

**STAFF MEETING MINUTES  
LANCASTER COUNTY BOARD OF COMMISSIONERS  
COUNTY-CITY BUILDING  
ROOM 113 - BILL LUXFORD STUDIO  
THURSDAY, NOVEMBER 20, 2014  
8:30 A.M.**

Commissioners Present: Larry Hudkins, Chair  
Brent Smoyer, Vice Chair  
Deb Schorr  
Jane Raybould  
Roma Amundson

Others Present: Kerry Eagan, Chief Administrative Officer  
Gwen Thorpe, Deputy Chief Administrative Officer  
Dan Nolte, County Clerk  
Ann Taylor, County Clerk's Office

*Advance public notice of the Board of Commissioners Staff Meeting was posted on the County-City Building bulletin board and the Lancaster County, Nebraska, web site and provided to the media on November 19, 2014.*

The Chair noted the location of the Open Meetings Act and opened the meeting at 8:31 a.m.

**AGENDA ITEM**

**1 APPROVAL OF THE MINUTES OF THE NOVEMBER 13, 2014 STAFF MEETING**

**MOTION:** Smoyer moved and Amundson seconded approval of the minutes of the November 13, 2014 Staff Meeting. Raybould, Amundson, Smoyer, Schorr and Hudkins voted aye. Motion carried 5-0.

**2 ADDITIONS TO AGENDA**

None were stated.

**3 MONTHLY MEETING WITH LANCASTER COUNTY AGRICULTURAL SOCIETY** - Amy Dickerson, Lancaster Event Center Managing Director; Alan Wood, Lancaster County Agricultural Society Counsel

Amy Dickerson, Lancaster Event Center Managing Director, gave an update on the following (Exhibit A):

- Current state of the Lancaster Event Center
- An analysis of internal and external strengths, weaknesses, opportunities and threats
- Improvements made during the last 6 months
- Vision for what can be accomplished in 6-8 months, 1-2 years and 3-5 years
- Anticipated revenue and profit opportunities over the next 1-2 years
- Phase 2.5 planning and projects
- Update of the Lancaster Event Center Master Plan

Hudkins noted the tax rate for funding the Ag Society is much lower in Lancaster County than other counties and said that message needs to be relayed to the public. Dickerson pointed out that attendance at the Lancaster County Fair is more comparable in size to State Fair attendance, with lower per capita funding. Hudkins added a sizable amount of State and City sales tax is also generated at the Event Center.

Dickerson said her goal is for the facility to be self-sustainable in the next three to five years, including having sufficient funds for building maintenance and setting up an emergency fund. Alan Wood, Lancaster County Agricultural Society Counsel, indicated plans to ask Don Herz, former City Finance Director, to do another financial analysis for them.

Dickerson stressed the importance of letting groups and event promoters know about the Event Center's "re-launch", noting she recently spoke to the Lincoln Independent Business Association (LIBA) and has been meeting with community service organizations. It was suggested Dickerson attend the Lincoln Chamber of Commerce's Coffee (elected officials from the city, county government, and Lincoln Public Schools discuss local issues on the first Wednesday of each month) and meet with the East Lincoln Business Association and Lincoln Board of Realtors.

Dickerson said she will also be focusing on sponsorship as they have not been active in that regard. She said the Event Center has \$50,000 a year in sponsorship compared to several millions of dollars in sponsorship for the new Pinnacle Bank Arena. Dickerson added the Arena had attendance of 750,000 its their first year compared to 500,000 for the Event Center. Amundson asked whether the Event Center needs

someone to work full-time on sponsorship. Dickerson said it does but said they lack the funding.

Dickerson said they are also looking to broaden the focus of the County Fair beyond 4-H (youth development programs), noting plans to have "theme days" during the open class times. Raybould suggested they encourage cultural groups to participate. Hudkins suggested the Lancaster County Farm Bureau might be willing to provide funding for "hands-on" agricultural education activities.

Schorr asked whether utilizing the City-County Purchasing Department has been beneficial. Dickerson said it has, explaining Bob Walla, Assistant Purchasing Agent, assisted them in setting up an E-Bid (Electronic) System and helped them with their first bids. She said David Young, Fiber Infrastructure and Right-of-Way Manager, City Public Works & Utilities, and Information Services (IS) have also been assisting them with the bid specifications for installing High Density Wireless Architecture (Wi-Fi) at the Event Center.

Hudkins said he attended the Lincoln Electric System (LES) Summit earlier this morning and said it was reported there will be a "major push" for a hotel on the Nebraska Innovation Campus, a public/private research campus developed by the University of Nebraska-Lincoln (UNL) on the site of the former Nebraska State Fair grounds. That would be competition for the hotel the Ag Society's plans to have on their site.

**4 PUBLIC BUILDING COMMISSION (PBC) BOND REFINANCE** - Scott Keene, Vice President and Managing Director; Ameritas Investment Corporation; Mike Rogers and Lauren Wismer, Gilmore & Bell P.C. (Bond Counsel); Don Killeen, County Property Manager

Scott Keene, Vice President and Managing Director; Ameritas Investment Corporation, presented Lincoln-Lancaster County Public Building Commission, Analysis of the Refunding of Series 2004 and 2005 Lease Rental Revenue and Refunding Bonds (Exhibit B). He said the City Council and County Board will be asked to approve an ordinance and resolution, respectively, on amendments to lease arrangements between the City, County and Commission related to Commission facilities, and the issuance of not to exceed \$21,000,000 in principal amount of the Commission's tax supported lease rental revenue refunding bonds, Series 2015, refunding Series 2004 and 2005 lease rental revenue and refunding bonds (see Exhibit C) prior to the Commission taking action on the bond resolution on December 9<sup>th</sup>. **NOTE:** The Board will consider the resolution at the November 25<sup>th</sup> County Board of Commissioners Meeting. Keene said the financing takes advantage of a significant drop in interest rates (see Exhibit B for annual projected savings under the proposed refunding).

In response to a question from Hudkins, Mike Rogers, Gilmore & Bell P.C., said greater attention is being paid to disclosure in the official statement as the scrutiny has dramatically increased and the level of detail involved in reviews is much greater than in the past. Keene said the changes to the official statement are mostly in regards to that continuing disclosure language.

Keene also noted that Wells Fargo is the paying agent on the outstanding Commission bonds and said a change to either Union Bank or Bank of Oklahoma Financial (BOKF) is proposed. He said they are the only two banks that still have corporate trust operations in Lincoln and it was felt that it would be easier for Commission staff to communicate with a local bank.

**5      A) INTRODUCTION OF LEGISLATION; AND B) LANCASTER, DOUGLAS AND SARPY COUNTIES MEETING WITH STATE SENATORS** - Gordon Kissel and Joe Kohout, Kissel/E&S Associates (Legislative Consultants)

**A) Introduction of Legislation**

Kerry Eagan, Chief Administrative Officer, explained there has been some confusion between the County and the Nebraska Association of County Officials (NACO) as to who will introduce legislation. Joe Kohout, Kissel/E&S Associates, said Larry Dix, NACO Executive Director, has indicated it was his understanding that Lancaster County was going to take the lead on legislation with regards to fee increases across-the-board. Kohout said he believes NACO is in a better position to poll counties to find out their actual costs. He said we could lose consistency of message if it is significantly different across-the-board. Kohout said it is legislation the County should support but felt it "would be more capably in the hands of the statewide association than individual counties." Hudkins said a number of senators feel fee increases are paramount to new taxes and said he does not want the County to use all of its political capital on this issue as there are other issues of higher priority.

Raybould said the Governor-elect wants to make property tax relief one of the foundations of his term and felt he should be encouraged to support initiatives like fee increases which could help alleviate some of the disparities with unfunded mandates and tie-in with property tax relief for the counties. She noted Cori Beattie, Deputy County Clerk, and Senator McGill had worked to provide a broader picture of the Midwest fee structure and suggested Senator McGill might be able to suggest a senator who would work with NACO to carry the issue forward. Kohout said the lobbyists from Lancaster, Douglas and Sarpy Counties and NACO recently met as a follow-up to the Tri-County Meeting and said in their opinion, fee increases will be one component of the overall attempt to address unfunded mandates. He said they will



now try to determine “who is going to carry which piece of the bigger puzzle.” Kohout also pointed out Senators Avery and Crawford spent a lot of time during the interim on the issue of unfunded mandates.

Amundson said the Board has discussed changing the maximum total contribution to the retirement plan from 13% to 16%, which would allow employees to contribute more to the plan, and asked how to bring that issue forward. Raybould pointed out the Board had agreed to study the issue. Hudkins felt there was a stronger commitment than that. Eagan said the County has the authority to increase the maximum total contribution on the 457(b) Deferred Compensation Program but would need statutory authority to do so for the 401(a) Lancaster County Employees Retirement Plan. It was suggested Eagan and Doug Cyr, who both serve on the County’s Pension Review Committee (PRC), have a conversation with Senator Nordquist, Chairman of the Nebraska Retirement Systems Committee, to “test the waters.” Kohout said he believes any changes to retirement have to occur in the first year of the legislation session but will verify that. Schorr asked whether the Board will need to amend its Legislative Priorities List to include this item. Kohout said a paragraph could be added to indicate the County would ask the Legislature to consider this as an option. Raybould asked whether the Board should ask the PRC to make recommendation concerning the deferred compensation package. Eagan suggested the Board wait until a legal opinion regarding that issue is received.

Kohout also noted the Revenue Committee will receive a report on December 9<sup>th</sup> on Legislative Resolution (LR) 566 (Interim study to examine methods used by other states to determine the taxable value of agricultural land).

## **B) Lancaster, Douglas and Sarpy Counties Meeting with State Senators**

There was consensus to hold February 2<sup>nd</sup> and February 9<sup>th</sup> open as possible dates for the meeting, with a suggested starting time of 9:00 a.m.

### **6 PENDING LITIGATION - Richard Grabow, Deputy County Attorney**

**MOTION:** Smoyer moved and Raybould seconded to enter Executive Session at 9:42 a.m. for the purpose of protecting the public interest with regards to pending litigation.

The Chair restated the motion for the record.

**ROLL CALL:** Amundson, Smoyer, Raybould, Schorr and Hudkins voted aye. Motion carried 5-0.

The Chair exited the meeting and the Vice Chair assumed direction of the meeting.

**MOTION:** Amundson moved and Raybould seconded to exit Executive Session at 9:55 a.m. Schorr, Raybould, Amundson and Smoyer voted aye. Hudkins was absent from voting. Motion carried 4-0.

## **ADMINISTRATIVE OFFICER REPORT**

### **F. National Association of County Officials (NACo) Membership**

Dennis Meyer, Budget and Fiscal Officer, said Sara Hoyle, Juvenile Justice Coordinator, registered for NACo's 2015 Health, Justice and Public Safety Forum to fulfill one of the requirements of a juvenile justice re-entry grant that she attend additional training. He said he then received a reminder that Lancaster County has not paid the NACo membership dues. The annual dues are \$5,708 (two additional months are provided at no cost). Meyer noted the cost was built into the budget.

Hudkins returned to the meeting at 9:58 a.m.

**MOTION:** Raybould moved and Amundson seconded to approve payment of the membership dues.

Hudkins indicated he would like to attend the NACo Legislative Conference (February 21-25, 2015 in Washington, D.C.).

**ROLL CALL:** Smoyer, Schorr, Raybould, Amundson and Hudkins voted aye. Motion carried 5-0.

## **7 ACTION ITEMS**

There were no action items.

## **8 CONSENT ITEMS**

There were no consent items.

## **9 ADMINISTRATIVE OFFICER REPORT**

### **A. December 11, 2014 Management Team Meeting**

There was consensus to cancel the Management Team Meeting and the Staff Meeting scheduled on that date, due to Board members attending the Nebraska Association of County Officials (NACO) Annual Conference in Omaha, Nebraska.

B. Tour of Noxious Weed Control

There was consensus to tour Noxious Weed Control, County Engineering and County Extension offices on Cherrycreek Road in addition to their tour of Emergency Management facilities. The tour will be scheduled after the first of the year.

C. Request from Spring Creek Prairie Audubon Center for Grant Extension and Partial Payment

The Board directed staff to draft an addendum to the contract for action at the November 25, 2014 County Board of Commissioners Meeting.

D. Claims for Review:

- 1) Payment Voucher (PV) No. 464209 from County Sheriff's Office in the Amount of \$49.50 to Mike's 66 and Towing. Claim is Beyond the 90 Day Time Period.

Jeff Bliemeister, Chief Deputy Sheriff, appeared and gave an explanation of the claim.

**MOTION:** Schorr moved and Smoyer seconded to handle the claim through the regular claims process. Amundson, Smoyer, Raybould, Schorr and Hudkins voted aye. Motion carried 5-0.

- 2) Payment Voucher (PV) No. PV463593 from Property Management in the Amount of \$1,627.50 to Lange Structural Group LLC. Claim is Beyond the 90 Day Time Period.

Eagan said the invoice was sent to the wrong governmental entity. Hudkins explained that payment is through the County, with reimbursement by the City.

**MOTION:** Raybould moved and Amundson seconded to handle the claim through the regular claims process. Schorr, Raybould, Amundson, Smoyer and Hudkins voted aye. Motion carried 5-0.

E. Assignment of Contract with Wagey Drug Company (Contract No. C-12-0181) to Kohll's Pharmacy & Homecare, Inc.

Eagan explained that Kohll's is purchasing the assets of Wagey Drug Company.

**NOTE:** Wagey Drug is the pharmacy provider for the Lancaster County General Assistance (GA) Program.

The Board scheduled the item on the November 25, 2014 County Board of Commissioners Meeting agenda.

F. National Association of County Officials (NACo) Membership

Item was moved forward on the agenda.

**10 PENDING ITEMS**

There were no pending items.

**11 DISCUSSION OF BOARD MEMBER MEETINGS**

A. Information Services Policy Committee (ISPC) - Raybould

Raybould noted the City and County have approved a new interlocal agreement to create a joint City-County Information Services Division, revising the interlocal agreement establishing a joint data processing division entered into September 13, 1999. She said the ISPC will now be looking at what, if any, advisory group should be placed in the ISPC. The ISPC will also identify the larger Enterprise projects and provide oversight. Raybould also reported the following: 1) The mainframe conversion will be completed by the end of the year; 2) Work continues on the software for the time and attendance system; 3) On-line Safety Training Option Program (STOP) is operational; and 4) A fiber connection to the Lancaster Event Center and possible technology support.

Gwen Thorpe, Deputy Chief Administrative Officer, questioned whether IS would need additional staff if it extends technology support to the Lancaster Event Center, stating she would not want to see the County's level of service diminished.

B. Parks and Recreation Advisory Board - Amundson

Amundson said they discussed a variety of topics including the golf program, sale of park lands, Sunken Garden "Beds to Bed", Lincoln Airport entryway, Tower Square "Ascent" lighting ceremony, and the Good Life Halfsy (half marathon race).

C. Lincoln Independent Business Association (LIBA) Budget Monitoring Committee - Smoyer

Smoyer said Chief John Huff, Lincoln Fire & Rescue (LFR), discussed the possible bond issue for a new 911 radio system upgrade and fire station optimization projects. Smoyer said he was asked whether the County Board could encourage the Southeast Rural Fire District to "come to the table" to discuss sharing fire stations with Lincoln since the County controls their levy. He indicated if the County Board were to get involved "it would be a hammer" and said he did not feel that is needed at this point.

D. Public Building Commission (PBC) Chair/Vice Chair Meeting with Mayor- Hudkins

Hudkins said they discussed the PBC bond refinancing. He also relayed that the Mayor suggested the PBC consider a succession plan for Don Killeen, County Property Manager.

E. Meeting with Mayor - Hudkins/Smoyer

Hudkins said they discussed funding options for the 911 radio system upgrade and ongoing maintenance costs.

Raybould asked whether the sinking fund in the Sheriff's budget could be used to pay the County's portion of the bonds. Eagan explained that the sinking fund was established to purchase new radios which is separate from the upgrade of the system.

F. Public Building Commission (PBC) - Hudkins/Raybould

Raybould reported the PBC gave preliminary approval to a contract with The Clark Enersen Partners (architectural firm) to develop a renovation design for the former county jail, now known as the 605 Building. She said they also discussed the PBC bond refinancing, building security, walking indicators, and regular business items.

G. Parks and Recreation Futures Committee - Hudkins

Meeting was cancelled.

H. Lincoln Public Safety Project Committee - Schorr

Schorr said the Committee has completed its work and forwarded a recommendation to the Mayor that the City raise its sales tax by a quarter cent for three years and use the revenue to pay for the 911 radio system upgrade and fire station optimization projects. She said it is estimated the sales tax increase would bring in approximately \$36,000,000 and said any additional funds will be held in reserve for future radio system updates.

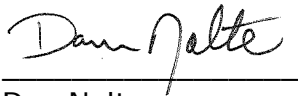
Schorr noted non-City users have been paying an annual rate of \$325 per radio for ongoing maintenance of the system and said Tom Casady, City Public Safety Director, has requested an increase of \$138 per radio. The increase would not go into effect until the system is completely installed.

## 12 EMERGENCY ITEMS AND OTHER BUSINESS

Hudkins suggested Board members consider having a County Board holiday luncheon or dinner. There was consensus to have a potluck luncheon on a Tuesday or Thursday when all Board members will be present.

## 13 ADJOURNMENT

**MOTION:** Amundson moved and Raybould seconded to adjourn the meeting at 10:39 a.m. Raybould, Amundson, Smoyer, Schorr and Hudkins voted aye. Motion carried 5-0.



Dan Nolte  
Lancaster County Clerk





# State of the LEC & Phase 2.5, Phase 3 Updates

Amy Dickerson, Managing Director

November 20, 2014

EXHIBIT

tables

A



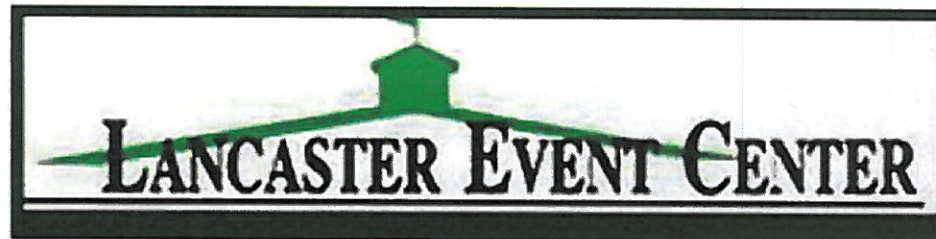
# Re-launching while running at 600 mph....

Putting on the Lancaster County Fair with 200K attendees  
+ hosting 225 events annually with 300K more attendees





# What success looks like (our vision):



A public, non-profit event center seen as leading facility for variety of events not just in Nebraska, but regionally and nationally...

- ▶ Professional
- ▶ "Profitable"
- ▶ Friendly
- ▶ Fun

...all while celebrating the unique agricultural & natural nature of Lancaster County and being a key contributor to the county's youth, culture and economy headlined by being the home of one of the largest, most well-respected 4-H county fairs in the USA.





# Situation Analysis

Well-loved facility ready for a re-launch

## Strengths

## Weaknesses

Internal

- Leading Midwest facility
- 160 acres aids growth potential
- One of largest 4-H Co Fairs
- Visionary Ag Society Board
- Passionate core staff
- \$2.6M new capital funds
- Low interest on remaining \$10M
- Ability to run fair opens up possibility to go after events desiring event mgt.
- Impact on local youth, community, economy

- Running at breakeven to \$-200K/year trying to pay for fair
- Event basic needs not met
- Lack staff with skills to launch new revenue services, run busy event ctr.
- Lack trade show/stall, spectator space
- Concessions quality, value, wait times
- Inactive sponsorships, fundraising, grants
- Deferred maintenance est. \$7M after 15 yrs.
- Strong, local identity not established

External

- Central location near good transport
- Proximity to Lincoln (& Omaha) amenities
- Grow impact on local economy
- Strong interest from new events without active marketing/sales
- Grants potential high
- Stakeholder interest in LEC success
- Historically low interest rates
- County Board, City support

- Low per capita tax base to support fair vs. adjoining counties (\$300K for 200K attendee fair)
- Lid law limits tax support \$10K/year increase despite fair growth from 5K to 200K attendees
- Perception that well-funded by taxes
- Interest rates unpredictable when could rise
- Competing facilities locking in regional/national events due to lack services, space
- Losing events to other facilities if Phase 3 not built (Circus, PRCA Rodeo, Bonus Race Finals, Simmental etc.)

## Opportunities

## Threats





# Improvements made last 6 months

Around the edges with passion, few dollars

- ▶ Cleanliness
- ▶ Arena dirt quality & customization to each event
- ▶ Professional image
- ▶ Lots of customer comments about friendly, readily available service
- ▶ Team morale
- ▶ Consistent pricing on new contracts
- ▶ Capturing more of real costs of services on invoices
- ▶ Delivering promised event services
- ▶ Improvements to logistics—parking, load in/out, signage, security
- ▶ Accounts payable more current, paid down over \$275K short-term debt
- ▶ Cash security
- ▶ Lowered purchasing cost with non-profit, gov't pricing
- ▶ Equipment: on track to more reliable equipment at stabilized ongoing cost
- ▶ Finding surplus/auction goods to enhance concessions, office, other operations in short term





# How do we get to our “leading fair + leading event center”

	6-18 months	1-2 years	3-5 years
Professional, Fun & Friendly	Announce re-launch Improving event services	Re-launch with \$2.6M bond funds with focus on key dissatisfiers, new revenue streams	Using new revenue streams continue to improve LEC into top tier-run facility in country
“Profitable”	Increase sponsorship to cover fair costs	Add revenue via new services, events	On path to build emergency fund
Community impact	Widen involvement beyond 4-H via theme days	Continued support of local businesses / organizations’ events	Much improved awareness, positive perception of LEC in local community
Economic impact	Keep key Pershing events in town—Circus, PRCA Bull Riding	Win large new events such as Midwest Region Pony Club, Alpaca, etc.	Go after 1-2 national scale events eg. Jr./HS Rodeo Finals
Planning	Complete master plan with stakeholder input	Phase 3 support-building	Breaking ground on Phase 3





# Top revenue & profit opportunities over next 1-2 years

## Improve existing services

- Re-launch concessions\*
- Campground showers/restrooms, water at camp sites
- Run major events (e.g. JR/HS Rodeo Finals)

## Reduce costs / improve operating margin

- Finance: profitability info on current operations
- Purchasing: could save 20-30% on annual purchases + Phase 2.5 projects bidding\*
- Reduce utilities costs e.g. lighting, heating upgrades\*
- Deferred maintenance\*

## Launch new services

- Online, onsite ticketing\*
- Online payment for invoices, camping, shavings, electric, etc.\*
- Wireless inside & out\*

\*funded by Phase 2.5 new \$2.6M funds to jump-start improvements until can self-fund

## Marketing /Sales

- Sponsors—all ongoing up for renewal + need to lock in now for 2015 fair
- Vendors for fair, year-round event center
- Fundraising
- Filling up any remaining gaps in calendar
- Going after new events
- Creating own events
- Marketing services—web site\*, ads, social media, sponsors

## Grants

- Landscaping
- Recycling
- Composting





# Phase 2.5 bond proceeds Planning process

Phase 2.5 Proposed Project List						
as of July 17, 2014						
Sources of funding: bond re-financing, CVB grants (lodging tax), other grants e.g. Nebraska Arboretum, recycling etc.						
blue = Amy's estimate, others actual estimates from vendors						
Description	Estimate \$000	Fair Need	Event Complaint	Increase revenue	Lower cost	Security Liability
Fix facility issues						
Fix Pavilion 3 drainage issue	\$100.0					
Create maintenance yard outside	\$20.0					
Install security cameras throughout facility, swipec entry on key doors	\$50.0					
Add door from arena to old kitchen in P3 to make a show office so can book animal and people events at same time in P3 & Ex Hall	\$9.6					
Add fire exit doors to S wall of MPA building so can use south exit corridor behind Lincoln room for storage and/or concessions area	\$54.0					
Repair roof leaks in P1 (cupolas), P3 and MPA and office boardroom	\$9.5					
Increase revenue						
Install new wireless system inside & outside (min. \$500K revenue/year)	\$150.0					
Redecorate concessions stand entrances & eating areas, electronic signage & upgrade equipment as needed to support updated menu to increase sales	\$400.0					
Cash register system for use inside and outside concessions stands using new wireless system	\$5.0					
Construct campground building with restrooms, showers, check-in office & vending area	\$530.0					
Construct interior shavings office 10x10 ft	\$16.0					
Temporary office expansion that can be used for Phase 3	\$75.0					
Address event complaints - cut labor						
Install concrete in all buildings except interior arena-increase trade show use, save time after animal show cleanup						
P4 Amy's Arena	\$0.0					
P2	\$42.0					
Carpet for arena space	\$67					
Lighting						
Amy's Arena (improve brightness with efficient solution, better lighting, uns. 1/2 of W. part parking lot lighting level today)	\$90.0					
P2 (improve brightness and efficiency)	\$15.0					
Parking lot lighting-brightness and efficiency	\$98.4					
P1 (use Lincoln old lights here, fix dark spots, raise lights)	\$18.0					
Lincoln Room (LED efficiency, better zone control)	\$45.0					
Signage						
Update street sign with color billboard	\$150.0					
Install electronic wayfinding signage updateable by event	\$125.0					
Inside building and parking lot/fair signage	\$20.0					
Fairgrounds improvements						
Install outside concessions / picnic shelter for fairgrounds, year-round runs	\$50.0					
Phase 2 & 3 Costs						
Pay off Phase 2 construction cost overrun loan (6.5%)	\$275.0					
Phase 3 planning unpaid invoices						
Legal	\$35.0					
REGA wetland study	\$5.0					
REGA engineering	\$19.5					
Hampton Construction	\$1.2					
TOTAL	\$2,769.1					

## Process to finalize projects

& productively maximize benefit from bond proceeds

Amy to work with Phase 2.5 subcommittee (Tom, Trudy, Kendra) on these steps:

1. Input from customers (events, 4-H, etc.), Ag Society Board & other stakeholders
2. Update Master Plan, including Phase 3 build-out, so any Phase 2.5 spend is done with long-term plan in mind
3. Prioritize list of projects based on most critical needs, revenue potential
4. ID items on list that can be funded other ways: e.g. grants or sponsor partners for landscaping, recycling, outdoor recreation, lodging tax, equipment etc.
5. Build out specs & get bids on remaining projects
6. Use County/City/UNL/State contract and/or nonprofit pricing where available





# Future pipeline of Phase 2.5 projects

1. Writing bids	2. Designing/finalizing specs	3. Next wave to work on
<ul style="list-style-type: none"> <li>• Purchasing web site to manage sealed bids \$15.25K</li> <li>• Lighting Pavilion 4 &amp; 2 \$90K</li> <li>• Floor wet scrubber \$13.2K</li> <li>• Wireless inside &amp; outside TBD</li> <li>• Increase concessions serving areas via equipment &amp; minor facility changes (before Farm &amp; Power Show) ~\$40K</li> <li>• Shavings/Camping selling office in P2 \$11K</li> <li>• Fiber network upgrade for new wireless \$23K</li> <li>• Launch ticket selling launch Nov 24 \$11K</li> </ul>	<ul style="list-style-type: none"> <li>• Higher exit signs</li> <li>• Concessions re-launch (functional, attractiveness)</li> <li>• Roof leaks</li> <li>• Website re-launch</li> <li>• Security cameras/swiper doors</li> <li>• Other critical equipment</li> <li>• Trade show carpet</li> <li>• Concrete Pavilion 4</li> </ul>	<ul style="list-style-type: none"> <li>• P3 drainage issue (pending master plan)</li> <li>• Campground upgrades</li> <li>• MPA A/C</li> <li>• Trade show carpet</li> <li>• Fencing</li> <li>• Flooring deferred maint.</li> <li>• Banquet bathroom re-do</li> <li>• Parking lot lights</li> <li>• Signage</li> <li>• Cash register system</li> <li>• Etc.</li> </ul>

Green = Approved by JPA or bids received







# Updating our Master Plan

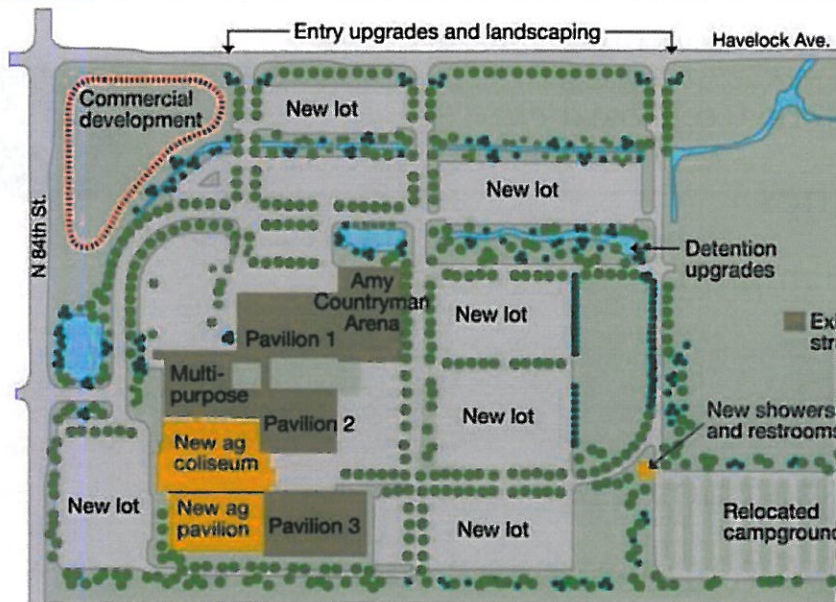
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October 16, 2014



On a solidified foundation, demand exists for Phase 3

MASTER PLAN 2012—  
currently being updated



Source: Lancaster County Ag Society

SHEILA STORY/Lincoln

Goal to attract more national & regional events bringing outside visitors to Lincoln while improving facility & fairgrounds for County Fair, local events



Coliseum naming sponsorship opportunity



# Master Plan Update Process

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- Stakeholder input throughout
  - Ag Society Board (Phase 2.5 subcommittee & monthly board updates)
  - LEC staff, 4-H/Extension, Event Promoters, Co. Board etc.
- Core design team with multiple disciplines
  - LEC mgt. staff, Clark Enerson, REGA, Hampton Development/Construction
- Consult with experts, partners as needed
- Next: Refining visual options to show stakeholders
- Finalize new master plan before spend \$2.6M new bond funds where might be impacted

## LINCOLN-LANCASTER COUNTY PUBLIC BUILDING COMMISSION

ANALYSIS OF THE REFUNDING OF SERIES 2004 AND 2005  
LEASE RENTAL REVENUE AND REFUNDING BONDS

NOVEMBER 18, 2014

- Series 2004 Bonds issued August 18, 2004 to fund Health Dept. Building
  - Final maturity of the Series 2004 Bonds is December 1, 2026
  - Par amount to be refunded is \$5,725,000
  - Series 2004 Bonds currently callable at price of 100%
  - TIC of Outstanding Series 2004 Bonds is 4.83%
  - TIC of proposed refunding is currently estimated at 2.30%
  - After taking into account the elimination of the Debt Service Reserve Requirement, annual projected savings under proposed refunding is approximately **\$65,000 per year** through the final maturity of 2026 (**\$683,000 present value**) for the City's portion of the financing
  - Annual projected savings under proposed refunding is approximately **\$33,000 per year** through the final maturity of 2016 (**\$66,000 present value**) for the County's portion of the financing
  - This represents savings equal to over 16.0% of the outstanding par amount of bonds for the City's portion and 4.0% for the County's portion (industry standards say 4.0% is a good target for a "current refunding" such as this one).
- 
- Series 2005 Bonds issued April 12, 2005 to refund Series 1996 Bonds
  - Final maturity of the Series 2005 Bonds is October 15, 2026
  - Par amount currently outstanding is \$17,410,000
  - Series 2005 Bonds callable April 15, 2015 at price of 100%
  - TIC of Outstanding Series 2005 Bonds is 4.35%
  - TIC of proposed refunding is currently estimated at 2.29%.
  - After taking into account the removal of the Debt Service Reserve Requirement, annual projected savings under proposed refunding is approximately **\$140,000 per year** through the final maturity (**\$1,406,000 present value**).
  - This represents savings equal to over 8.0% of the outstanding par amount of bonds (industry standards say 4.0% is a good target for a "current refunding" such as this one).



- Next steps:

- 1) Gilmore & Bell, Ameritas and staff continue to prepare legal documents that combine the two issues into a single refunding issue of approximately \$22,000,000
- 2) Present documents to Moody's and S&P for bond ratings
- 3) Present appropriate documents to City Council and County Board prior to consideration of the Bond Resolution by Public Building Commission on December 9
- 4) Receive ratings by the end of December
- 5) Ameritas markets bonds the first full week of January
- 6) Settle bond issue late January, redeem outstanding 2004 Bonds mid-February and outstanding 2005 Bonds mid-April.

**LINCOLN-LANCASTER COUNTY NEBRASKA PUBLIC BUILDING COMMISSION**  
**TAX SUPPORTED LEASE RENTAL REVENUE REFUNDING BONDS, SERIES 2015**  
**CURRENT REF. OF SERIES 2004 BONDS ON 2/10/15 AND 2005 BONDS ON 4/15/15**  
**PRELIMINARY ANALYSIS - 11/18/14**

**Total Issue Sources And Uses**

Dated 01/25/2015 | Delivered 01/25/2015

	County	City	PBC	Issue Summary
<b>Sources Of Funds</b>				
Par Amount of Bonds	\$1,145,000.00	\$3,590,000.00	\$15,485,000.00	\$20,220,000.00
Transfers from Prior Issue DSR Funds	472,338.70	479,501.73	1,907,125.00	2,858,965.43
Transfers from Prior Issue Debt Service Funds	53,779.17	35,735.83	474,672.50	564,187.50
Reoffering Premium	-	71,216.35	154,773.75	225,990.10
<b>Total Sources</b>	<b>\$1,671,117.87</b>	<b>\$4,176,453.91</b>	<b>\$18,021,571.25</b>	<b>\$23,869,143.03</b>
<b>Uses Of Funds</b>				
Deposit to Net Cash Escrow Fund	1,653,483.75	4,122,150.75	17,786,845.00	23,562,479.50
Total Underwriter's Discount (0.900%)	10,305.00	32,310.00	139,365.00	181,980.00
Costs of Issuance	6,870.00	21,540.00	92,910.00	121,320.00
Rounding Amount	459.12	453.16	2,451.25	3,363.53
<b>Total Uses</b>	<b>\$1,671,117.87</b>	<b>\$4,176,453.91</b>	<b>\$18,021,571.25</b>	<b>\$23,869,143.03</b>

**LINCOLN-LANCASTER COUNTY NEBRASKA PUBLIC BUILDING COMMISSION**

TAX SUPPORTED LEASE RENTAL REVENUE REFUNDING BONDS, SERIES 2015

CURRENT REF. OF SERIES 2004 BONDS ON 2/10/15 AND 2005 BONDS ON 4/15/15

PRELIMINARY ANALYSIS - 11/18/14

**Pricing Summary**

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
12/01/2015	Serial Coupon	0.250%	0.250%	1,750,000.00	100.000%	1,750,000.00
12/01/2016	Serial Coupon	0.450%	0.450%	2,275,000.00	100.000%	2,275,000.00
12/01/2017	Serial Coupon	0.800%	0.800%	1,680,000.00	100.000%	1,680,000.00
12/01/2018	Serial Coupon	1.100%	1.100%	1,695,000.00	100.000%	1,695,000.00
12/01/2019	Serial Coupon	1.500%	1.500%	1,715,000.00	100.000%	1,715,000.00
12/01/2020	Serial Coupon	1.850%	1.850%	1,735,000.00	100.000%	1,735,000.00
12/01/2021	Serial Coupon	2.100%	2.100%	1,770,000.00	100.000%	1,770,000.00
12/01/2022	Serial Coupon	2.300%	2.300%	1,810,000.00	100.000%	1,810,000.00
12/01/2023	Serial Coupon	2.500%	2.500%	1,845,000.00	100.000%	1,845,000.00
12/01/2024	Serial Coupon	2.600%	2.600%	1,895,000.00	100.000%	1,895,000.00
12/01/2025	Serial Coupon	4.000%	2.700%	1,710,000.00	111.175% c	1,901,092.50
12/01/2026	Serial Coupon	4.000%	2.800%	340,000.00	110.264% c	374,897.60
Total	-	-	-	\$20,220,000.00	-	\$20,445,990.10

**Bid Information**

Par Amount of Bonds	\$20,220,000.00
Reoffering Premium or (Discount)	225,990.10
Gross Production	\$20,445,990.10
Total Underwriter's Discount (0.900%)	\$(181,980.00)
Bid (100.218%)	20,264,010.10
Total Purchase Price	\$20,264,010.10
Bond Year Dollars	\$119,387.00
Average Life	5.904 Years
Average Coupon	2.3650044%
Net Interest Cost (NIC)	2.3281410%
True Interest Cost (TIC)	2.2962794%

**LINCOLN-LANCASTER COUNTY NEBRASKA PUBLIC BUILDING COMMISSION**  
**TAX SUPPORTED LEASE RENTAL REVENUE REFUNDING BONDS, SERIES 2015**  
**CURRENT REF. OF SERIES 2004 BONDS ON 2/10/15 AND 2005 BONDS ON 4/15/15**  
**PRELIMINARY ANALYSIS - 11/18/14**

**Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
01/25/2015	-	-	-	-	-
06/01/2015	-	-	126,250.26	126,250.26	-
12/01/2015	1,750,000.00	0.250%	180,357.50	1,930,357.50	2,056,607.76
06/01/2016	-	-	178,170.00	178,170.00	-
12/01/2016	2,275,000.00	0.450%	178,170.00	2,453,170.00	2,631,340.00
06/01/2017	-	-	173,051.25	173,051.25	-
12/01/2017	1,680,000.00	0.800%	173,051.25	1,853,051.25	2,026,102.50
06/01/2018	-	-	166,331.25	166,331.25	-
12/01/2018	1,695,000.00	1.100%	166,331.25	1,861,331.25	2,027,662.50
06/01/2019	-	-	157,008.75	157,008.75	-
12/01/2019	1,715,000.00	1.500%	157,008.75	1,872,008.75	2,029,017.50
06/01/2020	-	-	144,146.25	144,146.25	-
12/01/2020	1,735,000.00	1.850%	144,146.25	1,879,146.25	2,023,292.50
06/01/2021	-	-	128,097.50	128,097.50	-
12/01/2021	1,770,000.00	2.100%	128,097.50	1,898,097.50	2,026,195.00
06/01/2022	-	-	109,512.50	109,512.50	-
12/01/2022	1,810,000.00	2.300%	109,512.50	1,919,512.50	2,029,025.00
06/01/2023	-	-	88,697.50	88,697.50	-
12/01/2023	1,845,000.00	2.500%	88,697.50	1,933,697.50	2,022,395.00
06/01/2024	-	-	65,635.00	65,635.00	-
12/01/2024	1,895,000.00	2.600%	65,635.00	1,960,635.00	2,026,270.00
06/01/2025	-	-	41,000.00	41,000.00	-
12/01/2025	1,710,000.00	4.000%	41,000.00	1,751,000.00	1,792,000.00
06/01/2026	-	-	6,800.00	6,800.00	-
12/01/2026	340,000.00	4.000%	6,800.00	346,800.00	353,600.00
<b>Total</b>	<b>\$20,220,000.00</b>	<b>-</b>	<b>\$2,823,507.76</b>	<b>\$23,043,507.76</b>	<b>-</b>

**Yield Statistics**

Bond Year Dollars	\$119,387.00
Average Life	5.904 Years
Average Coupon	2.3650044%
Net Interest Cost (NIC)	2.3281410%
True Interest Cost (TIC)	2.2962794%
Bond Yield for Arbitrage Purposes	2.1000929%
All Inclusive Cost (AIC)	2.4066431%

**IRS Form 8038**

Net Interest Cost	2.1313159%
Weighted Average Maturity	5.961 Years

**LINCOLN-LANCASTER COUNTY NEBRASKA PUBLIC BUILDING COMMISSION**  
**TAX SUPPORTED LEASE RENTAL REVENUE REFUNDING BONDS, SERIES 2015**  
**CURRENT REF. OF SERIES 2004 BONDS ON 2/10/15 AND 2005 BONDS ON 4/15/15**  
**PRELIMINARY ANALYSIS - 11/18/14**

**Debt Service Comparison**

Part 1 of 2

Date	Total P+I	Net New D/S	Old Net D/S	Savings	Fiscal Total
01/25/2015	-	-	-	-	-
04/15/2015	-	-	330,787.93	330,787.93	-
06/01/2015	126,250.26	126,250.26	124,951.20	(1,299.06)	-
10/15/2015	-	-	1,475,787.93	1,475,787.93	-
12/01/2015	1,930,357.50	1,930,357.50	934,951.20	(995,406.30)	809,870.50
04/15/2016	-	-	305,025.43	305,025.43	-
06/01/2016	178,170.00	178,170.00	109,156.20	(69,013.80)	-
10/15/2016	-	-	1,505,025.43	1,505,025.43	-
12/01/2016	2,453,170.00	2,453,170.00	946,817.50	(1,506,352.50)	234,684.56
04/15/2017	-	-	281,025.43	281,025.43	-
06/01/2017	173,051.25	173,051.25	83,223.74	(89,827.51)	-
10/15/2017	-	-	1,531,025.43	1,531,025.43	-
12/01/2017	1,853,051.25	1,853,051.25	338,223.74	(1,514,827.51)	207,395.84
04/15/2018	-	-	252,900.43	252,900.43	-
06/01/2018	166,331.25	166,331.25	77,996.24	(88,335.01)	-
10/15/2018	-	-	1,557,900.43	1,557,900.43	-
12/01/2018	1,861,331.25	1,861,331.25	342,996.24	(1,518,335.01)	204,130.84
04/15/2019	-	-	225,821.68	225,821.68	-
06/01/2019	157,008.75	157,008.75	72,497.49	(84,511.26)	-
10/15/2019	-	-	1,585,821.68	1,585,821.68	-
12/01/2019	1,872,008.75	1,872,008.75	347,497.49	(1,524,511.26)	202,620.84
04/15/2020	-	-	197,261.68	197,261.68	-
06/01/2020	144,146.25	144,146.25	66,653.74	(77,492.51)	-
10/15/2020	-	-	1,617,261.68	1,617,261.68	-
12/01/2020	1,879,146.25	1,879,146.25	351,653.74	(1,527,492.51)	209,538.34
04/15/2021	-	-	167,086.68	167,086.68	-
06/01/2021	128,097.50	128,097.50	59,528.74	(68,568.76)	-
10/15/2021	-	-	1,647,086.68	1,647,086.68	-
12/01/2021	1,898,097.50	1,898,097.50	359,528.74	(1,538,568.76)	207,035.84
04/15/2022	-	-	135,636.68	135,636.68	-
06/01/2022	109,512.50	109,512.50	52,028.74	(57,483.76)	-
10/15/2022	-	-	1,675,636.68	1,675,636.68	-
12/01/2022	1,919,512.50	1,919,512.50	367,028.74	(1,552,483.76)	201,305.84
04/15/2023	-	-	102,911.68	102,911.68	-
06/01/2023	88,697.50	88,697.50	44,153.74	(44,543.76)	-
10/15/2023	-	-	1,707,911.68	1,707,911.68	-
12/01/2023	1,933,697.50	1,933,697.50	374,153.74	(1,559,543.76)	206,735.84
04/15/2024	-	-	68,805.43	68,805.43	-
06/01/2024	65,635.00	65,635.00	35,903.74	(29,731.26)	-
10/15/2024	-	-	1,743,805.43	1,743,805.43	-
12/01/2024	1,960,635.00	1,960,635.00	385,903.74	(1,574,731.26)	208,148.34
04/15/2025	-	-	31,117.93	31,117.93	-
06/01/2025	41,000.00	41,000.00	27,153.74	(13,846.26)	-



**LINCOLN-LANCASTER COUNTY NEBRASKA PUBLIC BUILDING COMMISSION**  
**TAX SUPPORTED LEASE RENTAL REVENUE REFUNDING BONDS, SERIES 2015**  
**CURRENT REF. OF SERIES 2004 BONDS ON 2/10/15 AND 2005 BONDS ON 4/15/15**  
**PRELIMINARY ANALYSIS - 11/18/14**

**Debt Service Comparison**

Part 2 of 2

Date	Total P+I	Net New D/S	Old Net D/S	Savings	Fiscal Total
10/15/2025	-	-	1,553,992.93	1,553,992.93	-
12/01/2025	1,751,000.00	1,751,000.00	392,153.74	(1,358,846.26)	212,418.34
06/01/2026	6,800.00	6,800.00	18,028.74	11,228.74	-
12/01/2026	346,800.00	346,800.00	403,527.01	56,727.01	67,955.75
<b>Total</b>	<b>\$23,043,507.76</b>	<b>\$23,043,507.76</b>	<b>\$26,015,348.63</b>	<b>\$2,971,840.87</b>	<b>-</b>

**PV Analysis Summary (Net to Net)**

Gross PV Debt Service Savings	5,987,786.55
Effects of changes in DSR investments	(3,268,805.64)
Net PV Cashflow Savings @ 2.407%(AIC)	2,718,980.91
Transfers from Prior Issue Debt Service Fund	(564,187.50)
Contingency or Rounding Amount	3,363.53
Net Present Value Benefit	\$2,158,156.94
Net PV Benefit / \$23,135,000 Refunded Principal	9.329%
Net PV Benefit / \$20,220,000 Refunding Principal	10.673%

**Refunding Bond Information**

Refunding Dated Date	1/25/2015
Refunding Delivery Date	1/25/2015

**BEFORE THE BOARD OF COMMISSIONERS  
OF THE COUNTY OF LANCASTER, NEBRASKA**

**A RESOLUTION OF THE COUNTY OF )  
LANCASTER, NEBRASKA APPROVING )  
(A) A MASTER SITE LEASE AMONG THE )  
LINCOLN-LANCASTER COUNTY PUBLIC )  
BUILDING COMMISSION, AS LESSEE, AND )  
THE COUNTY AND THE CITY OF LINCOLN, )  
NEBRASKA, JOINTLY, AS LESSOR, (B) A )  
MASTER LEASE AGREEMENT AMONG )  
THE COUNTY AND THE CITY, JOINTLY, )  
AS LESSEE, AND THE COMMISSION, AS )  
LESSOR, AND (C) THE ISSUANCE OF NOT )  
TO EXCEED \$21,000,000 IN PRINCIPAL )  
AMOUNT OF THE COMMISSION'S TAX )  
SUPPORTED LEASE RENTAL REVENUE )  
REFUNDING BONDS, SERIES 2015; )  
AND RELATED MATTERS. )**

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

**WHEREAS**, (a) the Board of Commissioners (the **"Board"**) of The County of Lancaster, Nebraska (the **"County"**) has previously approved (1) the acquisition by the Lincoln-Lancaster County Public Building Commission (the **"Commission"**) in the name of the County and The City of Lincoln, Nebraska (the **"City"**) of real property together with the building and facilities located thereon, including the Health Department Building, the City-County Building, the Hall of Justice, the City-County parking facilities, the Courthouse Plaza, and certain other properties (the **"Commission Properties"**), (2) the execution and delivery of certain ground lease agreements among the County and the City, jointly, as lessor, and the Commission, as lessee, relating to the Commission Properties (the **"Existing Site Leases"**) and (3) the execution and delivery of certain lease agreements among the Commission, as lessor, and the County and the City, jointly, as lessee, relating to the Commission Properties (the **"Existing Leases"**).

(b) The Commission has previously issued its (1) \$11,295,000 original principal amount Tax Supported Lease Rental Revenue Bonds, Series 2004, dated August 18, 2004 (the **"2004 Bonds"**), for the purpose of (i) paying the costs and expenses incident to the acquisition, purchase, construction, installation, renovation, repairing, remodeling and improving of the Health Department Building and related facilities, and (ii) paying expenses incident to the issuance of the 2004 Bonds, of which \$6,505,000 principal amount are presently outstanding (the **"Outstanding 2004 Bonds"**), and (2) \$26,375,000 original principal amount Tax Supported Lease Rental Revenue Refunding Bonds, Series 2005, dated May 4, 2005 (the **"2005 Bonds"**), for the purpose of (i) providing for the payment and redemption of \$25,035,000 outstanding aggregate principal amount of the Commission's Tax Supported Lease Rental Revenue Building Bonds, Series 1996, and (ii) paying expenses incident to the issuance of the 2005 Bonds, of which \$17,410,000 principal amount are presently outstanding (the **"Outstanding 2005 Bonds"**), and that the facilities financed and refinanced by the 2004 Bonds and the 2005 Bonds were made subject to the Existing Site Leases in connection with the issuance of the 2004 Bonds and 2005 Bonds and are currently being leased by the Commission to the City and the County pursuant to the Existing Lease Agreements.

(c) The City, the County and the Commission have determined that it is necessary, desirable, advisable and in the best interest of the City, the County and the Commission to issue not to exceed \$21,000,000 in aggregate stated principal amount of its Tax Supported Lease Rental Revenue Refunding Bonds, Series 2015, dated the date of delivery thereof (the **"2015 Bonds"**), for the purpose of (1)

providing for the payment and redemption of (A) the Outstanding 2004 Bonds and (B) the Outstanding 2005 Bonds, and (2) paying certain costs of issuing the 2015 Bonds.

(d) In connection with the issuance of the 2015 Bonds and in order to promote more efficient governance of the Commission Properties and to facilitate and provide the terms and conditions for such future transactions as may be determined by the City, the County and the Commission to be necessary, desirable and advisable in connection with the real property of the City and/or the County, it is necessary, desirable, advisable and in the best interests of the City, the County and the Commission that certain amendments, modifications and additions be made to the terms of the Existing Site Leases and the Existing Lease Agreements and that the Existing Site Leases and Existing Lease Agreements be amended, restated, consolidated and superseded.

(e) Section 13-1306, Reissue Revised Statutes of Nebraska, as amended, provides that with the prior approval of both the County and the City, the Commission shall have the power and is authorized to issue its bonds for any corporate purpose in such amounts as may be required to carry out and fully perform the purposes for which the Commission was established.

**Section 2.** The Master Site Lease, dated the date of execution and delivery thereof (the “**Master Site Lease**”), among the City and the County, jointly, as lessor, and the Commission, as lessee, a copy of which is attached hereto as **Exhibit A** and incorporated herein by reference, with respect to the Commission Properties and which amends, restates and supersedes the Existing Site Leases is hereby approved.

The Chair is hereby authorized and directed to execute the Master Site Lease for and on behalf of the County, but with such changes, additions or deletions with respect to the Master Site Lease as may be in the best interests of the City, the County and the Commission, to carry out refinancing of the facilities financed or refinanced with proceeds of the 2004 Bonds and 2005 Bonds prior to the signing thereof upon advice of the County Attorney and bond counsel.

**Section 3.** The Master Lease Agreement, dated the date of execution and delivery thereof (the “**Master Lease Agreement**”), among the Commission, as lessor, and the City and the County, jointly, as lessee, a copy of which is attached hereto as **Exhibit B** and incorporated herein by reference, with respect to the Commission Properties and which amends, restates and supersedes the Existing Leases is hereby approved.

The Chair is hereby authorized and directed to execute the Master Lease Agreement for and on behalf of the County, but with such changes, additions or deletions with respect to the Master Lease Agreement as may be in the best interests of the City, the County and the Commission, to carry out refinancing of the facilities financed or refinanced with proceeds of the 2004 Bonds and 2005 Bonds prior to the signing thereof upon advice of the County Attorney and bond counsel.

**Section 4.** The issuance of the 2015 Bonds in the aggregate stated principal amount of not to exceed \$21,000,000 with the principal maturities, interest rates and redemption provisions determined by the Finance Director of the City in accordance with the terms and conditions specified in the resolution of the Commission authorizing the issuance of the 2015 Bonds is hereby ratified, confirmed and approved.

**Section 5.** This resolution shall take effect and be in force from and after its passage according to law.

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**DATED:** November \_\_, 2014.

**BY THE BOARD OF COUNTY  
COMMISSIONERS OF LANCASTER  
COUNTY, NEBRASKA**

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APPROVED AS TO FORM  
this \_\_\_\_\_ day of November, 2014

\_\_\_\_\_  
(Deputy) County Attorney

**Exhibit A**

**Master Site Lease**

**MASTER SITE LEASE  
PROVIDING FOR THE LEASE OF  
CERTAIN REAL PROPERTY SET FORTH ON EXHIBIT A HERETO  
FROM  
THE CITY OF LINCOLN, NEBRASKA  
AND/OR  
THE COUNTY OF LANCASTER, NEBRASKA  
TO  
LINCOLN-LANCASTER COUNTY PUBLIC BUILDING COMMISSION**

This **MASTER SITE LEASE** (the “**Site Lease**”), dated \_\_\_\_\_, 2015, is by and among **THE CITY OF LINCOLN, NEBRASKA** (the “**City**”), and **THE COUNTY OF LANCASTER, NEBRASKA** (the “**County**”), jointly as lessor, and the **LINCOLN-LANCASTER COUNTY PUBLIC BUILDING COMMISSION** (the “**Commission**”), as lessee.

**RECITALS**

1. The Commission is a public building commission, political subdivision, body politic and corporate and an instrumentality of the State of Nebraska (the “**State**”) exercising essential governmental functions and existing pursuant to Chapter 13, Article 13, Reissue Revised Statutes of Nebraska, as amended (the “**Act**”), which has been duly activated by the City and the County pursuant to the Act for the purpose of facilitating the ownership and use of any project (as defined in the Act) for the benefit and use of the City and the County.

2. The Act authorizes the Commission to acquire by purchase, in the name of the City and the County, real property or rights and easements thereon necessary or convenient for its corporate purposes, subject to approval by both the City and County pursuant to the Interlocal Agreement dated July 10, 1996 among the City, the County and the Commission.

3. The City, the County and the Commission have previously entered into the agreements set forth on **Exhibit A** attached hereto and made a part hereof by this reference pursuant to which the City and/or the County have leased to the Commission the properties set forth thereon on the indicated dates in connection with the issuance of bonds by the Commission to the extent specified on **Exhibit A**.

4. The City, the County and the Commission have determined that it is necessary, desirable, advisable and in the best interests of the City, the County and the Commission to enter into this Site Lease in connection with the lease of real property from the City and/or the County to the Commission (a) to supersede all such agreements previously entered into by the City, the County and the Commission and (b) to facilitate and provide the terms and conditions for such future transactions as may be determined by the City, the County and the Commission to be necessary, desirable and advisable in connection with the real property of the City and/or the County.

**NOW THEREFORE**, in consideration of the mutual covenants contained herein, the parties hereto do agree as follows:

**Section 1. Demise.** The City and/or the County, as appropriate, do hereby lease to the Commission the real property set forth on **Exhibit A** attached hereto and made a part hereof, as the same may be amended from time to time (collectively, the “**Premises**”), together with any and all structures located thereon. **Exhibit A** may be amended from time to time upon appropriate action by the City, the County and the Commission.

**Section 2. Term.** The term of this Site Lease shall commence upon the execution and delivery hereof by the City, the County and the Commission and expire when the Commission no Bonds are outstanding under any bond resolution, unless extended by the written agreement of the City, the County and the Commission.

**Section 3. Use of Premises.** The Commission shall use the Premises only for the purpose of providing space to City and County departments, agencies, and functions; provided, however, that the Commission may, with the approval of the City and the County, lease to the State of Nebraska or any body, board, agency, corporation or other governmental entity of either of them, or other governmental units for use by them, all or any part of the Premises to the extent that such use is not required by the City or the County. Except as may be otherwise provided by agreement with the City and the County, the Commission shall be responsible for maintaining, improving, remodeling, operating, and reconstructing the Premises, as may be from time to time deemed necessary or desirable.

Except as may be otherwise provided by agreement with the City and the County, the Commission shall furnish services, including, but not limited to: heat, water, electricity, air conditioning, elevator services, cleaning services, and all other upkeep, maintenance, and repair and shall provide such services in a good and workmanlike manner; provided, however, that the Commission shall not be liable to the City or the County for damages for failure to furnish or delay in furnishing any service mentioned above, or any part thereof, when such failure to furnish, or delay in furnishing, is occasioned by a need for repairs, renewals, or improvements, or in whole or in part by any strike or labor controversy, or by any accident or casualty whatsoever or by any unauthorized act or default of any employee of the Commission, or for any other cause or causes beyond the reasonable control of the Commission.

**Section 4. Building Policies.** The Commission shall be responsible for the promulgation of appropriate policies regarding smoking, signage, and use of common areas within and upon the Premises, and for the promulgation of appropriate parking regulations within parking areas open to the public.

**Section 5. Books and Records of Commission.** All books and records of the Commission with reference to the cost of operating, maintaining, and repairing the Premises shall at all reasonable times be open for inspection and audit by properly designated officers of the City or County.

**Section 6. Insurance.** The Commission shall keep the Premises insured against damage or loss by fire or other casualty. It is agreed that in the event of loss of, or damage to, the Premises, the Commission may, at its option, rebuild or repair the demised premises, or in the event the Commission elects not to rebuild or repair the Premises, this Site Lease shall, upon written notice of such determination by the Commission to the County and the City, thereupon terminate and the proceeds of all insurance shall be used and applied to the payment and redemption of the Bonds.

The Commission shall carry premises liability insurance covering the Premises.

**Section 7. Utilities; Taxes; Special Assessments.** The Commission shall pay all charges for electricity, water, gas, and other utility services (except telephone, cable television, and any computer cable services) used on the Premises. The Commission further agrees to pay all taxes and assessments, if any, upon the Premises which are payable during the term hereof.

**Section 8. Assignment and Subletting.** The Commission may assign or transfer this Site Lease, or underlease or sublet the whole or any part of the Premises only with the written consent of the City and the County.



**Section 9. Quiet Possession.** The City and the County each covenant that they are individually or jointly seized of the Premises, as appropriate, and have full right to make this Site Lease, and that the Commission shall have quiet and peaceful possession of the Premises during all of the term hereof as against lawful acts of third parties and as against the acts of all parties claiming title to, or a right to the possession of the Premises.

**Section 10. Unlawful Use.** The Commission shall not make or suffer any use or occupancy of the Premises contrary to any law or ordinance now in effect or hereinafter enacted.

**Section 11. Personal Property of City and County.** Personal property in the Premises shall be kept there at the risk of the tenants of the Premises only, as their interests may appear. The Commission shall not be liable for any damage to any property at any time in the Premises caused by steam, electricity, sewage, gas, or odors, or from water, rain, or snow which may leak into, issue, or flow from any part of the building of which the Premises are a part, or from pipes, or plumbing works of the same, or from any other place or quarter, or for any damage done to property of any tenant in moving the same to or from the building or Premises. Each tenant shall give to the Commission, or its agent, prompt written notice of any accident to or defects in water pipes, gas, or heating or cooling apparatus in areas occupied by such tenant, of which such tenant has knowledge, which defects shall be remedied with due diligence by the Commission.

**Section 12. Successors and Assigns.** This Site Lease shall inure to the benefit of and be binding upon the respective parties hereto, their successors and assigns.

**Section 13. Effect of Site Lease.** The provisions of this Site Lease are intended to replace and supersede all of the provisions of any existing agreements pursuant to which the City and/or the County have leased any of the real property set forth on **Exhibit A** to the Commission.

**Section 14. Counterparts of Lease.** This Site Lease has been executed in several counterparts, each of which may be considered as an original.

**Section 15. Electronic Transactions.** The transactions described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

*[The remainder of this page intentionally left blank.]*



**IN WITNESS WHEREOF**, the City, the County and the Commission have caused this Site Lease to be executed by their duly authorized officers.

**DATED:** \_\_\_\_\_, 2015.

ATTEST:

**THE CITY OF LINCOLN, NEBRASKA**

By: \_\_\_\_\_  
City Clerk

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

**ACKNOWLEDGEMENT**

STATE OF NEBRASKA     )  
                                      )ss.  
COUNTY OF LANCASTER   )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2015, by Christopher J. Beutler, Mayor of The City of Lincoln, Nebraska, on behalf of the City.

\_\_\_\_\_  
Notary Public

ATTEST:

**THE COUNTY OF LANCASTER, NEBRASKA**

By: \_\_\_\_\_  
County Clerk

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

**ACKNOWLEDGEMENT**

STATE OF NEBRASKA     )  
                                  )ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_  
2015, by \_\_\_\_\_, Chair of the Board of Commissioners of The County of Lancaster,  
Nebraska, on behalf of said County.

\_\_\_\_\_  
Notary Public

**LINCOLN-LANCASTER COUNTY PUBLIC  
BUILDING COMMISSION**

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

**ACKNOWLEDGEMENT**

STATE OF NEBRASKA       )  
  )ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_,  
2015, by \_\_\_\_\_, Chair of the Board of Commissioners of the Lincoln-Lancaster Public  
Building Commission, on behalf of said Commission.

\_\_\_\_\_  
Notary Public

**EXHIBIT A  
TO  
MASTER SITE LEASE  
PROVIDING FOR THE LEASE OF CERTAIN PROPERTIES  
FROM  
THE CITY OF LINCOLN, NEBRASKA  
AND/OR  
THE COUNTY OF LANCASTER, NEBRASKA  
TO  
LINCOLN-LANCASTER COUNTY PUBLIC BUILDING COMMISSION**

**Transaction 1**

- A. Property Description:
- B. Effective Date:
- C. Related Bond Resolution and Bonds (if any):
- D. Superseded Agreement(s):
- E. Lessor:

**Transaction 2**

- A. Property Description:
- B. Effective Date:
- C. Related Bond Resolution and Bonds (if any):
- D. Superseded Agreement(s):
- E. Lessor:

**Transaction 3**

- A. Property Description:
- B. Effective Date:
- C. Related Bond Resolution and Bonds (if any):
- D. Superseded Agreement(s):
- E. Lessor:

**Exhibit B**

**Master Lease Agreement**



**MASTER LEASE AGREEMENT  
PROVIDING FOR THE LEASE OF  
CERTAIN REAL PROPERTY SET FORTH ON EXHIBIT A HERETO  
FROM  
LINCOLN-LANCASTER COUNTY PUBLIC BUILDING COMMISSION  
TO  
THE CITY OF LINCOLN, NEBRASKA  
AND/OR  
THE COUNTY OF LANCASTER, NEBRASKA**

This **MASTER LEASE AGREEMENT** (the "**Lease Agreement**"), dated \_\_\_\_\_, 2015, is by and among the **LINCOLN-LANCASTER COUNTY PUBLIC BUILDING COMMISSION** (the "**Commission**"), as lessor, and **THE CITY OF LINCOLN, NEBRASKA** (the "**City**") and **THE COUNTY OF LANCASTER, NEBRASKA** (the "**County**"), jointly, as lessees.

**RECITALS**

1. The Commission is a public building commission, political subdivision, body politic and corporate and an instrumentality of the State of Nebraska (the "**State**") exercising essential governmental functions and existing pursuant to Chapter 13, Article 13, Reissue Revised Statutes of Nebraska, as amended (the "**Act**"), and has been duly activated by the City and the County pursuant to the Act for the purpose of facilitating the ownership and use of facilities (as defined in the Act) for the benefit and use of the City and the County.

2. The City, the County and the Commission have previously entered into the agreements set forth on **Exhibit A** attached hereto and made a part hereof by the reference pursuant to which the Commission has leased to the City and/or the County, as appropriate, the property identified thereon on the indicated dates in connection with the issuance of bonds by the Commission as specified on **Exhibit A**.

3. The City, the County and the Commission have determined that it is necessary, desirable, advisable and in the best interests of the City, the County and the Commission to enter into this Lease Agreement in connection with the lease of real property from the Commission to the City and/or the County (a) to supersede all such agreements previously entered into by the City, the County and the Commission and (b) to facilitate and provide the terms and conditions for such future transactions as may be determined by the City, the County and the Commission to be necessary, desirable and advisable in connection with the real property of the City and/or the County, as appropriate.

**NOW THEREFORE**, in consideration of the foregoing, the Act, the terms and conditions of this Lease Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Commission, the City and the County hereby agree as follows:

**Section 1. Demise.** The Commission does hereby lease to the City and/or the County, as appropriate, the real property set forth on **Exhibit A** attached hereto and made a part hereof, as the same may be amended from time to time (collectively, the "**Premises**"), together with any and all structures located thereon. **Exhibit A** may be amended from time to time upon appropriate action by the City, the County and the Commission. All agreements and actions of the Commission with respect to the Premises and the Bonds specified on **Exhibit A** prior to the date of this Lease Agreement are hereby approved, confirmed and ratified by the City and the County.

**Section 2. Use of the Premises.** The City and the County shall jointly use the Premises and the City and the County shall each be allotted one-half (½) of the space in the Premises; provided, however, that

the City and the County may agree, in writing, to revise the percentage of allocation of space between themselves at any time. The Commission may at any time permit use by either party of allotted but unoccupied space of the other on a temporary basis until such time as the space is required by the party to whom it is allotted. The specific amount of space in the Premises to be occupied by the City and the County, up to their maximum allotment, shall be based upon their respective requests to the Commission for space. Except as specifically provided by an amendment or amendments to this Lease Agreement and except for any space which is leased to another party, the Premises shall be occupied by and used exclusively to provide office and working facilities for the City and the County; provided, however, that the City and the County may lease to the United States of America (the "**United States**"), the State of Nebraska or any body, board, agency, corporation or other governmental entity of either of them, or other governmental units for use by them, the Premises to the extent that such use is not required by the City or the County. The Commission, the City and the County jointly and severally certify and covenant to each other and to and for the benefit of the purchasers and owners of any Bonds identified on **Exhibit A** that so long as any of such Bonds remain outstanding under the resolution pursuant to which they were issued (the "**Applicable Resolution**"), the Premises will not be used or otherwise occupied in any manner which would cause the interest on any Bonds to be includable in gross income for federal income tax purposes. The Commission, the City and the County shall, prior to entering into any lease or other agreement for the use of any portion of the Premises with the United States, or any body, board, agency, corporation or other governmental entity of the United States, obtain a written opinion of bond counsel to the Commission that such leasing or other use will not cause the interest on the applicable Bonds to be includable in gross income for federal income tax purposes.

The City and the County each hereby appoint the Commission as their agent for the purposes of leasing any space in the Premises allotted to either of them and not required by the City or the County, as the case may be. The Commission is authorized to enter into leases for any such space upon such terms and conditions as the Commission shall, in its sole discretion, determine. The Commission shall give notice to the City and the County of any such lease not less than ten (10) days prior to the effective date of such lease.

**Section 3. Payment of Operating Expenses.** The City and the County shall each pay to the Commission their Pro Rata Share (hereinafter defined) of the Operating Expenses (hereinafter defined) for the entire term of this Lease Agreement as provided in this Section. On the date of execution and delivery of this Lease Agreement, the Commission shall deliver to the City and the County an estimate of the Operating Expenses for calendar year 2015. By the end of each calendar year thereafter during the term of this Lease Agreement, the Commission shall deliver to the City and the County an estimate of the Operating Expenses for the following calendar year. The City and the County shall each pay to the Commission on \_\_\_\_\_ 15, 2015 and on the 15<sup>th</sup> day of each month during the term of this Lease Agreement an amount equal to the Pro Rata Share of the average monthly Operating Expenses for such year as estimated by the Commission. Following the end of each calendar year during the term of this Lease Agreement, the Commission shall deliver to the City and the County a statement of the Operating Expenses for such calendar year. If the Operating Expenses for such year exceeds the amount paid by the City and the County to the Commission with respect to Operating Expenses for such year, the City and the County shall each pay their Pro Rata Share of such excess to the Commission within 15 days of delivery to the City and the County of the statement of the Operating Expenses for such year. If the amounts paid by the City and the County to the Commission with respect to Operating Expenses for such year exceed the Operating Expenses for such year, such excess shall be credited against the amounts due from the City and the County, respectively, thereafter pursuant to this Section, or, if this Lease Agreement has terminated, such excess shall be credited against any amounts which the City or the County, respectively, owes the Commission pursuant to this Lease Agreement and, to the extent all amounts which the City or the County owes the Commission pursuant to this Lease Agreement have been paid, the Commission shall promptly pay such excess to the City or the County as their interests may appear. Any delay by the Commission in delivering any estimate or statement pursuant to this Section shall not relieve the City and the County of their obligations pursuant

to this Section, except that the City and the County shall not be obligated to make any payments based on such estimate or statement until 15 days after receipt of such estimate or statement.

**“Operating Expenses”** shall be determined on an accrual basis for each calendar year by taking into account on a consistent basis all costs of operation, management, maintenance, and repairs of the Premises, whether undertaken by the Commission pursuant to the specific provisions of this Lease Agreement or undertaken by the Commission in the exercise of its reasonable discretion, including, but not limited to, the costs of air conditioning, heating, and ventilation, cleaning and custodial services, water and sanitary sewerage service, normal trash removal services, snow removal services, plumbing, casualty and liability insurance, Property Taxes, accounting and a reasonable management fee. Operating Expenses shall not include the costs of tenant improvements, leasing commissions, depreciation, interest, ground rent, and administrative costs not specifically incurred in the operation, management, maintenance, and repair of the Facilities. Operating Expenses shall not include any expense to the extent paid or reimbursed from insurance proceeds, but Operating Expenses shall include any deductible amount excluded from insurance coverage.

**“Property Taxes,”** as used in this Section, shall mean all real and personal property taxes and assessments, license tax, rental tax, improvement bonds, and other governmental levies imposed on or with respect to the Premises and any property of the Commission or the Commission’s agents used principally in the operation, management, maintenance, or repair of the Premises, together with any taxes or assessments imposed in substitution of or as a supplement to any taxes or assessments previously included within the definition of property taxes and assessments, but excluding any federal, state or local income, franchise, estate, or inheritance tax, and excluding any tax of a type allocated to the City and the County pursuant to **Section 4** hereof.

Because the Premises are owned by the Commission, in the name of the City and the County, each a political subdivision of the State of Nebraska, and the Premises will be occupied and used by the City and the County pursuant to the Agreement exclusively for governmental purposes and not for financial gain or profit, under present law, the Premises would not be subject to real estate taxes. It is understood and agreed, however, that the City and the County each agree to pay their Pro Rata Share of any taxes and assessments, general and special, and all other impositions, ordinary and extraordinary, of every kind and nature which might be levied or assessed on the Premises to the extent not paid from revenues of the Premises pursuant to the applicable resolution or this Lease Agreement.

**Section 4. Operating Expenses Payable by the City and the County.** The City and the County shall pay the cost of any telephone system or services, personal property taxes, or any other utility or services not listed in **Section 3** hereof. The City and the County shall pay a reasonable charge determined by the Commission for any utilities, custodial services, maintenance, and other services required to be provided by the Commission by reason of any use by the City and the County of any utilities or services in excess of utilities or services customarily provided for general use in the Premises by reason of any recurrent use of the Premises at any time other than the normal business hours of generally recognized business days and shall also pay any costs reasonably incurred by the Commission to meter or otherwise measure the amount of such utilities or services used by the City and the County.

**Section 5. Definition of Pro Rata Share.** For purposes of this Lease Agreement, the Pro Rata Share of any Operating Expenses, Property Taxes or debt service on any applicable Bonds payable by the City or the County shall be determined by dividing the amount of square footage occupied by each entity by the sum of the square footage occupied by both entities and applying the resulting percentages to the total of such expenses or taxes. The Commission shall credit towards the Pro Rata Share of Operating Expenses, Property Taxes and debt service on any applicable Bonds due from the City and the County any amount

received from any other occupant of the Premises for such Operating Expenses, Property Taxes or debt service payments on any applicable Bonds.

#### **Section 6. Services and Utilities.**

(a) ***Services by the Commission.*** The Commission shall furnish to such portions of the Premises as are appropriate during normal business hours of generally recognized business days such amounts of air conditioning, heating, and ventilation as may be reasonably necessary for the comfortable use and occupation of such portions of the Premises. The Commission shall at all times furnish appropriate portions of the Premises with elevator service and reasonable amounts of electricity for normal heating, air conditioning, lighting and office machines and shall furnish hot and cold water for lavatory and drinking purposes. The Commission shall provide sewer service, normal trash removal services, and snow removal services. The Commission shall provide custodial service equivalent to that furnished in comparable buildings, including empty waste paper baskets, dry mop and wet mop, vacuum, clean restrooms, supply toiletries, clean window sills, and clean carpet as reasonably needed. The Commission shall replace, at the expense of the City and the County, fluorescent tubes, ballasts, and light bulbs as required.

(b) ***Maintenance and Repair by the Commission.*** The Commission shall maintain the Premises in a good condition, shall maintain the plumbing, heating, ventilating, air conditioning, elevator, electrical, and other mechanical systems of the Premises in good working order, shall make necessary repairs to the roof and the shell of the Premises and shall repair promptly any damage to the Premises as provided herein.

(c) ***Interruption of Service.*** The Commission shall not be liable and no payment to the Commission shall be abated for interruptions to the telephone, plumbing, heating, ventilating, air conditioning, elevator, electrical or other mechanical or utility systems or cleaning services, by reason of accident, emergency, repairs, alterations, improvements, or shortages or lack of availability of materials or services. At any time during the term of this Lease Agreement, any utilities or services may be conserved by the Commission without abatement of rent or other expenses if undertaken by the Commission as required by any governmental agency or in a reasonable effort to reduce energy or other resource consumption.

**Section 7. Authority of Commission.** The Commission is hereby authorized and directed to enter into agreements from time to time, without further approval or authorization by the City or the County, for the acquisition, construction, improvements, equipping, furnishing, maintenance, repair, replacement, operation and management of the Premises, and the expenditure of funds in connection therewith. Without limiting the generality of the foregoing, the City and County hereby authorize the Commission to use the services of agents, employees and facilities of the City in connection with its obligations pursuant to this Lease Agreement.

**Section 8. Contributions for Payment of Bonds.** The City and the County each agree to pay to the Commission from legally available funds an amount equal to its Pro Rata Share of the debt service on any applicable Bonds. To the extent such payments are not made from other sources, the City, subject to the specific limitations set forth in Section 13-1311(5) of the Act, and the County hereby each covenant, warrant and agree to levy and collect taxes on all the taxable property in their respective jurisdiction, and to appropriate such funds or other funds of the City or County, sufficient in rate and amount, in the aggregate, to pay the principal or redemption price of and interest on any applicable Bonds when due. The Commission, the City and the County may, by a supplemental agreement or agreements from time to time, provide for a different formula for contribution of amounts for payment of the principal or redemption price and interest on any applicable Bonds, which shall include the appropriation of funds and levy of taxes by the



City and the County sufficient to pay all the principal or redemption price of and interest on any applicable Bonds without contribution by the Commission.

The Commission, pursuant to each bond resolution and the Act, shall levy a tax on all the taxable property in the County sufficient in rate and amount to pay the principal or redemption price of and interest on the applicable Bonds as the same shall become due to the extent the payments made by the City and the County hereunder are insufficient for such purposes. The City hereby pledges its authority to levy taxes and appropriate funds pursuant to Section 13-1306 of the Act and this Section and the County hereby pledges its obligation to levy taxes and appropriate funds as provided in this Section for the security and benefit of the registered owners of all applicable Bonds. The Commission, the City and the County agree that all payments received by the Commission pursuant to the provisions of this Lease Agreement shall be applied first to payment of the principal or redemption price of and interest on the applicable Bonds, and the remainder to the payment of Operating Expenses and other amounts payable to the Commission pursuant to this Lease Agreement.

The obligations of the Commission, the City and the County pursuant to this Section shall be performed without setoff, counterclaim, or defense for any reason and without abatement or deduction or defense and notwithstanding any breach or failure of performance by any other party to this Lease Agreement. Neither party will suspend or discontinue any such obligations or payments and will perform and observe all of their other agreements in this Lease Agreement and will not terminate this Lease Agreement for any cause, including but not limited to any acts or circumstances that may constitute failure of consideration, destruction or damage to the Premises, the taking of the Premises by condemnation or otherwise, the lawful prohibition of the use of the Premises, the interference with such use by any private person, the invalidity or unenforceability or lack of due authorization or other infirmity of this Lease Agreement, eviction by paramount title, commercial frustration of purpose, bankruptcy or insolvency of any party, change in the tax or other laws of administrative rulings or actions of the United States or the State of Nebraska or any political subdivision thereof, or failure of any part to perform and observe any agreement, whether express or implied of any duty, liability or obligation arising out of or connected with this Lease Agreement, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the obligations and amount payable by the Commission, the City and the County hereunder shall be performed and paid in full when due without any delay or diminution whatsoever.

**Section 9. Observation of Budget and Spending Limitations.** The Commission, the City and the County each represent, warrant and agree to observe all budget and spending limitations now or hereafter imposed by law in such a manner that a sufficient portion of their tax levies or other money shall be lawfully available to pay and satisfy all of their obligations under this Lease Agreement, and further covenant and agree that such obligations, including the obligations related to levy and appropriations for payment of the principal or redemption price of and interest on all applicable Bonds are not such as may reasonably be expected to require levies or appropriations in excess of any applicable levy limit. Specifically, but without limitation, the Commission covenants and agrees that its obligations under this Lease Agreement will not exceed the limitation imposed pursuant to Section 13-1304 of the Act, the City covenants and agrees that its obligations under this Lease Agreement will not exceed the limitations imposed pursuant to Section 13-1306 of the Act, and the County covenants and agrees that its obligations will not exceed the limitations imposed pursuant to Article VIII, Section 5 of the Nebraska Constitution.

**Section 10. Benefit of Agreement.** This Lease Agreement is entered into for and shall accrue to the benefit of and be enforceable by the Commission, the City, the County and the registered holders from time to time of the Bonds.



**Section 11. Amendments.** The parties hereto may from time to time, without the approval of the registered owners of any Bonds, consent to any amendment, change or modification of this Lease Agreement for the purpose of curing any ambiguity, formal defect, or omission or making any other change therein which, in the judgment of the Commission, is not to the material prejudice of the Commission or the owners of any Bonds.

Except for amendments, changes or modifications as provided in the preceding paragraph, no amendment, change or modification of this Lease Agreement shall be made without the consent of a majority of the registered owners of all Bonds outstanding; provided, however, that no such amendment shall be permitted which would have the effect of causing the Commission to be in default in making the payments on any Bonds outstanding under any bond resolution.

**Section 12. Term of Agreement; Miscellaneous.** This Lease Agreement shall be in full force and effect from and after the date hereof, and shall remain in full force and effect so long as any Bonds are outstanding under the applicable bond resolution. At such time as no Bonds are outstanding under any bond resolution, this Lease Agreement may be extended for such period as may be agreed in writing by the parties hereto or this Lease Agreement may be terminated by the mutual agreement of the parties hereto. This Lease Agreement constitutes the entire agreement of the Commission, the City and the County with respect to the subject matter hereof. This Lease Agreement is governed by the laws of the State of Nebraska, including specifically but without limitation, the Act.

**Section 13. Effect of Lease Agreement.** The provisions of this Lease Agreement are intended to replace and supersede all of the provisions of any existing agreements pursuant to which the Commission has leased any of the real property set forth on **Exhibit A** to the City and/or the County.

**Section 14. Electronic Transactions.** The transactions described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

*[The remainder of this page intentionally left blank.]*

IN WITNESS WHEREOF, the Commission, the City and the County have duly executed this Lease Agreement by their appropriate officers as of the year and date first written above.

DATED: \_\_\_\_\_, 2015

ATTEST:

THE CITY OF LINCOLN, NEBRASKA

By: \_\_\_\_\_  
City Clerk

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

**ACKNOWLEDGEMENT**

STATE OF NEBRASKA     )  
  )ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2015,  
by Christopher J. Beutler, Mayor of The City of Lincoln, Nebraska, on behalf of the City.

\_\_\_\_\_  
Notary Public

ATTEST:

**THE COUNTY OF LANCASTER, NEBRASKA**

By: \_\_\_\_\_  
County Clerk

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

**ACKNOWLEDGEMENT**

STATE OF NEBRASKA     )  
                                  )ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2015, by \_\_\_\_\_, Chair of the Board of Commissioners of The County of Lancaster, Nebraska, on behalf of said County.

\_\_\_\_\_  
Notary Public

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

**STATE OF NEBRASKA            )**  
   )**ss.**  
**COUNTY OF LANCASTER      )**

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Notary Public

**EXHIBIT A  
TO  
MASTER LEASE AGREEMENT  
PROVIDING FOR THE LEASE OF CERTAIN PROPERTIES  
FROM  
THE CITY OF LINCOLN, NEBRASKA  
AND/OR  
THE COUNTY OF LANCASTER, NEBRASKA  
TO  
LINCOLN-LANCASTER COUNTY PUBLIC BUILDING COMMISSION**

**Transaction 1**

- A. Property Description:
- B. Effective Date:
- C. Related Bond Resolution and Bonds (if any):
- D. Superseded Agreement(s):
- E. Lessee:

**Transaction 2**

- A. Property Description:
- B. Effective Date:
- C. Related Bond Resolution and Bonds (if any):
- D. Superseded Agreement(s):
- E. Lessee:

**Transaction 3**

- A. Property Description:
- B. Effective Date:
- C. Related Bond Resolution and Bonds (if any):
- D. Superseded Agreement(s):
- E. Lessee: