

ITEM E

**CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
MAY 17, 2011 AGENDA**

Subject:	Type:	Submitted By:
CALL FOR REDEMPTION OF BONDS & OFF-STREET PARKING REFUNDING SERIES 2011B BOND ISSUE	◆ RESOLUTION ◆ ORDINANCE RECEIVE/FILE	SHEILA LINDBERG FINANCE DIRECTOR

SYNOPSIS

A resolution has been prepared authorizing bonds called for redemption of the General Obligation Bonds, Series 2006, Off -Street Parking.

An ordinance has been prepared authorizing the Refunding of the 2006 \$7,940,000 Off-Street Parking Bond Issue. This will be the General Obligation Off-Street Parking Refunding Bonds, Series 2011B in the principal amount not to exceed \$6,495,000.

FISCAL IMPACT

Savings of approximately \$533,710 will be recognized over time in the Off-Street Parking Fund as a result of the lower interest rate.

RECOMMENDATION

Approval.

BACKGROUND

The City is paying an average coupon (interest) rate of 4.6% on these current bond issues; however, with the refunding, the average coupon rate will fall to approximately 3.3%. The refinancing of this bond issue will reduce the amount that is transferred from the General Fund to the Off-Street Parking Fund.

RESOLUTION NO._____

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF LA VISTA, NEBRASKA APPROVING THE CALL FOR REDEMPTION GENERAL OBLIGATION OFF-STREET PARKING BONDS, SERIES 2006.

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

Section 1. The following obligations of the City of La Vista, Nebraska in accordance with their option provisions are hereby authorized to be called for redemption on such date as set forth in the Designation of Call Date (as defined below), after which date interest on the bonds will cease:

General Obligation Off-Street Parking Bonds, Series 2006, date of original issue – April 15, 2006, in the principal amount of Six Million Four Hundred Thirty Thousand Dollars (\$6,430,000), numbered as shown on the books of the Paying Agent and Registrar, in denomination of \$5,000 each, becoming due and bearing interest as follows:

<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>CUSIP</u>
	<u>April 15,</u>		
\$340,000	2012	4.375%	505318 KU8
355,000	2013	4.375	505318 KV6
760,000	2015	4.500	505318 KW4
405,000	2016	4.500	505318 KX2
425,000	2017	4.400	505318 KY0
440,000	2018	4.450	505318 KZ7
460,000	2019	4.500	505318 LA1
480,000	2020	4.550	505318 LB9
505,000	2021	4.600	505318 LC7
2,260,000	2025	4.700	505318 LD5

Said bonds are hereinafter referred to as the "Refunded Bonds."

The Refunded Bonds are subject to redemption at any time on or after April 15, 2011, at par and accrued interest, and said interest is payable semiannually. The proceeds of the Refunded Bonds were used for the purpose of paying the costs of off-street parking facilities in Vehicle Off-Street Parking District No. 1 of the City of La Vista.

Section 2. The Refunded Bonds are to be paid at the office of the Treasurer of the City of La Vista, in La Vista, Nebraska, as paying agent and registrar.

Section 3. The Mayor or 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 "Designation of Call Date"), shall constitute the action of the City without further action of the Mayor and Council of the City. The Call Date shall be set for any date prior to September 1, 2011, and after such date the Authorized Officers shall have no authority to make any such determination hereunder without further action of the Mayor and Council of the City and this resolution shall be of no further force and effect.

Section 4. A true copy of the Designation of Call Date shall be filed at least thirty days prior to the Call Date with the Treasurer of the City of La Vista as Paying Agent for the Refunded Bonds, and said Paying Agent is hereby 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 and authorizing the Refunded Bonds.

PASSED AND APPROVED THIS 17TH DAY OF MAY, 2011

CITY OF LA VISTA

Douglas Kindig, Mayor

ATTEST:

Pamela A. Buethe, CMC
City Clerk

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS (OFF-STREET PARKING PROJECT), SERIES 2011B, OF THE CITY OF LA VISTA, NEBRASKA, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED SIX MILLION FOUR HUNDRED NINETY-FIVE THOUSAND DOLLARS (\$6,495,000) FOR THE PURPOSE OF PROVIDING FUNDS WHICH WILL PAY AND REDEEM GENERAL OBLIGATION OFF-STREET PARKING BONDS, SERIES 2006, OF THE CITY; DIRECTING THE APPLICATION OF THE PROCEEDS OF SAID BONDS; PRESCRIBING THE FORM OF SAID BONDS; PROVIDING FOR THE LEVY AND COLLECTION OF TAXES TO PAY THE SAME; PROVIDING FOR THE SALE OF THE BONDS; AUTHORIZING THE DELIVERY OF THE BONDS TO THE PURCHASER; AND ORDERING THE ORDINANCE PUBLISHED IN PAMPHLET FORM.

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

Section 1. The Mayor and Council of the City of La Vista, Nebraska hereby find and determine that there have been heretofore issued and are now outstanding and unpaid valid and interest bearing obligations of the City of La Vista, Nebraska, as follows:

General Obligation Off-Street Parking Bonds, Series 2006, date of original issue – April 15, 2006, in the principal amount of Six Million Four Hundred Thirty Thousand Dollars (\$6,430,000), numbered as shown on the books of the Paying Agent and Registrar, in denomination of \$5,000 each, becoming due and bearing interest as follows:

<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>CUSIP</u>
\$340,000	2012	4.375%	505318 KU8
355,000	2013	4.375	505318 KV6
760,000	2015	4.500	505318 KW4
405,000	2016	4.500	505318 KX2
425,000	2017	4.400	505318 KY0
440,000	2018	4.450	505318 KZ7
460,000	2019	4.500	505318 LA1
480,000	2020	4.550	505318 LB9
505,000	2021	4.600	505318 LC7
2,260,000	2025	4.700	505318 LD5

Said bonds are hereinafter referred to as the "Refunded Bonds."

The Refunded Bonds are subject to redemption at any time on or after April 15, 2011, at par and accrued interest, and said interest is payable semiannually. The proceeds of the Refunded Bonds were used for the purpose of paying the costs of off-street parking facilities in Vehicle Off-Street Parking District No. 1 of the City of La Vista.

The Refunded Bonds are valid, interest bearing obligations of the City of La Vista, Nebraska, and that by resolution of the Mayor and Council of the City adopted contemporaneously with this resolution (the "Call Resolution") all of the Refunded Bonds have been authorized to be called for redemption on such date as determined pursuant to the Call Resolution (the "Redemption Date"); since the Refunded Bonds were issued, the rates of interest have so declined in the markets that by taking up and paying off said Refunded Bonds on said call date, a substantial savings in the amount of yearly running interest will be made to the City; that for the purpose of redeeming the Refunded Bonds it is for the best interest of the City to issue general obligation off-street parking refunding bonds of the City in the principal amount of not to exceed \$6,495,000; that all

conditions, acts and things required to exist or to be done precedent to the issuance of the various purpose bonds of the City of La Vista, Nebraska, in the principal amount of not to exceed Six Million Four Hundred Ninety-five Thousand Dollars (\$6,495,000), pursuant to Sections 10-142 and 19-3317 R.R.S. Neb. 2007, do exist and have been done as required by law.

Section 2. To provide for the refunding of the Refunded Bonds as set forth in Section 2 hereof, there shall be and there are hereby ordered issued the various purpose bonds of the City of La Vista, Nebraska, to be called "General Obligation Refunding Bonds (Off-Street Parking Project), Series 2011B," in the principal amount of not to exceed Six Million Four Hundred Ninety-five Thousand Dollars (\$6,495,000) (the "Bonds") with said bonds bearing interest at the rates per annum (said interest to be computed on the basis of a 360-day year consisting of twelve 30-day months) and maturing on April 15 of each year in the principal amounts as follows:

<u>Principal</u>	<u>Date of Maturity</u>
\$385,000	April 15, 2012
405,000	April 15, 2013
410,000	April 15, 2014
420,000	April 15, 2015
425,000	April 15, 2016
435,000	April 15, 2017
445,000	April 15, 2018
460,000	April 15, 2019
470,000	April 15, 2020
490,000	April 15, 2021
505,000	April 15, 2022
525,000	April 15, 2023
550,000	April 15, 2024
570,000	April 15, 2025

provided, that the Bonds shall bear interest at the rates per annum as shall be determined in a written designation (the "Designation") signed by the Mayor and/or Clerk of the City (the "Authorized Officers") on behalf of the Mayor and Council 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 Bonds, mandatory redemption provisions (if any), and pricing terms as set forth in Section 8 below, all within the following limitations:

- (a) *the aggregate principal amount of the Bonds shall not exceed \$6,495,000*
- (b) *the aggregate amount of original issue premium and original issue discount (if any) may result in an aggregate net original issue discount (if any) not in excess of one percent (1.00%) of the stated principal amount of the Bonds;*
- (c) *the longest maturity of the Bonds may not be later than April 15, 2025;*
- (d) *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 Refunded Bonds;*
- (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 Mayor and Council 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 without further action of the Mayor and Council of the City.

The Bonds shall be issued in fully registered form in the denomination of \$5,000 or any integral multiple thereof. The Bonds shall bear as the date of original issue the date of delivery thereof. Interest on the Bonds, at the respective rates for each maturity, shall be payable semiannually on April 15 and October 15 of each year, commencing October 15, 2011 (or such other date as may be determined in the Designation, each of said dates an "Interest Payment Date") and the 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 close of business on the fifteenth day immediately preceding the Interest Payment Date (the "Record Date"), subject to the provisions of Section 5 hereof. The Bonds shall be numbered from 1 upwards in the order of their issuance. No 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 Bonds issued shall be designated by the City's Treasurer as directed by the initial purchaser thereof. Payments of interest due on the Bonds prior to maturity or date of 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 the registered owner of each Bond, as of the Record Date for such 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 and accrued interest thereon due at maturity or at any date fixed for redemption prior to maturity shall be made by said Paying Agent and Registrar to the registered owners upon presentation and surrender of the Bonds to said Paying Agent and Registrar. The City and said 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 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 Bonds or claims for interest to the extent of the sum or sums so paid.

Section 3. The City Treasurer is hereby designated as the Paying Agent and Registrar for the Bonds provided that the City reserves the right to designate a bank or trust company to serve in such capacity and upon such agreed terms as shall be determined by the Mayor and Council. The Paying Agent and Registrar shall keep and maintain for the City books for the registration

and transfer of the Bonds at the City offices. The names and registered addresses of the registered owner or owners of the Bonds shall at all times be recorded in such books. Any 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 Bond or Bonds of the same interest rate, aggregate principal amount and maturity. To the extent of the denominations authorized for the Bonds by this Ordinance, one 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 Bond, the surrendered Bond shall be canceled and destroyed. All Bonds issued upon transfer of the Bonds so surrendered shall be valid obligations of the City evidencing the same obligations as the Bonds surrendered and shall be entitled to all the benefits and protection of this Ordinance to the same extent as the Bonds upon transfer of which they were delivered. The City and said Paying Agent and Registrar shall not be required to transfer any Bond during any period from any Record Date until its immediately following Interest Payment Date or to transfer any Bond called for redemption for a period of 30 days next preceding the date fixed for redemption.

Section 4. In the event that payments of interest due on the 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 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 5. If the date for payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of La Vista, 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 6. Bonds maturing April 15, 2017 and thereafter shall be subject to redemption, in whole or in part, prior to maturity at any time on or after the fifth anniversary of the date of original issue thereof, at par plus accrued interest on the principal amount redeemed to the date fixed for

redemption. The City may select the Bonds to be redeemed in its sole discretion but the Bonds shall be redeemed only in amounts of \$5,000 or integral multiples thereof. Bonds redeemed in part only shall be surrendered to said Paying Agent and Registrar in exchange for new Bonds evidencing the unredeemed principal thereof. Notice of redemption of any Bond called for redemption shall be given at the direction of the City 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 Bond at said owner's registered address. Such notice shall designate the Bond or Bonds to be redeemed by maturity or otherwise, the date of original issue and the date fixed for redemption and shall state that such Bond or Bonds are to be presented for prepayment at the office of said Paying Agent and Registrar. In case of any Bond partially redeemed, such notice shall specify the portion of the principal amount of such Bond to be redeemed. No defect in the mailing of notice for any Bond shall affect the sufficiency of the proceedings of the City 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 City shall have the right to further direct notice of redemption for any such Bond for which defective notice has been given.

Section 7. The Bonds shall be in substantially the following form:

**UNITED STATES OF AMERICA
 STATE OF NEBRASKA
 COUNTY OF SARPY
 GENERAL OBLIGATION REFUNDING BOND
 (OFF-STREET PARKING PROJECT)
 OF THE CITY OF LA VISTA, NEBRASKA
 SERIES 2011B**

No.	\$		
<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP No.</u>
		_____, 2011	

Registered Owner:

Principal Amount:	Dollars (\$)
-------------------	--------------------

KNOW ALL PERSONS BY THESE PRESENTS: That the City of La Vista, in the County of Sarpy, 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 date of maturity 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 semiannually on April 15 and October 15 of each year, commencing October 15, 2011 (each of said dates 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 hereof and unpaid accrued interest thereon due at maturity or upon redemption prior to maturity are payable upon presentation and surrender of this bond at the office of the City Treasurer, the Paying Agent and Registrar, in La Vista, 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, at the close of business on the fifteenth day immediately preceding the Interest Payment Date, to such owner's registered 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, and 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.

This bond is one of an issue of fully registered bonds of the total principal amount of _____ Thousand 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 providing funds to refund the City's General Obligation Off-Street Parking Bonds, Series 2006; all pursuant to Sections 10-142 and 19-3317, R.R.S. Neb. 2007, as amended. The issuance of said bonds has been authorized by proceedings duly had and an ordinance legally passed, approved and published by the Mayor and Council of said City (the "Ordinance").

Bonds of this issue maturing April 15, 2017, and thereafter are subject to redemption at the option of the City, in whole or in part, at any time on or after the fifth anniversary of the date of original issue thereof, at par plus interest accrued on the principal amount redeemed to the date fixed for redemption. Notice of redemption shall be given by mail to the registered owner of any bond to be redeemed at said registered owner's address in the manner specified in the Ordinance. Individual bonds may be redeemed in part but only in \$5,000 amounts or integral multiples thereof.

This bond is transferable by the registered owner or such owner's attorney duly authorized in writing at the 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, 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 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 of or interest on this bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of La Vista, 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.

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 and in the issuance of the bonds refunded hereby 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 limitation imposed by law. The City agrees that it will cause to be levied and collected annually a tax by valuation on all the taxable property in the City, in addition to all other taxes, sufficient in rate and amount to pay the principal and interest of said bonds as the same become due. The City reserves the right to provide for payments of principal and interest on said bonds in any fiscal year from other available funds, including general sales tax receipts, as appropriated and applied, and thereby satisfy its obligation to levy taxes on property as provided in the Ordinance authorizing said bonds.

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 PAYING AGENT AND REGISTRAR. DTC OR A NOMINEE, TRANSFeree OR ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID. 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 PAYING AGENT AND REGISTRAR FOR REGISTRATION OF TRANSFER OR EXCHANGE OR (B) TO THE PAYING AGENT AND 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 HEREOF, DTC OR ITS NOMINEE, HAS AN INTEREST HEREIN.

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 La Vista, 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 or affixed hereto, all as of the date of original issue specified above.

CITY OF LA VISTA, NEBRASKA

Mayor

ATTEST:

City Clerk

(SEAL)

**CERTIFICATE OF AUTHENTICATION
AND REGISTRATION**

This bond is one of the series designated therein and has been registered to the owner named in said bond and the name of such owner has been recorded in the books of record maintained by the undersigned as Paying Agent and Registrar for said issue of bonds.

City Treasurer,
Paying Agent and Registrar
for the City of La Vista, Nebraska

(Form of Assignment)

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

Dated: _____

Registered Owner(s)

Signature Guaranteed

By _____
Authorized Officer(s)

Note: The signature(s) on this assignment MUST CORRESPOND with the name(s) as written on the face of the within bond 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 9. Each of the 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 Bonds shall be issued initially as "book-entry-only" bonds under the services of The Depository Trust Company (the "Depository"), with one typewritten bond per maturity being issued to the Depository. In such connection said officers are authorized to execute and deliver a Letter of Representations (the "Letter of Representations") in the form required by the Depository (which may be in the form of a blanket letter, including any such letter previously executed and delivered), for and on behalf of the City, which shall thereafter govern matters with respect to registration, transfer, payment and redemption of the Bonds. With respect to the issuance of the 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 Bonds as securities depository (each, a "Bond Participant") or to any person who is an actual purchaser of a Bond from a Bond Participant while the 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 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 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, of any amount with respect to the Bonds. The Paying Agent and Registrar shall make payments with respect to the 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 Bonds to the extent of the sum or sums so paid. No person other than the Depository shall receive an authenticated 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 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 Bonds or (ii) to make available Bonds registered in whatever name or names as the Beneficial Owners transferring or exchanging such Bonds shall designate.

(c) If the City determines that it is desirable that certificates representing the Bonds be delivered to the ultimate beneficial owners of the 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 Bonds. In such event, the Paying Agent and Registrar shall issue, transfer and exchange bond certificates representing the 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 Bond is registered in the name of the Depository or any nominee thereof, all payments with respect to such Bond and all notices with respect to such Bond shall be made and given, respectively, to the Depository as provided in the Letter of Representations.

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

- (i) any successor securities depository or its nominee; or
- (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 Bond unless and until such partially redeemed 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 bond as is then outstanding and all of the Bonds issued to the Depository or its nominee shall contain a legend to such effect.

If for any reason the Depository is terminated or resigns and is not replaced, the City shall immediately provide a supply of printed bond certificates, duly executed by manual or facsimile signatures of the Mayor and City Clerk and sealed with the City's seal, for issuance upon the transfers from the Depository and subsequent transfers or in the event of partial redemption. In the event that such supply of certificates shall be insufficient to meet the requirements of the Paying Agent and Registrar for issuance of replacement certificates upon transfer or partial redemption, the City agrees to order printed an additional supply of such certificates and to direct their execution by manual or facsimile signatures of its then duly qualified and acting Mayor and City Clerk and by imprinting thereon or affixing thereto the City's seal. In case any officer whose signature or facsimile thereof shall appear on any Bond shall cease to be such officer before the delivery of such bond (including such 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 bond. The Bonds shall not be valid and binding on the City until authenticated by the Paying Agent and Registrar. The Bonds shall be delivered to the Paying Agent and Registrar for registration and authentication. Upon execution, registration, and authentication of the Bonds, they shall be delivered to the City Treasurer, who is authorized to deliver them to the Underwriter, as initial purchaser thereof. The Bonds are hereby sold to said purchaser for 99.25% of the principal amount of the Bonds plus accrued interest thereon to date of payment of the Bonds (which purchase price may be modified by the terms of the Designation). Such purchaser 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 Bonds, including without limitation, authorizing the release of the Bonds by the Depository at closing. Said initial purchaser shall have the right to direct the registration of the Bonds and the denominations thereof within each maturity, subject to the restrictions of this Ordinance. The officers of the City (or any one of them) are hereby authorized to execute and deliver the Bond Purchase Agreement, in substantially the form presented herewith but with such changes as such officers deem appropriate, for and on behalf of the City. The Treasurer of the City shall maintain a record of information with respect to the Bonds as required under Section 10-140, R.R.S. 2007, and shall cause the same to be filed in the office of the Auditor of Public Accounts of the State of Nebraska. The City Clerk shall make and certify a duplicate transcript of the proceedings of the Mayor and Council with respect to the Bonds which shall be delivered to said purchaser. The officers of the City are further authorized to take such actions as such officers may deem necessary or appropriate in order to carry out the terms of this

Ordinance.

Section 10. The proceeds of the Bonds along with City funds on hand shall be applied to the payment and satisfaction of principal of and interest on the Refunded Bonds as called for redemption on the Redemption Date as described in Section 2 hereof. Accrued interest received from the sale of the Bonds, if any, shall be applied to pay interest falling due on said Bonds on October 15, 2011. Expenses of issuance of the Bonds may be paid from the proceeds of the Bonds.

Section 11. The holders of the Bonds shall be subrogated to all rights of the holders of the Refunded Bonds from and after their payment and redemption on the Redemption Date. The City agrees that it shall cause to be levied and collected annually a special levy of taxes on all the taxable property in the City, in addition to all other taxes, sufficient in rate and amount to fully pay the principal and interest of the Bonds when and as such principal and interest become due. The City reserves the right to provide for payments of principal and interest on said bonds in any fiscal year from other available funds, including general sales tax receipts, as appropriated and applied, and thereby satisfy its obligation to levy taxes on property as provided in this section 11.

Section 12. The City hereby covenants to the purchasers and holders of the Bonds hereby authorized that it will make no use of the proceeds of said bond issue, including monies held in any sinking fund for the Bonds, which would cause the Bonds 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 bond 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 Bonds. The Mayor and/or City Treasurer are hereby authorized to make any and all elections or allocations deemed necessary by them in connection with the issuance and tax-exempt status of interest on the Bonds.

Section 13. The City's obligations under this Ordinance with respect to any or all of the Bonds herein authorized shall be fully discharged and satisfied as to any or all of such Bonds and any such Bond shall no longer be deemed to be outstanding hereunder if such Bond has been purchased by the City and canceled or when the 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 a national or state bank having trust powers, or trust company, in trust, solely for such payment (i) sufficient money to make such payment and/or (ii) direct general obligations (including obligations issued or held in book entry form on the books of the Department of Treasury of the United States

of America) of or obligations the principal and interest of which are unconditionally guaranteed by the United States of America (herein referred to as "U.S. Government Obligations") in such amount and bearing interest payable 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 Bond to be paid prior to maturity, the City shall have duly called such bond for redemption and given notice of such redemption as provided by law or made irrevocable provision for the giving of such notice. Any money so deposited with such bank or trust company may be invested or reinvested in U.S. Government Obligations at the direction of the City, and all interest and income from U.S. Government Obligations in the hands of such bank or trust company in excess of the amount required to pay principal of and interest on the Bonds for which such monies or U.S. Government Obligations were deposited shall be paid over to the City as and when collected.

Section 14. In accordance with the requirements of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission, the City, being the only "obligated person" with respect to the Bonds, agrees that it will provide the following continuing disclosure information to the Municipal Securities Rulemaking Board (the "MSRB") in an electronic format as prescribed by the MSRB:

(a) not later than seven months after the end of each fiscal year of the City (the "Delivery Date"), financial information or operating data for the City of the type included in Appendix A of the final official statement under the heading(s) "SELECTED FINANCIAL AND OPERATING INFORMATION" ("Annual Financial Information");

(b) when and if available, audited financial statements for the City; audited financial information shall be prepared on the basis of generally accepted accounting principles; and

(c) in a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of any of the following events with respect to the Bonds:

(1) principal and interest payment delinquencies;

(2) non-payment related defaults, if material;

(3) unscheduled draws on debt service reserves reflecting financial difficulties;

(4) unscheduled draws on credit enhancements reflecting financial difficulties;

(5) substitution of credit or liquidity providers, or their failure to perform;

(6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(7) modifications to rights of the holders of the Bonds, if material;

(8) bond calls, if material, and tender offers;

- (9) defeasances;
- (10) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar events of the City (this event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City);
- (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of a trustee, if material.

The City has not undertaken to provide notice of the occurrence of any other event, except the events listed above.

(d) in a timely manner, notice of any failure on the part of the City to provide Annual Financial Information not later than the Delivery Date.

The City agrees that all documents provided to the MSRB under the terms of this continuing disclosure undertaking shall be in such electronic format and accompanied by such identifying information as shall be prescribed by the MSRB. The City reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information or the accounting methods in accordance with which such information is presented, to the extent necessary or appropriate in the judgment of the City, consistent with the Rule. The City agrees that such covenants are for the benefit of the registered owners of the Bonds (including Beneficial Owners) and that such covenants may be enforced by any registered owner or Beneficial Owner, provided that any such right to enforcement shall be limited to specific enforcement of such undertaking and any failure shall not constitute an event of default under the Resolution. The continuing disclosure obligations of the City, as described above, shall cease when none of the Bonds remain outstanding.

Section 15. The Preliminary Official Statement is hereby approved in the form presented and the Mayor and City Clerk are hereby authorized to approve such changes as determined appropriate and deem the Preliminary Official Statement final. The Mayor and City Clerk are hereby authorized to approve on behalf of the City a final Official Statement with any changes deemed appropriate by them.

Section 16. This Ordinance shall be in force and take effect from and after its passage and publication in pamphlet form as provided by law.

PASSED AND APPROVED THIS 17TH DAY OF MAY, 2011.

CITY OF LA VISTA

Douglas Kindig, Mayor

ATTEST:

Pamela A. Buethe, CMC
City Clerk