

ORDINANCE NO. 2013-43

AN ORDINANCE AUTHORIZING THE ISSUANCE OF HIGHWAY ALLOCATION FUND PLEDGE BONDS OF THE CITY OF WAYNE, NEBRASKA, SERIES 2013B, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED THREE HUNDRED EIGHTY THOUSAND DOLLARS (\$380,000) FOR THE PURPOSE OF PAYING THE COSTS OF CONSTRUCTION OF CERTAIN STREETS OF THE CITY; PRESCRIBING THE FORM OF SAID BONDS; PLEDGING FUNDS TO BE RECEIVED BY THE CITY FROM THE STATE OF NEBRASKA HIGHWAY ALLOCATION FUND FOR THE PAYMENT OF SAID BONDS; PROVIDING FOR THE LEVY AND COLLECTION OF TAXES TO PAY THE SAME IF NECESSARY; PROVIDING FOR THE SALE OF THE BONDS; AUTHORIZING THE DELIVERY OF THE BONDS TO THE PURCHASER; PROVIDING FOR THE DISPOSITION OF BOND PROCEEDS; AND ORDERING THE ORDINANCE PUBLISHED IN PAMPHLET FORM.

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WAYNE, NEBRASKA:

Section 1. The Mayor and City Council hereby find and determine: that the City of Wayne, Nebraska (the "City") requires the construction of certain streets and other appurtenant related improvements within the City; specifically including improvements to certain portions of streets consisting primarily of Pheasant Run Road and Western Ridge II project costs, together with other necessary street improvements and incidental related project costs, all as set out in the project scope of improvements as prepared by the special engineers for the City; that the City's Engineers heretofore prepared plans, specifications and estimates of cost for the said improvements; that bids have been taken and the Council awarded a contract for the construction of the aforesaid street improvements and said project improvements have been completed and placed in service and have been previously accepted and the acceptance of the projects is hereby ratified and confirmed; that the City has the authority to fund the project costs through issuance of highway allocation fund pledge bonds; that the City has no other funds on hand for the cost of such improvements; that funds are required by the City with respect to said improvements, including issuance costs, in an amount not less than \$380,000; and, that it is necessary and advisable for the City to provide

financing for such street improvements and related improvements and appurtenances by the issuance of its bonds and it is necessary and advisable to borrow the sum of not to exceed \$380,000 through the issuance of its Highway Allocation Bonds, Series 2013B (the "Series 2013B Bonds" or "Bonds"); that the City's receipts from the Nebraska Highway Allocation Fund for the audited fiscal year ended September 30, 2012 totaled \$487,788; that the City has outstanding as of the date of issuance of the Bonds authorized herein certain bonds issued pursuant to Section 66-4,101, Reissue Revised Statutes of Nebraska, 2009 (or any predecessor statute thereto) consisting of the City's Highway Allocation Fund Pledge Bonds, Series 2013, dated June 21, 2013, issued in the original principal amount of \$620,000, of which \$620,000 principal amount of bonds remain outstanding (the "2013 Bonds"); the greatest annual combined debt service on the 2013 Bonds and the Series 2013B Bonds authorized under this ordinance will not exceed \$487,788 through the final payment of bonds issued under authority of said Section 66-4,101, Reissue Revised Statutes of Nebraska, 2009; and, that all conditions, acts and things required by law to exist or to be done precedent to the issuance of Highway Allocation Fund Pledge Bonds, Series 2013B in the amount of not to exceed \$380,000 pursuant to Section 66-4,101, R.R.S. Neb. 2009, do exist and have been done as required by law.

Section 2. To pay the costs of the improvements specified in Section 1 hereof, there shall be and there are hereby ordered issued the Highway Allocation Fund Pledge Bonds of the City of Wayne, Nebraska, Series 2013B, in the principal amount of not to exceed Three Hundred Eighty Thousand Dollars (\$380,000) (the "Bonds" or the "Series 2013B Bonds") with said Bonds to become due on June 15 of each year as follows:

<u>Principal Amount</u>	<u>Maturing June 15</u>
20,000	2016
20,000	2017
25,000	2018

25,000	2019
25,000	2020
25,000	2021
50,000	2022
50,000	2023
50,000	2024
50,000	2025
50,000	2026

*provided, that the Bonds shall bear interest at the rates per annum as shall be determined in a written designation (the “**Designation**”) signed by the Mayor and the City Administrator of the City (each, an “**Authorized Officer**”) on behalf of the City and subject to agreement by D.A. Davidson & Co. (the “**Underwriter**”), which Designation may also determine or modify the principal amount for each maturity of the Bonds, mandatory redemption provisions (if any), and pricing terms as set forth in Section 8 below, all within the following limitations:*

- (a) the aggregate principal amount of the Bonds shall not exceed \$380,000, provided, however, in the event the Bonds are sold with a net original issue discount such aggregate principal amount may be increased in an amount necessary to compensate for any such net original issue discount;*
- (b) The principal amount of any maturity may be reduced by any amount and the principal amount of any maturity may be increased by an amount not to exceed \$10,000*
- (c) the longest maturity of the Bonds may not be later than June 15, 2026;*
- (d) the true average interest cost of the Bonds shall not exceed _____%;*
- (e) two or more of the principal maturities may be combined and issued as “term bonds” and the Authorized Officer may determine the mandatory sinking fund payments and mandatory redemption amounts. Any Bonds issued as “term bonds” shall be redeemed at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon to the date of redemption and may be selected for redemption by any random method of selection determined appropriate by the Registrar (as hereinafter designated) or by the Depository (as hereinafter designated).*

The Authorized Officers (or any one of them) are hereby authorized to make such determinations on behalf of the City and to evidence the same by execution and delivery of the Designation and such determinations, when made and agreed to by the Underwriter, shall constitute the action of the Mayor and Council of the City without further action of the Mayor and Council of the City.

The Bonds shall be issued in fully registered form in the denomination of \$5,000 or any integral multiple thereof. The date of original issue for the Bonds shall be date of original delivery. Interest on the Bonds, at the respective rates for each maturity, shall be payable semi-annually on December 15 and June 15 of each year beginning June 15, 2014 (or such other dates as may be

determined in the Designation, each an "Interest Payment Date"), and the Bonds shall bear interest from the date of original issue or the most recent Interest Payment Date, whichever is later. The interest due on each Interest Payment Date shall be payable to the registered owners of record as of the fifteenth day immediately preceding the Interest Payment Date (the "Record Date"), subject to the provisions of Section 4 hereof. The Bonds shall be numbered from 1 upwards in the order of their issuance. No Bond shall be issued originally or upon transfer or partial redemption having more than one principal maturity. The initial bond numbering and principal amounts for each of the Bonds issued shall be as directed by the initial purchaser thereof. Payments of interest due on the Bonds prior to maturity or earlier redemption shall be made by the Paying Agent and Registrar, as designated pursuant to Section 3 hereof, by mailing a check or draft in the amount due for such interest on each Interest Payment Date to the registered owner of each Bond, as of the Record Date for such Interest Payment Date, to such owner's registered address as shown on the books of registration as required to be maintained in Section 3 hereof. Payments of principal due at maturity or at any date fixed for redemption prior to maturity, together with unpaid accrued interest thereon, shall be made by said Paying Agent and Registrar to the registered owners upon presentation and surrender of the Bonds to said Paying Agent and Registrar. The City and said Paying Agent and Registrar may treat the registered owner of any Bond as the absolute owner of such Bond for the purpose of making payments thereon and for all other purposes and neither the City nor the Paying Agent and Registrar shall be affected by any notice or knowledge to the contrary, whether such Bond or any installment of interest due thereon shall be overdue or not. All payments on account of interest or principal made to the registered owner of any Bond in accordance with the terms of this Ordinance shall be valid and effectual and shall be a discharge of the City and said Paying

Agent and Registrar, in respect of the liability upon the Bonds or claims for interest to the extent of the sum or sums so paid.

Section 3. The Treasurer of the City of Wayne, Nebraska, is hereby designated to serve as Paying Agent and Registrar for the Bonds. Said Treasurer shall serve in such capacities under the terms of this Ordinance subject to replacement as may be determined by the Mayor. The City Treasurer, as Paying Agent and Registrar, shall keep and maintain for the City books for the registration and transfer of the Bonds at said Treasurer's office. The names and registered addresses of the registered owner or owners of the Bonds shall at all times be recorded in such books. Any Bond may be transferred pursuant to its provisions at the office of said Paying Agent and Registrar by surrender of such Bond for cancellation, accompanied by a written instrument of transfer, in form satisfactory to said Paying Agent and Registrar, duly executed by the registered owner in person or by such owner's duly authorized agent, and thereupon the Paying Agent and Registrar, on behalf of the City, will deliver at its office (or send by registered mail to the transferee owner or owners thereof at such transferee owner's or owners' risk and expense), registered in the name of the transferee owner or owners, a new Bond or Bonds of the same series, interest rate, aggregate principal amount and maturity. To the extent of the denominations authorized for the Bonds by this Ordinance, one Bond may be transferred for several such Bonds of the same series, interest rate and maturity, and for a like aggregate principal amount, and several such Bonds may be transferred for one or several such Bonds, respectively, of the same series, interest rate and maturity and for a like aggregate principal amount. In every case of transfer of a Bond, the surrendered Bond shall be canceled and destroyed. All Bonds issued upon transfer of the Bonds so surrendered shall be valid obligations of the City evidencing the same obligation as the Bonds surrendered and shall be entitled to all the benefits and protection of this Ordinance to the same

extent as the Bonds upon transfer of which they were delivered. The City and said Paying Agent and Registrar shall not be required to transfer any Bond during any period from any Record Date until its immediately following Interest Payment Date or to transfer any Bond called for redemption for a period of 30 days next preceding the date fixed for redemption.

Section 4. In the event that payments of interest due on the Bonds on an Interest Payment Date are not timely made, such interest shall cease to be payable to the registered owners as of the Record Date for such Interest Payment Date and shall be payable to the registered owners of the Bonds as of a special date of record for payment of such defaulted interest as shall be designated by the Paying Agent and Registrar whenever monies for the purpose of paying such defaulted interest become available.

Section 5. In addition to any mandatory sinking fund redemptions as may be provided for as set out in Section 2 of this Ordinance, Bonds maturing anytime on or after June 15, 2019 shall be subject to redemption at the option of the City, in whole or in part, prior to maturity at any time on or after the fifth anniversary of their date of original issue at par plus accrued interest on the principal amount redeemed to the date fixed for redemption (or such other date as may be determined in the Designation). The City may select the Bonds to be redeemed for optional redemption in its sole discretion. Bonds for mandatory redemption shall be selected by the Paying Agent and Registrar using any random method of selection determined appropriate by the Paying Agent and Registrar. Bonds redeemed pursuant to the requirements for mandatory redemption shall be redeemed at par plus accrued interest on the principal amount redeemed. The Bonds shall be redeemed only in amounts of \$5,000 or integral multiples thereof. Bonds redeemed in part only shall be surrendered to said Paying Agent and Registrar in exchange for a new Bond evidencing the unredeemed principal thereof. Notice of redemption of any Bond called for redemption shall be

given, at the direction of the City in the case of optional redemption and without further direction in the case of mandatory redemption, by said Paying Agent and Registrar by mail not less than 30 days prior to the date fixed for redemption, first class, postage prepaid, sent to the registered owner of such Bond at said owner's registered address. Such notice shall designate the Bond or Bonds to be redeemed by maturity or otherwise, the date of original issue, series and the date fixed for redemption and shall state that such Bond or Bonds are to be presented for prepayment at the office of said Paying Agent and Registrar. In case of any Bond partially redeemed, such notice shall specify the portion of the principal amount of such Bond to be redeemed. No defect in the mailing of notice for any Bond shall affect the sufficiency of the proceedings of the City designating the Bonds called for redemption or the effectiveness of such call for Bonds for which notice by mail has been properly given and the City shall have the right to further direct notice of redemption for any such Bond for which defective notice has been given.

Section 6. If the date for payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in Wayne, Nebraska, are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

Section 7. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF WAYNE

HIGHWAY ALLOCATION FUND PLEDGE BOND OF
THE CITY OF WAYNE, NEBRASKA
SERIES 2013B

No. _____

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
%	June 15,	_____, 2013	

Registered Owner: Cede & Co.

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS: That the City of Wayne, Nebraska, hereby acknowledges itself to owe and for value received promises to pay to the registered owner specified above, or registered assigns, the principal amount specified above in lawful money of the United States of America on the date of maturity specified above with interest thereon to maturity (or earlier redemption) from the date of original issue or most recent Interest Payment Date, whichever is later, at the rate per annum specified above, payable on June 15, 2014, and semiannually thereafter on June 15 and December 15 of each year (each of said dates an "Interest Payment Date"). Said interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months. The principal hereof, together with unpaid accrued interest due at maturity or upon earlier redemption, is payable upon presentation and surrender of this bond at the office of the Treasurer of the City of Wayne, as the Paying Agent and Registrar, in Wayne, Nebraska. Interest on this bond due prior to maturity or earlier redemption will be paid on each Interest Payment Date by a check or draft mailed by the Paying Agent and Registrar to the registered owner of this bond, as shown on the books of record maintained by the Paying Agent and Registrar, at the close of business on the fifteenth day immediately preceding the Interest Payment Date, to such owner's registered address as shown on such books and records. Any interest not so timely paid shall cease to be payable to the person entitled thereto as of the record date such interest was payable, and shall be payable to the person who is the registered owner of this bond (or of one or more predecessor bonds hereto) on such special record date for payment of such defaulted interest as shall be fixed by the Paying Agent and Registrar whenever monies for such purposes become available.

This bond is one of an issue of fully registered bonds of the total principal amount of Three Hundred Eighty Thousand Dollars (\$380,000), of even date and like tenor except as to date of maturity, rate of interest and denomination which were issued by the City for the purpose of paying the costs of constructing streets and other related and appurtenant improvement in said City, in strict compliance with Section 66-4,101, Reissue Revised Statutes of Nebraska, 2009. The issuance of said bonds has been authorized by proceedings duly had and an ordinance legally passed and approved by the Mayor and City Council of said City (the "Ordinance").

All Bonds of this issue are subject to redemption at the option of the City, in whole or in part, at any time on or after five years after the date of delivery, at par plus interest accrued on the principal amount redeemed to the date fixed for redemption.

In addition, the Bonds maturing June 15, ____ shall be subject to mandatory sinking fund redemption payments (with bonds being redeemed at par plus accrued interest) as follows:

<u>\$</u>	<u>Principal Maturing June 15, 20</u>
\$	to be called June 15, 20
\$	to be called June 15, 20
\$	Payable June 15, 20

Notice of redemption shall be given by mail to the registered owner of any bond to be redeemed at said registered owner's address in the manner specified in the Ordinance authorizing said issue of bonds. Individual bonds may be redeemed in part but only in \$5,000 amounts or integral multiples thereof.

This bond is transferable by the registered owner or such owner's attorney duly authorizing in writing at the office of the Paying Agent and Registrar upon surrender and cancellation of this bond, and thereupon a new bond or bonds of the same aggregate principal amount, interest rate and maturity will be issued to the transferee as provided in the Ordinance authorizing said issue of bonds, subject to the limitations therein prescribed. The City, the Paying Agent and Registrar and any other person may treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment due hereunder and for all purposes and shall not be affected by any notice to the contrary, whether this bond be overdue or not.

If the date for payment of the principal of or interest on this bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of Wayne, Nebraska, are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

For the prompt payment of the principal and interest on this bond and the other bonds of the same issue, the City of Wayne, Nebraska, has pledged funds received and to be received from the Highway Allocation Fund of the State of Nebraska with receipts from such fund to be allocated by the City to payment of principal and interest as the same fall due. In addition, the City hereby covenants and agrees that it shall levy ad valorem taxes upon all the taxable property in the City of Wayne, Nebraska, at such rate or rates, as will provide funds which together with receipts from the Highway Allocation Fund, as pledged to the payment of such principal and interest and any other money made available and used for such purpose, will be sufficient to make payment of the principal of and interest on this bond and the other bonds of the same issue as the same fall due.

AS PROVIDED IN THE ORDINANCE REFERRED TO HEREIN, UNTIL THE TERMINATION OF THE SYSTEM OF BOOK-ENTRY-ONLY TRANSFERS THROUGH THE DEPOSITORY TRUST COMPANY, NEW YORK, NEW YORK (TOGETHER WITH ANY

TREASURER OF THE CITY OF WAYNE
WAYNE, NEBRASKA
as Paying Agent and Registrar

(Form of Assignment)

For value received _____
hereby sells, assigns and transfers unto
_____ (Social Security or Taxpayer
I.D. No. _____) the within bond and hereby irrevocably constitutes and appoints
_____, attorney, to transfer the same on
the books of registration in the office of the within-mentioned Paying Agent and Registrar with full
power of substitution in the premises.

Dated: _____

Registered Owner(s)

Signature Guaranteed

By _____

Authorized Officer(s)

Note: The signature(s) on this assignment MUST CORRESPOND with the name(s) as written on the face of the within bond in every particular, without alteration, enlargement or any change whatsoever, and must be guaranteed by a commercial bank or a trust company or by a firm having membership on the New York, Midwest or other stock exchange.

Section 8. Each of the Series 2013B Bonds shall be executed on behalf of the City with the manual or facsimile signatures of the Mayor and City Clerk of the City. The Series 2013B Bonds shall be issued initially as “book-entry-only” bonds using the services of The Depository Trust Company (the “Depository”), with one typewritten bond per maturity being issued to the Depository. In such connection said officers are authorized to execute and deliver a letter of representations (the “Letter of Representations”) in the form required by the Depository, for and on behalf of the City, which shall thereafter govern matters with respect to registration, transfer, payment and redemption of the Bonds. Upon the issuance of the Bonds as “book-entry-only” bonds, the following provisions shall apply:

(a) The City and the Paying Agent and Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which the Depository holds 2013B Bonds as securities depository (each, a “Bond Participant”) or to any person who is an actual purchaser of a 2013B Bond from a Bond Participant while the Series 2013B Bonds are in book-entry form (each, a “Beneficial Owner”) with respect to the following:

(i) the accuracy of the records of the Depository, any nominees of the Depository or any Bond Participant with respect to any ownership interest in the Series 2013B Bonds,

(ii) the delivery to any Bond Participant, any Beneficial Owner or any other person, other than the Depository, of any notice with respect to the Series 2013B Bonds, including any notice of redemption, or

(iii) the payment to any Bond Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the Series 2013B Bonds.

The Paying Agent and Registrar shall make payments with respect to the Series 2013B Bonds only to or upon the order of the Depository or its nominee, and all such payments shall be valid and effective fully to satisfy and discharge the obligations with respect to such Series 2013B Bonds to the extent of the sum or sums so paid. No person other than the Depository shall receive an authenticated 2013B Bond, except as provided in (e) below.

(b) Upon receipt by the Paying Agent and Registrar of written notice from the Depository to the effect that the Depository is unable or unwilling to discharge its responsibilities, the Paying Agent and Registrar shall issue, transfer and exchange 2013B Bonds requested by the Depository in appropriate amounts. Whenever the Depository requests the Paying Agent and Registrar to do so, the Paying Agent and Registrar will cooperate with the Depository in taking appropriate action after reasonable notice (i) to arrange, with the prior written consent of the City, for a substitute depository willing and able upon reasonable and customary terms to maintain custody of the Series 2013B Bonds or (ii) to make available 2013B Bonds registered in whatever name or names the Beneficial Owners transferring or exchanging such Series 2013B Bonds shall designate.

(c) If the City determines that it is desirable that certificates representing the Series 2013B Bonds be delivered to the Bond Participants and/or Beneficial Owners of the Series 2013B Bonds and so notifies the Paying Agent and Registrar in writing, the Paying Agent and Registrar shall so notify the Depository, whereupon the Depository will notify the Bond Participants of the availability through the Depository of bond certificates representing the Series 2013B Bonds. In such event, the Paying Agent and Registrar shall issue, transfer and exchange bond certificates representing the Series 2013B Bonds as requested by the Depository in appropriate amounts and in authorized denominations.

(d) Notwithstanding any other provision of this Ordinance to the contrary, so long as any Series 2013B Bond is registered in the name of the Depository or any nominee thereof, all payments with respect to such Series 2013B Bond and all notices with respect to such Series 2013B Bond shall be made and given, respectively, to the Depository as provided in the Letter of Representations.

(e) Registered ownership of the Series 2013B Bonds may be transferred on the books of registration maintained by the Paying Agent and Registrar, and the Series 2013B Bonds may be delivered in physical form to the following:

(i) any successor securities depository or its nominee;

(ii) any person, upon (A) the resignation of the Depository from its functions as depository or (B) termination of the use of the Depository pursuant to this Section.

(f) In the event of any partial redemption of a 2013B Bond unless and until such partially redeemed Bond has been replaced in accordance with the provisions of this Ordinance, the books and records of the Paying Agent and Registrar shall govern and establish the principal amount of such Series 2013B Bond as is then outstanding and all of the Series 2013B Bonds issued to the Depository or its nominee shall contain a legend to such effect.

If for any reason the Depository resigns and is not replaced or upon termination by the City of book-entry-only form, the City shall immediately provide a supply of bond certificates for issuance upon subsequent transfers or in the event of partial redemption. In the event that such supply of certificates shall be insufficient to meet the requirements of the Paying Agent and Registrar for issuance of replacement bond certificates upon transfer or partial redemption, the City agrees to order printed an additional supply of bond certificates and to direct their execution by manual or facsimile signature of its then duly qualified and acting officers. In case any officer whose signature or facsimile thereof shall appear on any Bond shall cease to be such officer before the delivery of such Bond (including any bond certificates delivered to the Paying Agent and Registrar for issuance upon transfer or partial redemption) such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if such officer or officers had remained in office until the delivery of such Bond. After being executed by the Mayor and City Clerk, said 2013B Bonds shall be delivered to the Treasurer of the City who shall be responsible therefor under his/her official bond and such Treasurer shall maintain a record of information with respect to said 2013B Bonds in accordance with the requirements of Section 10-140, R.R.S. Neb, 2012, as amended, and shall cause the same to be filed with the Auditor of Public Accounts of the State of Nebraska. The Bonds shall not be valid and binding on the City until authenticated by the Paying Agent and Registrar. The Bonds shall be delivered to the Paying Agent and Registrar for registration and authentication. Upon execution, registration and authentication of the Bonds, they shall be delivered to the City Treasurer, who is authorized to deliver them to D.A. Davidson & Co., as initial purchaser thereof, upon receipt of 98.75% of the principal amount of the Bonds plus accrued interest thereon to date of payment for the Bonds (or such other amount as may be determined in the Designation). Such initial purchaser shall have the right to direct the registration of the Bonds and the denominations

thereof within each maturity, subject to the restrictions of this Ordinance. The Underwriter and its agents, representatives and counsel (including its bond counsel) are hereby authorized to take such actions on behalf of the City as are necessary to effectuate the closing of the issuance and sale of the Bonds, including, without limitation, authorizing the release of the Bonds by the Depository at closing. The Bond Purchase Agreement (the "Purchase Agreement") to be entered into between the City and the Underwriter with respect to the purchase of the Bonds from the City, in the form or substantially the form presented to the meeting, but with such changes, modifications, amendments, revisions, and alterations therein, thereof, or thereto, and bearing such date, as the Authorized Officer executing the Purchase Agreement shall in the exercise of his or her own independent judgment and absolute discretion determine to be necessary, proper, appropriate, advisable, or desirable in order to effectuate the issuance, sale, and delivery of the Bonds, be and the same is hereby in all respects authorized, adopted, specified, accepted, ratified, approved and confirmed. The Authorized Officers, or any one or more of them are hereby further authorized to take any and all actions and enter into any and all agreements and execute any documents deemed necessary or appropriate in connection with the issuance and sale of the Bonds, and any such actions previously taken are hereby ratified and confirmed.

Section 9. The City Clerk is directed to make and certify a transcript or transcripts of the proceedings of the Mayor and City Council precedent to the issuance of said Bonds, a copy of which shall be delivered to the initial purchaser of said Bonds.

Section 10. The proceeds of the Bonds shall be applied to the costs of construction of the improvements described in Section 1 hereof upon order of the Mayor and City Council, including payment of any related warrant or note indebtedness. Pending such application the City Treasurer shall hold such proceeds.

Section 11. For the prompt payment of the Bonds, both principal and interest as the same fall due, the City hereby pledges all receipts now or hereafter received by the City from the State of Nebraska Highway Allocation Fund, as described and referred to in Section 66-4,101, Reissue Revised Statutes of Nebraska 2009. The pledge provided for in this Section 11 for the Bonds provides, however, that such pledge shall not prevent the City from applying receipts from said fund in any year so long as sufficient receipts from such fund have been set aside for the payment of principal and interest falling due in such year on the Bonds. In addition, the City further reserves the right to issue additional highway allocation fund pledge bonds payable on par with the Bonds and equally and ratably secured by a pledge of receipts from the Highway Allocation Fund. The City hereby further agrees that it shall levy ad valorem taxes upon all the taxable property in the City at such rate or rates within any applicable statutory and constitutional limitations as will provide funds which, together with receipts from the Highway Allocation Fund, as pledged to the payment of the Bonds, and any other monies made available and used for such purpose, will be sufficient to pay the principal of and interest on the Bonds and the 2013B Bonds as the same fall due (including mandatory sinking fund redemptions).

Section 12. The Mayor and City Council hereby authorize the Mayor and City Administrator, or either of them, to approve and deliver a Preliminary Official Statement and a final Official Statement for and on behalf of the City, and said final Official Statement shall be delivered in accordance with the requirements of Reg. Sec. 240.15c2-12 of the Securities and Exchange Commission.

Section 13. The City hereby covenants and agrees that it will make no use of the proceeds of the 2013B Bonds which would cause the 2013B Bonds to be arbitrage bonds within the meaning of Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the

"Code") and further covenants to comply with said Sections 103(b)(2) and 148 and all applicable regulations thereunder throughout the term of said issue, including all requirements with respect to payment and reporting of rebates, if applicable. The City hereby covenants to take all action necessary to preserve the tax-exempt status of the interest on the 2013B Bonds for federal income tax purposes under the Code with respect to taxpayers generally. The City further agrees that it will not take any actions which would cause the 2013B Bonds to constitute "private activity bonds" within the meaning of Section 141 of the Code. The City hereby designates the 2013B Bonds as its "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(B)(i)(III) of the Code and covenants and warrants that it does not reasonably expect to issue bonds or other obligations aggregating in principal amount more than \$5,000,000 during calendar 2013.

Section 14. The City's obligations under this Ordinance with respect to any or all of the Bonds herein authorized shall be fully discharged and satisfied as to any or all of such Bonds and any such Bond shall no longer be deemed to be outstanding hereunder if such Bond has been purchased by the City and canceled or when the payment of principal of and interest thereon to the respective date of maturity or redemption (a) shall have been made or caused to be made in accordance with the terms thereof, (b) shall have been provided for by depositing with a national or state bank having trust powers, or trust company, in trust, solely for such payment (i) sufficient money to make such payment and/or (ii) direct general obligations (including obligations issued or held in book entry form on the books of the Department of Treasury of the United States of America) of or obligations the principal and interest of which are unconditionally guaranteed by the United States of America (herein referred to as "U.S. Government Obligations") in such amount and bearing interest payable and maturing or redeemable at stated fixed prices at the option of the holder as to principal, at such time or times, as will ensure the availability of sufficient money to

make such payments; provided, however, that with respect to any Bond to be paid prior to maturity, the City shall have duly called such Bond for redemption and given notice of such redemption as provided by law or made irrevocable provision for the giving of such notice. Any money so deposited with such bank or trust company in excess of the amount required to pay principal of and interest on the Bonds for which such monies or U.S. Government Obligations were deposited shall be paid over to the City as and when collected.

Section 15. In order to promote compliance with certain federal tax and securities laws relating to the Notes herein authorized (as well as other outstanding bonds) the policy and procedures attached hereto as Exhibit "A" (the "Tax-Exempt Financing Compliance Procedure") are hereby adopted and approved in all respects. To the extent that there is any inconsistency between the attached Tax-Exempt Financing Compliance Procedure and any similar policy or procedures previously adopted and approved, the Tax-Exempt Financing Compliance Procedure shall control.

Section 16. This Ordinance shall be published in pamphlet form and shall be in force and take effect from and after its adoption as provided by law.

ADOPTED this 3rd day of September, 2013.

Mayor

ATTEST:

City Clerk

(SEAL)

Motion for adjournment was duly made, seconded and on roll call vote was declared adopted by the Mayor.

I, the undersigned City Clerk for the City of Wayne, Nebraska, hereby certify that the foregoing is a true and correct copy of the proceedings had and done by the Mayor and Council on September 3, 2013; that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and readily available for public inspection at the office of the City Clerk; kept continually current, was available for public inspection at the office of that such subjects were contained in said agenda for at least 24 hours prior to said meeting; that a current copy of the Nebraska Open Meetings Act was available and accessible to members of the public, posted during such meeting in the room in which such meeting was held; that at least one copy of all ordinances or other reproducible materials discussed at the meeting was available at the meeting for examination and copying by members of the public; that the said minutes from which the foregoing proceedings have been extracted were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; that all news media requesting notification concerning meetings of said body were provided advance notification of the time and place of said meeting and the subjects to be discussed at said meeting.

[SEAL]

City Clerk

EXHIBIT A

Tax-Exempt Financing Compliance Procedure

ISSUER NAME: City of Wayne, Wayne County, Nebraska

COMPLIANCE OFFICER (BY TITLE): Treasurer

POLICY

It is the policy of the Issuer identified above (the "Issuer") to comply with all Federal tax requirements and securities law continuing disclosure obligations for its obligations issued as tax-exempt bonds or as direct pay build America bonds to ensure, as applicable (a) that interest on its tax-exempt bonds remains exempt from Federal income tax, (b) that the direct payments associated with its bonds issued as "build America bonds" are received by the Issuer in a timely manner and (c) compliance with any continuing disclosure obligations of the Issuer with respect to its outstanding bonds.

PROCEDURES

Compliance Officer. Review of compliance with Federal tax requirements and securities law continuing disclosure obligations as generally outlined below shall be conducted by the Compliance Officer identified above (the "Compliance Officer"). To the extent more than one person has been delegated specific responsibilities, the Compliance Officer shall be responsible for ensuring coordination of all compliance review efforts.

Training. The Compliance Officer shall evaluate and review educational resources regarding post-issuance compliance with Federal tax and securities laws, including periodic review of resources published for issuers of tax-exempt obligations by the Internal Revenue Service (either on its website at <http://www.irs.gov/taxexemptbond>, or elsewhere) and the Municipal Securities Rulemaking Board (either on its Electronic Municipal Market Access website ["EMMA"] at <http://www.emma.msrb.org>, or elsewhere).

Compliance Review. A compliance review shall be conducted at least annually by or at the direction of the Compliance Officer. The review shall occur at the time the Issuer's annual audit takes place, unless the Compliance Officer otherwise specifically determines a different time period or frequency of review would be more appropriate.

Scope of Review.

Document Review. At the compliance review, the following documents (the "Bond Documents") shall be reviewed for general compliance with covenants and agreements and applicable regulations with respect to each outstanding bond issue:

- (a) the resolution(s) and/or ordinance(s), as applicable, adopted by the governing body of the Issuer authorizing the issuance of its outstanding bonds, together with any documents setting the final rates and terms of such bonds (the "Authorizing Proceedings"),
- (b) the tax documentation associated with each bond issue, which may include some or all of the following (the "Tax Documents"):

- i. covenants, certifications and expectations regarding Federal tax requirements which are described in the Authorizing Proceedings;
- ii. Form 8038 series filed with the Internal Revenue Service;
- iii. tax certificates, tax compliance agreements, tax regulatory agreement or similar documents;
- iv. covenants, agreements, instructions or memoranda with respect to rebate or private use;
- v. any reports from rebate analysts received as a result of prior compliance review or evaluation efforts; and
- vi. any and all other agreements, certificates and documents contained in the transcript associated with the Authorizing Proceedings relating to federal tax matters.

(c) the Issuer's continuing disclosure obligations, if any, contained in the Authorizing Proceedings or in a separate agreement (the "Continuing Disclosure Obligations"), and

(d) any communications or other materials received by the Issuer or its counsel, from bond counsel, the underwriter or placement agent or its counsel, the IRS, or any other material correspondence relating to the tax-exempt status of the Issuer's bonds or relating to the Issuer's Continuing Disclosure Obligations.

Use and Timely Expenditure of Bond Proceeds. Expenditure of bond proceeds shall be reviewed by the Compliance Officer to ensure (a) such proceeds are spent for the purpose stated in the Authorizing Proceedings and as described in the Tax Documents and (b) that the proceeds, together with investment earnings on such proceeds, are spent within the timeframes described in the Tax Documents, and (c) that any mandatory redemptions from excess bond proceeds are timely made if required under the Authorizing Proceedings and Tax Documents.

Arbitrage Yield Restrictions and Rebate Matters. The Tax Documents shall be reviewed by the Compliance Officer to ensure compliance with any applicable yield restriction requirements under Section 148(a) of the Internal Revenue Code (the "Code") and timely calculation and payment of any rebate and the filing of any associated returns pursuant to Section 148(f) of the Code. A qualified rebate analyst shall be engaged as appropriate or as may be required under the Tax Documents.

Use of Bond Financed Property. Expectations and covenants contained in the Bond Documents regarding private use shall be reviewed by the Compliance Officer to ensure compliance. Bond-financed properties shall be clearly identified (by mapping or other reasonable means). Prior to execution, the Compliance Officer (and bond counsel, if deemed appropriate by the Compliance Officer) shall review (a) all proposed leases, contracts related to operation or management of bond-financed property, sponsored research agreements, take-or-pay contracts or other agreements or arrangements or proposed uses which have the potential to give any entity any special legal entitlement to the bond-financed property, (b) all proposed agreements which would result in disposal of any bond-financed property, and (c) all proposed uses of bond-financed property which were not anticipated at the time the bonds were issued. Such actions could be prohibited by the Authorizing Proceedings, the Tax Documents or Federal tax law.

Continuing Disclosure. Compliance with the Continuing Disclosure Obligations with respect to each bond issue shall be evaluated (a) to ensure timely compliance with any annual disclosure requirement, and (b) to ensure that any material events have been properly disclosed as required by the Continuing Disclosure Obligation.

Record Keeping. If not otherwise specified in the Bond Documents, all records related to each bond issue shall be kept for the life of the indebtedness associated with such bond issue (including all tax-exempt refundings) plus six (6) years.

Incorporation of Tax Documents. The requirements, agreements and procedures set forth in the Tax Documents, now or hereafter in existence, are hereby incorporated into these procedures by this reference and are adopted as procedures of the Issuer with respect to the series of bonds to which such Tax Documents relate.

Consultation Regarding Questions or Concerns. Any questions or concerns which arise as a result of any review by the Compliance Officer shall be raised by the Compliance Officer with the Issuer's counsel or with bond counsel to determine whether non-compliance exists and what measures should be taken with respect to any non-compliance.

VCAP and Remedial Actions. The Issuer is aware of (a) the Voluntary Closing Agreement Program (known as "VCAP") operated by the Internal Revenue Service which allows issuers under certain circumstances to voluntarily enter into a closing agreement in the event of certain non-compliance with Federal tax requirements and (b) the remedial actions available to issuers of certain bonds under Section 1.141-12 of the Income Tax Regulations for private use of bond financed property which was not expected at the time the bonds were issued.

NOTICE OF PUBLICATION
OF ORDINANCE NO. 2013-43
IN PAMPHLET FORM

Public Notice is hereby given that at a meeting of the Mayor and City Council of the City of Wayne, Nebraska, held at 5:30 p.m. on September 3, 2013, there was passed and adopted Ordinance No. 2013-43 entitled:

AN ORDINANCE AUTHORIZING THE ISSUANCE OF HIGHWAY ALLOCATION FUND PLEDGE BONDS OF THE CITY OF WAYNE, NEBRASKA, SERIES 2013B, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED THREE HUNDRED EIGHTY THOUSAND DOLLARS (\$380,000) FOR THE PURPOSE OF PAYING THE COSTS OF CONSTRUCTION OF CERTAIN STREETS OF THE CITY; PRESCRIBING THE FORM OF SAID BONDS; PLEDGING FUNDS TO BE RECEIVED BY THE CITY FROM THE STATE OF NEBRASKA HIGHWAY ALLOCATION FUND FOR THE PAYMENT OF SAID BONDS; PROVIDING FOR THE LEVY AND COLLECTION OF TAXES TO PAY THE SAME IF NECESSARY; PROVIDING FOR THE SALE OF THE BONDS; AUTHORIZING THE DELIVERY OF THE BONDS TO THE PURCHASER; AND PROVIDING FOR THE DISPOSITION OF BOND PROCEEDS; AND ORDERING THE ORDINANCE PUBLISHED IN PAMPHLET FORM.

Said Ordinance was published in pamphlet form on September 12, 2013. Copies of said Ordinance as published in pamphlet form are available for inspection and distribution at the Office of the City Clerk, in the City of Wayne, Nebraska.

City Clerk

[SEAL]