

AMENDMENTS TO LB324

(Amendments to Standing Committee amendments, AM662)

Introduced by Craighead, 6.

1 1. Insert the following new section:

2 Sec. 7. (1) If the chairperson of a sanitary and improvement
3 district board of trustees or the legal counsel or administrator for the
4 district receives written notice from a city or village proposing to
5 annex territory within the sanitary and improvement district under the
6 authority of sections 14-117, 15-104, 16-117, 16-130, 17-405.01, or
7 17-407, the district shall not spend assets for a period of ninety days
8 after receiving such notice, except for:

9 (a) All interest and principal payments on bonds due and payable
10 from the construction fund or bond fund of the district;

11 (b) All interest and principal payments on construction fund
12 warrants due and payable from the construction fund or bond fund of the
13 district;

14 (c) All interest and principal payments on general fund warrants due
15 and payable from the general fund of the district;

16 (d) Payment or issuance of warrants for services, work, labor, or
17 materials that were ordered or contracted for by the district prior to
18 receiving notice of the city or village's proposal to annex the district.
19 Such payments or warrants shall be paid from the district's general fund,
20 construction fund, bond fund, or service fee fund, so long as such
21 payment or warrant shall not cause the district to exceed its total
22 budget for the fund from which payment or warrant is to be made;

23 (e) Payment or issuance of warrants for any expense incurred by the
24 district prior to receiving notice of the city or village's proposal to
25 annex the district that is required by the district (i) to satisfy any
26 statutory obligation of the district, (ii) to address emergency or

1 imminent public safety repairs or replacements to district property, and
2 expenses that would be paid by the district in the ordinary course of
3 business of the district, and (iii) to address projects for which a
4 notice to contractors has been published, the bidding process has begun,
5 and contracts are awarded for such project that (A) does not cause the
6 district to exceed the district's total general fund budget and is paid
7 from the general fund, including, but not limited to, levied tax receipts
8 to be received by the district on April 1 and August 1 if the annexation
9 is to occur after such dates, (B) does not cause the district to exceed
10 the district's total construction fund or bond fund budget and is paid
11 from the construction fund or bond fund, and (C) does not cause the
12 district to exceed the district's total service fee fund budget and is
13 paid from the service fee fund; and

14 (f) Payment or issuance of warrants for a commitment or contract
15 that will bind the district to pay for any other expense approved in
16 writing by the city finance director or other designated person
17 responsible for such approvals.

18 (2) If a district plans to commence a construction project or enter
19 into any contracts required to be publicly bid pursuant to section 31-741
20 and for which a notice to contractors has not been published and the
21 bidding process has not begun prior to the district receiving notice of
22 the city or village's proposal to annex the district, the district shall
23 first submit either the plans and specifications for the improvements or
24 the proposed contract to the city or village finance director or other
25 designated person. Within ten business days after the district submits
26 the plans and specifications or the proposed contract, the city or
27 village finance director or other designated person shall either (a)
28 approve or deny such plans and specifications or the proposed contract or
29 (b) direct the department head within the city or village responsible for
30 reviewing plans and specifications or contracts to approve or deny such
31 plans and specifications or the proposed contract within ten business

- 1 days.
- 2 2. Renumber the remaining section accordingly.