

ORDINANCE NO. 1877

CITY OF LEXINGTON, NEBRASKA

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that a meeting of the Mayor and Council of the City of Lexington, Nebraska will be held at 7:30 o'clock P.M. on the 28th day of November, 1989, at 406 East 7th Street, Lexington, Nebraska, which meeting will be open to the public. An agenda for such meeting, kept continuously current is available for public inspection at 406 East 7th Street, Lexington, Nebraska.



City Clerk

ACKNOWLEDGMENT OF RECEIPT OF NOTICE OF MEETING

The undersigned Mayor and Members of the City Council of the City of Lexington, Nebraska, hereby acknowledge receipt of advance notice of a meeting of the City Council of the City of Lexington, Nebraska, and the agenda for such meeting held at 7:30 o'clock P.M., on November 28, 1989, at 406 East 7th Street, Lexington, Nebraska.

[Signature]
Mayor

[Signature]
Councilmember

[Signature]
Councilmember

[Signature]
Councilmember

[Signature]
Councilmember

*Sent original
on 12/12/89*

EXTRACT OF MINUTES

CITY OF LEXINGTON, NEBRASKA

A meeting of the Mayor and Council of the City of
Lexington, Nebraska was convened in open and public session
at 7:30 o'clock P.M. on November 28, 1989 at the Municipal
Building, 406 E. 7th Street,
Lexington, Nebraska. Present were: Mayor Robert

Hawks; Councilmembers: John Wightman, Kenneth

VerMaas, John Weeder and Dorothy Anderson

Absent were: _____.

Notice of the meeting was given in advance thereof by
publication, the City's designated method for giving notice, a
copy of the Proof of Publication being attached to these Minutes.

Notice of this meeting was given in advance to the Mayor
and all members of the City Council and a copy of their
Acknowledgment of Receipt of Notice and the agenda is 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.

Whereupon, Councilmember Wightman
introduced Ordinance No. 1877 entitled:

"AN ORDINANCE OF THE CITY OF LEXINGTON, NEBRASKA, AUTHORIZING THE ISSUANCE AND SALE OF BOND ANTICIPATION NOTES OF THE CITY OF LEXINGTON, NEBRASKA, IN THE PRINCIPAL AMOUNT OF ONE MILLION TEN THOUSAND DOLLARS (\$1,010,000), FOR THE PURPOSE OF PROVIDING INTERIM FINANCING FOR THE COST OF STREET IMPROVEMENTS IN IMPROVEMENT DISTRICT NO. 86-2 AND SANITARY SEWER MAIN EXTENSIONS IN SANITARY SEWER EXTENSION DISTRICT NOS. 89-3 AND 89-4 OF SAID CITY PENDING THE ISSUANCE OF PERMANENT GENERAL OBLIGATION VARIOUS PURPOSE BONDS OF THE CITY; PRESCRIBING THE FORM OF SAID NOTES; AGREEING TO ISSUE THE CITY'S GENERAL OBLIGATION VARIOUS PURPOSE BONDS TO PAY THE NOTES AT MATURITY OR TO PAY THE NOTES FROM OTHER AVAILABLE FUNDS; ENTERING INTO A CONTRACT ON BEHALF OF THE CITY WITH THE HOLDERS OF SAID NOTES; AND PROVIDING FOR PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM."

Said Ordinance was fully and distinctly read, and by motion of Councilmember Wightman, seconded by Councilmember Weeder, it was designated as Ordinance No. 1877 and the title thereof was approved. The roll was called on the passage of said motion and the following voted "AYE": Anderson, VerMaas, Weeder, Wightman and Hawks.

The following voted "NAY": _____.

Councilmember Wightman moved that the statutory rule requiring ordinances to be fully and distinctly read on three different days be suspended, seconded by Councilmember Weeder. The roll was called and the following voted "AYE": VerMaas, Anderson, Weeder, Wightman and Hawks

_____ ; "NAY": _____
_____. The motion to suspend the statutory rule having been concurred in by three-fourths of all members of the Council was declared passed and adopted.

Whereupon Ordinance No. 1877 was read by title and there-
after Councilmember Wightman moved for final passage of
said Ordinance. Councilmember Anderson
seconded the motion. The Mayor stated: "The question is, shall
Ordinance No. 1877 be passed and adopted?" The roll was called
and the following voted "AYE": Weeder, VerMaas, Anderson, Wightman,
and Hawks

_____. The following voted "NAY": _____
_____.

The passage and adoption of said Ordinance having been concurred
with by a majority of all members elected to the Council, was by the
Mayor declared passed and adopted, and the Mayor, in the presence of
the Council, signed and approved said Ordinance, and the Clerk
attested the passage and approval of the same and affixed the seal
of the City thereto.

A true and complete copy of said Ordinance No. 1877 is
attached hereto.



City Clerk of
Lexington, Nebraska

ORDINANCE NO. 1877

"AN ORDINANCE OF THE CITY OF LEXINGTON, NEBRASKA, AUTHORIZING THE ISSUANCE AND SALE OF BOND ANTICIPATION NOTES OF THE CITY OF LEXINGTON, NEBRASKA, IN THE PRINCIPAL AMOUNT OF ONE MILLION TEN THOUSAND DOLLARS (\$1,010,000), FOR THE PURPOSE OF PROVIDING INTERIM FINANCING FOR THE COST OF STREET IMPROVEMENTS IN IMPROVEMENT DISTRICT NO. 86-2 AND SANITARY SEWER MAIN EXTENSIONS IN SANITARY SEWER EXTENSION DISTRICT NOS. 89-3 AND 89-4 OF SAID CITY PENDING THE ISSUANCE OF PERMANENT GENERAL OBLIGATION VARIOUS PURPOSE BONDS OF THE CITY; PRESCRIBING THE FORM OF SAID NOTES; AGREEING TO ISSUE THE CITY'S GENERAL OBLIGATION VARIOUS PURPOSE BONDS TO PAY THE NOTES AT MATURITY OR TO PAY THE NOTES FROM OTHER AVAILABLE FUNDS; ENTERING INTO A CONTRACT ON BEHALF OF THE CITY WITH THE HOLDERS OF SAID NOTES; AND PROVIDING FOR PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM."

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

Section 1. The Mayor and Council of the City of Lexington hereby find and determine: That the City of Lexington has by ordinances duly created Improvement District No. 86-2 and Sanitary Sewer Extension District Nos. 89-3 and 89-4 and that the City is authorized to construct street improvements and sanitary sewer main extensions, respectively, in said districts; that the City has approved the plans and specifications relating to the work in said districts; that the estimated cost for such work is not less than \$ 1,354,000; that it is therefore necessary and advisable that the City issue its notes pending permanent financing pursuant to Sections 16-623, 16-626, 18-1801, 18-1802 and 19-2405 R.R.S. Neb. 1943, as amended; that pursuant to Section 10-137, R.R.S. Neb. 1943, the City is authorized to issue notes for the purpose of providing temporary financing for the costs of the improvements in said districts, for the payment of a portion of the interest to accrue on

the notes from December 29, 1989 to June 15, 1991, and to pay the cost of issuing the notes; that all conditions, acts and things required by law to exist or to be done precedent to the issuance of Bond Anticipation Notes in the amount of \$1,010,000 do exist and have been done as required by law.

Section 2. For the purpose of providing interim financing for the costs of the improvements set out in Section 1, pending the issuance of permanent general obligation Various Purpose Bonds by the City of Lexington, there shall be and there are hereby ordered issued notes of the City of Lexington, Nebraska to be known as Bond Anticipation Notes, (the "Notes") of the aggregate principal amount of One Million Ten Thousand Dollars (\$1,010,000), with said notes bearing interest at the rate of 6.10% per annum (said interest to be computed on the basis of a 360-day year consisting of twelve 30-day months) and to become due on December 15, 1992. The Notes 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 Notes shall be December 29, 1989. Interest on the Notes shall be payable on December 15, 1990 and semiannually thereafter on June 15 and December 15 of each year (each an "Interest Payment Date"). The Notes 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 close of business on the last business day of the month immediately preceding the month in which the Interest Payment Date occurs (the "Record Date"). The Notes

shall be numbered from 1 upwards in the order of their issuance. The initial numbering and principal amounts for each of the Notes shall be designated by the City Treasurer as directed by the initial purchaser thereof, subject to the limitations of this ordinance. Payments of interest due on the Notes prior to maturity or redemption shall be made by the Paying Agent and Registrar as designated in Section 3 by mailing a check in the amount due for such interest on each Interest Payment Date to the registered owner of each Note, as of the Record Date for such Interest Payment Date, to such owner's registered address as shown on the books of registration maintained by said Paying Agent and Registrar. Payments of principal due at maturity or upon call for redemption prior to maturity, together with accrued interest then due, shall be made by said Paying Agent and Registrar to the registered owners upon presentation and surrender of each Note to said Paying Agent and Registrar. The City and said Paying Agent and Registrar may treat the registered owner of any Note as the absolute owner of such Note for the purposes 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 Note 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 Note 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 to the liability upon such Note or claims for interest to the extent of the sum or sums so paid.

Section 3. The Farmers State Bank & Trust Company in Lexington, Nebraska is hereby designated to serve as Paying Agent and Registrar for the Notes. Said Paying Agent and Registrar shall serve in such capacity under the terms of an agreement entitled "Paying Agent and Registrar's Agreement" between the City and said Paying Agent and Registrar, the form of which is hereby approved. The Mayor and Clerk are hereby authorized to execute said agreement in substantially the form presented but with such changes as they shall deem appropriate or necessary. The Paying Agent and Registrar shall keep and maintain for the City books for the registration and transfer of the Notes at its principal office. The names and registered addresses of the registered owner or owners of the Notes shall at all times be recorded in such books. Any Note may be transferred pursuant to its provisions at the office of said Paying Agent and Registrar by surrender of such Note 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 his 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 Note or Notes of the same aggregate principal amount. To the extent of the denominations authorized for the Notes by this Ordinance, one Note may be transferred for several such Notes for a like aggregate principal amount and several such Notes may be

transferred for one or several such Notes respectively of the same aggregate principal amount. In every case of transfer of a Note, the surrendered Note shall be cancelled and destroyed. All Notes issued upon transfer of Notes so surrendered shall be valid obligations of the City evidencing the same obligations as the Notes surrendered and shall be entitled to all the benefits and protection of this Ordinance to the same extent as the Notes upon transfer of which they were delivered. The City and its Paying Agent and Registrar shall not be required to transfer any Note during any period from any Record Date until its immediately following Interest Payment Date or to transfer any Note called for redemption for a period of 15 days next preceding the date fixed for redemption.

Section 4. If the date for payment of the principal of or interest on the Notes shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the principal 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 5. The Notes of this issue are subject to redemption, in whole or in part, prior to maturity at the option of the City at any time on or after February 15, 1991, at par plus accrued interest on the principal amount redeemed to the date fixed for redemption. The City may select the Notes to be redeemed in its sole discretion,

but Notes shall be redeemed only in amounts of \$5,000 or integral multiples thereof. Notes redeemed in part only shall be surrendered to the Paying Agent and Registrar in exchange for new Notes evidencing the unredeemed principal thereof. Notice of redemption of any Note called for redemption shall be given at the direction of the City by the Paying Agent and Registrar by mail not less than fifteen days prior to the date fixed for redemption, first class, postage prepaid, sent to the registered owner of such Note at such owner's registered address. Such notice shall designate the Note or Notes to be redeemed by number, the date of original issue and the date fixed for redemption and shall state that such Note or Notes are to be presented for prepayment at the office of the Paying Agent and Registrar. In case of any Note partially redeemed, such notice shall specify the portion of the principal amount of such Note to be redeemed. No defect in the mailing of notice for any Note shall affect the sufficiency of the proceedings of the City designating the Notes called for redemption or the effectiveness of such call for Notes for which notice by mail has been properly given and the City shall have the right to further direct notice of redemption for any such Note for which defective notice has been given.

Section 6. The Notes shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF DAWSON

BOND ANTICIPATION NOTE
OF THE CITY OF LEXINGTON, NEBRASKA

No. _____ \$ _____

Interest Rate Maturity Date Date of Original Issue Cusip Number

December 15, 1992 December 29, 1989

Registered Owner:

Principal Amount: Dollars (\$_____)

KNOW ALL MEN BY THESE PRESENTS: That the City of Lexington, in the County of Dawson, in the State of Nebraska, hereby acknowledges itself to owe and for value received promises to pay 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 maturity date specified above with interest thereon to maturity (or earlier redemption) from the date of original issue or most recent Interest Payment Date, whichever is later, at the rate per annum specified above, payable on December 15, 1990 and semiannually thereafter on June 15 and December 15 of each year (each an "Interest Payment Date"). Said interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months. The principal and accrued interest payable at maturity or upon call for redemption prior to maturity are payable upon presentation and surrender of this Note at the principal office of The Farmers State Bank & Trust Company, Paying Agent and Registrar, in Lexington, Nebraska. Interest on this Note, due prior to maturity or redemption, shall 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 Note as shown on the books of record maintained by the Paying Agent and Registrar, at the close of business on the last business day of the month immediately preceding the month in which the Interest Payment Date occurs, to such owner's address as shown on such books and records.

All Notes of this issue are subject to redemption prior to maturity on February 15, 1991, or at any time thereafter at par plus accrued interest on the principal amount to be redeemed to the date set for redemption. Notice of redemption shall be given by mail to the registered owner of any Note to be redeemed, not less than fifteen days prior to the date set for redemption, in the manner specified in the ordinance authorizing the issuance of said Notes. Individual Notes may be redeemed in part but only in the amount of \$5,000 or integral multiples thereof.

This Note is one of an issue of fully registered Notes of the total principal amount of \$1,010,000, of even date and like tenor herewith, except as to denomination, which were issued by the City for the purpose of providing interim financing for the cost of construction of street improvements and sanitary sewer main extensions pending the issuance of general obligation Various Purpose Bonds. The issuance of this Note and the other Notes of this issue has been lawfully authorized by an ordinance duly passed, approved and published by the Mayor and Council of the City of Lexington in strict compliance with Section 10-137, R.R.S. 1943.

The City hereby certifies and warrants that it has taken all actions necessary and appropriate for authorization of the construction of said improvements and agrees that the Notes of this issue shall be paid from the proceeds of Various Purpose Bonds or other bonds issued by the City at or before the maturity of the Notes of this issue. The City reserves the right to issue additional bond anticipation notes to pay additional costs of said improvements or other improvements or to pay or redeem the Notes of this issue.

This Note is transferable by the registered owner or his attorney duly authorized in writing at the principal office of The Farmers State Bank & Trust Company, in Lexington, Nebraska, as Paying Agent and Registrar, upon surrender and cancellation of this Note and thereupon a new Note or Notes of the same aggregate principal amount will be issued to the transferee as provided in the ordinance authorizing said issue of Notes, 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 Note is registered as the absolute owner hereof for the purpose of receiving payment due hereunder and for all purposes and shall not be affected by any notice to the contrary, whether this Note be overdue or not.

If the date for payment of the principal or interest on this Note shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the principal 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.

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

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Note 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 the City, including this Note, does not exceed any limitation imposed by law.

IN WITNESS WHEREOF, the Mayor and Council of the City of Lexington, Nebraska, have caused this Note to be executed on behalf of the City with the signatures of its Mayor and City Clerk, both of which signatures may be facsimile signatures, and by having affixed hereto or imprinted hereon the City's seal, all as of the date of original issue shown above.

THE CITY OF LEXINGTON, NEBRASKA

(SEAL)

By: _____
Mayor

ATTEST:

City Clerk

Certificate of Authentication

This Note is one of the Notes authorized by ordinance of the Mayor and Council of the City of Lexington, in the County of Dawson, in the State of Nebraska, described in the foregoing Note.

The Farmers State Bank & Trust Company
Lexington, Nebraska
Paying Agent and Registrar

By: _____
Authorized Signature

(FORM OF ASSIGNMENT)

For value received, _____ hereby sells, assigns and transfers unto _____, (Social Security or Taxpayer I.D. No. _____) the within Note 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.

Dated: _____

Registered Owner

Signature Guaranteed

By _____

Authorized Officer

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

Section 7. Each of the Notes herein authorized shall be executed on behalf of the City by the signatures of the Mayor and City Clerk, both of which signatures are hereby authorized to be facsimile signatures, and by having affixed thereto or imprinted thereon the City's seal. Forms for Notes to be issued upon subsequent transfer or partial redemption shall be executed in the same manner and supplied to the Paying Agent and Registrar. In case any officer whose signature or facsimile thereof shall appear on any Note shall cease to be such officer before the delivery of such Note (including any forms for Notes to be issued 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 Note. The Notes shall not be valid and binding on the City until authenticated by the Paying Agent and Registrar. After execution of the Notes they shall be delivered to the Paying Agent and Registrar for registration and authentication. Upon execution, registration and authentication of the Notes, they shall be delivered to the City Treasurer who is authorized to deliver them to Shearson Lehman Hutton Inc., Chiles Heider Division, as initial purchaser thereof upon receipt of 98.915% of the principal amount of the Notes plus accrued interest thereon to date of payment for the Notes. Said initial purchaser shall have the right to direct the registration of the Notes and the denominations, subject to the restrictions of this ordinance.

98.915

Section 8. The City Clerk is hereby directed to make and certify transcripts of the proceedings of the City precedent to the issuance of said Notes, one of which transcripts shall be delivered to the purchaser of said Notes.

Section 9. The City hereby covenants and agrees to take all steps necessary for the completion of the improvements described in Section 1 hereof in such a manner that upon completion the City will be authorized to issue and sell its general obligation Various Purpose Bonds or other bonds to pay the costs of said improvements and hereby covenants and agrees to issue and sell its general obligation Various Purpose Bonds or other bonds in a sufficient amount and at such times as will enable it to take up and pay off the Bond Anticipation Notes herein ordered issued, both principal and interest, at or prior to maturity, to the extent not paid from other sources. The City reserves the right to issue additional bond anticipation notes for the purpose of paying further costs of the improvements described in Section 1 and for the purpose of paying costs of further public improvements of the City and further reserves the right to issue such Notes for purposes of paying or refunding the Notes herein authorized at or prior to maturity.

Section 10. The proceeds of the Notes shall be held by the City Treasurer in a separate fund (the "1989 Construction Fund") and applied, upon order of the Mayor and Council, to pay costs of the improvements described in Section 1 hereof, including issuance expenses for the Notes, or to make interest payments due on the Notes of this issue. Moneys in the 1989 Construction Fund not

required for immediate use may be invested in any investments which are permissible for a city of the class to which the City of Lexington belongs.

Section 11. The holders of the Notes shall be subrogated to all rights of the holders of any claims which are paid from the proceeds of said Notes.

Section 12. The City hereby covenants to the purchasers and holders of the Notes hereby authorized that it will make no use of the proceeds of said issue which would cause the Notes to be arbitrage bonds within the meaning of Sections 103(b) and 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and further covenants to comply with said Sections 103(b) and 148 and all applicable regulations thereunder throughout the term of said issue. The City hereby covenants and agrees to take all actions necessary under the Code to maintain the tax exempt status (as to taxpayers generally) of interest payable on the Notes. The City hereby designates the Notes 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 bonds or other obligations aggregating in principal amount more than \$10,000,000 during calendar 1989.

Section 13. The use of a Preliminary Official Statement is hereby approved and the Mayor and City Clerk/Treasurer are hereby authorized to review and approve on behalf of the City a Final Official Statement providing information with respect to the Notes.

Section 14. This ordinance shall be published in pamphlet form and shall be in full force and effect from and after its passage as provided by law.

PASSED AND APPROVED this 28th day of November, 1989.


City Clerk


Mayor

(SEAL)

