

A meeting of the Mayor and Council of the City of Gothenburg, Nebraska, was held at the City Council Chambers in said City on the 7th day of August, 2001, at 7 o'clock p.m.

Present were: Mayor: Larry Franzen; Council Members:
Gary Norseen, Joyce Hudson, Roger Dudley Absent: _____
Bob Shackleton

Notice of the meeting was given in advance thereof by a designated method for giving notice, as shown by the Affidavit of Publication attached to these minutes. Notice of this meeting was given to the Mayor and all members of the Council and a copy of their acknowledgment of receipt of notice and 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.

Council Member Dudley introduced Ordinance No. 758
entitled:

AN ORDINANCE AUTHORIZING THE ISSUANCE OF STREET IMPROVEMENT BONDS, SERIES 2001, OF THE CITY OF GOTHENBURG, NEBRASKA, IN THE PRINCIPAL AMOUNT OF NINE HUNDRED SEVENTY THOUSAND DOLLARS (\$970,000) TO PAY THE COSTS OF IMPROVEMENTS IN STREET IMPROVEMENT DISTRICT NO. 112, AND TO PAY THE COSTS OF ISSUANCE OF THE BONDS; PRESCRIBING THE FORM OF SAID BONDS; PROVIDING FOR THE LEVY OF A TAX AND THE ESTABLISHMENT OF A SINKING FUND TO PAY SAID BONDS; PROVIDING FOR THE SALE OF THE BONDS; AUTHORIZING THE DELIVERY OF THE BONDS TO THE PURCHASER;

and moved that the statutory rule requiring reading on three different days be suspended. Council Member Hudson seconded the motion to suspend the rules and upon roll call on the motion the following Council Members voted YEA: _____

Norseen, Hudson, Dudley. The following
voted NAY: none. The motion to suspend the rules
was adopted by three-fourths of the Council and the statutory rule was declared suspended for
consideration of said ordinance.

Said ordinance was then read by title and thereafter Council Member Norseen
moved for final passage of the ordinance, which motion was seconded by Council Member
Hudson. The Mayor then stated the question was "Shall Ordinance No. 758 be
passed and adopted?" Upon roll call vote, the following Council members voted YEA:
Dudley, Norseen, Hudson. The following voted NAY:
none. The passage and adoption of said ordinance
having been concurred in by a majority of all members of the Council, the Mayor declared the
ordinance adopted and the Mayor in the presence of the Council signed and approved the ordinance
and the City Clerk attested the passage and approval of the same and affixed her signature thereto
and ordered the ordinance to be published in pamphlet form as provided therein. A true, correct and
complete copy of said
ordinance is as follows:

ORDINANCE NO. 758

AN ORDINANCE AUTHORIZING THE ISSUANCE OF STREET
IMPROVEMENT BONDS, SERIES 2001, OF THE CITY OF GOTHENBURG,
NEBRASKA, IN THE PRINCIPAL AMOUNT OF NINE HUNDRED SEVENTY
THOUSAND DOLLARS (\$970,000) TO PAY THE COSTS OF IMPROVEMENTS
IN STREET IMPROVEMENT DISTRICT NO. 112, AND TO PAY THE COSTS
OF ISSUANCE OF THE BONDS; PRESCRIBING THE FORM OF SAID BONDS;
PROVIDING FOR THE LEVY OF A TAX AND THE ESTABLISHMENT OF A
SINKING FUND TO PAY SAID BONDS; PROVIDING FOR THE SALE OF THE

BONDS; AUTHORIZING THE DELIVERY OF THE BONDS TO THE PURCHASER;

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

Section 1. The Mayor and Council of the City of Gothenburg, Nebraska hereby find and determine as follows: That pursuant to Ordinance No. 704 creating Street Improvement District No. 112 adopted June 16, 1998, there were ordered to be constructed street improvements in the City; that the cost of the improvements in Street Improvement District No. 112 as contracted by the City is hereby found to exceed \$970,000.00; that after taking into consideration the application of available funds, there will remain due and unpaid to pay the costs of the street improvements, plus the cost of issuance of bonds, the sum of not to exceed \$970,000.00; and that the City has taken all preliminary steps required for the issuance of Street Improvement Bonds in the principal amount of not to exceed \$970,000.00, including amounts to pay the costs of issuance of such bonds, in due form and time as required by law.

Section 2. For the purposes set out in Section 1 hereof, there shall be and there hereby are ordered issued the Street Improvement Bonds, Series 2001, of the City of Gothenburg, in the principal amount of not to exceed \$970,000 in the denomination of \$5,000.00 or integral multiples thereof, numbered from 1 and upward, dated as of their date of original delivery, in fully registered form. The Bonds shall bear interest at rates per annum, computed on the basis of a 360 day year consisting of twelve 30 day months, payable semiannually on June 15 and December 15 of each year beginning June 15, 2002 and shall mature on such dates, as follows:

<u>Maturity Date</u> <u>(December 15)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
2002	\$ 40,000	3.400%
2003	50,000	3.550
2004	50,000	3.750
2005	55,000	3.950
2006	55,000	4.100
2007	60,000	4.250
2008	60,000	4.400
2009	65,000	4.500
2010	65,000	4.600
2011	70,000	4.700
2012	70,000	4.800
2013	75,000	4.900
2014	80,000	5.000
2015	85,000	5.100
2016	90,000	5.200

Payments of interest due on the bonds prior to maturity or redemption shall be made by the Paying Agent and Registrar, as designated pursuant to Section 3 hereof, by mailing a check in the amount due for such interest on each interest payment date to the registered owner of each bond to such owner's registered address as shown on the books of registration, as required to be maintained in Section 3 hereof. Payment of principal due at maturity or at any date fixed for redemption, together with any accrued interest then due, shall be made by the Paying Agent and Registrar to the registered owners upon presentation and surrender of the bonds to the Paying Agent and Registrar. The City and the Paying Agent and Registrar may treat the registered owner of any bond as the absolute owner of such bond for the purpose of making payments thereon and for all other purposes and neither the City nor 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 bond shall be valid and

the purpose of payment of principal, premium, if any, and interest with respect to the Bonds, for the purpose of giving notices of redemption and other matters with respect to the Bonds, for the purpose of registering transfers with respect to the Bonds, and for all other purposes whatsoever. The Registrar and each paying agent, if any, shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Bondholder, as shown in the bond register as provided in this ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than a bondholder, as shown in the bond register, shall receive a bond certificate evidencing the obligation of the City to make payments of principal, premium, if any, and interest pursuant to this ordinance.

The City and the Registrar may execute a Letter of Representation with DTC in connection with the issuance of the Bonds. Such Letter of Representation is for the purpose of effectuating the Book-Entry-Only System only and shall not be deemed to amend, supersede or supplement the terms of this ordinance which are intended to be complete without reference to the Letter of Representation and if in conflict with the terms of ordinance, the terms of this ordinance shall control. DTC may exercise the rights of a bondholder hereunder only in accordance with the terms hereof applicable to the exercise of such rights.

Notwithstanding any other provision of this ordinance to the contrary, so long as any of the Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on the Bonds and all notices with respect to the Bonds shall be made and given, respectively, in the manner provided in the Letter of Representation.

The Registrar shall request in each notice sent to Cede & Co., pursuant to the terms of this ordinance that Cede & Co., forward or cause to be forwarded such notice to the DTC Participants.

Section 3. Wells Fargo Bank, National Association is hereby designated as Paying Agent and Registrar for the Bonds. The City shall make to the Paying Agent and Registrar timely deposits sufficient to pay principal and interest on the Bonds when due. The Paying Agent and Registrar shall keep and maintain for the City books for the registration and transfer of the Bonds at the office of the Paying Agent and Registrar in Lincoln, Nebraska. The names and registered addresses of the initial registered owner or owners of the Bonds shall be recorded in such books prior to the issuance thereof. Any Bond may be transferred pursuant to its provisions at the office of the Paying Agent and Registrar upon surrender of such Bond for notation of transfer, accompanied by a written instrument of transfer, in form satisfactory to the 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 will register such transfer upon said registration books and make notation thereof on the Bond and deliver the same to the transferee registered owner (or send it by registered mail to the transferee owner at such owner's expense). Payments of interest shall be mailed to the registered owners of the Bonds as of the record date for each interest payment date. The record date for payments shall be the first day of the month in which such payment is due. The City and the Paying Agent and Registrar shall not be required to transfer bonds during any period from any record date until its immediately following interest payment date or to transfer any bonds called for redemption for a period of 30 days next preceding the date fixed for redemption prior to maturity.

Section 4. The Bonds shall be subject to redemption, in whole or in part, prior to maturity at any time on or after September 11, 2006, at a redemption price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption. The particular Bonds to be redeemed shall be selected by the City. Notice of redemption of any Bond called for redemption shall be given at the direction of the Mayor and Council by the Paying Agent and Registrar by mail not less than thirty (30) days prior to the date fixed for redemption, first class postage prepaid, sent to the registered owner of such Bond at said owner's registered address. Such notice shall designate the Bond or Bonds to be redeemed by number and maturity, the date of issue, the date fixed for redemption and state that such Bond or Bonds are to be presented for prepayment at the office of the Paying Agent and Registrar. No defect in the mailing of notice for any Bond shall affect the sufficiency of the proceedings of the Mayor and Council designating the Bonds called for redemption or the effectiveness of such call for Bonds for which notice by mail has been properly given and the Mayor and Council shall have the right to further direct notice of redemption for any such Bond for which defective notice has been given.

Section 5. The Bonds shall be executed on behalf of the City by being signed by the Mayor and City Clerk, both of which signatures may be facsimile signatures.

Section 6. Said Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF NEBRASKA
CITY OF GOTHENBURG

STREET IMPROVEMENT DISTRICT NO. 112 BOND
SERIES 2001

No. _____ \$ _____

<u>Date of</u> <u>Original Issue</u>	<u>Rate</u>	<u>Maturity</u>	<u>Cusip</u>
_____, 2001	_____%	_____	_____

PRINCIPAL AMOUNT _____

REGISTERED OWNER _____

KNOW ALL MEN BY THESE PRESENTS: That the City of Gothenburg in the State of Nebraska, hereby acknowledges itself to owe and for value received promises to pay to the registered owner hereof the Principal Amount of this Bond in lawful money of the United States of America on the maturity date specified above, with interest thereon from the date hereof to maturity at the rate per annum specified above. Interest shall be payable semiannually on June 15 and December 15 in each year, beginning June 15, 2002. The interest hereon shall be paid on each interest payment date by the Wells Fargo Bank, National Association in Lincoln, Nebraska, as Paying Agent and Registrar for the City by check or draft mailed to the registered owner hereof, as of the close of business on the first day of the month in which such interest payment date occurs, at such owner's registered address as it appears on the books of registration of the City. The principal of the Bond and the interest due at maturity or upon call for redemption prior to maturity are payable on presentation and surrender of this Bond at the office of the Paying Agent and Registrar in

Lincoln, Nebraska. For the prompt payment of this Bond, principal and interest as the same become due, the full faith, credit and resources of said City are hereby irrevocably pledged.

The series of Bonds of which this issue is one are redeemable in whole or in part, on September 11, 2006, or at any time thereafter, at a redemption price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption. The particular bonds to be redeemed shall be selected by the City. Notice of such redemption shall be given by mail, sent to the registered owner of any bond to be redeemed at said registered owner's address in the manner provided in the ordinance authorizing the Bonds.

This Bond is one of an issue of registered bonds, numbered from 1 and upward, in denominations of \$5,000, or integral multiples thereof, of the total principal amount of \$970,000 of like tenor herewith issued by said City for the purpose of paying the costs of improvements in Street Improvement District No. 112 of the City and to pay the costs of issuance of the Bonds. The issuance of the Bonds has been authorized by an ordinance duly passed and approved by the Mayor and Council of the City, and published as provided by law.

This Bond is transferable by the registered owner or his attorney duly authorized in writing at the office of the Paying Agent and Registrar upon surrender of this Bond for notation of transfer as provided in the form of assignment herein. The City, its Paying Agent and Registrar and any other person may treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment hereof and for all purposes and shall not be affected by any notice to the contrary, whether this Bond is overdue or not.

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, did

happen and were done and performed in regular and due form and time as required by law, and that the indebtedness of said City, including this Bond, does not exceed any limitations imposed by law. The City agrees that it will cause to be levied and collected annually a tax upon the actual valuation of all the taxable property in the City, except intangible property, in addition to all other taxes, sufficient in rate and amount to pay the principal, premium, if any, and interest on the Bonds as the same become due.

IN WITNESS WHEREOF, the Mayor and Council of the City of Gothenburg, Nebraska, have caused this bond to be executed on behalf of the City by being signed by the facsimile signatures of the Mayor and City Clerk of the City.

CITY OF GOTHENBURG, NEBRASKA

Mayor

ATTEST:

City Clerk

BOND REGISTRAR AND PAYING AGENT'S CERTIFICATE OF AUTHENTICATION

This bond is one of the series of bonds
described in the within-mentioned Ordinance.

Wells Fargo Bank, National Association, as Bond Registrar and Paying Agent

By _____
Authorized Signature

Date: _____

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED:

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

broker or similar persons or organizations acting in the capacity of underwriters or wholesalers).

Based upon the foregoing, it is not expected that the proceeds of the Bonds will be used in a manner that will cause the Bonds to become "arbitrage bonds" within the meaning of the Code. The City shall deliver an appropriate certificate on behalf of the City, on the date of delivery of the Bonds, for inclusion in the transcript of the proceedings relating thereto, setting forth the facts, estimates circumstances, reasonable expectations pertaining to the use of the proceeds thereof and the provisions of said Section 148 of the Code and the regulations thereunder.

Section 13. The City's obligations under this ordinance shall be fully discharged and satisfied as to the Bonds authorized and issued hereunder, and said Bonds shall no longer be deemed outstanding hereunder when payment of the principal of the Bonds and accrued interest thereon to the date of maturity or redemption thereof plus the applicable premium, if any (a) shall have been made, or caused to have been made, in accordance with the terms thereof; or (b) shall have been provided for by depositing with the Registrar, or in escrow with a national or state bank having trust powers in trust solely for such payment of the Bonds

- (i) sufficient moneys to make such payment; or
- (ii) direct general obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States of America, or obligations of any agency of the United States of America (herein referred to as "Governmental Obligations"), in such amounts and with such maturities as to principal and interest as will insure the availability of sufficient moneys to make such payments, and the Bonds shall thereupon cease to draw interest from the date fixed for their redemption or maturity and,