

# MEETING NOTICE

LANCASTER COUNTY CORRECTIONAL FACILITY JOINT PUBLIC AGENCY

TUESDAY, NOVEMBER 28, 2017

COUNTY-CITY BUILDING, ROOM 112

555 SOUTH 10<sup>th</sup> Street

10:30 A.M.

## AGENDA

*Location Announcement of Nebraska Open Meetings Act: A copy of the Nebraska Open Meetings Act is located on the wall at the rear of the Hearing Room.*

1. **APPROVAL OF MINUTES** – September 12, 2017
2. **APPROVAL OF CLAIMS** – processed through November 21, 2017
3. **ADOPT BOND RESOLUTION** – Resolution authorizing the issuance of not to exceed \$40,985,000 aggregate principal amount of Correctional Facility Refunding Bonds, Series 2017.
4. **PUBLIC COMMENT**
5. **SETTING OF NEXT MEETING** – December 19, 2017
6. **ADJOURNMENT**

**MINUTES**  
**LANCASTER COUNTY CORRECTIONAL FACILITY JOINT PUBLIC AGENCY (JPA)**  
**COUNTY-CITY BUILDING, ROOM 112**  
**555 SOUTH 10<sup>TH</sup> STREET**  
**TUESDAY, SEPTEMBER 12, 2017**  
**8:15 A.M.**

Present: County Commissioner Todd Wiltgen; County Commissioner Bill Avery; City Councilman Roy Christensen; Mayor Chris Beutler

Others Present: Dennis Meyer, Budget and Fiscal Officer; Cori Beattie, Deputy County Clerk; Ann Taylor, County Clerk's Office

The Chair called the meeting to order at 8:17 a.m., the Pledge of Allegiance was recited and the location of the Nebraska Open Meeting Act was announced.

**AGENDA ITEM**

**1 APPROVAL OF MINUTES OF MAY 30, 2016**

**MOTION:** Avery moved and Christensen seconded approval of the minutes of the May 30, 2017 meeting. Beutler, Christensen, Avery and Wiltgen voted yes. Motion carried 4-0.

**2 PUBLIC HEARING ON THE BUDGET FOR FISCAL YEAR (FY) 2017-2018**

The Chair opened the public hearing.

Dennis Meyer, Budget and Fiscal Officer, was administered the oath.

Meyer said the Fiscal Year (FY) 2017-2018 budget, which totals \$4,861,505, is set up strictly for making the bond payments on the Lancaster County Adult Detention Facility (LCADF) and explained the tax request is set up so that dollar amount (\$4,886,600) stays the same. Meyer noted that City's and County's valuations increased this year, 8.72% and 8.7% respectively, which drives the JPA's levy down.

In response to a question from Beutler, Meyer explained that the cash reserve percentage (48%) reflects the timing of when the first half and second half of property taxes are collected. The cash reserve and property tax collections are used to make the bond payments.

The Chair asked whether anyone else wished to testify. Since there was no other testimony, the Chair closed the public hearing.

**3 ADOPT RESOLUTION IN THE MATTER OF APPROVING THE BUDGET FOR FISCAL YEAR (FY) JULY 1, 2017 TO JUNE 30, 2018**

**MOTION:** Christensen moved and Avery seconded approval of the resolution. Avery, Beutler, Christensen and Wiltgen voted yes. Motion carried 4-0.

**4 PUBLIC COMMENT**

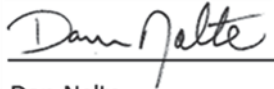
There was no public comment.

**5 SETTING OF NEXT MEETING**

There was consensus to hold the next meeting on November 28, 2017.

**6 ADJOURNMENT**

**MOTION:** Christensen moved and Beutler seconded to adjourn the meeting at 8:29 a.m. Beutler, Avery, Christensen and Wiltgen voted yes. Motion carried 4-0.



Dan Nolte  
Lancaster County Clerk



Lancaster County Correctional Facility Joint Public Agency  
List of Claims through November 21, 2017

<u>Item Number</u>	<u>Payee</u>	<u>Invoice</u>	<u>Amount</u>	<u>Description</u>
<b>Property Tax Collections -</b>				
1	Wells Fargo	LANCJAIL09	<u>3,897,427.50</u>	Principal and Interest Payment



Corporate Trust Services  
 MAC 9300-070  
 600 South 4th Street  
 Minneapolis, MN 55415

Invoice # LANC 01122017

Invoice Date	Payment Due
11/07/2017	12/01/2017

Amount Due
<b>\$3,897,427.50</b>
<i>Please wire or mail payment to:</i>
<b><u>Wire Instructions:</u></b> ABA #: 121000248 DDA #: 6355060501 Ref: LANCJAIL09
<b><u>ACH Instructions:</u></b> ABA #: 091000019 DDA #: 6355060501 Ref: LANCJAIL09
<b><u>Mailing Address:</u></b> Wells Fargo Bank NW6222 P.O. Box 1450 Minneapolis, MN 55485-6222

LANCASTER COUNTY CORRECTIONAL FACILITY J  
 JOINT PUBLIC AGENCY  
 555 S. 10TH STREET  
 LINCOLN NE 68508

*Please return this portion of the statement with your payment.*

*Please retain this portion for your records.*

Account Number LANCJAIL09

LANCASTER CNTY NE JPA CORR FAC 2/09 FAST

Interest Payment Due to Holders on 12/01/2017	\$1,007,427.50
Principal Payment Due to Holders on 12/01/2017	\$2,890,000.00

**Total Amount Due:** \$3,897,427.50

*Wires must be received by 10:00 Central Time on the Payment Due Date.  
 Checks must be received 5 business days prior to Payment Due Date.*

*Refer to your governing documents for payment date rules.*

**IMPORTANT NOTICE:** *Wells Fargo has calculated the amounts due and the due date reflected above and believes this information to be accurate. However, in the event of a discrepancy between this notice and the terms of the documents that govern your transactions, the terms of the governing documents control. If you believe this notice may not be correct, please contact us immediately.*

Please address questions to:	MARIE VOSSBERG 612-667-5277	KATHLEEN TADDEI 401-430-0801
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**BOND RESOLUTION**

**OF**

**LANCASTER COUNTY CORRECTIONAL FACILITY JOINT PUBLIC AGENCY  
IN THE STATE OF NEBRASKA**

**PASSED**

**November 28, 2017**

**NOT TO EXCEED**

**\$40,985,000**

**CORRECTIONAL FACILITY REFUNDING BONDS, SERIES 2017**

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LANCASTER COUNTY CORRECTIONAL FACILITY JOINT PUBLIC AGENCY

BOND RESOLUTION

A RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$40,985,000 AGGREGATE PRINCIPAL AMOUNT OF CORRECTIONAL FACILITY REFUNDING BONDS, SERIES 2017; PRESCRIBING THE FORM AND DETAILS OF SUCH BONDS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SUCH BONDS AS THEY BECOME DUE; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH

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BE IT RESOLVED BY THE BOARD OF LANCASTER COUNTY CORRECTIONAL FACILITY JOINT PUBLIC AGENCY IN THE STATE OF NEBRASKA, AS FOLLOWS:

FINDINGS AND DETERMINATIONS

The Board (the “**Board**”) of Lancaster County Correctional Facility Joint Public Agency in the State of Nebraska (the “**Agency**”) hereby finds and determines as follows:

1. The Agency has been duly organized by The County of Lancaster, Nebraska (the “**County**”) and The City of Lincoln, Nebraska (the “**City**”) pursuant to the provisions of the Joint Public Agency Act (Chapter 13, Article 25, Reissue Revised Statutes of Nebraska, as amended, “**Act**”) and the Lancaster County Correctional Facility Joint Public Agency Agreement dated September 9, 2008 (the “**JPA Agreement**”) between the County and the City (together, the “**Participants**”), and is validly existing as a joint public agency of the State of Nebraska (the “**State**”). The Nebraska Secretary of State has issued a Certificate of Creation and notice of the creation thereof has been published as required by the Act.

2. Pursuant to a resolution passed by the Board on December 30, 2008, as amended by a resolution passed by the Board on January 26, 2009, (together, the “**2009 Resolution**”), the Agency issued \$64,390,000 principal amount of Correctional Facility Bonds, Series 2009, dated February 12, 2009 (the “**2009 Bonds**”) for the purpose of constructing, equipping and furnishing new correctional facilities to be owned by the Agency and operated by the County (the “**Project**”). A portion of the 2009 Bonds presently remains outstanding and unpaid, the same bearing interest and maturing as follows (the “**Refunded Bonds**”):

<u>Maturity Date</u> <u>(December 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>
2018	\$ 2,980,000	4.00%
2019	3,095,000	3.50
2020	3,205,000	3.60
2021	3,320,000	5.00
2022	3,485,000	5.00
2023	3,660,000	5.00
2028	21,240,000	5.00

The Refunded Bonds are subject to redemption prior to maturity in whole or in part at any time on or after December 1, 2018 at a redemption price equal to 100% of the principal amount being redeemed, plus accrued interest on such principal amount to the date fixed for redemption.

3. The Refunded Bonds remain unpaid and are a legal liability against the Agency, provision for the payment of all or any part of which may be made by the lawful issuance and sale of refunding bonds of the Agency pursuant to the Act.

4. Since the issuance of the Refunded Bonds, the rates of interest available in the markets have declined so that the Agency can effect a savings in interest costs by providing for payment and redemption of all of the Refunded Bonds through the issuance of refunding bonds of the Agency.

5. The Agency has on hand no debt service or other sinking fund money for the payment of principal and interest on the Refunded Bonds, other than legally available funds of the Agency, if any, which are to be used and applied in accordance with **Section 502**.

6. The Agency has authorized calling for redemption of all the Refunded Bonds on December 1, 2018 (the **“2009 Bond Redemption Date”**) pursuant to the provisions of this Resolution.

6. Pursuant to the JPA Agreement, (a) the County has irrevocably allocated and assigned to the Agency, for the period beginning September 15, 2008 and ending on the date upon which all of the Bonds are no longer deemed to be outstanding and unpaid hereunder, its authority to cause the levy of taxes within the taxing district of the County for the purpose of refinancing the costs of the Project pursuant to Section 23-120(2), Reissue Revised Statutes of Nebraska, as amended, an amount equal to \$2,000,000 (the **“County Levy”**) solely for the purpose of paying the principal or redemption price of and interest on the Bonds, and (b) the City has irrevocably allocated and assigned to the Agency, for the period beginning September 15, 2008 and ending on the date upon which all of the Bonds are no longer deemed to be outstanding and unpaid hereunder, its authority to cause the levy of taxes within the taxing district of the City, not to exceed \$3,500,000 annually for the purpose of refinancing the costs of the Project pursuant to Section 15-202, Reissue Revised Statutes of Nebraska, as amended, in an amount which, when added to the County Levy, will be sufficient to pay the principal or redemption price of and interest on the Bonds when and as the same become due (the **“City Levy”**) solely for the purpose of paying the principal or redemption price of and interest on the Bonds.

7. It is necessary, desirable and advisable that the Agency issue its general obligation refunding bonds for the purpose of providing funds which, together with other funds of the Agency legally available for such purposes, shall be sufficient for the payment and redemption of the Refunded Bonds on the Redemption Date.

8. All conditions, acts and things required by law to exist or to be done precedent to the issuance of refunding bonds of the Agency in the principal amount of not to exceed \$40,985,000 (the **“Bonds”**) for such purposes do exist and have been done in due form and time as required by law.

## ARTICLE I

### DEFINITIONS

**Section 101. Definitions of Words and Terms.** In addition to words and terms defined elsewhere herein, the following words and terms used in this Resolution have the following meanings:



“**Act**” means the Joint Public Agency Act, Chapter 13, Article 25, Reissue Revised Statutes of Nebraska, as amended.

“**Agency**” means Lancaster County Correctional Facility Joint Public Agency, a joint public agency duly organized and validly existing under the laws of the State, and its successors and assigns.

“**Authorized Officer**” means the County Administrator, the County Budget and Fiscal Officer, any member of the Board, or any one or more of the foregoing.

“**Beneficial Owner**” means any Person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“**2009 Bond Redemption Date**” means December 1, 2018.

“**Bond Counsel**” means Gilmore & Bell, P.C., or other attorney or firm of attorneys with a nationally recognized standing in the field of municipal bond financing selected by the Agency.

“**Bond Register**” means the books for the registration, transfer and exchange of Bonds kept at the office of the Paying Agent.

“**Bonds**” means the Correctional Facility Refunding Bonds, Series 2017, dated the date of delivery thereof, authorized and issued by the Agency pursuant to this Resolution.

“**Business Day**” means a day other than a Saturday, Sunday or holiday on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its banking operations.

“**Cede & Co.**” means Cede & Co., as nominee of The Depository Trust Company, New York, New York.

“**Code**” means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the Treasury Department proposed or promulgated thereunder.

“**Continuing Disclosure Undertaking**” means the Continuing Disclosure Undertaking executed by the Agency, dated the date of delivery of the Bonds, as originally executed and as amended from time to time in accordance with its terms.

“**Costs of Issuance Fund**” means the fund by that name referred to in **Section 501** hereof.

“**Debt Service Fund**” means the fund by that name referred to in **Section 501** hereof.

“**Defaulted Interest**” means interest on any Bond which is payable but not paid on any Interest Payment Date.

“**Defeasance Obligations**” means any of the following obligations:

(a) Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (A) not subject to redemption prior to maturity or (B) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or Government Obligations that may be applied only to the principal or redemption price of and interest payments on such obligations;

(3) such cash and the principal of and interest on such Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) the obligations are rated in the highest rating category by Moody's Investors Service, Inc. (presently "Aaa") or Standard & Poor's Ratings Group (presently "AAA").

**"Designated Office"** means the corporate trust administration office maintained by the Paying Agent at which the Paying Agent discharges its obligations under this Resolution and which may be changed by the Paying Agent upon written notice to the Agency and to each Registered Owner.

**"Escrow Agent"** means BOKF, National Association, and any successors and assigns under the Escrow Agreement.

**"Escrow Fund"** means the fund by that name referred to in **Section 501** hereof.

**"Escrow Agreement"** means the Escrow Agreement between the Agency and the Escrow Agent providing for the deposit, investment and application of the proceeds of the Bonds.

**"Escrowed Securities"** means the direct, noncallable obligations of the United States of America, as described in the Escrow Agreement.

**"Facilities Agreement"** means the Amended and Restated Facilities Agreement between the Agency and the County, amending and restating the Original Facilities Agreement to reference this Resolution and the Bonds.

**"Government Obligations"** means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States, including evidences of a direct ownership interest in future interest or principal payments on obligations issued or guaranteed by the United States (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the highest rating category by a nationally recognized rating service and such obligations are held in a custodial account for the benefit of the Agency.

**“Interest Payment Date”** means June 1 and December 1 of each year beginning on such date as determined pursuant to **Section 211** herein.

**“Maturity”** when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or call for optional or mandatory redemption or otherwise.

**“Original Facilities Agreement”** means the Facilities Agreement dated February 5, 2009, between the Agency and the County, governing the acquisition, construction, equipping, furnishing, operation and management of the Project.

**“Original Site Lease”** means the Site Lease between the Agency and the County dated February 12, 2009, wherein the County leased certain real estate to the Agency for location of the Project.

**“Outstanding”** means, when used with reference to the Bonds, as of any particular date of determination, all Bonds theretofore authenticated and delivered hereunder, except the following Bonds:

- (a) Bonds theretofore cancelled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) Bonds deemed to be paid in accordance with the provisions of **Section 701** hereof; and
- (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered hereunder.

**“Participants”** means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

**“Paying Agent”** means BOKF, National Association, and any successors or assigns.

**“Permitted Investments”** means any of the following securities, if and to the extent the same are at the time legal for investment of the Agency’s funds:

- (a) Government Obligations;
- (b) bonds, notes or other obligations of the State, or any political subdivision of the State, that at the time of their purchase are rated in either of the two highest rating categories by a nationally recognized rating service;
- (c) obligations of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Corporation, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Corporation;
- (d) repurchase agreements with any bank, bank holding company, trust company, or other financial institution organized under the laws of the United States or any state, that are continuously and fully secured by any one or more of the securities described in clause (a), (b) or (c) above and that have a

market value, exclusive of accrued interest, at all times at least equal to the principal amount of such repurchase agreement and are held in a custodial or trust account for the benefit of the Agency; and

(e) certificates of deposit or time deposits, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of the United States or any state, provided that such certificates of deposit or time deposits shall be either (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by such securities as are described above in clauses (a) through (c), inclusive, which shall have a market value, exclusive of accrued interest, at all times at least equal to the principal amount of such certificates of deposit or time deposits.

**“Person”** means any natural person, corporation, partnership, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

**“Project”** has the meaning provided in the Findings and Determinations herein, and includes the correctional facilities constructed by the Agency with proceeds of the 2009 Bonds to comply with correctional facility standards of the State.

**“Purchaser”** means Ameritas Investment Corp., as original purchaser of the Bonds.

**“Record Date”** for the interest payable on any Interest Payment Date means the fifteenth day of the month next preceding the month in which an Interest Payment Date occurs.

**“Redemption Date”** when used with respect to any Bond to be redeemed means the date fixed for the redemption of such Bond pursuant to the terms of this Resolution.

**“Redemption Price”** when used with respect to any Bond to be redeemed means the price at which such Bond is to be redeemed pursuant to the terms of this Resolution.

**“Refunded Bonds”** has the meaning set forth in the Findings and Determinations hereof.

**“Registered Owner”** when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register.

**“Replacement Bonds”** means Bonds issued to Beneficial Owners in accordance with **Section 207**.

**“Resolution”** means this Resolution adopted by the governing body of the Agency, authorizing the issuance of the Bonds, as amended from time to time.

**“Securities Depository”** means, initially, The Depository Trust Company, New York, New York, and its successors and assigns.

**“Site Lease”** means the Amended and Restated Site Lease between the Agency and the County, amending and restating the Original Site Lease to reference this Resolution and the Bonds.

**“Special Record Date”** means the date fixed by the Paying Agent pursuant to **Section 204** for the payment of Defaulted Interest.

“**Stated Maturity**” means, when used with respect to any Bond, the date specified in such Bond and this Resolution as the fixed date on which the principal of such Bond is due and payable.

“**Tax Certificate**” means the Federal Tax Certificate executed and delivered by the Agency in connection with the issuance of the Bonds, as the same may be amended or supplemented in accordance with the provisions thereof.

“**United States**” means the United States of America.

## ARTICLE II

### AUTHORIZATION OF BONDS

**Section 201. Authorization of Bonds.** The Agency is hereby authorized and directed to issue the Bonds in an aggregate principal amount not to exceed \$40,985,000 to provide for the payment and redemption of the Refunded Bonds and the costs of issuing the Bonds.

**Section 202. Description of Bonds.** The Bonds shall consist of fully registered bonds, numbered from R-1 upward in order of issuance, in denominations of \$5,000 or any integral multiple thereof. The Bonds shall be subject to registration, transfer and exchange as provided in **Section 205** hereof. All of the Bonds shall be dated the date of delivery thereof, shall become due and payable in the amounts on the Stated Maturities, subject to redemption and payment prior to their Stated Maturities as provided in **Article III** hereof, and shall bear interest at the rates determined by an Authorized Officer in accordance with the provisions of **Section 211**.

The Bonds shall bear interest (computed on the basis of a 360-day year of twelve 30-day months) from the date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for.

Each of the Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be in substantially the form set forth in **Exhibit A** attached hereto.

**Section 203. Designation of Paying Agent.** The Agency hereby designates the Paying Agent as its paying agent for the payment of principal of and interest on the Bonds and bond registrar with respect to the registration, transfer and exchange of Bonds. The Paying Agent shall serve in such capacities under the terms of an agreement entitled “Bond Registrar and Paying Agent Agreement” between the Agency and the Paying Agent (the “**Registrar Agreement**”), in the form approved pursuant to **Section 211** of this Resolution. An Authorized Officer is hereby authorized to execute the Registrar Agreement in the form approved pursuant to **Section 211** hereof.

The Agency will at all times maintain a Paying Agent meeting the qualifications herein described for the performance of the duties hereunder. The Agency reserves the right to appoint a successor Paying Agent by (a) filing with the Paying Agent then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent and appointing a successor, and (b) causing notice of the appointment of the successor Paying Agent to be given by first-class mail to each Registered Owner. No resignation or removal of the Paying Agent shall become effective until a successor has been appointed and has accepted the duties of Paying Agent.

Every Paying Agent appointed hereunder shall at all times be a commercial banking association or corporation or trust company organized and doing business under the laws of the United States or of a state of the United States, authorized under such laws to exercise trust powers and subject to supervision or examination by federal or state regulatory authority.

**Section 204. Method and Place of Payment of Bonds.** The principal or Redemption Price of and interest on the Bonds shall be payable in any coin or currency of the United States that on the respective dates of payment thereof is legal tender for the payment of public and private debts.

The principal or Redemption Price of each Bond shall be paid at Maturity by check or draft to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the Designated Office of the Paying Agent.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Registered Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register.

Notwithstanding the foregoing provisions of this **Section 204**, any Defaulted Interest with respect to any Bond shall cease to be payable to the Registered Owner of such Bond on the relevant Record Date and shall be payable to the Registered Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as specified in this paragraph. The Agency shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the Agency of such Special Record Date and, in the name and at the expense of the Agency, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, by first-class mail, postage prepaid, to each Registered Owner of a Bond entitled to such notice at the address of such Registered Owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

The Paying Agent shall keep a record of the payment of principal or Redemption Price of and interest on all Bonds and at least annually shall forward a copy or summary of such records to the Agency.

**Section 205. Registration, Transfer and Exchange of Bonds.** The Agency covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the Designated Office. Each Bond when issued shall be registered in the name of the Registered Owner thereof on the Bond Register.

Bonds may be transferred and exchanged only on the Bond Register as provided in this **Section 205**. Upon surrender of any Bond at the Designated Office, the Paying Agent shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer

or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Resolution. The Agency shall pay the fees and expenses of the Paying Agent for the registration, transfer and exchange of Bonds provided for by this Resolution and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Paying Agent, are the responsibility of the Registered Owners of the Bonds. In the event any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Registered Owner hereunder or under the Bonds.

The Agency and the Paying Agent shall not be required (a) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent pursuant to **Section 303** hereof and during the period of 15 days next preceding the date of mailing of such notice of redemption, or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Agency of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to **Section 204**.

The Agency and the Paying Agent may deem and treat the Person in whose name any Bond is registered on the Bond Register as the absolute owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and interest on such Bond and for all other purposes. All payments so made to any such Registered Owner or upon the Registered Owner's order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Agency nor the Paying Agent shall be affected by any notice to the contrary.

At reasonable times and under reasonable regulations established by the Paying Agent, the Bond Register may be inspected and copied by the Registered Owners of 10% or more in aggregate principal amount of the Bonds then Outstanding or any designated representative of such Registered Owners whose authority is evidenced to the satisfaction of the Paying Agent.

**Section 206. Execution, Registration, Authentication and Delivery of Bonds.** Each of the Bonds, including any Bonds issued in exchange or as substitutions for the Bonds initially delivered, shall be signed by the manual or facsimile signature of the Chair and attested by the manual or facsimile signature of the Secretary. In case any officer whose signature appears on any Bond ceases to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The Chair and Secretary are hereby authorized and directed to prepare and execute the Bonds in the manner herein specified, and, when duly executed and registered, to deliver the Bonds to the Paying Agent for authentication.

The Bonds shall have endorsed thereon a certificate of authentication substantially in the form set forth in **Exhibit A** attached hereto, which shall be manually executed by an authorized officer or employee of the Paying Agent, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Bond shall be entitled to any security or benefit under this Resolution or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Paying Agent. Such executed certificate of authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Resolution. Upon authentication, the Paying Agent shall deliver the Bonds to the Purchaser upon payment of the purchase price of the Bonds plus accrued interest thereon to the date of their delivery.

**Section 207. Mutilated, Destroyed, Lost and Stolen Bonds.** If (a) any mutilated Bond is surrendered to the Paying Agent or the Paying Agent receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Paying Agent such security or indemnity as may be required by the Paying Agent, then, in the absence of notice to the Paying Agent that such Bond has been acquired by a bona fide purchaser, the Agency shall execute and, upon the Agency's request, the Paying Agent shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Agency, in its discretion, may pay such Bond instead of issuing a new Bond.

Upon the issuance of any new Bond under this **Section 207**, the Agency may require the payment by the Registered Owner of an amount sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Every new Bond issued pursuant to this **Section 207** shall constitute a replacement of the prior obligation of the Agency, and shall be entitled to all the benefits of this Resolution equally and ratably with all other Outstanding Bonds.

**Section 208. Cancellation and Destruction of Bonds Upon Payment.** All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and destroyed and shall file an executed counterpart of such certificate with the Agency.

**Section 209. Book-Entry Bonds; Securities Depository.**

(a) The Bonds shall initially be registered to Cede & Co., as nominee for the Securities Depository, and no Beneficial Owner will receive any certificate representing its respective interest(s) in the Bonds, except in the event the Paying Agent issues Replacement Bonds as provided in **Section 209(b)**. It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of the principal or Redemption Price of and interest on the Bonds to the Participants until and unless the Paying Agent authenticates and delivers Replacement Bonds to the Beneficial Owners as described in **Section 209(b)**.



(b) (1) If the Agency determines (A) that the Securities Depository is unable to properly discharge its responsibilities, or (B) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (C) that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Registered Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds, or (2) if the Paying Agent receives written notice from Participants having interests in not less than 50% in aggregate principal amount of the Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Registered Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds, then the Paying Agent shall notify the Registered Owners of such determination or such notice and of the availability of certificates to Registered Owners requesting the same, and the Paying Agent shall register in the name of and authenticate and deliver Replacement Bonds to the Beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under this **Section 209(b)(1)(A)** or **(1)(B)**, the Agency, with the consent of the Paying Agent, may select a successor securities depository in accordance with **Section 209(c)** hereof to effect book-entry transfers. In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository has possession of at least one Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Paying Agent, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the Agency, the Paying Agent or Registered Owners are unable to locate a qualified successor of the Securities Depository in accordance with **Section 209(c)** hereof, then the Paying Agent shall authenticate and cause delivery of Replacement Bonds to Registered Owners as provided herein. The Paying Agent may rely on information from the Securities Depository and its Participants as to the names of the Beneficial Owners of the Bonds. The cost of printing Replacement Bonds shall be paid for by the Agency.

(c) In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities Exchange Act of 1934, as amended, the Agency may appoint a successor Securities Depository provided the Paying Agent receives written evidence satisfactory to the Paying Agent with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Paying Agent upon its receipt of a Bond or Bonds for cancellation shall cause the delivery of Bonds to the successor Securities Depository in appropriate denominations and form as provided herein.

**Section 210. Preliminary and Final Official Statement.** The Agency hereby ratifies and approves the publication, distribution and use of a preliminary Official Statement in connection with the offering of the Bonds, with such terms and provisions as may be approved by an Authorized Officer. An Authorized Officer is hereby authorized to deem the information contained in the Preliminary Official Statement to be “final” as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1) under the Securities Exchange Act of 1934, as amended. The Agency further authorizes and directs the preparation of, and authorizes and directs the execution and delivery by an Authorized Officer of a final Official Statement for use in connection with the sale of the Bonds.

### **Section 211. Terms of the Bonds; Authorization of Officers.**

(a) The Bonds or any portion thereof are hereby authorized to be sold pursuant to a negotiated sale with the Purchaser. In connection with such sale, an Authorized Officer is hereby authorized to specify, determine, designate, establish and appoint, as the case may be (i) the aggregate purchase price of the Bonds (inclusive of (A) net original issue discount or premium and (B) underwriter's discount), which may not be less than 100% of the principal amount of the Bonds, and the underwriting discount shall not exceed 1.00% of the aggregate principal amount thereof, (ii) the form and contents of any bond purchase agreement in connection with such sale, (iii) the title (including series designation), dated date (which shall not be later than December 1, 2018), aggregate principal amount (including the aggregate principal amounts of serial Bonds and term Bonds, if any), which aggregate stated principal amount shall not exceed \$40,985,000, and the final maturity date, which shall not be later than December 1, 2028, (iv) the principal amounts maturing in each year, (v) the rate or rates of interest to be borne by each principal maturity, provided that the present value savings resulting from refunding the Refunded Bonds is not less than 5.0% of the Refunded Bonds, (vi) the principal payment dates and interest payment dates, (vii) whether the Bonds will be subject to redemption prior to their stated maturity, and if subject to such optional redemption, the provisions governing such redemption, including a redemption price not to exceed 100% of the principal amount then being redeemed plus accrued interest to the date of redemption, (viii) the amount and due date of each sinking fund installment for any of the Bonds issued as term Bonds, (ix) the form and content of the Registrar Agreement entered into between the District and Paying Agent and (x) all other terms and provisions of the Bonds not otherwise specified or fixed by this Resolution.

(b) The Authorized Officer is hereby authorized to call any or all of the Refunded Bonds for redemption on such date he or she determines appropriate, which date shall be the Redemption Date hereunder. The Authorized Officer is hereby authorized to designate, approve, execute and deliver, as the case may be (i) the form, content, terms and provisions of any published and/or mailed notice of redemption with respect to the payment and redemption of the Refunded Bonds, (ii) an Escrow Agent, (iii) the form, content, terms and provisions of an Escrow Agreement with the Escrow Agent for the purpose of providing for the deposit in trust with the Escrow Agent a portion of the net proceeds of the Bonds, the investment of such net proceeds pending their application, the application of such proceeds and any investment income to the payment of all of the principal of and interest on the Refunded Bonds maturing on or before the Redemption Date and the application of the balance of such proceeds and any investment income thereof to the redemption and retirement of the Refunded Bonds on the Redemption Date.

## **ARTICLE III**

### **REDEMPTION OF BONDS**

#### **Section 301. Optional and Mandatory Redemption of Bonds.**

(a) ***Optional Redemption by Agency.*** At the option of the Agency, Bonds or portions thereof may be called for redemption and payment prior to their Stated Maturity at any time on or after the date determined by the Authorized Officer, as a whole or in part at the Redemption Prices determined by the Authorized Officer in accordance with the provisions of **Section 211** hereof.

(b) ***Mandatory Redemption.*** The Bonds issued as Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements of this **Section 301(b)** at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The taxes levied in **Article IV** hereof which are to be deposited into the Debt Service Fund shall be sufficient to redeem, and the Agency shall redeem on December 1 in each

year, the principal amounts of such term bonds as determined by the Authorized Officer in accordance with the provisions of **Section 211**.

**Section 302. Selection of Bonds to Be Redeemed.**

(a) The Paying Agent shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Paying Agent at least 45 days prior to the Redemption Date of written instructions of the Agency specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption. The Paying Agent may in its discretion waive such notice period so long as the notice requirements set forth in **Section 303** are met.

(b) Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. When fewer than all of the Outstanding Bonds are to be redeemed, such Bonds shall be redeemed in such principal amounts and from such Stated Maturities as the Agency, in its sole and absolute discretion, may determine, and Bonds of less than a full Stated Maturity shall be selected by the Paying Agent in \$5,000 units of principal amount in such equitable manner as the Paying Agent may determine.

(c) In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than \$5,000 are then Outstanding, then for all purposes in connection with such redemption, each \$5,000 of face value shall be treated as though it were a separate Bond of the denomination of \$5,000. If it is determined that one or more, but not all, of the \$5,000 units of face value represented by any Bond are selected for redemption, then upon notice of intention to redeem such \$5,000 unit or units, the Registered Owner of such Bond or the Registered Owner's duly authorized agent shall present and surrender such Bond to the Paying Agent (1) for payment of the Redemption Price and interest to the Redemption Date of such \$5,000 unit or units of face value called for redemption, and (2) for exchange, without charge to the Registered Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Registered Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as provided, such Bond shall, nevertheless, become due and payable on the Redemption Date to the extent of the \$5,000 unit or units of face value called for redemption (and to that extent only).

**Section 303. Notice and Effect of Call for Redemption.** Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on behalf of the Agency by mailing a copy of an official redemption notice by first-class mail at least 30 days prior to the Redemption Date to the Purchaser and each Registered Owner of the Bonds to be redeemed at the address shown on the Bond Register.

All official notices of redemption shall be dated and shall contain the following information:

- (a) the Redemption Date;
- (b) the Redemption Price;
- (c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed;

(d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and

(e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the Designated Office.

The failure of any Registered Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the Agency shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on that date.

Official notice of redemption having been given as provided, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Agency defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Registered Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided herein. All Bonds that have been surrendered for redemption shall be cancelled and destroyed by the Paying Agent as provided herein and shall not be reissued.

The Paying Agent is also directed to comply with any mandatory or voluntary standards then in effect for processing redemptions of municipal securities established by the Securities and Exchange Commission. Failure to comply with such standards shall not affect or invalidate the redemption of any Bond.

## ARTICLE IV

### SECURITY FOR AND PAYMENT OF BONDS

**Section 401. Security for the Bonds.** The Bonds shall be general obligations of the Agency payable as to both principal and interest from ad valorem taxes which may be levied upon all the taxable property subject to taxation as provided in the JPA Agreement. The full faith, credit and resources of the Agency are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

**Section 402. Levy and Collection of Annual Tax.** For the purpose of providing for the payment of the principal of and interest on the Bonds as the same become due, there is hereby authorized to be levied upon all of the taxable property within the taxing district of the County the County Levy and within the taxing district of the City the City Levy, in addition to all other taxes, sufficient in rate and amount to provide for the payment in full and when due of the principal or Redemption Price of and interest on the Bonds as the same becomes due and payable in each year, the Agency hereby pledging such levy of taxes for such purpose.

The taxes referred to above shall be budgeted by the Agency in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as ad valorem taxes of the Participants are levied and collected. The proceeds derived from such taxes shall be deposited in the Debt Service Fund, shall be kept separate and apart from all other funds of the Agency and shall be used solely for the payment of the principal or Redemption Price of and interest on the Bonds as and when the same become due and the fees and expenses of the Paying Agent.

## ARTICLE V

### ESTABLISHMENT OF FUNDS; DEPOSIT AND APPLICATION OF MONEY

**Section 501. Establishment of Funds.** There have been or shall be established in the treasury of the Agency and shall be held and administered by the Treasurer a Debt Service Fund, and with the Paying Agent a Cost of Issuance Fund. In addition to the fund described above, the Escrow Agreement establishes the Escrow Fund to be held and administered by the Escrow Agent in accordance with the provisions of the Escrow Agreement.

**Section 502. Deposit of Bond Proceeds.** The net proceeds received from the sale of the Bonds shall be deposited simultaneously with the delivery of the Bonds as follows:

(a) All accrued interest received from the sale of the Bonds shall be deposited in the Debt Service Fund and applied in accordance with **Section 504** hereof.

(b) The amount specified in the Escrow Agreement from the proceeds derived from the sale of the Bonds, together with money and securities of the Agency on hand and available for such purpose and the earnings to accrue on all of such money and securities, will be sufficient for the payment of the principal of and interest on the Refunded Bonds, as determined and certified in accordance with **Section 510** hereof, shall be transferred to the Escrow Agent and deposited in the Escrow Fund and applied in accordance with **Section 509** hereof and the Escrow Agreement.

(c) The remaining balance of the proceeds from the sale of the Bonds shall be deposited in the Cost of Issuance Fund to pay costs of issuing the Bonds, including the fees of attorneys, financial consultants, accountants, rating agencies, printers and others employed to render professional services and other costs, fees and expenses incurred in connection with the issuance of the Bonds and the creation of the trust described in and created by the Escrow Agreement and in carrying out the duties, terms and provisions of the Escrow Agreement. Any of such money not used for such purpose and remaining on deposit the date which is six months after the issue date of the Bonds shall be transferred to and deposited in the Debt Service Fund.

**Section 503. Application of Money in the Costs of Issuance Fund.** Money in the Costs of Issuance Fund shall be used solely for the purpose of paying the costs and expenses of issuing the Bonds and shall be disbursed by the Paying Agent at the direction of an Authorized Officer. Upon payment of all costs of issuance of the Bonds, any surplus remaining in the Costs of Issuance Fund shall be transferred to and deposited in the Debt Service Fund.

**Section 504. Application of Money in the Debt Service Fund.** All amounts paid and credited to the Debt Service Fund shall be expended and used by the Agency for the sole purpose of paying the principal or Redemption Price of and interest on the Bonds as and when the same become due and the

usual and customary fees and expenses of the Paying Agent. The Treasurer is authorized and directed to withdraw from the Debt Service Fund sums sufficient to pay both principal or Redemption Price of and interest on the Bonds and the fees and expenses of the Paying Agent as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Paying Agent will become due. If, through the lapse of time or otherwise, the Registered Owners of Bonds are no longer entitled to enforce payment of the Bonds or the interest thereon, the Paying Agent shall return such funds to the Agency. All money deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Resolution and shall be held in trust by the Paying Agent for the benefit of the Registered Owners of the Bonds entitled to payment from such money.

Any money or investments remaining in the Debt Service Fund after the retirement of the indebtedness for which the Bonds were issued and all other indebtedness of the Agency shall be transferred and paid into the General Fund of the Agency.

**Section 505. Deposits and Investment of Money.** Money in each of the funds created by and referred to in this Resolution shall be deposited in a bank or banks or other legally permitted financial institutions that are members of the Federal Deposit Insurance Corporation. All such deposits shall be continuously and adequately secured by the financial institutions holding such deposits as provided by the laws of the State. All money held in the funds created by this Resolution shall be kept separate and apart from all other funds of the Agency so that there shall be no commingling of such funds with any other funds of the Agency.

Money held in any fund referred to in this Resolution may be invested by the Treasurer at the direction of the Board, in accordance with this Resolution and the Tax Certificate, in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than the date when the money invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any fund shall accrue to and become a part of such fund.

**Section 506. Payments Due on Saturdays, Sundays and Holidays.** If any payment on a Bond is due on a date which is not a Business Day, then such payment need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on such payment date, and no interest shall accrue for the period after such payment date.

**Section 507. Nonpresentment of Bonds.** If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the Agency to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Registered Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Resolution or on, or with respect to, such Bond. If any Bond is not presented for payment within four years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay to the Agency the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Agency, and the Registered Owner thereof shall be entitled to look only to the Agency for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Agency shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

**Section 508. Redemption of Refunded Bonds.** The Refunded Bonds are hereby called for redemption and payment prior to maturity on the 2009 Bond Redemption Date. The Refunded Bonds shall be redeemed at the office of the paying agent for the Refunded Bonds, on the 2009 Bond Redemption Date by the payment of the principal thereof, together with the redemption premium, if any, and accrued interest thereon to the 2009 Bond Redemption Date. In accordance with the requirements of the respective resolutions authorizing the issuance of the Refunded Bonds, the Secretary is hereby directed to cause notice of the call for redemption and payment of the Refunded Bonds to be given in the manner provided in such resolutions. The officers of the Agency and the paying agent for the Refunded Bonds are hereby authorized and directed to take such other action as may be necessary in order to effect the redemption and payment of the Refunded Bonds as herein provided.

**Section 509. Application of Moneys in the Escrow Fund.** Under the Escrow Agreement, the Escrow Agent will apply moneys in the Escrow Fund to purchase the Escrowed Securities and to establish an initial cash balance in accordance with the Escrow Agreement. The cash and Escrowed Securities held in the Escrow Fund will be applied by the Escrow Agent solely to the payment of the principal or redemption price of and interest on the Refunded Bonds. All money deposited with the Escrow Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in the 2006 Resolution and the Escrow Agreement.

## ARTICLE VI

### REMEDIES

**Section 601. Remedies.** The provisions of this Resolution, including the covenants and agreements herein contained, shall constitute a contract between the Agency and the Registered Owners of the Bonds, and the Registered Owner or Owners of not less than 10% in aggregate principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Registered Owners of Bonds similarly situated:

- (a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Registered Owner or Owners against the Agency and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of this Resolution or by the constitution and laws of the State;
- (b) by suit, action or other proceedings in equity or at law to require the Agency, its officers, agents and employees to account as if they were the trustees of an express trust; and
- (c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Registered Owners of the Bonds.

**Section 602. Limitation on Rights of Registered Owners.** The covenants and agreements of the Agency contained herein and in the Bonds shall be for the equal benefit, protection and security of the Registered Owners of any or all of the Bonds. All of the Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, or date of Maturity or right of prior redemption as provided in this Resolution. No one or more Registered Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except

in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Registered Owners of such Outstanding Bonds.

**Section 603. Remedies Cumulative.** No remedy conferred herein upon the Registered Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Registered Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies consequent thereon. No delay or omission of any Registered Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Registered Owners of the Bonds by this Resolution may be enforced and exercised from time to time and as often as may be deemed expedient. If any suit, action or proceedings taken by any Registered Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or has been determined adversely to such Registered Owner, then, and in every such case, the Agency and the Registered Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Registered Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

## ARTICLE VII

### DEFEASANCE

**Section 701. Defeasance.** When the principal or Redemption Price of and interest on any or all of the Bonds have been paid and discharged, then the requirements contained in this Resolution and the pledge of the Agency's faith and credit hereunder and all other rights granted hereby shall terminate with respect to such Bonds so paid and discharged. Bonds or the interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company having full trust powers, at or prior to the Stated Maturity or Redemption Date of such Bonds, in trust for and irrevocably appropriated thereto, money and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of such Bonds and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments, provided, however, that if any such Bonds are to be redeemed prior to their Stated Maturity, (a) the Agency has elected to redeem such Bonds, and (b) either notice of such redemption has been given, or the Agency has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Paying Agent to give such notice of redemption in compliance with **Section 302(a)** hereof. Any money and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the Agency, for the purpose of paying and discharging any of the Bonds, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Registered Owners of the Bonds, and such money shall be and is hereby irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or other bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of this Resolution.



## ARTICLE VIII

### MISCELLANEOUS PROVISIONS

#### Section 801. Tax Covenants.

(a) The Agency covenants and agrees that (1) it will comply with all applicable provisions of the Code, including Sections 103 and 141 through 150, necessary to maintain the exclusion from federal gross income of the interest on the Bonds, and (2) it will not use or permit the use of any proceeds of Bonds or any other funds of the Agency, nor take or permit any other action, or fail to take any action, which would adversely affect the exclusion from federal gross income of the interest on the Bonds. The Agency will also adopt such other Resolutions or resolutions and take such other actions as may be necessary to comply with the Code and with other applicable future laws, in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the Agency.

(b) The Agency covenants and agrees that (1) it will use the proceeds of the Bonds as soon as practicable and with all reasonable dispatch for the purposes for which the Bonds are issued, and (2) it will not invest or directly or indirectly use or permit the use of any proceeds of the Bonds or any other funds of the Agency in any manner, or take or omit to take any action, that would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code.

(c) The Agency covenants and agrees that it will pay or provide for the payment from time to time of all arbitrage rebate to the United States pursuant to Section 148(f) of the Code and the Tax Certificate. This covenant shall survive payment in full or defeasance of the Bonds. The Tax Certificate may be amended or replaced if, in the opinion of Bond Counsel, such amendment or replacement will not adversely affect the exclusion from federal gross income of the interest on the Bonds.

(d) The Agency covenants and agrees that it will not use any portion of the proceeds of the Bonds, including any investment income earned on such proceeds, directly or indirectly, (1) in a manner that would cause any Bond to be a “private activity bond” within the meaning of Section 141(a) of the Code, or (2) to make or finance a loan to any Person.

(e) The foregoing covenants shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to **Article VII** hereof or any other provision of this Resolution, until the final maturity date of all Bonds Outstanding.

**Section 802. Authorization and Approval of Site Lease and Facilities Agreement.** The Site Lease is hereby approved in substantially the form of the Original Site Lease (updated to reference this Resolution and the Bonds issued hereunder), the Facilities Agreement is hereby approved in substantially the form of the Original Facilities Agreement (updated to reference this Resolution and the Bonds issued hereunder), and the Agency is hereby authorized to execute and deliver the Site Lease and the Facilities Agreement. The Chair and Secretary of the Board are hereby authorized and directed to execute the Site Lease and the Facilities Agreement and to deliver the Site Lease and the Facilities Agreement to the County for and on behalf of and as the act and deed of the Agency. The Secretary of the Agency is hereby authorized and directed to attest to the Site Lease and the Facilities Agreement and to such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

**Section 803. Continuing Disclosure.** The Agency hereby (1) authorizes and directs that its Chair execute and deliver, on the date of issue of the Bonds, the Continuing Disclosure Undertaking in such form as shall be satisfactory to Bond Counsel, and (2) covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Undertaking. Notwithstanding any other provision of this Resolution, failure of the Agency to comply with the Continuing Disclosure Undertaking shall not be considered an event of default hereunder; however, any Participating Underwriter (as such term is defined in the Continuing Disclosure Undertaking) or any Beneficial Owner or any Registered Owner of a Bond may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Agency to comply with its obligations under this **Section 803**.

**Section 804. Amendments.** The rights and duties of the Agency and the Registered Owners, and the terms and provisions of the Bonds or of this Resolution, may be amended or modified at any time in any respect by resolution of the Agency with the written consent of the Registered Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Registered Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the Secretary, but no such modification or alteration shall:

- (a) extend the maturity of any payment of principal or interest due upon any Bond;
- (b) effect a reduction in the amount which the Agency is required to pay as principal or interest on any Bond;
- (c) permit preference or priority of any Bond over any other Bond; or
- (d) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Resolution.

Any provision of the Bonds or of this Resolution may, however, be amended or modified by resolution duly adopted by the governing body of the Agency at any time in any legal respect with the written consent of the Registered Owners of all of the Bonds at the time Outstanding.

Without notice to or the consent of any Registered Owners, the Agency may amend or supplement this Resolution for the purpose of curing any formal defect, omission, inconsistency or ambiguity therein or in connection with any other change therein which is not materially adverse to the interests of the Registered Owners.

Every amendment or modification of the provisions of the Bonds or of this Resolution, to which the written consent of the Registered Owners is given, as above provided, shall be expressed in a resolution adopted by the Board amending or supplementing the provisions of this Resolution and shall be deemed to be a part of this Resolution. A certified copy of every such amendatory or supplemental resolution, if any, and a certified copy of this Resolution shall always be kept on file in the office of the Secretary, and shall be made available for inspection by the Registered Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Resolution, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental resolution or of this Resolution will be sent by the Secretary to any such Registered Owner or prospective purchaser.

Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the Secretary a copy of such amendatory or supplemental resolution of the

Agency, duly certified, as well as proof of any required consent to such modification by the Registered Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification.

The Agency shall furnish to the Paying Agent a copy of any amendment to the Bonds or this Resolution which affects the duties or obligations of the Paying Agent under this Resolution.

**Section 805. Notices, Consents and Other Instruments by Registered Owners.** Any notice, consent, request, direction, approval or other instrument to be signed and executed by any Registered Owner may be in any number of concurrent writings of similar tenor and may be signed or executed by such Registered Owner in person or by an agent with written authorization. Proof of the execution of any such instrument or writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Resolution, and shall be conclusive in favor of the Agency and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

(a) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register.

In determining whether the Registered Owners of the requisite aggregate principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Resolution, Bonds owned by the Agency shall be disregarded and deemed not to be Outstanding under this Resolution, except that, in determining whether the Registered Owners shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Registered Owners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as provided if the pledgee establishes to the satisfaction of the Registered Owners the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Agency.

**Section 806. Further Authority.** The officers of the Agency, including the Chair and Secretary, are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Resolution and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

**Section 807. Severability.** If any section or other part of this Resolution, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Resolution.

**Section 808. Governing Law.** This Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State.

**Section 809. Effective Date.** This Resolution shall take effect and be in full force from and after its passage by the Board as provided by law.

**PASSED:** November 28, 2017.

**LANCASTER COUNTY CORRECTIONAL  
FACILITY JOINT PUBLIC AGENCY IN THE  
STATE OF NEBRASKA**

ATTEST:

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

By: \_\_\_\_\_  
Secretary



payable on this Bond on any interest payment date shall be paid to the person in whose name this Bond is registered on the registration books maintained by the Paying Agent at the close of business on the Record Date for such interest, which shall be the last business day of the month next preceding the month in which such interest payment date occurs. Such interest shall be payable by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register. The principal or redemption price of and interest on this Bond shall be payable by check or draft in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

This Bond is one of an authorized series of bonds of the District designated "Correctional Facility Refunding Bonds, Series 2017," aggregating the principal amount of \$\_\_\_\_\_ (the "**Bonds**"), issued by the Agency in pursuance of the Joint Public Agency Act (Chapter 13, Article 25, Reissue Revised Statutes of Nebraska, as amended, "**Act**") and the Lancaster County Correctional Facility Joint Public Agency Agreement dated September 9, 2008, (the "**Agreement**") for the purpose of providing for the payment and redemption of \$\_\_\_\_\_ principal amount of the Agency's Correctional Facility Bonds, Series 2009, dated February 12, 2009, maturing on and after December 1, 20\_\_ (the "**Refunded Bonds**") under the authority of and in full compliance with the constitution and laws of the State of Nebraska, and pursuant to a resolution duly passed (the "**Resolution**") and proceedings duly and legally had by the Board of the Agency.

Reference is hereby made to the Act, the Agreement and the Resolution to all of the provisions of each of which any Registered Owner hereof by the acceptance hereof thereby assents, for a description of the nature and extent of the security for the Bonds, the terms and conditions upon which the Agency may issue obligations thereunder, definitions of terms, the funds, taxes and revenues pledged to the payment of the principal or redemption price of and interest on the Bonds, the nature and extent and manner of enforcement of the pledge, the rights and remedies of the Registered Owner hereof with respect thereto; the terms and conditions upon which this Bond is issued; and the rights, duties and obligations of the Agency. Certified copies of the Resolution and the Agreement are on file at the office of the agency and at the Designated Office (defined in the Resolution) of the Paying Agent.

At the option of the Agency, Bonds or portions thereof maturing on or after December 1, 201\_\_ may be redeemed and paid prior to maturity at any time on or after \_\_\_\_\_, 201\_\_, as a whole or in part in such principal amounts and from such maturity or maturities as the Agency may determine (Bonds of less than a full maturity to be selected in multiples of \$5,000 principal amount in such equitable manner as the Paying Agent shall designate) at a redemption price equal to 100% of the principal amount being redeemed, plus accrued interest on such principal amount to the redemption date.

Notice of redemption, unless waived, is to be given by the Paying Agent by mailing an official redemption notice by first-class mail at least 30 days prior to the redemption date to the original purchaser of the Bonds and each registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register maintained by the Paying Agent. Notice of redemption having been given as provided, the Bonds or portions of Bonds to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Agency defaults in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

The Bonds constitute general obligations of the Agency payable as to both principal and interest from ad valorem taxes which may be levied in accordance with the provisions of the Act and the Agreement upon all the taxable property within the County sufficient in rate and amount to pay the principal or redemption price of and interest on this Bond when and as the same become due.

The Bonds are issuable in the form of fully registered Bonds in the denominations of \$5,000 or any integral multiple thereof.

This Bond may be transferred or exchanged, as provided in the Resolution, only on the Bond Register kept for that purpose at the Designated Office of the Paying Agent, upon surrender of this Bond together with a written instrument of transfer or authorization for exchange satisfactory to the Paying Agent duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Bond or Bonds in any authorized denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Resolution and upon payment of the charges therein prescribed. The Agency and the Paying Agent may deem and treat the person in whose name this Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Resolution. One Bond certificate with respect to each date on which the Bonds are stated to mature or with respect to each form of Bonds, registered in the nominee name of The Depository Trust Company (the "**Securities Depository**"), is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system will evidence positions held in the Bonds by the Securities Depository's participants, beneficial ownership of the Bonds in authorized denominations being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants. The Agency and the Paying Agent will recognize the Securities Depository nominee, while the registered owner of this Bond, as the owner of this Bond for all purposes, including (a) payments of principal or redemption price of and interest on this Bond, (b) notices and (c) voting. Transfer of principal or redemption price and interest payments to participants of the Securities Depository, and transfer of principal or redemption price and interest payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Agency and the Paying Agent will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its participants or persons acting through such participants. While the Securities Depository nominee is the owner of this Bond, notwithstanding the provision hereinabove contained, payments of principal or redemption price of and interest on this Bond shall be made in accordance with existing arrangements among the Agency, the Paying Agent and the Securities Depository.

**EXCEPT AS OTHERWISE PROVIDED IN THE RESOLUTION, THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.**

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Paying Agent.

**IT IS HEREBY DECLARED AND CERTIFIED** that all acts, conditions and things required to be done and to exist precedent to and in the issuance of the Bonds have been done and performed and do exist in due and regular form and manner as required by the constitution and laws of the State of Nebraska; that the Agency has covenanted and agreed that it will caused to be levied and collected a

direct annual tax, in addition to all other taxes, upon all taxable property in the County in accordance with the provisions of the Act and the Agreement sufficient in rate and amount to pay the principal or redemption price of and interest on the Bonds when due; and that the total indebtedness of the Agency, including this Bond and the series of which it is one, does not exceed any constitutional or statutory limitation.

**IN WITNESS WHEREOF, LANCASTER COUNTY CORRECTIONAL FACILITY JOINT PUBLIC AGENCY** has caused this Bond to be executed by the manual or facsimile signature of the Chair of the Board and attested by the manual or facsimile signature of the Secretary of the Board.

**CERTIFICATE OF AUTHENTICATION**

**LANCASTER COUNTY CORRECTIONAL FACILITY JOINT PUBLIC AGENCY**

This Bond is one of the Bonds of the issue described in the within-mentioned Resolution.

By: \_\_\_\_\_  
(facsimile signature)  
Chair

Registration Date: \_\_\_\_\_

**WELLS FARGO BANK, NATIONAL ASSOCIATION**, Paying Agent

ATTEST

By: \_\_\_\_\_  
Authorized Officer or Signatory

By: \_\_\_\_\_  
(facsimile signature)  
Secretary



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**ASSIGNMENT**

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

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

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

Dated: \_\_\_\_\_

\_\_\_\_\_  
NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular.

Signature Guaranteed By:

\_\_\_\_\_  
(Name of Eligible Guarantor Institution as defined by SEC Rule 17 Ad-15 (17 CFR 240.17 Ad-15))

By: \_\_\_\_\_  
Title: \_\_\_\_\_