

LEGISLATIVE BILL 636

Approved by the Governor March 1, 1974

Introduced by Warner, 25

AN ACT to amend sections 16-626, 16-671.01, 16-672.11, 17-925, 17-975, 18-2003, and 19-2406, Reissue Revised Statutes of Nebraska, 1943, relating to cities and villages; to provide the payment provisions for work on prescribed works of internal improvement; to provide for payment of interest on delayed payments; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 16-626, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

16-626. For all improvements of the intersections and areas formed by the crossing of streets, avenues or alleys, and one half of the streets adjacent to real estate owned by the United States, the State of Nebraska, or the city, the assessment shall be made upon all the taxable property of the city; and for the payment of such improvements, the mayor and council or the city commissioners are hereby authorized to issue improvement bonds of the city in such denominations as they deem proper, to be called Intersection Improvement Bonds, payable in not to exceed twenty years from date of said bonds and to bear interest payable annually or semiannually. Such bonds shall not be issued in excess of the cost of said improvements. For the purpose of making partial payments as the work progresses in making the improvements of streets, avenues, alleys or intersections and areas formed by the crossing of streets, avenues or alleys, or one half of the streets adjacent to real estate owned by the United States, the State of Nebraska, or the city, warrants may be issued by the mayor and council upon certificates of the engineer in charge showing the amount of the work completed and materials necessarily purchased and delivered for the orderly and proper continuation of the project, in a sum not exceeding eighty ninety-five per cent of the cost thereof, and upon completion and acceptance of the work issue a final warrant for the balance of the amount due the contractor, which warrants shall be redeemed and paid upon the sale of bonds authorized by law. The city shall pay to the contractor interest at the rate of eight per cent per annum on the amounts due on partial and final

payments beginning forty-five days after the certification of the amounts due by the engineer in charge and approval by the governing body, and running until the date that the warrant is tendered to the contractor. Nothing herein shall be construed as authorizing the mayor and council to make improvements of any intersections or areas formed by the crossing of streets, avenues or alleys, unless in connection with one or more blocks of any of aforesaid kinds or forms of street improvement of which the improvement of such intersection or areas shall form a part.

Sec. 2. That section 16-671.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

16-671.01. For the purpose of making partial payments as the work progresses, warrants may be issued by the mayor and city council upon certificates of the engineer in charge showing the amount of work completed and materials necessarily purchased and delivered for the orderly and proper continuation of the project in a total amount not to exceed eighty ninety-five per cent of the cost thereof and upon the completion and acceptance of the work issue a final warrant for the balance of the amount due the contractor. The city shall pay to the contractor interest at the rate of eight per cent per annum on the amounts due on partial and final payments beginning forty-five days after the certification of the amounts due by the engineer in charge and approval of the governing body, and running until the date that the warrant is tendered to the contractor. The warrants shall be redeemed and paid out of the proceeds received from the special assessments levied under the provisions of section 16-669, or out of the proceeds of the bonds or warrants issued under the provisions of sections 16-670 and 16-671. The warrants shall draw such interest as shall be provided in the warrants from the date of registration until paid.

Sec. 3. That section 16-672.11, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

16-672.11. For the purpose of paying the cost of the public improvements as provided in sections 16-672.01 to 16-672.11, the mayor and city council of any such city, after such improvements have been completed and accepted, shall have the power to issue negotiable bonds of any such city to be called storm water sewer district bonds, payable in not exceeding twenty years and bearing interest payable annually, which may either be sold by the city or delivered to the contractor in payment for

the work, but in either case for not less than their par value. For the purpose of making partial payments as the work progresses, warrants may be issued by the mayor and city council upon certificates of the engineer in charge, showing the amount of work completed and materials necessarily purchased and delivered for the orderly and proper continuance of the project, in a sum not exceeding eighty-five ninety-five per cent of the cost thereof and upon the completion and acceptance of the work issue a final warrant for the balance due the contractor, which warrants shall be redeemed and paid upon the sale of the bonds issued and sold as aforesaid. The city shall pay to the contractor interest at the rate of eight per cent per annum on the amounts due on partial and final payments beginning forty-five days after the certification of the amounts due by the engineer in charge and approval by the governing body, and running until the date that the warrant is tendered to the contractor. All special assessments which may be levied upon property specially benefited by such work or improvements in any such storm water sewer district shall, when collected, be set aside and placed in a sinking fund for the payment of the interest and principal of said bonds. There shall be levied annually upon all of the taxable property in said city, except intangible property, a tax, which, together with such sinking fund derived from special assessments collected, shall be sufficient to meet payments of interest and principal on said bonds as the same become due. Such tax shall be known as the storm water sewer tax, and shall be payable annually and shall be collected in the same manner as general taxes and shall be subject to the same penalties.

Sec. 4. That section 17-925, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

17-925. For the purpose of paying the cost of the improvements herein provided for, the city council of any such city or board of trustees of any such village, after such improvements have been completed and accepted, shall have the power to issue negotiable bonds of any such city or village, to be called Sewer Bonds, payable in not exceeding twenty years and bearing interest payable annually or semiannually, which may either be sold by the city or village or delivered to the contractor in payment for the work, but in either case for not less than their par value. For the purpose of making partial payments as the work progresses, warrants may be issued by the mayor and council or by the board of trustees upon certificates of the engineer in charge showing the amount of work completed and materials

necessarily purchased and delivered for the orderly and proper continuation of the project, in a sum not exceeding eighty-five ninety-five per cent of the cost thereof and upon the completion and acceptance of the work issue a final warrant for a balance of the amount due the contractor, which warrants shall be redeemed and paid upon the sale of the bonds issued and sold as aforesaid. The city or village shall pay to the contractor interest at the rate of eight per cent per annum on the amounts due on partial and final payments beginning forty-five days after the certification of the amounts due by the engineer in charge and approval by the governing body, and running until the date that the warrant is tendered to the contractor. All special assessments which may be levied upon property specially benefited by such work or improvements shall, when collected, be set aside and constitute a sinking fund for the payment of the interest and principal of said bonds. There shall be levied annually upon all the taxable property in said city or village a tax, which, together with such sinking fund derived from special assessments, shall be sufficient to meet payments of interest and principal as the same become due. Such tax shall be known as the sewer tax and shall be payable annually in money.

Sec. 5. That section 17-975, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

17-975. For the purpose of making partial payments as the work progresses under the provisions of sections 17-970 to 17-976, warrants may be issued by the governing body upon certificates of the engineer in charge showing the amount of work completed and materials necessarily purchased and delivered for the orderly and proper continuation of the project in the total amount of not to exceed eighty-five ninety-five per cent of the cost thereof. Upon the completion and acceptance of the work a final warrant shall be issued for the balance of the amount due the contractor or other party entitled to payment. The governing body shall pay to the contractor interest at the rate of eight per cent per annum on the amounts due on partial and final payments beginning forty-five days after the certification of the amounts due by the engineer in charge and approval by the governing body, and running until the date that the warrant is tendered to the contractor. Such warrants shall be payable in the order of their number and shall bear interest at not to exceed six per cent per annum from the date of registration until paid.

Sec. 6. That section 18-2003, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

18-2003. In order to defray the costs and expenses of the improvements authorized by sections 18-2001 and 18-2002, the mayor and council or chairman and board of trustees, as the case may be, may levy and collect special taxes and assessments upon the lots and parcels of real estate adjacent to or abutting upon the portion of the street or alley thus improved, or which may be specially benefited by such improvements, notwithstanding that the same may be unplatted and not subdivided; and the method of levying, equalizing, and collecting such special assessments, and generally financing such improvements by bond issues and other means, shall be as provided by law for paving and street improvements in such municipality. For the purpose of paying the cost of street improvements as provided in section 18-2001 the mayor and council or chairman and board of trustees, as the case may be, shall have the power, after the improvements have been completed and accepted, to issue negotiable bonds of such city or village to be called Paving Bonds, payable in not exceeding fifteen years and bearing interest payable annually or semiannually, which may be sold by the city for not less than the par value thereof. For the purpose of making partial payments as the work progresses, warrants bearing interest may be issued by the governing body of the city or village upon certificates of the engineer in charge showing the amount of work completed and materials necessarily purchased and delivered for the orderly and proper continuation of the project, in a sum not exceeding eighty-five ninety-five per cent of the cost thereof until the work has been completed and accepted by the city or village, at which time a warrant for the balance of the amount may be issued, which warrants shall be redeemed and paid upon the sale of the bonds or from any other funds available. The city or village shall pay to the contractor interest at the rate of eight per cent per annum on the amounts due on partial and final payments beginning forty-five days after the certification of the amounts due by the engineer in charge and approval by the governing body, and running until the date that the warrant is tendered to the contractor. All special assessments which may be levied upon property specially benefited by such work or improvements shall, when collected, be set aside and constitute a sinking fund for the payment of the interest and principal of such bonds. There shall be levied annually upon all taxable property in such city or village a tax which, together with such sinking fund derived from special assessments, shall be sufficient to

meet payments of interest and principal as the same become due.

Sec. 7. That section 19-2406, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

19-2406. For the purpose of making partial payments as the work progresses, warrants may be issued by the mayor and council or the chairman and board of trustees, as the case may be, upon certificates of the engineer in charge showing the amount of work completed and materials necessarily purchased and delivered for the orderly and proper continuation of the project, in a sum not exceeding ~~eighty-five~~ ninety-five per cent of the cost thereof and upon the completion and acceptance of the work issue a final warrant for the balance due the contractor, which warrants shall be redeemed and paid upon the sale of the bonds issued and sold as provided in section 19-2405, and which shall bear interest at such rate as the mayor and council or chairman and board of trustees, as the case may be, shall order. The city or village shall pay to the contractor interest at the rate of eight per cent per annum on the amounts due on partial and final payments beginning forty-five days after the certification of the amounts due by the engineer in charge and approval by the governing body, and running until the date that the warrant is tendered to the contractor. Said warrants shall be registered in the manner provided for the registration of other warrants, and called and paid whenever there are funds available for that purpose in the manner provided for the calling and paying of other warrants. For the purpose of paying said warrants and the interest thereon from the time of their registration until paid, the special assessments heretofore provided for shall be kept as they are paid and collected in a fund to be designated as the sewer and water service extension fund.

Sec. 8. That original sections 16-626, 16-671.01, 16-672.11, 17-925, 17-975, 18-2003, and 19-2406, Reissue Revised Statutes of Nebraska, 1943, are repealed.