

LEGISLATURE OF NEBRASKA
ONE HUNDRED FIFTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 253

Introduced by Crawford, 45.

Read first time January 11, 2017

Committee: Revenue

- 1 A BILL FOR AN ACT relating to the County Industrial Sewer Construction
- 2 Act; to amend section 23-3637, Reissue Revised Statutes of Nebraska;
- 3 to authorize intergovernmental service agreements as prescribed; to
- 4 provide for a special tax levy; and to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

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

3 23-3637 (1) The county and any city, village, or sanitary and
4 improvement district may enter into any agreement for joint action with
5 regard to the planning, construction, management, operation, or financing
6 of a sewerage disposal system and plant or plants consistent with the
7 authority of the county as provided in the County Industrial Sewer
8 Construction Act and consistent with the authority of the city and county
9 under the Interlocal Cooperation Act or the Joint Public Agency Act. The
10 county may enter into an agreement with any city for the sale to the city
11 of all or any portion of a sewerage disposal system and plant or plants
12 developed by the county under the County Industrial Sewer Construction
13 Act upon such terms and conditions as to which the city and county may
14 formally agree. Any agreement entered into by the a city and county and
15 any city, village, or sanitary and improvement district pursuant to this
16 section shall be consistent with and conditioned upon the rights of any
17 third party with a direct financial interest in the sewerage disposal
18 system and plant or plants.

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

26 (3) Any service agreement entered into under subsection (2) of this
27 section may provide:

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

31 (b) That such service agreement may extend for a term of years as

1 determined by the governing body of the county, city, village, or
2 sanitary and improvement district and be binding upon such county, city,
3 village, or sanitary and improvement district over such term of years;

4 (c) That fixed or variable periodic amounts payable may be
5 determined based upon any of the following factors, or such other factors
6 as may be deemed reasonable by the parties:

7 (i) Operating, maintenance, and management expenses, including
8 renewals and replacements for facilities and equipment;

9 (ii) Amounts payable with respect to debt service on bonds or other
10 obligations, including margins of debt service coverage if deemed
11 appropriate; and

12 (iii) Amounts necessary to build or maintain operating reserves,
13 capital reserves, and debt service reserves;

14 (d) That any such service agreement may require payment to be made
15 in the agreed fixed or variable periodic amounts regardless of whether
16 such sewerage disposal system and plant or plants are completed or
17 operational and notwithstanding any suspension, interruption,
18 interference, reduction, or curtailment of the services of such project
19 or system; and

20 (e) Such other provisions as the parties to the service agreement
21 deem appropriate in connection with constructing and operating a sewerage
22 disposal system and plant or plants, including the acquisition of real
23 and personal property, the construction of facilities, and the operation,
24 maintenance, and management of services, property, and related
25 facilities.

26 (4) In order to provide for any or all of the payments due under
27 such service agreement, any county, city, village, or sanitary and
28 improvement district may provide that payments be made from a special tax
29 levied for such purpose upon all taxable property within such county,
30 city, village, or sanitary and improvement district. The special tax
31 shall, for all purposes under Nebraska law, including limitations upon

1 tax levies, budgets, revenue, and expenditures of public funds, have the
2 same status as a tax levied for the purpose of paying bonds approved
3 according to law and secured by a levy on the property of such county,
4 city, village, or sanitary and improvement district.

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