

AMENDMENTS TO LB253

Introduced by Revenue.

1 1. Strike the original sections and insert the following new
2 sections:

3 Section 1. Section 23-3637, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 23-3637 (1) The county and any city, village, or sanitary and
6 improvement district may enter into any agreement for joint action with
7 regard to the planning, construction, management, operation, or financing
8 of a sewerage disposal system and plant or plants consistent with the
9 authority of the county as provided in the County Industrial Sewer
10 Construction Act and consistent with the authority of the city and county
11 under the Interlocal Cooperation Act~~or the Joint Public Agency Act~~. The
12 county may enter into an agreement with any city for the sale to the city
13 of all or any portion of a sewerage disposal system and plant or plants
14 developed by the county under the County Industrial Sewer Construction
15 Act upon such terms and conditions as to which the city and county may
16 formally agree. Any agreement entered into by the a city and county and
17 any city, village, or sanitary and improvement district pursuant to this
18 section shall be consistent with and conditioned upon the rights of any
19 third party with a direct financial interest in the sewerage disposal
20 system and plant or plants.

21 (2) Notwithstanding any other provision of Nebraska law, the county
22 and any city, village, or sanitary and improvement district may enter
23 into a service agreement with any joint entity created pursuant to the
24 Interlocal Cooperation Act which owns or operates or proposes to own or
25 operate any sewerage disposal system and plant, including the use or
26 right to use real or personal property included in any such project.

27 (3) Any service agreement entered into under subsection (2) of this

1 section may provide:

2 (a) For the payment of fixed or variable periodic amounts for
3 service or the right to obtain service, including the use or right to use
4 real or personal property;

5 (b) That such service agreement may extend for a term of years as
6 determined by the governing body of the county, city, village, or
7 sanitary and improvement district and be binding upon such county, city,
8 village, or sanitary and improvement district over such term of years;

9 (c) That fixed or variable periodic amounts payable may be
10 determined based upon any of the following factors, or such other factors
11 as may be deemed reasonable by the parties, and such amounts may be
12 divided and specifically payable with respect to such factors:

13 (i) Operating, maintenance, and management expenses, including
14 renewals and replacements for facilities and equipment, amounts payable
15 with respect to debt service on bonds or other obligations, including
16 margins of debt service coverage and amounts for debt service reserves if
17 deemed appropriate, which amounts may be separately identified and shall
18 have the status of amounts paid for the principal or interest on bonds
19 issued by such party for purposes of budget and expenditure limitations;
20 and

21 (ii) Amounts necessary to build or maintain operating reserves,
22 capital reserves, and debt service reserves;

23 (d) That any such service agreement may require payment to be made
24 in the agreed-upon fixed or variable periodic amounts regardless of
25 whether such sewerage disposal system and plant or plants are completed
26 or operational and notwithstanding any suspension, interruption,
27 interference, reduction, or curtailment of the services of such project
28 or system; and

29 (e) Such other provisions as the parties to the service agreement
30 deem appropriate in connection with constructing and operating a sewerage
31 disposal system and plant or plants, including the acquisition of real

1 and personal property, the construction of facilities, and the operation,
2 maintenance, and management of services, property, and related
3 facilities.

4 (4) In order for a county to provide for any or all of the payments
5 due under such service agreement entered into under subsection (2) of
6 this section, such payments may be made as authorized under section
7 23-3616. When such tax is used for the purposes under such service
8 agreement, it shall have the same status as a tax levied for the purpose
9 of paying bonds, but shall be subject to the levy limitation under
10 Article VIII, section 5, of the Constitution of Nebraska.

11 Sec. 2. Original section 23-3637, Reissue Revised Statutes of
12 Nebraska, is repealed.