

Agenda Item: 6.

MEMORANDUM

Date: August 5, 2015

To: Programs, Projects and Operations Subcommittee

From: John, Winkler, General Manager

Re: Approval of the Issuance of Additional Flood Protection and Water Quality Enhancement Bonds by the Voters

All Natural Resources Districts in Nebraska have authority to issue revenue bonds for the purposes of constructing revenue-producing facilities. Neb. Rev. Stat. § 2-3226. In addition, the Papio-Missouri River NRD, because it encompasses a city of the metropolitan class, has additional authority to issue negotiable and refunding bonds known as "flood protection and water quality enhancement bonds." Neb. Rev. Stat. § 2-3226.10. Subject to certain statutory limitations, these bonds may be used to pay costs of design, rights-of-way acquisition and construction of multipurpose projects and practices for storm water management, including flood control and water quality. Neb. Rev. Stat. § 2-3226.11(1). The District's statutory authority to issue flood protection and water quality enhancement bonds expires on December 31, 2019. Neb. Rev. Stat. § 2-3226.14.

The financing of flood protection and water quality enhancement bonds is by means of a special annual property tax levy. However, any such bond levy must be included in the computation of the District's overall tax levy limit, and so it does not raise the levy limit for property in the District. The NRD board of directors, by a 2/3 vote, may issue flood protection and water quality enhancement bonds up to a levy of one cent on each one hundred dollars of taxable valuation within the District. A bond levy for flood control and water quality enhancement that exceeds one cent, however, requires approval by a majority of registered voters of the District. Neb. Rev. Stat. § 2-3226.10. Such a vote must be "called by the board of directors and held in conjunction with a statewide primary or general election." *Id.* Procedurally, the board of directors, by majority vote, may call for a vote of the registered voters of the District on the question of whether the Papio-Missouri River NRD shall be authorized to issue flood control and water quality enhancement bonds with a bond levy exceeding one cent. If approved by the voters, the NRD board of directors may then, by a 2/3 vote, issue the bonds.

The attached resolution would, upon approval by a majority of the board of directors, place before the voters within the District at the primary election on May 10, 2016, the question of whether to grant authority to the board to issue flood control and water quality enhancement bonds with a bond levy not to exceed an additional one cent on each one hundred dollars of taxable valuation within the District.

Management recommends that the subcommittee recommend to the Board of Directors that the question of approval of additional flood control and water quality enhancement bonds be submitted to the voters of the District at the May 10, 2016 primary election as outlined in the attached resolution with any technical changes deemed necessary by the General Manger and Legal Counsel.

RESOLUTION

**A RESOLUTION CALLING AN ELECTION IN THE PAPIO-MISSOURI RIVER
NATURAL RESOURCES DISTRICT IN THE STATE OF NEBRASKA REGARDING
AUTHORIZATION OF FLOOD PROTECTION AND WATER QUALITY
ENHANCEMENT BONDS**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF PAPIO-MISSOURI RIVER NATURAL RESOURCES DISTRICT, IN THE STATE OF NEBRASKA, as follows:

Section 1. The Board of Directors of the Papio-Missouri River Natural Resources District (“Board”) hereby finds and determines:

(a) That the Papio-Missouri River Natural Resources District (“District”) is duly organized as a natural resources district under Chapter 2, Reissue Revised Statutes of Nebraska, as amended;

(b) that the District encompasses a city of the metropolitan class in the State of Nebraska;

(c) that it is necessary and appropriate for the District to issue bonds, subject to the limitations set forth in Neb. Rev. Stat. section 2-3226.11 regarding use of proceeds of such bonds, for the design, rights-of-way acquisition, and construction of multipurpose projects and practices for storm water management within the District, including flood control and water quality;

(d) that it is in the best interests of the District to seek authorization to issue flood protection and water quality enhancement bonds with a bond levy not to exceed an additional one cent on each one hundred dollars of taxable valuation within the District pursuant to Neb. Rev. Stat. section 2-3226.10; and

(e) that the authorization to issue bonds in accordance with Neb. Rev. Stat. section 2-3226.10 will not raise the property tax levy limit on any property in the District.

Section 2.

(a) An election pursuant to Neb. Rev. Stat. section 2-3226.10 (“Election”) is hereby called and shall be held in the District on May 10, 2016, at which Election there shall be submitted to the qualified electors of the District the following proposition (“Proposition”):

Shall the Papio-Missouri River Natural Resources District, upon approval by a 2/3 vote of its Board of Directors, be authorized to issue negotiable and refunding Flood Control and Water Quality Enhancement Bonds for the purpose

of paying the costs of design, right-of-way acquisition and construction of multipurpose projects and practices for storm water management, including flood control and water quality; such bonds to be issued from time to time as may be determined by the Board of Directors, to bear interest at a rate or rates to be determined by the Board of Directors and to become due as such time or times as may be fixed by the Board of Directors; and

Shall the Papio-Missouri River Natural Resources District, upon approval by a 2/3 vote of its Board of Directors, cause to be levied and collected annually a special levy of taxes against all the taxable property in the District sufficient in rate and amount to pay the principal of and interest on such bonds as they same become due, all within the District's currently existing tax levy limit and not to exceed one cent on each one hundred dollars of taxable valuation within the District beyond the District's current bonding authority?

(b) The ballots to be voted on and cast at the Election shall have printed thereon the foregoing Proposition, with words "FOR such Bonding authority and tax" and "AGAINST such bonding authority and tax" following the Proposition.

(c) The ballots to be voted on and cast at the Election shall be in such form as required by law, and the notice of the Election, including a sample ballot, shall be published by the Election Commissioners and County Clerks of each county in which voters of the District reside as provided by law.

Section 3. The Secretary of the Board of Directors is hereby authorized and directed to certify a copy of this Resolution not later than March 1, 2016 to the Election Commissioners and County Clerks of the District who shall publish all required notices and conduct the Election as provided by law. The District hereby agrees to reimburse the Election Commissioners and County Clerks for the expense of conducting the Election.

Section 4. The form of ballot and form of notice for such bond election shall be in substantially the form attached to this Resolution as Attachment I, with such additions or changes determined appropriate by the Elections Commissioner and County Clerks. The General Manager is hereby authorized and directed in conjunction with the Election Commissioners and County Clerks conducting the Election to take all appropriate or necessary action in order to cause the Proposition to be submitted to the qualified electors of the District as provided above.

Section 5. Anything to the contrary herein notwithstanding, the General Manager is hereby authorized and directed to (a) cause the form of ballot and form of notice approved herein and attached hereto as Attachment I to be published in accordance with such laws, and with such changes therein as the General Manager, in consultation with the President of the Board, legal counsel to the District and bond counsel deem necessary to conform to such laws, and (b) take all further actions necessary to comply with all publication and filing deadlines and other election procedures and requirements as may be necessary or proper to submit the Proposition described in Section 2 hereof to the qualified electors of the District at the May 2016 Primary Election.

Section 6. This Resolution shall take effect and be in force from and after its passage as provide by law.

ADOPTED this __ day of August, 2015.

PAPIO-MISSOURI RIVER NATURAL
RESOURCES DISTRICT, IN THE STATE OF
NEBRASKA

ATTEST:

By: _____
Chairperson

Secretary

OFFICIAL BALLOT

**FLOOD CONTROL AND WATER QUALITY ENHANCEMENT BOND ELECTION
PAPIO-MISSOURI RIVER NATURAL RESOURCES DISTRICT
IN THE STATE OF NEBRASKA**

Tuesday, May 10, 2016

“Shall the Papio-Missouri River Natural Resources District, upon approval by a 2/3 vote of its Board of Directors, be authorized to issue negotiable and refunding Flood Control and Water Quality Enhancement Bonds for the purpose of paying the costs of design, right-of-way acquisition and construction of multipurpose projects and practices for storm water management, including flood control and water quality; such bonds to be issued from time to time as may be determined by the Board of Directors, to bear interest at a rate or rates to be determined by the Board of Directors and to become due as such time or times as may be fixed by the Board of Directors; and

“Shall the Papio-Missouri River Natural Resources District, upon approval by a 2/3 vote of its Board of Directors, cause to be levied and collected annually a special levy of taxes against all the taxable property in the District sufficient in rate and amount to pay the principal of and interest on such bonds as they same become due, all within the District’s currently existing tax levy limit and not to exceed one cent on each one hundred dollars of taxable valuation within the District beyond the District’s current bonding authority?”

/__ / FOR such bonding authority and tax

/__ / AGAINST such bonding authority and tax

NOTICE OF NATURAL RESOURCES DISTRICT BOND ELECTION

**PAPIO-MISSOURI RIVER NATURAL RESOURCES DISTRICT
IN THE STATE OF NEBRASKA**

Tuesday, May 10, 2016

PUBLIC NOTICE is hereby given to the qualified electors of the Papio-Missouri River Natural Resources District in the State of Nebraska (the "District") that an election has been called and will be held in the district on Tuesday, May 10, 2016, at which time there shall be submitted to the qualified electors of the District the following proposition:

"Shall the Papio-Missouri River Natural Resources District, upon approval by a 2/3 vote of its Board of Directors, be authorized to issue negotiable and refunding Flood Control and Water Quality Enhancement Bonds for the purpose of paying the costs of design, right-of-way acquisition and construction of multipurpose projects and practices for storm water management, including flood control and water quality; such bonds to be issued from time to time as may be determined by the Board of Directors, to bear interest at a rate or rates to be determined by the Board of Directors and to become due as such time or times as may be fixed by the Board of Directors; and

"Shall the Papio-Missouri River Natural Resources District, upon approval by a 2/3 vote of its Board of Directors, cause to be levied and collected annually a special levy of taxes against all the taxable property in the District sufficient in rate and amount to pay the principal of and interest on such bonds as they same become due, all within the District's currently existing tax levy limit and not to exceed one cent on each one hundred dollars of taxable valuation within the District beyond the District's current bonding authority?"

/ / FOR such bonding authority and tax

/ / AGAINST such bonding authority and tax