

ORDINANCE NO. 2023-30

AN ORDINANCE AUTHORIZING A MUNICIPAL IMPROVEMENT BOND IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED NINE MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$9,800,000) TO PROVIDE FINANCING FOR A PORTION OF THE COSTS OF THE SEWARD WELLNESS CENTER TO BE OWNED BY THE CITY; PRESCRIBING THE TERMS AND FORM OF SUCH BOND; PROVIDING FOR PAYMENT OF THE INTEREST ON AND PRINCIPAL OF SUCH BOND; PROVIDING FOR PUBLICATION OF THIS ORDINANCE IN PAMPHLET OR ELECTRONIC FORM; AND RELATED MATTERS

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

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

- (a) The City imposes a sales and use tax in the amount of 1.50% (the “**Sales Tax**”) upon the same transactions within the City on which the State of Nebraska is authorized to impose a tax pursuant to the Local Option Revenue Act (Sections 77-27,142 to 77-27,148, R.R.S. Neb., as amended, the “**Act**”), which does not include a termination date and shall be used for property tax relief purposes.
- (b) An election (the “**Election**”) was duly called and held in conjunction with the Statewide Primary Election on May 10, 2022, pursuant to the Act, to impose an additional one-half of one percent (0.50%) sales and use tax to pay the costs to construct, acquire, improve, furnish, and equip public infrastructure improvements of the City, which shall include a wellness center to be owned by the City (collectively, the “**Project**”), at which Election a majority of all the qualified electors voting on said proposition voted in favor of the levy and collection of the additional 1/2% sales and use tax (the “**0.5% Sales Tax**”; and together with the 1.5% Sales Tax, the “**Tax**”).
- (c) Pursuant to an ordinance passed and approved by the Mayor and Council, the City has imposed the 0.5% Sales Tax applicable to all taxable transactions within the City and continuing for a period of ten years, unless bonds are issued and some or all of the revenues from the 0.5% Sales Tax are pledged for payment of the bonds, in which case the 0.5% Sales Tax shall remain in effect until payment in full of said bonds and any refunding bonds, whichever date is later.
- (d) The City is authorized to issue bonds pursuant to the Act for any municipal purpose, including to provide financing for a portion of the cost of the Project, and to pledge receipts of the Sales Tax and dedicate a portion of its property tax levy authority as provided in Section 77-3442, R.R.S. Neb., as amended, for payment of such bonds.
- (e) All conditions, acts and things required to exist or to be done precedent to the issuance of Tax Supported Municipal Improvement Bonds, Series 2023, (or such other title as determined in a Designation as described below, the “**Bonds**”; or if issued as a single instrument, the “**Bond**”) of the City of Seward, Nebraska, in the aggregate principal amount of not to exceed Nine Million Eight Hundred Thousand Dollars (\$9,800,000) pursuant to the Act to provide financing for a portion of the cost of the Project do exist and have been done as required by law. The City determined it is necessary and appropriate to issue the Bonds to a bank or banks in the form of a drawdown instrument, with the identity of the bank or banks (collectively, the “**Bank**”) and details of such financing to be determined as described herein. The Bond shall provide for a

drawdown structure during construction of the Project for two years and then amortize over a period of twenty years thereafter, with an interest rate which resets from time to time as described in this Ordinance.

Section 2. (a) The Mayor and Council further find and determine that all conditions, acts and things required by law to exist or to be done precedent to issuing the Bonds, pursuant to the Act, do exist and have been done as required by law. The Bonds shall consist of one fully registered Bond without coupons. The Bonds are hereby authorized to be issued to as a single instrument pursuant to terms approved by the Mayor, Finance Director or City Administrator (each, an **“Authorized Officer”**) as described herein and agreed to by the Bank. In connection therewith, an Authorized Officer is hereby authorized to execute a Designation of Final Terms, which may be evidenced by the terms of the Bond as delivered to the Bank (the **“Designation”**) to specify, determine, designate, establish and appoint, as the case may be (i) the maximum drawable principal amount of the Bond, in an amount not to exceed \$9,800,000; (ii) the title (including series designation), dated date, and the final maturity date of the Bond, which shall not be later than December 15, 2045; (iii) the date of original issue of the Bond (the **“Date of Original Issue”**); (iv) the period during which the City may draw principal advances on the Bond (the **“Draw-down Period”**), which shall extend from the Date of Original Issue to December 15, 2025, or such other date determined in the Designation; (v) the rate of interest on the Bond, which shall be reset from time to time by reference to the five-year treasury rate in effect on the measurement date plus 0.75%, with a minimum rate of 3.00% (the **“Applicable Interest Rate”**), as follows: (1) the initial interest rate on the Date of Original Issue shall be equal to the Applicable Interest Rate in effect on the business day immediately before the Date of Original Issue, and (2) on December 15, 2028, December 15, 2033, December 15, 2038 and December 15, 2043 (each, a **“Rate Reset Date”**), the rate of interest on the Bond shall be reset to the Applicable Interest Rate in effect on each such Rate Reset Date; (vi) the dates of payments of principal and interest on the Bond and the terms regarding amortization of the principal of the Bond after the Draw-down Period; (vii) the amounts of the Initial Advance (defined herein) and the amounts, terms and limitations of any and all subsequent Advances, which may be provided in a bond purchase agreement, placement agreement, disbursement agreement, or similar arrangement with the Bank; (viii) the identity of the bank or banks which will be the Bank and registered owner of the Bond; and (ix) all other terms and provisions of the Bond not otherwise specified or fixed by this Ordinance, including but not limited to terms of the Bond as may be required by the Bank which are, in an Authorized Officer’s sole discretion, reasonable and appropriate.

(b) On the Date of Original Issue, an initial advance (the **“Initial Advance”**) will be made in the principal amount of not less than \$50,001 (which amount may be determined in the Designation), by transferring such amount to the City in exchange for the Bond. All subsequent advances (each, an **“Advance”**) will be made, if at all, upon the written request of an Authorized Officer to the Bank, at least five business days prior to the date on which such Advance is to be made; provided, however, the final Advance must occur within Draw-down Period. The Draw-down Period may be adjusted in the Designation as may be determined necessary or appropriate by an Authorized Officer. At the end of the Draw-down Period, the Note shall be amortized during a period of years which extends to the final maturity date of the Bond (the **“Amortization Period”**).

(c) The Bond shall be subject to redemption or prepayment at the option of the City, prior to the stated maturity and prior to the applicable dates principal is due during the Amortization Period, at any time, as a whole, or in part from time to time in such principal amount as the City, in its sole and absolute discretion shall determine, plus the interest accrued on such principal amount to the date fixed for redemption or prepayment. The principal amount of the Bond authorized hereunder may only be advanced once; if any principal is redeemed or prepaid during the Draw-down Period, such principal may not be re-advanced pursuant to a subsequent Advance under the terms of this Ordinance.

If less than all of the principal amount thereof is to be redeemed or paid, the surrender of the Bond shall not be necessary. The records of the City with respect to the outstanding principal amount of the Bond from time to time shall be controlling and determinative.

Notice of redemption of the Bond stating the principal amount to be redeemed shall be given by the Registrar not less than thirty (30) days prior to the date fixed for redemption to the Bank at their most recent addresses appearing upon the books of registry, but failure to mail such notice shall not affect the proceedings for redemption, and the Bank may accept a shorter notice period. Notice of redemption need not be given to the holder of any Bond, whether registered or not, who has waived notice of redemption. Notice of redemption having been given as provided above or notice of redemption having been waived by the owner of the Bond, the Bond so called for redemption shall become due and payable on the designated redemption date. If on or before the said redemption date funds sufficient to pay the Bond so called for redemption at the applicable redemption price and accrued interest to said date have been deposited or caused to have been deposited by the City with the Registrar for the purposes of such payment and notice of redemption thereof has been given or waived as hereinbefore provided, then from and after the date fixed for redemption interest on such Bond so called shall cease to accrue and become payable. If such funds shall not have been so deposited with the Registrar as provided on or before the date fixed for redemption, such call for redemption shall be revoked and the principal amount of the Bond so called for redemption shall continue to be outstanding the same as though they had not been so called, and shall continue to bear interest until paid at such rate as they would have borne had they not been called for redemption, and shall continue to be protected by this Ordinance and entitled to the benefits and security hereof.

Section 3. Interest on the Bond at the respective rates for each maturity shall be payable monthly, quarterly, or semiannually as provided in the Designation (each of such dates an **"Interest Payment Date"**) from the Date of Original Issue or the most recent Interest Payment Date, whichever is later, until maturity or earlier redemption by check or draft mailed by the Registrar or its successor on such Interest Payment Date to the registered owner of each Bond at such registered owner's address as it appears on the Bond Register maintained by the Registrar or its successor at the close of business on the fifteenth day preceding such Interest Payment Date (the "Record Date") subject to the provisions of the following paragraph; provided, however, the Bank and City may agree on alternative payment methods from time to time. The principal on the Bond and the interest due at maturity or upon redemption prior to maturity is payable in lawful money of the United States of America to the registered owners thereof upon presentation and surrender of such Bond to the Registrar.

In the event that payments of interest due on the Bond 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 Bond as of a special date of record for payment of such defaulted interest as shall be designated by the Registrar whenever moneys for the purpose of paying such defaulted interest become available.

If the date for payment of the principal of or interest on the Bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of Seward, Nebraska, 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 4. The Bond shall be executed on behalf of the City by the manual or facsimile signatures of the Mayor and Clerk. In case any officer whose signature or a facsimile of whose signature shall appear on the Bond and shall cease to be such officer before the delivery of the Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery. Notwithstanding such execution, the Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Ordinance unless and until a certificate of authentication on the Bond has been duly executed by the manual signature of an authorized representative of the Registrar.

Certificates of authentication on a different Bond need not be signed by the same representative. The executed certificate or authentication on the Bond shall be conclusive evidence that it has been authenticated and delivered under this Ordinance.

Section 5. The Bond shall be in substantially the following form, with such changes as may be approved by an Authorized Officer:

UNITED STATES OF AMERICA
STATE OF NEBRASKA
CITY OF SEWARD, NEBRASKA
TAX SUPPORTED MUNICIPAL IMPROVEMENT BOND, SERIES 2023

<u>Interest Rate</u> As described herein	<u>Maturity Date</u> December 15, 2045	<u>Date of Issue</u> _____, 2023
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REGISTERED OWNER:

PRINCIPAL AMOUNT: SEE SCHEDULE I ATTACHED HERETO

This Bond is issued for the purpose of financing a portion of the costs of a wellness center to be owned by the City of Seward, Nebraska, (the “City”) and paying the costs of issuance of this Bond. This Bond is issued under the authority of and in compliance with the laws of the State of Nebraska governing the City, and pursuant to Ordinance No. 2023-30 of the City (the “Ordinance”) duly enacted and by proceedings duly had by the Mayor and Council on December 19, 2023. All capitalized terms used in this Bond but not otherwise defined herein shall have the meanings ascribed to them in the Ordinance.

The City hereby acknowledges itself to owe and for value received, hereby promises to pay to the Registered Owner named above or its registered permitted assigns, but only from the sources and other funds hereinafter described in lawful money of the United States of America, on the Maturity Date stated above (or earlier as hereinafter referred to), on the dates herein specified, the aggregate principal amount advanced by the Registered Owner from time to time as shown in the attached Schedule I, together with interest on the unpaid principal balance from time to time outstanding, computed on a three hundred sixty (360) day year with twelve 30-day months, as follows:

The advanced and unpaid principal balance of this Bond shall bear interest from and after the date such principal is advanced at an initial interest rate of ___% per annum and at the Applicable Interest Rate from and after each Rate Reset Date. All interest on this Bond shall be computed on the basis of a three hundred sixty (360) day year with twelve 30-day months.

Commencing on February 15, 2024, and continuing the fifteenth day of each month thereafter during the Draw-down Period, interest-only payments on the advanced and unpaid principal balance of this Bond shall be due and payable.

After the end of the Draw-down Period during the Amortization Period, beginning on June 15, 2026 and continuing on each June 15 and December 15 thereafter, level semiannual installments of principal and interest in the amounts necessary to fully amortize the outstanding principal balance of this Bond based on a 20-year amortization to the Maturity Date shall be due and payable. A final installment representing the entire unpaid principal balance of this Bond, and all accrued and unpaid interest thereon and all fees and charges in connection therewith, shall be due and payable on the Maturity Date. An amortization schedule showing the dates and amounts of payments due during the Amortization Period shall be attached hereto by the Registered Owner as Schedule II upon commencement of the Amortization Period, and such schedule shall be transmitted by the Registered Owner to the City immediately after the end of the Draw-down Period.

The Principal Amount and the interest due on this Bond, in the amounts and on the dates provided herein or upon early prepayment or redemption prior to maturity, is payable to the Registered Owner hereof in lawful money of the United States of America by the City Treasurer of the City, as the Bond Registrar and Paying Agent, (the “Registrar”) transmitting such payments to the Registered Owner hereof without need for presentation or surrender of this Bond, as provided in the Ordinance.

This Bond is subject to redemption at the option of the City prior to the stated maturity thereof at any time, as a whole, or in part from time to time in such principal amounts as the City, in its sole and absolute discretion, shall determine as provided in the Ordinance.

Notice of redemption of this Bond shall be given to the Registered Owner hereof not less than thirty (30) days prior to the date fixed for redemption, all as more particularly set forth in the Ordinance (hereinafter defined). Notice of redemption having been given as provided in the Ordinance (hereinafter defined), or notice of redemption having been waived, and funds for the payment thereof having been deposited with the Registrar, this Bond shall cease to bear interest from and after the date fixed for redemption.

For the prompt payment of the principal and interest on this bond and the other bonds of the same issue, as described in the Ordinance, the City of Seward, Nebraska, has pledged funds received and to be received from revenues from the City's 1.5% Sales Tax and its 0.5% Sales Tax as defined and described in the Ordinance (together, the "Tax"), with receipts from such Tax to be allocated by the City to payment of principal and interest as the same fall due. In addition, the City has covenanted and agreed in the Ordinance that it shall designate a portion of its property tax authority pursuant to Section 77-3442, R.R.S. Neb., as amended, in such amount as will provide funds which, together with receipts from the Tax as pledged to the payment of such principal and interest and any other money made available and used for such purpose, will be sufficient to make payment of the principal of and interest on this bond as the same fall due. Notwithstanding the foregoing, the pledge of the Tax for the Bond shall not prevent the City from otherwise applying receipts from the Tax in any year so long as sufficient receipts from such fund or from other sources have been set aside for the payment of principal and interest falling due in such year on the Bond. In addition, the City further reserves the right to issue additional bonds payable on par with the Bond equally and ratably secured by a pledge of receipts from the Tax.

This Bond is transferable by the Registered Owner hereof as provided by the Ordinance and subject to the restrictions on transfer specified in the Ordinance and only upon delivery of an Investor Letter, as described in the Ordinance. The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner for the purpose of receiving payment of or on account of principal hereof, premium, if any, and interest due hereon and for all other purposes.

If the date for payment of the principal of or interest on Bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of Seward, Nebraska, 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.

The City has in the Ordinance designated such Bond as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3)(B)(i) of the Internal Revenue Code of 1986, as amended.

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 the City, including this Bond, does not exceed any statutory limitation imposed by law.

This Bond shall not be valid or become obligatory for any purpose until it shall have been authenticated by the execution by the Registrar of the Certificate of Authentication endorsed hereon.

The records of the Registered Owner as to the Principal Amount and accrued interest outstanding, the date of the advances of such Principal Amount and payment of principal and interest on the Bond shall be binding upon all parties.

IN WITNESS WHEREOF, the Mayor and Council have caused this Bond to be executed on behalf of the City by the manual or facsimile signatures of its Mayor and Clerk and have caused the City Seal to be impressed or imprinted hereon, all as of the Date of Issue set forth above.

CITY OF SEWARD, NEBRASKA

ATTEST:

By: _____ (Facsimile Signature)
Mayor

By: _____ (Facsimile Signature)
Clerk

[S E A L]

BOND REGISTRAR AND PAYING AGENT'S
CERTIFICATE OF AUTHENTICATION

This Bond is described in the within-mentioned Ordinance.

CITY TREASURER, CITY OF SEWARD,
NEBRASKA, Bond Registrar and Paying Agent

By: _____

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

Print or Type Name, Address and Social Security Number
or other Taxpayer Identification Number of Transferee

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints
_____ agent to transfer the within Bond on the books kept by the Paying Agent for the
registration thereof, with full power of substitution in the premises.

Dated: _____

[Signature must be notarized]

SCHEDULE II

ATTACH AMORTIZATION SCHEDULE UPON START OF AMORTIZATION PERIOD

Section 6. The Bond shall be executed on behalf of the City with the manual or facsimile signatures of the Mayor and Clerk. In case any officer whose signature or facsimile thereof shall appear on the Bond shall cease to be such officer before the delivery of such Bond (including any certificate delivered to the Registrar for issuance upon transfer), 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 the Bond. The Bond shall not be valid and binding on the City until authenticated by the Registrar. The Bond shall be delivered to the Registrar for registration and authentication. Upon execution, registration and authentication of the Bond, it shall be delivered to the City Treasurer, who is authorized to deliver the Bond to the Bank upon receipt of (a) the Initial Advance on the Bond, and (b) delivery to the City of an investor letter in substantially the form of Exhibit A hereto, but with such changes as may be approved by an Authorized Officer.

Section 7. The City Treasurer of the City of Seward, Nebraska, is hereby appointed as Bond Registrar and Paying Agent (the "Registrar") for the Bond. The Registrar shall keep the books for the registration and transfer of Bond at its office in Seward, Nebraska. The names and registered addresses of the registered owner or owners of the Bond shall at all times be recorded in such books. The transfer of the Bond may be registered upon the books kept for the registration and registration of transfer of Bond only (i) upon presentation and surrender thereof to the Registrar together with an assignment duly executed by the registered owner or such registered owner's attorney or legal representative in such form as shall be satisfactory to the Registrar, (ii) the City shall consent to such transfer in its discretion and (iii) the assignee is a bank or a qualified institutional buyer as defined in Rule 144A promulgated by the Securities and Exchange Commission and the registered owner has obtained from such proposed transferee and provided to the Registrar, prior to such transfer and assignment, an investor letter in substantially the form of Exhibit A hereto. Upon any such registration of transfer, the City shall execute and the Registrar shall authenticate and deliver in exchange for such Bond at the principal office of the Registrar. The Registrar may impose a charge sufficient to defray all costs and expenses incident to registrations of transfer and exchanges. In each case the Registrar shall require the payment by the owner requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

The Registrar shall not be required to transfer the Bond for a period of 15 days next preceding any interest or principal payment date or to transfer any Bond for a period of 30 days next preceding any date fixed for redemption. The Registrar shall also be responsible for making the payments of principal and interest as the same fall due upon the Bond from funds provided by the City for such purpose. Payments of interest due upon the Bond prior to maturity or redemption shall be made by the Registrar by mailing a check in the amount due for such interest on each interest payment date to the registered owner of each Bond as of the close of business on the fifteenth day of the month immediately preceding the month in which interest on the Bond is payable, addressed to such owner's registered address as shown on the books of registration as required to be maintained under this Section 7. Payments of principal due at maturity or at any date fixed for redemption prior to maturity, together with any accrued interest then due, shall be made by the Registrar upon presentation and surrender of the Bond at the office of the Registrar. The City and the Registrar may treat the registered owner of the Bond as the absolute owner of the Bond for purposes of making payment thereon and for all other purposes. All payments on account of interest or principal made to the registered owner of the Bond shall be valid and effectual and shall be a discharge of the City and the Registrar in respect of the liability upon the Bond or claims for interest to the extent of the sum or sums so paid.

Section 8. The Bonds are special obligations of the City payable from and secured as to the payment of principal and interest by a pledge of the Tax, which includes the 0.5% Sales Tax (as described and defined in Section 1 hereof) approved by the voters at the Election. The City hereby pledges the Tax to the payment of the principal of and interest on the Bonds. The City hereby further agrees that it shall dedicate such portion of its property tax levy authority (as provided in Section 77-3442, R.R.S. Neb., as amended) as

is necessary to provide funds which, together with receipts from the Tax as pledged to the payment of the Bonds and any other monies made available and used for such purpose, will be sufficient to pay the principal of and interest on the Bonds as the same fall due (including mandatory sinking fund redemptions). The pledge of the Tax provided for in this Section 8 for the Bonds shall not prevent the City from otherwise applying receipts from the Tax in any year so long as sufficient receipts from such fund have been set aside for the payment of principal and interest falling due in such year on the Bonds. In addition, the City further reserves the right to issue additional bonds payable on par with the Bonds equally and ratably secured by a pledge of receipts from the Tax. The City reserves the right to provide for payment of principal and interest on the Bond from the further issuance of bonds or other methods of financing.

Section 9. The Clerk shall make and certify one or more complete transcripts of the proceedings had and done by the City precedent to the issuance of said Bond, one of which transcripts shall be delivered to the purchaser of the Bond.

Section 10. The City hereby covenants and agrees that it will make no use of the proceeds of the Bond which would cause the Bond to be an arbitrage bond within the meaning of Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the "**Code**") and further covenants to comply with said Sections 103(b)(2) and 148 and all applicable regulations thereunder throughout the term of said issue, including all requirements with respect to payment and reporting of rebates, if applicable. The City hereby covenants to take all action necessary to preserve the tax-exempt status of the interest on the Bond for federal income tax purposes under the Code with respect to taxpayers generally. The City further agrees that it will not take any actions which would cause the Bond to constitute a "private activity bond" within the meaning of Section 141 of the Code. The City hereby designates the Bond as its "qualified tax-exempt obligation" 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 the calendar year in which the Bond is issued (taking into consideration the exception for current refunding issues). The Mayor is hereby authorized to make, or cause to be made, any and all certifications deemed necessary in connection with the designation of the Bond as a "qualified tax-exempt obligation."

Section 11. The City's obligation under this Ordinance shall be fully discharged and satisfied as to the Bond authorized and issued hereunder, and said Bond shall no longer be deemed outstanding hereunder when payment of the principal of such Bond plus interest thereon to the date of maturity or redemption thereof (a) shall have been made or caused to be made in accordance with the terms thereof; or (b) shall have been provided by depositing with the Registrar or in escrow with a national or state bank having trust powers, in trust solely for such payment (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 an agency of the United States of America (herein referred to as "**Government Obligations**"), in such amount and maturing as to principal and interest at such times, as will insure the availability of sufficient moneys to make such payment, and such Bond shall cease to draw interest from the date of their redemption or maturity and, except for the purposes of such payment, shall no longer be entitled to the benefits of this Ordinance; provided that, with respect to any Bond called or to be called for redemption prior to the stated maturity thereof, notice of redemption shall have been duly given. If moneys shall have been deposited in accordance with the terms hereof with the Registrar as escrow agent in trust for that purpose sufficient to pay the principal of such Bond, together with all interest due thereon to the due date thereof or to the date fixed for the redemption thereof, as the case may be, all liability of the City for such payment shall forthwith cease, determine and be completely discharged, and such Bond shall no longer be considered outstanding.

Section 12. Without in any way limiting the power, authority or discretion elsewhere herein granted or delegated, the Council hereby (a) authorizes and directs the Authorized Officers, the City Attorney and all other officers, officials, employees and agents of the City to carry out or cause to be carried out, and to perform such obligations of the City and such other actions as they, or any of them, in consultation with

bond counsel, shall consider necessary, advisable, desirable or appropriate in connection with this Ordinance and issuance, sale and delivery of the Bond, including without limitation and whenever appropriate the execution and delivery thereof and of all other related documents, instruments, certifications and opinions, and (b) delegates, authorizes and directs the Mayor the right, power and authority to exercise his own independent judgment and absolute discretion in (i) determining and finalizing the terms, provisions, form and contents of any purchase agreement, placement agreement, disbursement agreement or similar agreement with the Bank related to advances of principal on the Bond and other matters determined appropriate, (ii) determining and finalizing all other terms and provisions to be carried by the Bond not specifically set forth in this Ordinance, and (iii) the taking of all actions and the making of all arrangements necessary, proper, appropriate, advisable or desirable in order to effectuate the issuance, sale and delivery of the Bond. The execution and delivery by the Mayor or by any such other officers, officials, employees or agents of the City of any such documents, instruments, certifications and opinions, or the doing by them of any act in connection with any of the matters which are the subject of this Ordinance, shall constitute conclusive evidence of both the City's and their approval of the terms, provisions and contents thereof and all changes, modifications, amendments, revisions and alterations made therein and shall conclusively establish their absolute, unconditional and irrevocable authority with respect thereto from the City and the authorization, approval and ratification by the City of the documents, instruments, certifications and opinions so executed and the actions so taken.

Section 13. All documents, agreements, certificates, and instruments related to the Bond shall be valid, binding, and enforceable against the City when executed and delivered by means of (i) an original manual signature; (ii) a faxed, scanned, or photocopied manual signature, or (iii) any other electronic signature permitted by electronic signatures laws, including any relevant provisions of the Uniform Commercial Code, in each case to the extent applicable. Each faxed, scanned, or photocopied manual signature, or other electronic signature, shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. Each document, agreement, certificate, and instrument related to the Bond may be executed in any number of counterparts, each of which shall be deemed to be an original, but such counterparts shall, together, constitute one and the same document, agreement, certificate, or instrument, as applicable.

Section 14. If any one or more of the provisions of this Ordinance should be determined by a court of competent jurisdiction to be contrary to law, then such provisions shall be deemed severable from the remaining provisions of this Ordinance and the invalidity thereof shall in no way affect the validity of the other provisions of this Ordinance or of the Bond and the owners of the Bond shall retain all the rights and benefits accorded to them under this Ordinance and under any applicable provisions of law.

Section 15. All ordinances, resolutions or orders, or parts thereof in conflict with the provisions of this Ordinance are to be extent of such conflict hereby repealed.

Section 16. This ordinance is hereby determined to be a measure necessary to carry out the contractual obligations of the City relating to the Project and shall be in force and effect as provided in Section 17 of this Ordinance.

Section 17. The Mayor and Council hereby determine that an emergency exists for the City in connection with meeting the City's contractual obligations with respect to the Project, and in order to achieve lower borrowing costs by issuing the Bond on or prior to December 31, 2023, it is necessary that this Ordinance take effect and have immediate operation from and after proclamation by the Mayor, immediately upon its publication in pamphlet or electronic form. Upon such proclamation of emergency by the Mayor, this Ordinance shall be in force and take effect from and after its passage, approval and publication in pamphlet or electronic form as provided by law.

PASSED AND APPROVED this 19th day of December, 2023.

Joshua Edmeyer
Mayor

ATTEST:

Patricia Baromann
City Clerk

[SEAL]



EXHIBIT A
FORM OF INVESTOR LETTER

_____, 2023

City of Seward, Nebraska
Seward, Nebraska

Gilmore & Bell, P.C.
Omaha, Nebraska

Re: \$ _____ maximum drawable amount of Tax Supported Municipal
Improvement Bond, Series 2023, dated _____, 2023

Ladies and Gentlemen:

The undersigned, _____, as purchaser (the "Purchaser") of the above-referenced bond (the "Bond") issued by the City of Seward, Nebraska, (the "City") pursuant to and on the terms set forth in Ordinance No. 2023-30 of the City passed by the City Council on December 19, 2023, and the Designation of Final Rates and Terms dated _____, 2023, and executed by officials of the City (together, the "Ordinance"), hereby represents and warrants to you that:

1. Capitalized terms used herein and not otherwise defined are used with the meanings given such terms in the Ordinance.
2. The Purchaser has duly authorized, by all necessary action, the purchase of the Bond and the right to receive the payments of principal of and interest on the Bond pursuant to the terms and provisions of the Ordinance (the "Payments").
3. The Purchaser is a bank as defined in Section 3(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"). The Purchaser has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the Bond, the Payments, and the Ordinance. The Purchaser is able to bear the economic risks of that investment, including a complete loss of such investment.
4. The Purchaser understands that the obligations of the City to make the Payments under the Ordinance and the Bond are payable from the sources described in the Ordinance.
5. The Purchaser acknowledges that it has either been supplied with or has been given access to information, including financial statements and other financial information, which it has asked for and the Purchaser has had the opportunity to ask questions and receive answers from appropriate officers of the City concerning the City, the Bond, the Payments, the Ordinance and the security therefor, so that the Purchaser has been able to evaluate the risks and merits of purchasing the Bond and make its decision to purchase the Bond on the terms set forth in the Ordinance.
6. The Purchaser made its own inquiry and analysis with respect to the Ordinance, the Bond, the Payments, and the security therefor, and other factors affecting the security and payment of such payments set forth in the Ordinance. The Purchaser is aware that the business of the City involves certain economic variables and risks that could adversely affect the security for the payments to be made by the City to the Purchaser under the terms of the Ordinance and the Bond. The Purchaser has examined the legal

documents relating to the Bond and the Ordinance, including the proposed legal opinion to be delivered by Gilmore & Bell, P.C. as to the validity of and tax status of interest on the Bond.

7. The Purchaser understands that the Bond (including the right to receive the Payments under the terms of the Ordinance) (a) is not being registered or otherwise qualified for sale under the securities laws and regulations of any state, (b) will not be listed on any securities exchange, (c) does not and will not carry a credit rating from any credit rating service and (d) will be delivered in a form which may not be readily marketable.

8. The Purchaser understands that the Bond (including the right to the Payments under the terms of the Ordinance) has not been registered under the Securities Act in reliance upon certain exemptions from registration. The Purchaser represents to you that it is purchasing the Bond for investment for its own account and not with a view toward resale or the distribution thereof, in that it does not now intend to resell or otherwise dispose of the Bond or any part of its interest in the Bond, provided, however, that the Purchaser may enter into a participation agreement with regard to the Bond with another bank. The Purchaser agrees not to sell, transfer or otherwise dispose of the Bond or all or any part of its interest in the Bond or the Ordinance unless the transferee executes a letter of representation in substantially the form of this letter and such sale, transfer or other disposition is in compliance with applicable securities laws and the provisions of the Ordinance.

9. The Purchaser agrees to indemnify and hold harmless the City with respect to any claim asserted against the City that is based upon the Purchaser's sale, transfer or other disposition of the Bond or all or any part of the Purchaser's interests in the Bond or the Ordinance in violation of the provisions hereof or of the Ordinance, other than any claim that is based upon the gross negligence or willful misconduct of the City.

10. The Purchaser has executed and delivered this letter in connection with issuance of the Bond as an inducement to the City to cause the issuance of the Bond and the execution and delivery thereof to the Purchaser.

Only the addressees hereof may rely upon this letter.

By: _____
Authorized Officer

CERTIFICATE AS TO PUBLICATION
IN PAMPHLET FORM

The undersigned City Clerk of the City of Seward, Nebraska hereby certifies that the attached is a true and correct copy of Ordinance No. 2023-30 as passed by the Mayor and Council on December 19, 2023, and as published in pamphlet form on December 20, 2023.



City Clerk

(SEAL)



**PROCLAMATION OF EMERGENCY
AND
EFFECTIVENESS OF ORDINANCE**

The undersigned, Mayor of the City of Seward, Nebraska, hereby proclaims, based upon determination by the Mayor and City Council at a meeting held on December 19, 2023, that an emergency exists, that Ordinance No. 2023-30, passed and approved on said date, shall take effect upon this Proclamation immediately as of the time of first publication in pamphlet form by the posting of this Proclamation. The title of such Ordinance No. 2023-30 is as follows:

AN ORDINANCE AUTHORIZING A MUNICIPAL IMPROVEMENT BOND IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED NINE MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$9,800,000) TO PROVIDE FINANCING FOR A PORTION OF THE COSTS OF THE SEWARD WELLNESS CENTER TO BE OWNED BY THE CITY; PRESCRIBING THE TERMS AND FORM OF SUCH BOND; PROVIDING FOR PAYMENT OF THE INTEREST ON AND PRINCIPAL OF SUCH BOND; PROVIDING FOR PUBLICATION OF THIS ORDINANCE IN PAMPHLET OR ELECTRONIC FORM; AND RELATED MATTERS


Said Ordinance was published in pamphlet form on December 20, 2023, and has been posted in full in three public of the most public places in the City. Copies of said Ordinance are available for inspection and distribution at the Office of the City Clerk, in the City of Seward, Nebraska.

[SEAL]





Mayor



City Clerk

Post this proclamation in 3 public places.