereby ordered issued Water System Revenue Refunding Bonds of the City of Seward, Nebraska, as aforesaid.

Section 3. To provide for the refunding of the Called Outstanding Bonds as described in Sections 1 and 2 hereof, including costs of issuance hereof, there shall be and there are hereby ordered issued Water System Revenue Refunding Bonds, Series 2015, of the City of Seward, Nebraska, in the principal amount of not to exceed One Million Six Hundred Twenty Thousand Dollars (\$1,620,000) (the "2015 Bonds"), with said bonds to become due on June 1 of each year as indicated below:

Principal	Maturing June 1
-----------	--------------------

<u>Amount</u>	<u>Of Year</u>
\$175,000	2015
175,000	2016
175,000	2017
180,000	2018
175,000	2019
180,000	2020
185,000	2021
185,000	2022
190,000	2023

*provided, that the Series 2015 Bonds shall bear interest at the rates per annum as shall be determined in a written designation (the "Designation") signed by the Mayor, Clerk or Treasurer of the City (each, an "Authorized Officer") on behalf of the City and which may be agreed to by D.A. Davidson & Co. (the "Underwriter"), which Designation may also determine or modify the principal amount for each maturity of the Series 2015 Bonds, mandatory redemption provisions (if any), and pricing terms as set forth in Section 9 below, all within the following limitations:*

- (a) the aggregate principal amount of the Series 2015 Bonds shall not exceed \$1,620,000, provided, however, in the event the Series 2015 Bonds are sold with a net original issue discount such aggregate principal amount may be increased in an amount necessary to compensate for any such net original issue discount;*
- (b) 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 Called Outstanding Bonds;*
- (c) the longest maturity of the Series 2015 Bonds may not be later than June 1, 2023;*
- (d) the true interest cost of the Series 2015 Bonds shall not exceed 3.00%;*
- (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 (or any one of them) are hereby authorized to make such determinations on behalf of the City 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 Mayor and Council of the City without further action of the Mayor and Council of the City.*

The 2015 Bonds shall be issued in fully registered form in the denomination of \$5,000 or any integral multiple thereof. The date of original issue for the 2015 Bonds shall be Date of Delivery. Interest on the 2015 Bonds, at the respective rates for each maturity, shall be payable semi-annually on June 1 and December 1 of each year, commencing June 1, 2015, or such other dates as may be determined in the Designation (each an "Interest Payment Date"), and the 2015 Bonds shall bear such interest from the date of original issue or the most recent Interest Payment Date, whichever is later. The interest due on each Interest Payment Date shall be payable to the registered owners of record as of the fifteenth day immediately preceding the Interest Payment Date (the "Record Date"), subject to the provision of Section



5 hereof. The 2015 Bonds shall be numbered from 1 upwards in the order of their issuance. No 2015 Bond shall be issued originally or upon transfer or partial redemption having more than one principal maturity. The initial bond numbering and principal amounts for each of the 2015 Bonds issued shall be as directed by the Underwriter. Payments of interest due on the 2015 Bonds prior to maturity or earlier redemption shall be made by the Paying Agent and Registrar, as designated pursuant to Section 4 hereof, by mailing a check or draft in the amount due for such interest on each Interest Payment Date, to such owner's registered address as shown on the books of registration as required to be maintained in Section 4 hereof. Payments of principal due at maturity or at any date fixed for redemption prior to maturity, together with any unpaid interest accrued thereon, shall be made by the Paying Agent and Registrar upon presentation and surrender of the 2015 Bonds to said Paying Agent and Registrar. The City and said Paying Agent and Registrar may treat the registered owner of any 2015 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 the 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 2015 Bond in accordance with the terms of this Ordinance 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 2015 Bonds or claims for interest to the extent of the sum or sums so paid.

Section 4. The Jones National Bank & Trust Company of Seward, Seward, Nebraska, is hereby designated to serve as Paying Agent and Registrar for the 2015 Bonds. Said Paying Agent and Registrar shall serve in such capacities under the terms of an agreement entitled "Paying Agent and Registrar's Agreement" between the City and said Paying Agent and Registrar in substantially the form presented in connection with the adoption of this Ordinance, which form is hereby approved. The Mayor and City Clerk are hereby authorized to execute said agreement on behalf of the City in the form presented or with such changes, modifications and completions as such officers shall deem appropriate on behalf of the City. The Paying Agent and Registrar shall keep and maintain for the City books for the registration and transfer of the 2015 Bonds at its principal corporate trust office. The names and registered addresses of registered owner or owners of the 2015 Bonds shall at all times be recorded in such books. Any 2015 Bond may be transferred pursuant to its provisions at the office of said 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 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 2015 Bond or 2015 Bonds of the same interest rate, aggregate principal amount and maturity. To the extent of the denominations authorized for the 2015 Bonds by this Ordinance, one such 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 2015 Bond, the surrendered 2015 Bond shall be canceled and destroyed. All 2015 Bonds issued upon transfer of the 2015 Bonds so surrendered shall be valid obligations of the City evidencing the same obligation as the 2015 Bonds surrendered and shall be entitled to all the benefits and protection of this Ordinance to the same extent as the 2015 Bonds upon transfer of which they were delivered. The City and said Paying Agent and Registrar shall not be required to transfer any 2015 Bond during any period from any Record Date until its immediately following Interest Payment Date or to transfer any 2015 Bond called for redemption for a period of 30 days next preceding the date fixed for redemption.

Section 5. In the event that payments of interest due on the 2015 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 2015

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 6. The 2015 Bonds maturing anytime on or after June 1, 2020 shall be subject to redemption at the option of the City, in whole or in part, prior to maturity at any time on or after five years after the date of delivery, at par plus accrued interest on the principal amount redeemed to the date fixed for redemption (or such other date as may be determined in the Designation). The City may select the 2015 Bonds to be redeemed for such optional redemption in its sole discretion. The 2015 Bonds shall be redeemed only in the amounts of \$5,000 or integral multiples thereof. 2015 Bonds redeemed in part only shall be surrendered to said Paying Agent and Registrar in exchange for a new 2015 Bond or 2015 Bonds evidencing the unredeemed principal thereof. Notice of Redemption of any 2015 Bond called for redemption shall be given, at the direction of the City 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 2015 Bond at said owner's registered address. Such notice shall designate the 2015 Bond or 2015 Bonds to be redeemed by maturity or otherwise, the date of original issue and the date fixed for redemption and shall state that such 2015 Bond or 2015 Bonds are to be presented for prepayment at the office of said Paying Agent and Registrar. In case of any 2015 Bond being partially redeemed, such notice shall specify the portion of the principal amount of such 2015 Bond to be redeemed. No defect in the mailing of notice for any 2015 Bond shall affect the sufficiency of the proceedings of the City designating the 2015 Bonds called for redemption or the effectiveness of such call for 2015 Bonds of which notice by mail has been properly given and the City shall have the right to further direct notice of redemption for any such bond for which defective notice has been given.

Section 7. If the date for payment of the principal or interest on the 2015 Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the principal corporate trust 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 8. The 2015 Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA

STATE OF NEBRASKA  
COUNTY OF SEWARD

WATER SYSTEM REVENUE REFUNDING BOND, SERIES 2015  
OF THE CITY OF SEWARD, NEBRASKA

No. R-\_\_\_\_

Interest  
Rate  
%

Maturity  
Date  
June 1,

Date of  
Original Issue  
March 30, 2015

CUSIP No.

Registered Owner: Cede & Co.  
13-2555119

**Principal Amount:**

KNOW ALL PERSONS BY THESE PRESENTS: That the City of Seward, in the County of Seward, in the State of Nebraska, hereby acknowledges itself to owe and for value received promises to pay, but only from the special sources herein described, to the registered owner specified above, or registered assigns, the principal amount specified above in lawful money of the United States of America on the date of maturity specified above with interest thereon to maturity (or earlier redemption) from the date of original issuer most recent Interest Payment Date, whichever is later, at the rate per annum specified above, payable semi-annually on June 1 and December 1 of each year (each an "Interest Payment Date"), commencing June 1, 2015. Said interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months. The principal of this bond, together with any unpaid interest accrued thereon, is payable upon presentation and surrender of the bond at the office of The Jones National Bank & Trust Company of Seward, the Paying Agent and Registrar, in Seward, Nebraska. Interest on this bond due prior to maturity or earlier redemption will be paid on each Interest Payment Date by a check or draft mailed by the Paying Agent and Registrar to the registered owner of this bond, as shown on the books of record maintained by the Paying Agent and Registrar, on the fifteenth day immediately preceding the Interest Payment Date, to such owner's address as shown on such books and records. 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, as 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 revenue and earnings of the waterworks plant and water system (the "Water System") of the City of Seward, Nebraska, have been pledged and hypothecated for the payment of this bond and the other bonds of this issue and for the payment of the City's outstanding Water System Revenue Refunding Bonds, Series 2011, presently outstanding in the principal amount of \$1,255,000 (the "Series 2011 Bonds"), for the payment of the City's outstanding Water System Revenue Bonds, Series 2013, presently outstanding in the principal amount of \$90,000 (the "Series 2013 Bonds"), and for the payment of the City's outstanding Water System Revenue Bonds, Series 2013B, presently outstanding in the principal amount of \$1,520,000 (the "Series 2013B Bonds", and together with the Series 2011 Bonds and the Series 2013 Bonds, the "Outstanding Bonds") and for the payment of any additional bonds of equal priority issued in accordance with the ordinance authorizing the bonds of this issue. The bonds of this issue are payable from and a lien only upon said revenue and earnings, equal in standing and on a parity with the Outstanding Bonds, and are not general obligations of the City of Seward, Nebraska.

The ordinance authorizing the issuance of this bond and the other bonds of this issue sets forth the covenants and obligations of the City with respect to the Water System and the application of the revenues to be derived therefrom, which revenues are by the terms of said ordinance to be deposited in the "Seward Water Department Fund" and disbursed to pay costs of operation and maintenance, make payments of principal and interest on the bonds of the issue and make other payments as specified in said ordinance. Said ordinance designates the terms and conditions on which additional bonds of equal lien to the bonds of this issue may be issued. Said ordinance also designates the terms and conditions on which this bond shall cease to be entitled to any lien, benefit or security under such ordinance and all covenants, agreements and obligations of the City under such ordinance may be discharged and satisfied at or prior to the maturity or redemption of this bond if moneys or certain specified securities shall have been deposited with the Paying Agent and Registrar or a designated trustee. The City also reserves the right to issue bonds junior in lien to the bonds of this issue the principal and interest of which shall be payable from monies in the "Surplus Account" of the Seward Water Department Fund as designated in said ordinance.

This bond is one of an issue of fully registered bonds of the total principal amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) of even date and like tenor except as to date of maturity, rate of interest and denomination which were issued by the City for the purpose of refunding the City's outstanding Water System Revenue Refunding Bonds, Series 2010, date of original issue – March 30, 2010, in the principal amount of \$1,495,000, in strict compliance with Sections 18-1803 to 18-1805, R.R.S. Neb., 2007, as amended, and has been duly authorized by ordinance legally passed, approved and published and by proceedings duly had by the Mayor and Council of said City.

*[ The bonds of this issue due as term bonds in the years \_\_\_\_ and \_\_\_\_ (the "Term Bonds") are required to be redeemed prior to their stated maturity, commencing on June 1, 20\_\_ and continuing on June 1 of each year thereafter through and including payment at maturity, in part, which redemptions and payment at maturity shall be in the years and for the principal amounts set forth below:*

<b>20__ Term Bond</b>	
<u>Year of Redemption</u>	<u>Amount Required to be Redeemed</u>
June 1, 20__	\$ __,000
June 1, 20__	__,000
June 1, 20__	__,000
June 1, 20__ (Maturity)	__,000

<b>20__ Term Bond</b>	
<u>Year of Redemption</u>	<u>Amount Required to be Redeemed</u>
June 1, 20__	\$ __,000
June 1, 20__ (Maturity)	__,000

*Such 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 Term Bonds for mandatory redemption using any random method of selection deemed appropriate by the Paying Agent and Registrar.]*

Any or all of the bonds of said issue maturing on or after June 1, 2020 are subject to redemption at the option of the City, in whole or in part, at any time on or after \_\_\_\_\_, 2020 at par plus interest accrued thereon to the date fixed for redemption.

Notice of redemption shall be given by mail to the registered owner of any bond to be redeemed in the manner specified in the ordinance authorizing said issue of bonds. Individual bonds may be redeemed in part but only in the amount of \$5,000 or integral multiples thereof.

This bond is transferable by the registered owner or such owner's attorney duly authorized in writing at the principal corporate trust 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, the 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 due hereunder and for all other purposes and shall not be affected by any notice to the contrary, whether this bond be overdue or not.

If the date for payment of the principal or interest on this bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the principal corporate trust 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 date shall have the same force and effect as if made on the nominal date of payment.

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 REGISTRAR. DTC OR NOMINEE, TRANSFEREE OR ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF AND 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 REGISTRAR FOR REGISTRATION OF TRANSFER OR EXCHANGE OR (B) TO THE REGISTRAR FOR PAYMENT OF PRINCIPAL, AND ANY BOND ISSUED IN REPLACEMENT HEREOF OR SUBSTITUTION HEREOF 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 PERSONS IS WRONGFUL BECAUSE ONLY THE REGISTERED OWNER HERE OF, DTC OR ITS NOMINEE, HAS AN INTEREST HEREIN.

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this bond did exist, did happen and were done and performed in regular and due form and time as required by law and that the indebtedness of said City, including this bond and the indebtedness refunded hereby, does not now and did not at the time of the incurring of said indebtedness, exceed any limitation imposed by law.

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

IN WITNESS WHEREOF, the Mayor and Council of the City of Seward, Nebraska, have caused this bond to be executed on behalf of the City with the facsimile signatures of the Mayor and the City Clerk and by causing the official seal of the City to be imprinted hereon, all as of the date or original issue specified above.

CITY OF SEWARD, NEBRASKA

\_\_\_\_\_  
ATTEST: Mayor

\_\_\_\_\_  
City Clerk

[SEAL]

CERTIFICATE OF AUTHENTICATION

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

THE JONES NATIONAL BANK & TRUST COMPANY OF SEWARD, SEWARD, NEBRASKA

By: \_\_\_\_\_

Authorized Officer

(FORM OF ASSIGNMENT)

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

DATE: \_\_\_\_\_

\_\_\_\_\_  
Registered Owner

\_\_\_\_\_  
Registered Owner

Witness: \_\_\_\_\_

Note: The signature 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.

Section 9. Each of the 2015 Bonds shall be executed on behalf of the City with the facsimile signatures of the Mayor and the City Clerk and shall have imprinted thereon the City's seal. The 2015 Bonds shall be issued initially as "book-entry-only" bonds using the services of The Depository Trust Company (DTC), with one typewritten bond per maturity being issued to DTC. In such connection said officers are authorized to execute and deliver a Letter of Representations (including any blanket letter previously executed and delivered by the City) in the form required by DTC, for and on behalf of the City, which shall thereafter govern matters with respect to registration, transfer, payment and redemption of the 2015 Bonds. Upon the issuance of the 2015 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 2015 Bonds as securities depository (each, a "Bond Participant") or to any person who is an actual purchaser of a 2015 Bond from a Bond Participant while the 2015 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 2015 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 2015 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, or any amount with respect to the 2015 Bonds. The Paying Agent and Registrar shall make payments with respect to the 2015 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 2015 Bonds to the extent of the sum or sums so paid. No person other than the Depository shall receive an authenticated 2015 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 or unwilling to discharge its responsibilities, the Paying Agent and Registrar shall issue, transfer and exchange 2015 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 2015 Bonds or (ii) to make available 2015 Bonds registered in whatever name or names the Beneficial Owners transferring or exchanging such 2015 Bonds shall designate.

(c) If the City determines that it is desirable that certificates representing the 2015 Bonds be delivered to the Bond Participants and/or Beneficial Owners of the 2015 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 2015 Bonds. In such event, the Paying Agent and Registrar shall issue, transfer and exchange bond certificates representing the 2015 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 2015 Bond is registered in the name of the Depository or any nominee thereof, all payments with

respect to such 2015 Bond and all notices with respect to such 2015 Bond shall be made a given, respectively, to the Depository as provided in the Letter of Representations.

(e) Registered ownership of the 2015 Bonds may be transferred on the books of registration maintained by the Paying Agent and Registrar, and the 2015 Bonds may be delivered in physical form to the following:

(i) any successor securities depository or its nominee:

(ii) any person upon (a) the resignation of the Depository from its functions as depository or (b) termination of the use of the Depository pursuant to this Section.

(f) In the event of any partial redemption of a 2015 Bond unless and until such partially redeemed 2015 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 2015 Bond as is then outstanding and all of the 2015 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, the City shall immediately provide a supply of printed bond certificates for issuance upon the transfers from the Depository and subsequent transfers or in the event of partial redemption. In the even that such supply of certificates shall be insufficient to meet the requirements of the Paying Agent and Registrar for issuance of replacement 2015 Bonds upon transfer or partial redemption, the City agrees to order printed an additional supply of certificates and to direct their execution by manual or facsimile signature of its then duly qualified and acting Mayor and City Clerk of such City. In case any officer whose signature or facsimile thereof shall appear on any 2015 Bond shall cease to be such officer before the delivery of such 2015 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 2015 Bond. The 2015 Bonds shall not be valid and binding on the City until authenticated by the Paying Agent and Registrar. The 2015 Bonds shall be delivered to the Paying Agent and Registrar for registration and authentication. Upon execution, registration and authentication of the 2015 Bonds, they shall be delivered to the City Treasurer, who is authorized to deliver them to the Underwriter upon receipt of the purchase price of 98.5% of the principal amount thereof plus accrued interest on the principal amount of the 2015 Bonds to date of payment for the 2015 Bonds (which purchase price may be modified by the terms of the Designation). The Underwriter shall have the right to direct the registration of the 2015 Bonds and the denominations thereof within each maturity, subject to the restrictions of this Ordinance. The Underwriter and its agents, representatives and counsel (including its bond counsel) are hereby authorized to take such actions on behalf of the City as are necessary to effectuate the closing of the issuance and sale of the 2015 Bonds, including, without limitation, authorizing the release of the 2015 Bonds by the Depository at closing. If no separate written agreement is executed and delivered for the 2015 Bonds, this Ordinance shall constitute the contract for the purchase and sale of the 2015 Bonds.

Section 10. The City Clerk shall make and certify duplicate transcripts of the proceedings of the Mayor and Council with respect to the 2015 Bonds, one of which shall be delivered to said purchaser.

Section 11. The Called Outstanding Bonds have been authorized to be called for redemption on the Redemption Date. The Jones National Bank & Trust Company of Seward is the Paying Agent and Registrar for the Called Outstanding Bonds and the net principal proceeds of the Bonds together with other funds of the City sufficient to effect the redemption in full of the Called Outstanding Bonds shall be deposited with said Paying Agent and Registrar to fully satisfy the principal and interest requirements of the Called Outstanding Bonds on the Redemption Date. The City hereby agrees to take all actions necessary to



effect the payment and redemption of the Called Outstanding Bonds as called for redemption. The Mayor and City Clerk and President of the Council, or any one of them, are hereby authorized to execute and deliver for and on behalf of the City all other documents and instruments necessary in connection with the issuance of the Bonds and to provide for the transfer of funds to the paying agent and registrar for the Called Outstanding Bonds necessary to provide for the payment of principal and interest on the Called Outstanding Bonds as called for redemption on the Redemption Date. The City hereby covenants and agrees to take all steps necessary and appropriate to provide for the calling and redemption of the Called Outstanding Bonds on the Redemption Date.

Section 12. The revenues and earnings of the Water System are hereby pledged and hypothecated for the payment of the 2015 Bonds, the Outstanding Bonds and any additional bonds of equal lien issued as authorized by this Ordinance and interest on such 2015 Bonds, the Outstanding Bonds and any such additional bonds, and the City does hereby agree with the holders of said 2015 Bonds, the Outstanding Bonds and additional bonds as follows:

(a) WATER DEPARTMENT FUND - The entire gross revenues and income derived from the operation of the Water System shall be set aside as collected and deposited in a separate fund which has been previously created and has been confirmed under the Prior Ordinances and shall continue to be designated as the "Seward Water Department Fund." For purposes of allocating the monies in the Seward Water Department Fund, the City shall continue to maintain (in accordance with the provisions of the Prior Ordinances and this Ordinance) the following accounts: (1) Bond Payment Account; (2) Operation and Maintenance Account; (3) Debt Service Reserve Account; and (4) Surplus Account.

(b) BOND PAYMENT ACCOUNT - Out of the Seward Water Department Fund there shall be deposited monthly on or before the first day of each month, as described below, to the Bond Payment Account the following amounts:

(1) Beginning on the first day of the month immediately following the month in which the 2015 Bonds are issued and continuing the first day of each month thereafter so long as any of the 2015 Bonds herein authorized remain outstanding and unpaid, an amount not less than the amount which, if the same amount were deposited each month, would be sufficient to pay the interest becoming due on the 2015 Bonds on the next succeeding Interest Payment Date.

(2) Beginning on the first day of the month twelve months preceding the month in which the first principal payment is due and continuing the first day of each month thereafter so long as any of the 2015 Bonds herein authorized remain outstanding and unpaid, an amount equal to 1/12th of the next maturing principal payment for the 2015 Bonds.

(3) During the periods and in the amounts specified for the Outstanding Bonds in the Prior Ordinances.

The City Treasurer is hereby authorized and directed, without further authorization, to withdraw monies deposited to the Bond Payment Account, or if the monies in such Account are insufficient, then from the Debt Service Reserve Account and next from the Surplus Account, an amount sufficient to pay, when due, the principal of and interest on the 2015 Bonds, the Outstanding Bonds and any additional bonds and to transfer such amounts to the Paying Agent and Registrar, in Seward, Nebraska, (or the designated paying agent for the Outstanding Bonds and any additional bonds) at least five (5) days before each principal and interest payment date. Upon the issuance of any additional bonds pursuant to this Ordinance appropriate additional

deposits to the Bond Payment Account shall be provided for sufficient to pay principal and interest on said additional bonds.

(c) OPERATION AND MAINTENANCE ACCOUNT - Out of the Seward Water Department Fund, after making the deposits required by Subsection 10(b), there shall be monthly deposited into the Operation and Maintenance account such amounts as the City shall, from time to time, determine to be necessary to pay the reasonable and necessary expenses of operating and maintaining the Water System.

(d) DEBT SERVICE RESERVE ACCOUNT - The City has previously established under the terms of the Prior Ordinances provisions governing separate reserve sub-accounts for the Prior Bonds, which provisions shall continue in effect so long as the Prior Bonds remain outstanding. There is hereby established within the Debt Service Reserve Account the 2015 Sub-account (the "2015 Reserve Account"). Concurrently with the issuance of the 2015 Bonds (or in such other manner as may be determined in the Designation), the City agrees that it shall deposit to the 2015 Reserve Account from funds on hand or proceeds of the 2015 Bonds a sum (which may be \$0.00) not greater than the least of (a) 10 percent of the stated principal amount of the original principal amount of the 2015 Bonds; (b) 125% of the average annual principal and interest requirements of the 2015 Bonds; or (c) the maximum annual principal and interest requirements of the 2015 Bonds, (the "Required Balance"). Such Required Balance shall be the amount required to be maintained as the required balance in said account, so long as the 2015 Bonds remain outstanding. Monies deposited to the 2015 Reserve Account may be withdrawn, as needed, to provide funds to pay, when due, the principal of and interest on the 2015 Bonds issued pursuant to this Ordinance, if the Bond Payment Account contains insufficient funds for that purpose, and the City Treasurer is hereby authorized and directed to make such withdrawal if and when needed. In the event of a withdrawal from the 2015 Reserve Account, there shall be deposited to the 2015 Reserve Account in the month following such withdrawal all monies in the Seward Water Department Fund remaining after making the payments required to be made in such month to the Bond Payment Account and Operation and Maintenance Account and each month thereafter all remaining monies shall be deposited to the 2015 Reserve Account and used to restore the 2015 Reserve Account until the Required Balance has been restored, provided that any such credits shall be made on a pro rata basis (in accordance with the respective amounts of outstanding principal) with any credits required for the reserve sub-accounts for the Prior Bonds or any Additional Bonds, all as then outstanding. Upon the issuance of any Additional Bonds pursuant to this Ordinance, there shall be established a sub-account in the Debt Service Reserve Account for such Additional Bonds, and the method of funding or accumulations of the same shall be determined pursuant to the ordinance authorizing each such series of Additional Bonds. Anything in this Subsection 10(d) to the contrary notwithstanding, the amount required to be maintained in the Debt Service Reserve Account or the 2015 Reserve Account under the terms of this Ordinance shall not exceed the maximum amount the allowable for a "reasonably required reserve fund" under Section 148 of the Code and the current rules and regulations thereunder (as in effect from time to time), which results in no yield restrictions in the investment of such Account.

(e) SURPLUS ACCOUNT - Monies in the Seward Water Department Fund remaining after the deposits required in the foregoing Subsections 12(b), 12(c), and 12(d) shall be deposited to the Surplus Account. Monies in the Surplus Account may be used to make up any deficiencies in the preceding accounts, to retire any of the 2015 Bonds, the Outstanding Bonds or any additional bonds prior to their maturity, to pay principal of and interest on any junior lien indebtedness incurred with respect to the Water System or for any other lawful purposes of the City as directed by the Mayor and City Council.

The provisions of this section shall require the City to maintain a set of books and records in accordance with such accounting methods and procedures as are generally applicable to municipal utility enterprises, which books and records shall show deposits to and expenditures from the several accounts required by this section. Monies deposited to the Debt Service Reserve Account shall, if maintained in a demand or time deposit account, be kept in a separate account and not commingled with other City or Water System funds. If invested, monies credited to the Debt Service Reserve Account may be commingled with other City funds, including Water System funds, so long as the City maintains books and records clearly identifying the specific investments, or portions thereof, which belong to the Debt Service Reserve Account.

Monies in any of the accounts except the Debt Service Reserve Account may be invested in securities eligible for investment of other City funds. Monies in the Debt Service Reserve Account may be invested in Deposit Securities, as defined in Section 17 hereof, or in certificates of deposit, savings accounts or other interest bearing accounts in banks which are members of the Federal Deposit Insurance Corporation, (FDIC) except that whenever the amount so deposited exceeds the amount of the FDIC insurance available thereon, the excess shall be secured in the manner required by Section 16-716, R.R.S. Neb. 2012. Investments made from or attributable, in whole or in part, to the Debt Service Reserve Account shall mature or be redeemable at the option of the holder, without penalty, in not more than ten years. Income from or profit realized from investment for any account shall be deposited to such account until such account contains any amount then required to be therein, and thereafter such income or profit shall be transferred to the Seward Water Department Fund and treated as other revenues from the operation of the Water System.

The pledge and hypothecation provided for the 2015 Bonds and the Outstanding Bonds in this Ordinance is intended to and shall provide for a first and prior pledge or lien upon and security interest in the revenues of the Water System superior to any pledge, lien or security interest made or given with respect to any other indebtedness of the City as to its Water System and is intended as a full exercise of the powers of the City provided for in Sections 18-1803 to 18-1805, R.R.S. Neb. 2012, as now or hereafter amended, with respect to the City's Water System and the revenues and earnings thereof.

Section 13. So long as any of the 2015 Bonds, the Outstanding Bonds and any additional bonds issued pursuant to this Ordinance shall remain outstanding and unpaid, the City covenants and agrees to establish, revise from time to time as necessary and collect such rates and charges for the water service furnished from the Water System adequate to produce revenues and earnings sufficient at all times:

- (a) To provide funds to pay, when due, the principal of and interest on the 2015 Bonds, the Outstanding Bonds and any additional bonds issued pursuant to the provisions of this Ordinance;
- (b) To pay all proper and necessary costs of operation and maintenance of the Water System and to pay for the necessary and proper repairs, replacements, enlargements, extensions, and improvements to the Water System;
- (c) To provide funds sufficient to make the credits into the accounts and at the times and in the amounts required by Section 12 of this Ordinance and by the similar sections of the Prior Ordinances.

Section 14. To provide funds for any purpose related to the Water System (or any additional utility permitted by this Section 14 to be combined therewith in the event that the revenues of such additional utilities are to be pledged to the payment of the 2015 Bonds, the Outstanding Bonds, any additional bonds then outstanding and the proposed additional bonds), the City may issue additional bonds payable from the revenues of the Water System having equal priority and on a parity with the 2015

Bonds and the Outstanding Bonds (and any additional bonds then outstanding) only upon compliance with the following conditions:

(a) Such additional bonds shall be issued only pursuant to an ordinance which shall provide for an increase in the monthly deposits into the Bond Payment Account in amounts sufficient to pay, when due, the principal of and interest on the 2015 Bonds, the Outstanding Bonds, any additional bonds then outstanding and such additional bonds and for any monthly deposits to the Debt Service Reserve Account as are required under Subsection 12(d).

(b) The City shall have complied with one or the other of the two following requirements:

(1) The Net Revenues derived by the City from its Water System for the fiscal year next preceding the issuance of the additional bonds shall have been at least equal to 1.25 times the average annual debt service requirements of the 2015 Bonds, the Outstanding Bonds and any additional bonds previously issued, as then outstanding, and on the proposed additional bonds. For purposes of such determination "Net Revenues" shall mean the gross revenues derived from the ownership and operation of the Water System, including investment income, but not including any income from sale or disposition of the property of said system, less ordinary expenses of operating and maintaining the Water System payable from the Operation and Maintenance Account. Operation and maintenance expenses for such purpose shall not include depreciation, amortization or interest on any bonds or other indebtedness. Such Net Revenues shall be shown by an audit for such fiscal year for the City's Water System as conducted by independent certified public accountants. Also for purposes of such determination, "average annual debt service requirements" shall be determined by adding all of the principal and interest due (taking into consideration any provisions for mandatory redemptions of term bonds) when computed to the absolute maturity of the 2015 Bonds, the Outstanding Bonds and any additional bonds previously issued, as then outstanding, and on the proposed additional bonds and dividing such total by the number of years remaining that the longest bond of any such issue of bonds (including the proposed additional bonds) has to run to maturity; or

(2) The City shall have received a projection made by a consulting engineer or firm of consulting engineers, recognized as having experience and expertise in municipal utility systems, projecting that the Net Revenues of the Water System in each of the three full fiscal years after the issuance of such additional bonds will be at least equal to 1.25 times the average annual debt service requirements of the 2015 Bonds, the Outstanding Bonds and any additional bonds previously issued, as then outstanding, and the proposed additional bonds. For purposes of such projection "Net Revenues" shall have the same meaning as provided in Subsection 12(b)(1) above, and average annual debt service requirements shall be computed in the same manner as specified in said Subsection 12(b)(1). In making such projection, the consulting engineer shall use as a basis the Net Revenues of the Water System during the last year for which an independent audit has been prepared and shall adjust such Net Revenues as follows: (A) to reflect changes in rates which have gone into effect since the beginning of the year for which the audit was made, (B) to reflect such engineer's estimate of the net increase over or net decrease under the Net Revenues of the Water System for the year for which the audit was made by reason of: (i) changes of amounts payable under existing contracts for services, (ii) additional general income from sales to customers under existing rate schedules for various classes of customers or as such schedules may be revised under a program of changes which has been adopted by the Mayor and Council of the City, (iii) projected revisions in costs for labor, wages, salaries, machinery,

equipment, supplies and other operational items, (iv) revisions in amount of service to be supplied and any related administrative or other costs associated with such increases due to increased supply from the acquisition of any new facility and (v) such other projections of revenues and expenses as the consulting engineer deems reasonable and proper. Annual debt service on any proposed additional bonds to be issued may be estimated by the consulting engineer, but no additional bonds shall be issued requiring any annual debt service payment in excess of the amount so estimated by the consulting engineer.

If the City shall find it desirable it shall also have the right when issuing additional bonds to combine with the Water System any other utilities of the City authorized to be combined under Sections 18-1803 through 18-1805, R.R.S. Neb. 2012, and to cause all of the revenues of such combined utilities systems to be paid into the Seward Water Department Fund (which fund may be appropriately redesignated) and to provide that all of the 2015 Bonds, the Outstanding Bonds and any additional bonds previously issued and as then outstanding, and the proposed issue of additional bonds shall be payable from the revenues of such combined utilities and shall stand on a parity and in equality as to security and payment, provided, however, no utility shall be combined with the Water System as contemplated in this paragraph of this Section 14 unless the City is current with all the payments required to be made into the accounts described in Section 12 and the Net Revenues of such combined utilities systems shall satisfy one or the other of the requirements provided for in Subsection 14(b) above. In the event of such combination of an additional utility and for purposes of meeting such test, the definition of Net Revenues shall be altered to include the gross revenues of the additional utility or utilities and 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 (A) and (B) of Subsection 14(b)(2) with respect to such additional utility or utilities. Net Revenues of the additional utility or utilities shall be based upon the report or reports of independent certified public accounts in the same manner as is required under Subsection 14(b)(1) or 14(b)(2) above.

The City hereby covenants and agrees that so long as any of the 2015 Bonds, the Outstanding Bonds and any additional bonds are outstanding, it will not issue any bonds or notes payable from the revenues of the Water System except in accordance with the provisions of this Ordinance, provided, however, the City reserves the right to issue bonds or notes which are junior in lien to the 2015 Bonds, the Outstanding Bonds and any such additional bonds, with the principal and interest of such bonds or notes to be payable from monies deposited to the Surplus Account as provided in Subsection 12(e). The term "additional bonds" as used in this Ordinance refers only to such bonds as are payable from the revenues of the Water System on a parity with the 2015 Bonds, the Outstanding Bonds and are issued in accordance with the terms of this Section 14 or refunding bonds which are issued in accordance with the terms of Section 15 of this Ordinance if and when such refunding bonds under the terms of said Section 15 become payable on a parity with the 2015 Bonds, the Outstanding Bonds and any additional bonds then outstanding. Anything in this Section 14 or in Section 15 to the contrary notwithstanding, additional bonds for refunding purposes may be issued under the conditions set forth in this Section 14 as an alternative if such conditions can be met for their issuance.

Section 15. The City may issue refunding bonds, which shall qualify as additional bonds of equal lien to refund any of the 2015 Bonds, the Outstanding Bonds or additional bonds then outstanding, provided that, if any such 2015 Bonds, the Outstanding Bonds or additional bonds are to remain outstanding after the issuance of such refunding bonds, the principal payments due in any calendar year in which those bonds which are to remain outstanding mature, or in any calendar year prior thereto, shall not be increased over the amount of such principal payments due in such calendar years immediately prior to such refunding. Refunding bonds issued in accordance with this paragraph of this Section 15 may be issued as additional bonds of equal lien without compliance with the conditions set forth in Subsection 14(b) of this Ordinance.

The City may also issue refunding bonds which shall qualify as additional bonds of equal lien to refund any of the 2015 Bonds, the Outstanding Bonds or additional bonds then outstanding provided that if any 2015 Bonds, the Outstanding Bonds or additional bonds then outstanding are to remain outstanding after the application of the proceeds of the refunding bonds to the payment of the bonds which are to be refunded, such issuance must comply with the Net Revenues test set forth in Subsection 14(b)(1) of this Ordinance and, if the proceeds of such refunding bonds are not to be applied immediately to the satisfaction of the bonds which are to be refunded, then such refunding bonds must provide by their terms that they shall be junior in lien to all 2015 Bonds, the Outstanding Bonds and additional bonds outstanding at the time of issuance of such refunding bonds until the time of application of their proceeds to the satisfaction of the bonds which are to be refunded. In computing average annual debt service requirements to show compliance with said Net Revenues test for such refunding bonds, all payments of principal and interest due on such refunding bonds from the time of their issuance to the time of application of the proceeds of such refunding bonds to the satisfaction of the bonds which are to be refunded shall be excluded from such computation to the extent that such principal and interest are payable from sources other than the revenues of the Water System (such as investment earnings on bond proceeds or bond proceeds themselves) or from monies in the Surplus Account and all payments of principal and interest due on the bonds which are to be refunded from and after the time of such application shall also be excluded. For purposes of this paragraph of this Section 15, the time of application of the proceeds of the refunding bonds to the satisfaction of the bonds which are to be refunded shall be the time of deposit with the paying agent for such bonds which are to be refunded pursuant to Section 10-126, R.R.S. Neb. 2012 (or any successor statutory provision thereto) or the time when such bonds which are to be refunded under the terms of their authorizing ordinance or ordinances are no longer deemed to be outstanding, whichever comes sooner.

Section 16. So long as any 2015 Bonds remain outstanding, the City hereby covenants and agrees as follows:

- (a) The City will maintain the Water System in good condition and will continuously operate the same in a reasonable and efficient manner, and the City will punctually perform all the duties with reference to said system required by the Constitution and statutes of the State of Nebraska, but this covenant shall not prevent the City from discontinuing the use and operation of all or any portion of the Water System so long as the revenue derived from the City's ownership of the properties constituting the Water System shall be sufficient to fulfill the City's obligations under Sections 14 and 15 of this Ordinance.
- (b) The City will not grant any franchise or right to any person, firm or corporation to own or operate a utilities system or systems in competition with the Water System.
- (c) The City will maintain insurance on the property constituting the Water System (other than such portions of said system as are not normally insured) against risks customarily carried by similar utilities, but including fire and extended coverage insurance in an amount which would enable the City to repair, restore or replace the property damaged to the extent necessary to make the Water System operable in an efficient and proper manner to carry out the City's obligations under this Ordinance. The Mayor and Council shall annually examine the amount of insurance carried with respect to the Water System and shall evidence approval of such insurance by resolution. The proceeds of any such insurance received by the City shall be used to repair, replace or restore the property damaged or destroyed to the extent necessary to make the Water System operable in an efficient and proper manner, and any amount of insurance proceeds not so used shall be credited to the Surplus Account. In the event of any such insured casualty loss, the City may advance funds to make temporary repairs or provide for an advance

on costs of the permanent repair, restoration or replacement from the Operation and Maintenance Account and any such advances shall be repaid from insurance proceeds received.

(d) The City will keep proper books, records, and accounts separate from all other records and accounts in which complete and correct entries will be made of all transactions relating to the Water System. This City will have its operating and financial statements relating to the Water System audited annually by a certified public account or firm of certified public accountants. The City will furnish to the original purchaser of the 2015 Bonds and to the original purchaser or purchasers of each series of additional bonds issued hereunder, within four months after the end of each fiscal year of the Water System, a copy of the financial statements of the Water System and the report thereon of the certified public accountants.

(e) The City shall cause each person handling any of the monies in the Seward Water Department Fund to be bonded by an insurance company licensed to do business in Nebraska in an amount or amounts deemed sufficient by the Mayor and Council to cover the amount of money belonging to said system reasonably expected to be in the possession or control of any such person. The amount of such bond or bonds shall be fixed by the Mayor and Council and the costs thereof shall be paid as an operating and maintenance expense from the Operation and Maintenance Account.

Section 17. The City's obligations under this Ordinance and the liens, pledges, covenants, and agreements of the City herein made or provided for, shall be fully discharged and satisfied as to the 2015 Bonds and any such bonds shall no longer be deemed outstanding hereunder if such bonds shall have been purchased and canceled by the City, or when payment of the principal of and interest thereon to the respective date of maturity 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 with the Paying Agent and Registrar or with another national or state bank having trust powers or trust company, in trust solely for such payment (1) sufficient money to make such payment and/or (2) Deposit Securities in such amount and bearing interest at such rates and payable at such time or times and maturing or redeemable at stated fixed prices at the option of the holder as to principal at such time or times as will ensure the availability of sufficient money to make such payment; provided, however, that with respect to any 2015 Bonds to be paid prior to maturity, the City shall have duly given notice of redemption of such bonds as provided by law or made irrevocable provision for the giving of such notice. Any such money so deposited with a bank, trust company or the Paying Agent and Registrar, may be invested and reinvested in Deposit Securities at the direction of the City, and all interest and income from such Deposit Securities in the hands of such bank, trust company or Paying Agent and Registrar in excess of the amount required to pay principal of and interest on the bonds for which such monies were deposited, shall be paid over to the City as and when collected. For purposes of this Section 17, Deposit Securities shall mean (a) direct obligations of or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, and (b) bonds, debentures, notes, participation certificates, or other evidences of indebtedness issued by any of the Federal Home Loan Bank system, the Export Import Bank of the United States or the Government National Mortgage Association or any combination of any of the foregoing. For purposes of this Section 17, such Deposit Securities shall be non-callable or callable only at the option of the holder.

Section 18. The terms and provisions of this Ordinance do and shall constitute a contract between the City of Seward and the holder or holders of the 2015 Bonds and no changes, variations or alterations of any kind, except for changes necessary to cure any ambiguity, formal defect or omission, shall be made to this Ordinance without the written consent of the holders of two-thirds (2/3rds) in principal amount of the 2015 Bonds then outstanding, provided, however, that neither the principal and interest to be paid upon any 2015 Bond nor the maturity date of any 2015 Bond shall be changed without the written consent of all holders of the 2015 Bonds then outstanding affected thereby. The holder of any

2015 Bond or 2015 Bonds may, either in law or in equity, by suit, action, mandamus or other proceeding, enforce or compel performance of any and all of the acts and duties required by this Ordinance, and any court of competent jurisdiction may, after default in compliance with the terms of this Ordinance on application of any such holder, appoint a receiver to take charge of the Water System and operate the same and apply the earnings thereof to the payment of the principal of an interest on the 2015 Bonds, the Outstanding Bonds and any additional bonds then outstanding in accordance with the provisions of this Ordinance, the Prior Ordinances and any ordinance or ordinances authorizing additional bonds.

Section 19. The Mayor, City Clerk and Treasurer of the City are hereby authorized to do all things and execute all such documents as may by them be deemed necessary and proper to complete the issuance and sale of the Bonds as contemplated by this Ordinance, including but not limited to the calling and redemption of the Called Outstanding Bonds. Said officers or any one of them are further authorized to make any allocations or elections deemed necessary or appropriate related to the provisions of the Code and regulations thereunder.

Section 20. The City hereby covenants to the purchasers and holders of the 2015 Bonds that it will make no use of the proceeds of said bond issue, including money held in any sinking fund attributable to said bonds which would cause said bonds to be arbitrage bonds within the meaning of such term as used in the Internal Revenue Code of 1986, as amended, and further covenants to comply with all applicable regulations thereunder throughout the term of said bond issue. The City hereby covenants and agrees to take all actions necessary under current federal law to maintain the tax-exempt status (as to taxpayers generally) of interest payable on the 2015 Bonds. The City specifically agrees that it will report and make payment with respect to any rebate amounts due with respect the 2015 Bonds under Section 148 of the Code and applicable regulations thereunder. The City hereby designates the Series 2015 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 reasonably expect to issue or have issued on its behalf tax-exempt bonds or other tax-exempt interest bearing obligations aggregating in principal amount more than \$10,000,000 during calendar year 2015 (taking into consideration the exception for current refunding issues).

Section 21. The form of Preliminary Official Statement with respect to the 2015 Bonds is hereby approved, and the Mayor and City Administrator, or either of them, are authorized to approve and authorized to deliver a final Official Statement for and on behalf of the City.

Section 22. The City hereby (a) authorizes and directs that an Authorized Officer execute and deliver, on the date of issue of the Bonds, a continuing disclosure undertaking in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission in such form as determined necessary and appropriate by such Authorized Officer (the “Continuing Disclosure Undertaking”) and (b) covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Undertaking. Notwithstanding any other provision of this resolution, failure of the City to comply with the Continuing Disclosure Undertaking shall not be considered an event of default hereunder; however, any Participating Underwriter (as such term is defined in the Continuing Disclosure Undertaking) or any Beneficial Owner or any Registered Owner of a Bond (as such terms are defined in the Continuing Disclosure Undertaking) may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City to comply with its obligations under this section, and under the Continuing Disclosure Undertaking. An Authorized Officer may appoint a Dissemination Agent for the Bonds in the Authorized Officer’s discretion.

Section 23. 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 24. All ordinances or resolutions of the Mayor and Council which are in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

Section 25. This Ordinance is hereby determined to be a measure necessary to carry out the City's contractual obligations with respect to the 2015 Bonds. This Ordinance shall be in force and take effect from and after its passage and approval according to law. This Ordinance shall be published in pamphlet form.

PASSED AND APPROVED this 3<sup>rd</sup> day of February, 2015.

ATTEST:

\_\_\_\_\_  
Joshua Eickmeier, Mayor

\_\_\_\_\_  
Bonnie Otte  
Assistant Administrator / Clerk-Treasurer /  
Budget & Human Resource Director

[SEAL]

# **City of Seward, NE**

**Tuesday, February 3, 2015**

**Regular Session**

## **Item G8**

### **CONSIDERATION OF AN AGREEMENT WITH HUGHES BROTHERS, INC TO CONSTRUCT A 3-PHASE ELECTRICAL SERVICE - Larry Ruether**

**Administrative Report:** Hughes Brothers, Inc. contacted the City and requested Aid to Construction for building one 3-phase 480 volt transformer bank and 2,000 feet of 1/0 3-phase line. The line will begin at 10th and Lincoln Street west, then south to north side of Hughes Brothers plant. This will serve one submersible pump rated at 30 horsepower. Hughes Brothers expense (based on engineer's estimates for time and materials) would be \$55,800.

**After review and discussion, a motion to approve the agreement would be in order.**

**Staff Contact:**

REQUEST FOR SERVICE  
DEVELOPMENT AGREEMENT

This Agreement entered into this \_\_\_\_ day of \_\_\_\_\_, 2015, by and between Hughes Brothers, Inc. hereinafter referred to as "Customer", and the City of Seward, Nebraska, a municipal corporation, hereinafter referred to as "City": (collectively "Parties" and individually "Party").

WHEREAS, Hughes Brothers, Inc. is the OWNER of the following described real estate located in the City of Seward's, jurisdiction in Seward County, Nebraska, to wit:

210 N. 13<sup>th</sup> Street, Seward, Seward County, Nebraska.

WHEREAS, CITY provides electrical utility service; and

WHEREAS, CUSTOMER has made the request to the CITY to provide three (3) phase electrical service to the parcel at a location from 10<sup>th</sup> and Lincoln Street west, then south to north side of Hughes Brothers, Inc. facility; and

WHEREAS, CUSTOMER has made the request to the CITY, to provide continuous and reliable electrical power to the point of delivery of electrical service to the point where the City's service wires are joined to the Customer's service terminals; and

WHEREAS, the Parties contemplate the taking of all necessary and appropriate actions to support the Parties objectives to provide reliable, cost effective electrical to said point of delivery.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the parties hereto agree as follows;

1. CITY has the authority to provide Electrical Services, and to install, own, operate and maintain equipment relating to the delivery of such services. The availability of service to be used in providing electric service shall be determined by the CITY before electrical plans for service connections are finalized. The CITY shall advise the CUSTOMER of the available phase and voltage for that service.

2. An Aid to Construction charge will be required from the CUSTOMER to the CITY in the form of a one-time payment in consideration for construction of facilities. CITY has determined the cost of the Aid to Construction charge for Electric Services to be \$55,800.00 dollars.

3. CITY shall supply, and Customer shall receive and pay for Electric Services in accordance with the CITY Service regulations, as the same may be amended from time to time, and in accordance with the CITY rate schedule for which the CUSTOMER qualifies. During the service term, the CUSTOMER shall be subject to any change in rates charged by the CITY for Service to the CUSTOMER under an applicable rate schedule.

4. This agreement is intended to, and shall run with the real estate described herein, and shall be binding upon and inure to the benefit of, the heir, assigns, and successors in title of the parties hereto.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2015

THE CITY OF SEWARD, NEBRASKA,  
a Municipal Corporation,

\_\_\_\_\_  
Joshua Eickmeier  
Mayor

ATTEST:

\_\_\_\_\_  
Bonnie Otte  
Assistant Administrator  
City Clerk/Treasurer  
Budget & HR Director

Hughes Brothers, Inc.

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Signature

**City of Seward, NE**  
**Tuesday, February 3, 2015**  
**Regular Session**

**Item G9**

**CONSIDERATION OF REAL ESTATE OPTION AND ACCESS  
AGREEMENT WITH PHYLLIS MAE AEGERTER - City Atty  
Hoffschneider**

**Staff Contact:**

# **City of Seward, NE**

**Tuesday, February 3, 2015**

**Regular Session**

## **Item G10**

### **CONSIDERATION OF SUBMITTING A COMMENT LETTER TO NDED REGARDING 2015-2019 PROPOSED CONSOLIDATED PLAN AND 2015 ACTION PLAN- CDBG ED PROGRAM INCOME - Bonnie Otte**

**Administrative Report: The City currently has a CDBG Loan Reuse fund, which has a balance of approximately \$108,000 (repaid loan funds).**

**The Nebraska Dept of Economic Development (NDED) is conducting meetings regarding the CDBG Program Income Reuse and the language included in the 2015-2019 Proposed Appendix for Consolidated Plan and Annual Action Plan (AAP) regarding CDBG Economic Development Program Income.**

**Part of the discussion relates to existing CDBG Reuse Loan funds (like the City's), with the ability of the local governments developing and adopting a Revised Local Reuse Plan. This plan will need to be approved by NDED. In the annual action plan, it identifies some of the items this plan may include. One of the items is "A description of the priorities of the program income projects that may be approved by the unit of local government which will be consistent with the definitions of "continuing the same project activity." "Continuing the same project activity" is defined as "providing assistance for the same eligible activities as defined in the grantee's new DED-approved Local Program Income Reuse Plan".**

**Another discussion item is allowing the local governments the flexibility in determining eligible businesses, primarily allowing them to include retail businesses as eligible for funding under their Local Reuse Plan.**

**Following discussion and consideration, a motion to submit a comment letter to NDED supporting local government's flexibility and input in determining priorities of program income projects under the Revised Local Reuse Plan, and allowing retail businesses to remain eligible under these Revised Local Reuse Plans would be in order.**

**Staff Contact:**





**To: Mayor Eickmeier/Seward City Council**

**From: Southeast Nebraska Development District  
Craig Eberle, Business Loan Officer**

**Date: January 30, 2015**

**Re: Seward, Nebraska CDBG Reuse  
Proposed Comment Letter  
2015-2019 Proposed Appendix for Consolidated Plan and 2015 Annual Action Plan –  
CDBG Economic Development Program Income**

The Nebraska Department of Economic Development (NDED) has released for public comment their 2015-2019 Proposed Appendix for Consolidated Plan and 2015 Annual Action Plan. This is done on an annual basis. In the section that discusses CDBG Economic Development Program Income, they have outlined various steps that counties and Communities, such as the City of Seward, will need to comply with in order to retain the their CDBG Program Income Reuse Loan Fund.

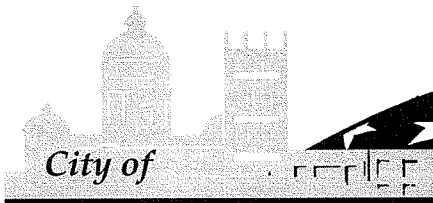
One of the steps is that the City of Seward will need to develop and adopt a Revised Local Reuse Plan. Among other things, the Revised Seward CDBG ED Local Reuse Plan must include a description of the "priorities of the program income projects that may be approved by the unit of local government." Priorities would include what eligible businesses and activities can be funded through the program.

Through discussions with NDED, we have concerns that there may be less flexibility regarding what will be allowed as priorities of these projects, such as limiting the types of businesses that can be funded under the plan. This would include not allowing certain businesses, particularly retail, to be eligible under the revised plan approved by NDED. Seward's existing CDBG ED Reuse Loan Plan currently has retail businesses included as a priority under the plan.

The goals with submitting this public comment to NDED is to recommend to them that communities such as Seward be given some say and flexibility in determining the priorities of the new Revised Local Reuse Plan, as well as recommend that the Revised Local Reuse Plan be allowed to include priorities already established in the existing Seward ED Reuse Loan Plan, such as retail businesses.

Sincerely,

Craig Eberle  
Business Loan Officer  
Southeast Nebraska Development District



**SEWARD**  
Office of the Mayor

P.O. Box 38 • 537 Main Street  
Seward, Nebraska 68434  
Phone and TDD 402-643-2928  
Fax 402-643-6491  
www.CityofSewardNE.com

February 3, 2015

Heather Voorman, Community Development Coordinator  
Nebraska Department of Economic Development  
PO Box 94666  
Lincoln, NE 68509-4666

**RE: Public Comment: 2015-2019 Consolidated Plan and Proposed 2015 Annual Action Plan**

Dear Ms. Voorman,

After a review of the 2015-2019 Consolidated Plan and Proposed 2015 Annual Action Plan, the City of Seward respectfully submits the following comments and recommendations for NDED's consideration of the Final Plan, specifically under the section discussing **CDBG Program Income – Economic Development Program Income** (Pages 17-25):

**Economic Development Program Income/Using the program income within an existing Local ED Revolving Loan Fund**

**Item #3 – Revised Local Reuse Plan**

- We support the local government developing and adopting a Revised Local Reuse Plan that must be approved by DED.
- We are aware that the Local Reuse Plan must include *A description of the priorities of the program income projects that may be approved by the unit of local government which will be consistent with the definitions of "continuing the same project activity."*
- We have a concern that there may be less flexibility regarding the priorities of program income projects than what is currently allowed in existing CDBG Economic Development Reuse Plans, in particular eligible businesses which include retail businesses.
- We would request consideration in allowing counties and communities with existing Local ED Revolving Loan Funds some flexibility and input in determining eligible businesses under the plan, specifically regarding retail.
  - o Recommendation: Include language in this section indicating that the local government will be given flexibility and input in determine priorities of program income projects under the Revised Local Reuse Plan. Priorities of program income projects would be based in part on what is currently allowed in existing CDBG Economic Development Reuse Plans, allowing retail businesses to remain eligible under these Revised Local Reuse Plans.

Respectfully Submitted,

Joshua Eickmeier  
Mayor

**CITY OF SEWARD MISSION STATEMENT**

Our City promotes genuine community spirit by providing friendly, quality services to people who live, work and play in Seward.

*"Nebraska's Official 4th of July City"*

# **City of Seward, NE**

**Tuesday, February 3, 2015**

**Regular Session**

## **Item G11**

### **CONSIDERATION OF SPECIAL DESIGNATED LIQUOR PERMIT FOR KIMMEL ORCHARD & VINEYARD EDUCATIONAL FOUNDATION, INC - Ernest Weyeneth**

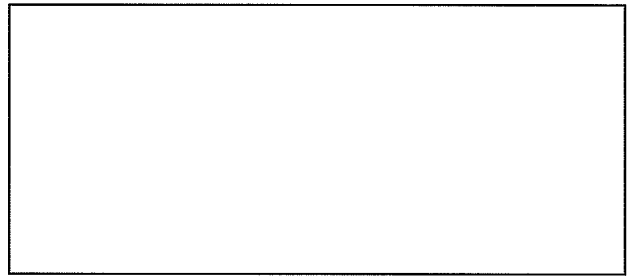
**Administrative Report:** This is the first Special Designated Liquor License request for this non-resident license holder. Per Ordinance, SDL requests from license holder's who have not previously been given approval for an SDL by the City, must come before the Council for review and consideration.

**After review and discussion, a motion to approve the SDL would be in order.**

**Staff Contact:**

**APPLICATION FOR SPECIAL  
DESIGNATED LICENSE**

NEBRASKA LIQUOR CONTROL COMMISSION  
301 CENTENNIAL MALL SOUTH  
PO BOX 95046  
LINCOLN, NE 68509-5046  
PHONE: (402) 471-2571  
FAX: (402) 471-2814  
Website: www.lcc.ne.gov/



DO YOU NEED POSTERS? YES ☐ NO ☒

RETAIL LICENSE HOLDERS ☐

NON PROFIT APPLICANTS ☒

Non Profit Status (check one that best applies)

Municipal ☐ Political ☐ Fine Arts ☐ Fraternal ☐ Religious ☐ Charitable ☒ Public Service ☒

**COMPLETE ALL QUESTIONS**

1. Type of alcohol to be served and/or consumed: Beer ☐ Wine ☒ Distilled Spirits ☐

2. Liquor license number and class (i.e. C-55441)  
(If you're a nonprofit organization leave blank)

CK-98562

3. Licensee name (last, first,), corporate name or limited liability company (LLC) name  
(As it reads on your liquor license)

NAME: Kimmel Orchrd & Vnyd Ed Fndtn

ADDRESS: 5995 G Road

CITY Nebraska City ZIP 68410

4. Location where event will be held; name, address, city, county, zip code

BUILDING NAME Harvest Hall, Seward County Fairgrounds

ADDRESS: 500 N 14th Street CITY Seward

ZIP 68423 COUNTY and COUNTY # 16

a. Is this location within the city/village limits?

YES ☒ NO ☐

b. Is this location within the 150' of church, school, hospital or home  
for aged/indigent or for veterans and/or wives?

YES ☐ NO ☒

c. Is this location within 300' of any university or college campus?

YES ☐ NO ☒

FORM 108  
REV 5/12  
Page 2 of 5

5. Date(s) and Time(s) of event (no more than six (6) **consecutive** days on one application)

Date 02/07/2015	Date	Date	Date	Date	Date
<b>Hours</b> From 5:00pm	<b>Hours</b> From	<b>Hours</b> From	<b>Hours</b> From	<b>Hours</b> From	<b>Hours</b> From
To 10:00pm	To	To	To	To	To

a. Alternate date: \_\_\_\_\_

b. Alternate location: \_\_\_\_\_  
(Alternate date or location must be specified in local approval)

6. Indicate type of activity to be carried on during event:

☐ Dance    ☐ Reception    ☒ Fund Raiser    ☐ Beer Garden    ☐ Sampling/Tasting  
☐ Other \_\_\_\_\_

7. Description of area to be licensed

Inside building, dimensions of area to be covered **IN FEET** 70 x 120  
(not square feet or acres)

\*Outdoor area dimensions of area to be covered **IN FEET** x

**\*SKETCH OF OUTDOOR AREA (or attach copy of sketch)**

If outdoor area, how will premises be enclosed?

☐ Fence; snow fence ☐ chain link ☐ cattle panel ☐ other \_\_\_\_\_  
☐ Tent

8. How many attendees do you expect at event? N/A

9. If over 150 attendees. Indicate the steps that will be taken to prevent underage persons from obtaining alcohol beverages. (Attach separate sheet if needed)  
All attendees will be ID'ed and have a wrist band upon entering the event.

10. Will premises to be covered by license comply with all Nebraska sanitation laws? YES ☒ NO ☐

a. Are there separate toilets for both men and women? YES ☒ NO ☐

11. **Retailer: Will you be purchasing your alcohol from a wholesaler?** YES ☐ NO ☐  
**Non-Profit: Where will you be purchasing your alcohol?**

Wholesaler ☐ Retailer ☐ Both ☐ BYO ☒  
(includes wineries)

12. Will there be any games of chance operating during the event? YES ☐ NO ☒

If so, describe activity \_\_\_\_\_

**NOTE:** Only games of chance approved by the Department of Revenue, Charitable Gaming Division are permitted. All other forms of gambling are prohibited by State Law. There are no exceptions for Non Profit Organizations or any events raising funds for a charity. This is only an application for a Special Designated License under the Liquor Control Act and is not a gambling permit application.

13. Any other information or requests for exemptions: \_\_\_\_\_

14. Name and **telephone number/cell phone number** of immediate **supervisor**. This person will be at the location of the event when it occurs, able to answer any questions from Commission and/or law enforcement before and during the event, and who will be responsible for ensuring that any applicable laws, ordinances, rules and regulations are adhered to. **PLEASE PRINT LEGIBLY**

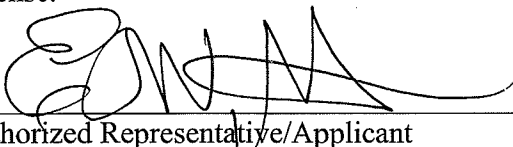
Print name of Event Supervisor Erin Beethe

Signature of Event Supervisor \_\_\_\_\_

Phone of Event Supervisor: Before 402-335-0272 During 402-335-0272

Consent of Authorized Representative/Applicant

15. I declare that I am the authorized representative of the above named license applicant and that the statements made on this application are true to the best of my knowledge and belief. I also consent to an investigation of my background including all records of every kind including police records. I agree to waive any rights or causes of action against the Nebraska Liquor Control Commission, the Nebraska State Patrol or any other individual releasing said information to the Liquor Control Commission or the Nebraska State Patrol. I further declare that the license applied for will not be used by any other person, group, organization or corporation for profit or not for profit and that the event will be supervised by persons directly responsible to the holder of this Special Designated License.

sign  
here   
Authorized Representative/Applicant

President/CEO

Title

1.16.15  
Date

Ernest L. Weyeneth

Print Name

This individual must be listed on the application as an officer or stockholder unless a letter has been filed appointing an individual as the catering manager allowing them to sign all SDL applications.

The law requires that no special designated license provided for by this section shall be issued by the Commission without the approval of the local governing body. For the purposes of this section, the local governing body shall be the city or village within which the particular place for which the special designated license is requested is located, or if such place is not within the corporate limits of a city or village, then the local governing body shall be the county within which the place for which the special designated license is requested is located.

FORM 108  
REV 5/12  
Page 4 of 5

**This page is required to be completed by Non Profit applicants only.**

**Application for Special Designated License  
Under Nebraska Liquor Control Act  
Affidavit of Non-Profit Status**

I HEREBY DECLARE THAT THE CORPORATION MAKING APPLICATION FOR A SPECIAL DESIGNATED LICENSE UNDER THE NEBRASKA LIQUOR CONTROL ACT IS EITHER A MUNICIPAL CORPORATION, A FINE ARTS MUSEUM INCORPORATED AS A NONPROFIT CORPORATION, A RELIGIOUS NONPROFIT CORPORATION WHICH HAS BEEN EXEMPTED FROM THE PAYMENT OF FEDERAL INCOME TAXES, A POLITICAL ORGANIZATION WHICH HAS BEEN EXEMPTED FROM THE PAYMENT OF FEDERAL INCOME TAXES, OR ANY OTHER NONPROFIT CORPORATION, THE PURPOSE OF WHICH IS FRATERNAL, CHARITABLE, OR PUBLIC SERVICE AND WHICH HAS BEEN EXEMPTED FROM THE PAYMENT OF FEDERAL INCOME TAXES AS PER §53-124.11(1).

AS SIGNATORY I CONSENT TO THE RELEASE OF ANY DOCUMENTS SUPPORTING THIS DECLARATION AND ANY DOCUMENTS SUPPORTING THIS DECLARATION WILL BE PROVIDED TO THE NEBRASKA LIQUOR CONTROL COMMISSION, THE NEBRASKA STATE PATROL OR ANY AGENT OF THE LIQUOR CONTROL COMMISSION IMMEDIATELY UPON DEMAND. I ALSO CONSENT TO THE INVESTIGATION OF THIS CORPORATE ENTITY TO DETERMINE IT'S NONPROFIT STATUS.

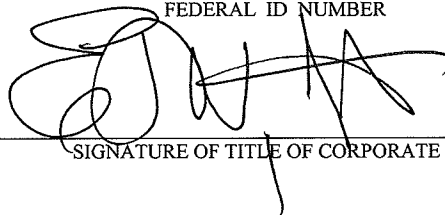
I AGREE TO WAIVE ANY RIGHTS OR CAUSES OF ACTION AGAINST THE NEBRASKA LIQUOR CONTROL COMMISSION, THE NEBRASKA STATE PATROL OR ANY PARTY RELEASING INFORMATION TO THE AFOREMENTIONED PARTIES.

Kimmel Orchard & Vineyard Educational Foundation, Inc.

NAME OF CORPORATION

45-4508561

FEDERAL ID NUMBER



SIGNATURE OF TITLE OF CORPORATE OFFICERS

THE ABOVE INDIVIDUAL STATES THAT THE STATEMENT ABOVE IS TRUE AND CORRECT: IF ANY FALSE STATEMENT IS MADE ON THIS APPLICATION, THE APPLICANT SHALL BE DEEMED GUILTY OF PERJURY AND SUBJECT TO PENALTIES PROVIDED BY LAW. (SEC. §53-131.01) NEBRASKA LIQUOR CONTROL ACT

SUBSCRIBED IN MY PRESENCE AND SWORN TO BEFORE ME THIS 15<sup>th</sup> DAY OF

January, 2015.



NOTARY PUBLIC SIGNATURE & SEAL

State of Nebraska, General Notary  
Diane S. Gill  
Commission Expires: February 3, 2015

FORM 108  
REV 5/12  
Page 5 of 5

# **City of Seward, NE**

**Tuesday, February 3, 2015**

**Regular Session**

## **Item G12**

### **CONSIDERATION OF SPECIAL DESIGNATED LIQUOR PERMIT FOR JAMES ARTHUR VINEYARDS, RAYMOND, NE- James M. Ballard**

**Administrative Report:** This is the first Special Designated Liquor License request for this non-resident license holder. Per Ordinance, SDL requests from license holder's who have not previously been given approval for an SDL by the City, must come before the Council for review and consideration.

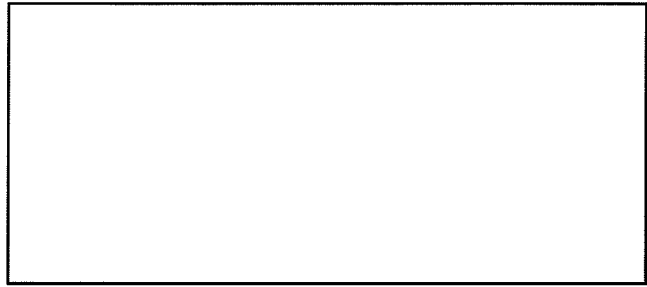
**After review and discussion, a motion to approve the SDL would be in order.**

**Staff Contact:**



**APPLICATION FOR SPECIAL  
DESIGNATED LICENSE**

NEBRASKA LIQUOR CONTROL COMMISSION  
301 CENTENNIAL MALL SOUTH  
PO BOX 95046  
LINCOLN, NE 68509-5046  
PHONE: (402) 471-2571  
FAX: (402) 471-2814  
Website: www.lcc.ne.gov/



DO YOU NEED POSTERS? YES ☐ NO ☒

RETAIL LICENSE HOLDERS ☒

NON PROFIT APPLICANTS ☐

Non Profit Status (check one that best applies)

Municipal ☐ Political ☐ Fine Arts ☐ Fraternal ☐ Religious ☐ Charitable ☐ Public Service ☐

**COMPLETE ALL QUESTIONS**

1. Type of alcohol to be served and/or consumed: Beer ☐ Wine ☒ Distilled Spirits ☐

2. Liquor license number and class (i.e. C-55441)  
(If you're a nonprofit organization leave blank)

YK 36431

3. Licensee name (last, first,), corporate name or limited liability company (LLC) name  
(As it reads on your liquor license)

NAME: JAMES ARTHUR VINEYARDS

ADDRESS: 2001 W. RAYMOND RD

CITY RAYMOND, NE ZIP 68428

4. Location where event will be held; name, address, city, county, zip code

BUILDING NAME HARVEST HALL, SEWARD FAIRGROUNDS

ADDRESS: 500 N. 14<sup>th</sup> St. CITY SEWARD

ZIP 68423 COUNTY and COUNTY # 16

a. Is this location within the city/village limits? YES ☒ NO ☐

b. Is this location within the 150' of church, school, hospital or home  
for aged/indigent or for veterans and/or wives? YES ☐ NO ☒

c. Is this location within 300' of any university or college campus? YES ☐ NO ☒

5. Date(s) and Time(s) of event (no more than six (6) **consecutive** days on one application)

Date <u>02.07.15</u>	Date _____	Date _____	Date _____	Date _____	Date _____
<b>Hours</b> From <u>5 pm</u>	<b>Hours</b> From _____	<b>Hours</b> From _____	<b>Hours</b> From _____	<b>Hours</b> From _____	<b>Hours</b> From _____
To <u>8 pm</u>	To _____	To _____	To _____	To _____	To _____

a. Alternate date: \_\_\_\_\_

b. Alternate location: \_\_\_\_\_  
(Alternate date or location must be specified in local approval)

6. Indicate type of activity to be carried on during event:

☐ Dance   ☐ Reception   ☐ Fund Raiser   ☐ Beer Garden   ☒ Sampling/Tasting  
☐ Other \_\_\_\_\_

7. Description of area to be licensed

Inside building, dimensions of area to be covered **IN FEET** 70 x 120  
(not square feet or acres)

\*Outdoor area dimensions of area to be covered **IN FEET** \_\_\_\_\_ x \_\_\_\_\_

\***SKETCH OF OUTDOOR AREA (or attach copy of sketch)**

If outdoor area, how will premises be enclosed?

☐ Fence; snow fence ☐ chain link ☐ cattle panel ☐ other \_\_\_\_\_  
☐ Tent

8. How many attendees do you expect at event? 250

9. If over 150 attendees. Indicate the steps that will be taken to prevent underage persons from obtaining alcohol beverages. (Attach separate sheet if needed)

all attendees will be ID'd and have a wristband upon  
entering the event

10. Will premises to be covered by license comply with all Nebraska sanitation laws? YES ☒ NO ☐

a. Are there separate toilets for both men and women? YES ☒ NO ☐

11. **Retailer: Will you be purchasing your alcohol from a wholesaler?** YES ☒ NO ☐  
**Non-Profit: Where will you be purchasing your alcohol?**

Wholesaler ☐ Retailer ☒ Both ☐ BYO ☐  
(includes wineries)

12. Will there be any games of chance operating during the event? YES ☐ NO ☒

If so, describe activity \_\_\_\_\_

**NOTE:** Only games of chance approved by the Department of Revenue, Charitable Gaming Division are permitted. All other forms of gambling are prohibited by State Law: There are no exceptions for Non Profit Organizations or any events raising funds for a charity. This is only an application for a Special Designated License under the Liquor Control Act and is not a gambling permit application.

13. Any other information or requests for exemptions: \_\_\_\_\_

14. Name and **telephone number/cell phone number** of immediate **supervisor**. This person will be at the location of the event when it occurs, able to answer any questions from Commission and/or law enforcement before and during the event, and who will be responsible for ensuring that any applicable laws, ordinances, rules and regulations are adhered to. **PLEASE PRINT LEGIBLY**

Print name of Event Supervisor Kylie Schildt

Signature of Event Supervisor \_\_\_\_\_

Phone of Event Supervisor: Before 402.310.7457 During 402.310.7457

Consent of Authorized Representative/Applicant

15. I declare that I am the authorized representative of the above named license applicant and that the statements made on this application are true to the best of my knowledge and belief. I also consent to an investigation of my background including all records of every kind including police records. I agree to waive any rights or causes of action against the Nebraska Liquor Control Commission, the Nebraska State Patrol or any other individual releasing said information to the Liquor Control Commission or the Nebraska State Patrol. I further declare that the license applied for will not be used by any other person, group, organization or corporation for profit or not for profit and that the event will be supervised by persons directly responsible to the holder of this Special Designated License.

sign here J. M. Ballard owner 01.20.15  
Authorized Representative/Applicant Title Date  
James M. Ballard  
Print Name

This individual must be listed on the application as an officer or stockholder unless a letter has been filed appointing an individual as the catering manager allowing them to sign all SDL applications.

The law requires that no special designated license provided for by this section shall be issued by the Commission without the approval of the local governing body. For the purposes of this section, the local governing body shall be the city or village within which the particular place for which the special designated license is requested is located, or if such place is not within the corporate limits of a city or village, then the local governing body shall be the county within which the place for which the special designated license is requested is located.

FORM 108  
REV 5/12  
Page 4 of 5

**City of Seward, NE**  
**Tuesday, February 3, 2015**  
**Regular Session**

**Item G13**

**CAPITAL PROJECTS UPDATE - John Hughes**

**Administrative Report:** The City Council will receive an update on capital and other on-going projects.

**Staff Contact:**

## **City Project Report 02/03/2015**

1. Administration –
  - a) Continue to gather information for Wage Comparability Study
  - b) Code Codification RFQ due Friday 01/30/2015
  - c) City Hall Server replacement Week of Feb 2<sup>nd</sup>, 2015
  - d) Annual Employee Dinner Feb 6<sup>th</sup> 2015
  - e) Archive Email System installed and functioning
2. CIP Projects -
  - a) Cemetery – 2 Grasshopper Zero Turn Mowers & New Dump truck
  - b) Electric Car Lease Program
  - c) Street/Electric – New Brush truck with discharge bed
3. Building & Planning Department –
  - a) Meeting with RDG on Comprehensive Plan update, and Blight Study.
  - b) Working with JEO for Airport Zoning Requirements, & RV Park at the Ball Fields
  - c) Water tower Lease with Pyramid Network Services
  - c) Nuisance Complaints – Seward Middle School drainage – Feb 18<sup>th</sup> response  
LCMS NE District drainage – Met with LCMS and Mr. Wattier,  
and will be meeting onsite next  
week to get some field elevations  
to work out a solution for the  
drainage problem.
4. Street Department –
  - a) Working with Game & Parks on winter fish kill in Independence Landing pond
  - b) Working with JEO and NDOR on Karol Kay submitting paving NEPA documents
  - c) Install Speed notification sign – Columbia by Hospital
  - d) Levee Cleanup – Annual inspection
5. Electric Department –
  - a) Install Electric car Charging Stations
  - b) LED Street light replacement vender selection
6. Water Department –
  - a) Working with CNG Contractors on new infrastructure for Old Middle School Property
7. Building & Grounds –
  - a) Remodel Entrance to Municipal Building

**City of Seward, NE**  
**Tuesday, February 3, 2015**  
**Regular Session**

**Item G14**

**FUTURE REQUESTS FOR COUNCIL AGENDA ITEMS OR  
ADMINISTRATIVE ACTION - Mayor Eickmeier**

**Administrative Report:** This item is to allow Council members an opportunity to request future agenda items. To remain in compliance with the open meetings law, no discussion of an item will be allowed beyond what is necessary to clarify the request.

**Staff Contact:**

**City of Seward, NE**  
**Tuesday, February 3, 2015**  
**Regular Session**

**Item G15**

**ANNOUNCEMENT OF UPCOMING EVENTS - Mayor  
Eickmeier**

*City of Seward Farm Lease Auction - Municipal Bldg - February 6, 2015 @ 10:00 a.m.*

*Annual Employee Awards and Recognition Dinner - VFW - February 6, 2015 @ 6:00 p.m.*

*League of Nebraska Municipalities Mid-Winter Conference – February 23 & 24, 2015*

**Administrative Report: Upcoming events are listed on the Agenda.**

**Staff Contact:**

**City of Seward, NE**  
**Tuesday, February 3, 2015**  
**Regular Session**

**Item G16**

**MOTION TO ADJOURN**

**Staff Contact:**