

**RESOLUTION APPROVING AND AUTHORIZING BOARD CHAIR TO EXECUTE THE
NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY CLEAN WATER STATE
REVOLVING FUND LOAN AGREEMENT**

WHEREAS, pursuant to the Interlocal Cooperation Act, Neb. Rev. Stat. § 13-801, *et seq.* (the “Act”), Sarpy County and the Cities of Papillion, Bellevue, Springfield, La Vista and Gretna entered into an agreement (as amended, the “Formation Interlocal”), and formed the interlocal agency called the Sarpy County and Cities Wastewater Agency (the “Agency”) (all capitalized terms not otherwise expressly defined herein shall have the same meanings as provided in the Formation Interlocal);

WHEREAS, the Agency is a separate body corporate and politic under the Act;

WHEREAS, pursuant to the Formation Interlocal, the powers of the Agency as a body are exercised by the Agency Board;

WHEREAS, pursuant to Section V(A)(24) of the Formation Interlocal, the Agency has the power and authority to borrow money and accept grants, contributions, property, or loans from, and enter into contracts, leases, or other transactions with, other political subdivisions, the State of Nebraska, the United States of America, and any agency thereof;

WHEREAS, the Nebraska Department of Environmental Quality (“NDEQ”) has funding available through the Clean Water State Revolving Fund (“SRF”) which allows for reimbursement of feasibility analysis, planning, preliminary design, land acquisition, and other related eligible costs in connection with the creation of the Unified SSWS; and

WHEREAS, the Agency Board discussed the proposed Loan Agreement between the NDEQ, Sarpy County, and the Agency (Project No. C318009), attached hereto as **Exhibit A**, pursuant to which the NDEQ will lend to Sarpy County and the Agency up to Five Million and No/100 Dollars (\$5,000,000.00) to reimburse and otherwise finance certain eligible costs related to the Agency’s feasibility analysis, planning, preliminary design and related eligible activities for the Unified SSWS (the “SRF Loan Agreement”);

WHEREAS, it is the decision of the Agency Board that the execution of the SRF Loan Agreement is in the best interests of the citizens of the Agency’s Members, as development of a wastewater system that serves southern Sarpy County is expected to bring jobs and economic development to such area; and

WHEREAS, after discussion, the Agency Board has deemed it appropriate, necessary, convenient and advisable to approve the execution of the SRF Loan Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE AGENCY BOARD THAT the attached SRF Loan Agreement is hereby approved;

NOW, THEREFORE, BE IT FURTHER RESOLVED BY THE AGENCY BOARD THAT the Chairman of the Agency Board is hereby directed and authorized to execute on behalf of the Agency the SRF Loan Agreement and all other documents, certifications, assurances or

instruments as may be required by the SRF Loan Agreement or applicable Nebraska law or regulations to consummate the transactions contemplated by the SRF Loan Agreement; and

NOW, THEREFORE, BE IT FURTHER RESOLVED BY THE AGENCY BOARD THAT the Agency Treasurer is hereby authorized to execute and submit to the NDEQ any and all reimbursement, disbursement, draw and other similar payment requests for SRF funds from NDEQ in accordance with the terms of the SRF Loan Agreement.

The above Resolution was approved by a vote of the Sarpy County and Cities Wastewater Agency Board at a public meeting duly held in accordance with applicable law on the 26th day of June, 2019.

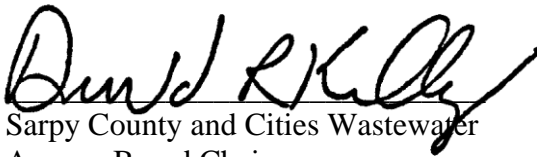

Sarpy County and Cities Wastewater
Agency Board Chairman

EXHIBIT A

SRF Loan Agreement

[Attached]

LOAN AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
AND
**THE COUNTY OF SARPY, NEBRASKA AND THE SARPY COUNTY AND SARPY CITIES
WASTEWATER AGENCY**
PROJECT NO. C318009

This LOAN AGREEMENT (hereinafter "Loan Agreement"), is entered into by and between the State of Nebraska, acting by and through the Nebraska Department of Environmental Quality (hereinafter "NDEQ"), and the County of Sarpy, Nebraska (hereinafter, the "County") and the Sarpy County and Sarpy Cities Wastewater Agency ("Sarpy Wastewater Agency"; together with the County, the "Borrower").

WITNESSETH THAT

WHEREAS, the Federal Water Quality Act of 1987 (hereinafter "Federal Act") established a state revolving fund program; and

WHEREAS, to fund the state revolving fund program, the United States (US) Environmental Protection Agency (hereinafter "EPA") will make annual capitalization grants to the states under CFDA #66.458 (Capitalization Grants for State Revolving Fund), on the condition that each state provide an appropriate match for such state's revolving fund; and

WHEREAS, Neb. Rev. Stat. §81-15,153 empowers the NDEQ to loan available funds in the Wastewater Treatment Facilities Construction Loan Fund (hereinafter "Fund") to borrowers pursuant to the Wastewater Treatment Facilities Construction Assistance Act (hereinafter "Act") and rules and regulations adopted under such Act; and

WHEREAS, under the Act, the Director of the NDEQ is given the responsibility for administration and management of the Fund; and

WHEREAS, the Nebraska Investment Finance Authority (NIFA) is authorized under Neb. Rev. Stat. §58-201 et. seq. and the Act to issue revenue bonds for the purpose of financing wastewater treatment projects (as defined in the Act), including to provide funds for the NDEQ to loan to borrowers and to satisfy the state match requirements of the Federal Act; and

WHEREAS, pursuant to such authorization, NIFA may from time to time issue its Wastewater Treatment Facilities Construction Loan Fund revenue bonds for the purpose of financing wastewater treatment projects (as defined in the Act), including to provide funds for the NDEQ to loan to borrowers and to satisfy the state match requirements of the Federal Act; and

WHEREAS, the NDEQ may from time to time enter into a pledge agreement with NIFA (hereinafter "Pledge Agreement"), pursuant to which NDEQ will pledge the interest portion of loan repayments (as defined herein) and certain other revenues to NIFA for the payment of the principal of, redemption premium, if any, and interest on Clean Water State Revolving Fund Revenue Bonds which may be issued by NIFA from time to time; and

WHEREAS, the County of Sarpy County, Nebraska, is a "County" as defined in Neb. Rev. Stat. §81-15,149(4); and

WHEREAS, the Sarpy County and Sarpy Cities Wastewater Agency is a "Joint Agency" as defined in Neb. Rev. Stat. §§ 13-801-13-827; and

WHEREAS, the project (hereinafter "Project") to be financed under this Loan Agreement, includes the feasibility analysis of, and planning and preliminary design for the Sarpy County Regional Wastewater System, and

WHEREAS, the Project Costs (as defined herein) are based upon estimates of the Borrower and at times during or at completion of feasibility analysis, planning and preliminary design of the Sarpy County Regional Wastewater System, the loan amount may be adjusted by the NDEQ pursuant to Section 2.01; and

WHEREAS, the Project is included in the NDEQ Intended Use Plan; and

WHEREAS, the NDEQ has approved the Borrower's application for a Loan from federal funds and the state funds if and when received by and made available to the NDEQ pursuant to the Federal Act and the Act to finance Project Costs;

NOW, THEREFORE, for and in consideration of the award of the Loan Agreement by the NDEQ, the Borrower agrees to complete its Project and to perform under this Loan Agreement in accordance with the conditions, covenants and procedures set forth below:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. The following terms as used in this Loan Agreement will, unless the context clearly requires otherwise, have the following meanings:

"Act" means the Wastewater Treatment Facilities Construction Assistance Act, Neb. Rev. Stat. §81-15,147 et seq., as amended.

"Authorized Representative" means the person or persons authorized pursuant to a resolution of the governing body of the Borrower to perform any act or execute any document relating to this Loan Agreement.

"Borrower" shall collectively mean the County of Sarpy County, Nebraska and the Sarpy Wastewater Agency, and their respective successors and assigns.

"Borrower Fiscal Year" means the twelve-month period ending on June 30 of each year.
"Due Date" means the dates specified for payment of principal and interest on the Loan as specified in Section 2.05.

"Event of Default" means any occurrence or event specified in Article V.

"Fund" means the Wastewater Treatment Facilities Construction Loan Fund.

"Intended Use Plan" means a document prepared annually by the NDEQ which identifies the intended use of all State Revolving Fund program funds.

"Late Payment" means any payment that is not received within fifteen days of the due date.

"Loan" means the loan made by the NDEQ to the Borrower to finance or refinance a portion of the Project Costs pursuant to this Loan Agreement.

"Loan Agreement" means this Loan Agreement, including the Attachments hereto, as it may be properly supplemented, modified or amended.

"Loan Amount" means the principal amount specified in Section 2.01 hereof which the NDEQ has agreed to disburse to the Borrower subject to the terms, provisions, and conditions of this Loan Agreement and the availability of State and Federal Funds.

"Loan Repayments" means the payments payable by the Borrower pursuant to Section 2.05 of this Loan Agreement.

"Loan Terms" means the terms of this Loan Agreement provided in Article II of this Loan Agreement.

"NDEQ" means the Nebraska Department of Environmental Quality established pursuant to Neb. Rev. Stat. §81-1501 et. seq, as amended.

"NIFA" means the Nebraska Investment Finance Authority, a public body politic and corporate and an instrumentality of the State, and its successors and assigns established pursuant to Neb. Rev. Stat. §58-201 et. seq., as amended.

"Note" means a promissory note of the Borrower with respect to the Loan in the form of Attachment F to this Loan Agreement.

"Project" means the feasibility analysis, planning and preliminary design of a Wastewater Treatment Facility, Wastewater Treatment Works, or a Sanitary Sewer Collection System project which constitutes a project for which the NDEQ is making a Loan to the Borrower pursuant to this Loan Agreement and the Act.

"Project Completion" means the issuance of a construction permit by NDEQ after the submittal of plans and specifications for the construction of a Wastewater Treatment Facility, Wastewater Treatment Works, or a Sanitary Sewer Collection System.

"Project Costs" means eligible costs pursuant to the Act and Regulations associated with the feasibility analysis, planning and preliminary design of the secondary or tertiary treatment and appurtenances incurred by Borrower prior to the date hereof and during the term of the Note; infiltration and inflow correction, major sewer system rehabilitation; new collector sewers and appurtenances; new interceptors and appurtenances; acquisition costs for land integral to the treatment process; correction of combined sewer overflows; and other costs eligible under the Federal Act including capitalized interest. Eligible items shall not include the costs of water rights, legal costs, fiscal agent's fees, operation and maintenance costs, and municipal or county administrative costs. For loans made in whole or in part from federal funds, eligible items shall be those identified pursuant to the Clean Water Act. Project Costs are described in Attachment B.

"Regulations" means the Nebraska Department of Environmental Quality, Title 131 – Rules and Regulations for the Wastewater Treatment Facilities and Drinking Water Construction Assistance Programs, and any amendments thereto promulgated by the NDEQ pursuant to the Act.

"Resolution" means, as applicable, Resolution No. _____ passed and approved by the governing body of the County on _____, 2019, as the same may be amended from time to time, and Resolution No. 2019-007 passed and approved by the governing body of the Sarpy Wastewater Agency on June 26, 2019, as the same may be amended from time to time.

"Sanitary Sewer Collection System" means the structures, equipment, and processes required to collect and transport sanitary sewer wastewater to the wastewater treatment facility.

"Sarpy Wastewater Agency" means the Sarpy County and Sarpy Cities Wastewater Agency, an interlocal agency duly formed pursuant to the Nebraska Interlocal Cooperation Act, Neb. Rev. Stat. 18-801, et seq.

"State" means the State of Nebraska acting, unless otherwise specifically indicated, by and through the NDEQ and its successors and assigns.

"Trustee" means the trustee under any trust indenture with respect to the revenue bonds the proceeds of which are deposited in the Fund.

"Wastewater Treatment Facility" means the structures, equipment, and processes required to treat domestic or industrial wastes and to discharge or dispose of the effluent and sludges.

"Wastewater Treatment Works" means the structures, equipment, and processes required to collect, convey wastewater, and treat domestic or industrial wastes and to discharge or dispose of the effluent and sludges.

ARTICLE II

LOAN CONDITIONS AND TERMS

Section 2.01. Amount of the Loan. Subject to all of the terms, provisions and conditions of this Loan Agreement, and subject to the availability of State and Federal funds, the NDEQ will lend up to **five million dollars** (\$5,000,000) to the Borrower to pay a portion of the Project Costs described in Attachment B hereto.

The final actual amount of the Loan may be reduced without revision of any other terms, provisions, or conditions of this Loan Agreement, other than adjustment by the NDEQ to the final repayment schedule in Attachment A hereto, to reflect reductions in the estimated or actual total Project Costs as impacted by change orders, final actual costs and prepayments. The Borrower must make provisions for the payment of all eligible costs exceeding the Loan Amount. The NDEQ may provide supplemental loan funds through a separate Loan Agreement. Receipt of any supplemental loan funds is dependent on availability of unobligated funds in the Fund and any obligation of additional funds to this Project is at the sole discretion of the NDEQ with such revised or additional terms, conditions, and covenants as the NDEQ may require.

Section 2.02. Term of the Loan. The Borrower agrees to fully repay the Loan with interest on the date of Project Completion or to begin repayment of principal and interest on the Loan within one (1) year from the date of Project Completion, but no later than three (3) years from the date of the Loan, whichever occurs first, and to repay such Loan in full no later than ten (10) years after commencement of repayment, and to pay all principal, interest, administrative fees, and penalty fees when due. The Borrower shall provide the NDEQ 60 days written notice of its intent to repay the Loan all or in part on or prior to the date of the Project Completion.

Section 2.03. Interest Rate. The interest rate on this Loan is determined by the NDEQ pursuant to Regulations and the most recent Intended Use Plan published preceding to the date of this Agreement. The interest rate on this Loan is 0 (zero) percent per annum (calculated on the basis of a year equaling 360 days made up of 12 months of 30 days each) as set out in Attachment A.

Section 2.04. Disbursement Of Loan. Upon receipt of a disbursement request for Project Costs incurred by Borrower or advanced by the County to the Sarpy Wastewater Agency for the Project and certification by both the County and the Sarpy Wastewater Agency, the NDEQ agrees to disburse the principal amount of the Loan set out in Section 2.01 of this Article during the progress of the Project for Project Costs. The Borrower may obtain a copy of the disbursement record upon request to the NDEQ. Each disbursement shall be upon Automated Clearing House (ACH) by the State of Nebraska and shall be equal to that portion of the unobligated principal amount incurred to the date of the request for disbursement from the Borrower. Submitted requests for disbursement must be supported by proper invoices for Project Costs, a certificate of the Authorized Representative to the effect that all representations made in this Loan remain true as of the date of the request and that no adverse developments affecting the financial condition of the Borrower or its ability to complete the Project or to repay the Loan have occurred since the date of this Loan, or of the previous disbursement, and other documentation acceptable to and approved by the NDEQ.

The Borrower may request disbursement for eligible Project Costs, including eligible Project Costs incurred or advanced by Borrower prior to the date hereof, when such Project Costs have been incurred and are due and payable to Project contractors pursuant to Project contracts. However, actual payment of such Project Costs by the Borrower is not required as a condition of submitting a disbursement request and eligibility of payment thereof.

Section 2.05. Loan Payments.

(a) Principal and Interest Payments. The Borrower shall pay to the NDEQ, or at the direction of the NDEQ, to NIFA or the Trustee on or before the due dates specified below, but only from the sources specified in Section 3.02 hereof, appropriate installments of principal and interest until all principal and interest due on the Loan to the NDEQ has been paid in full. Installments of principal and interest shall be paid semiannually on December 15 and June 15 of each year in accordance with the Loan Repayment Schedule in Attachment A; provided that, following the receipt of the Project Completion and the final disbursement of Loan proceeds to the Borrower, a revised final Attachment A shall be prepared by NDEQ to establish the final debt service schedule based upon the parameters described in the projected Attachment A. Such revised final Attachment A thereafter shall be deemed to be incorporated herein by reference and made a part hereof and shall supersede and replace the projected Attachment A.

The NDEQ will send the Borrower an invoice 30 days prior to the due date. When a Loan disbursement occurs after invoices are mailed, the NDEQ will include adjustments for interest and fee charges on the next semiannual invoice.

(b) Optional Prepayment of the Loan. The Borrower may prepay the Loan, together with any accrued interest in whole or in part, at any time without penalty upon giving 60 days written notice to the NDEQ of its intent to prepay. The Borrower may make partial prepayment of the Loan Amount. NDEQ shall prepare a new Loan Repayment Schedule to revise Attachment A following receipt of any partial prepayment of the Loan and such revised Attachment A thereafter shall be deemed to be incorporated herein by reference and made a part hereof and shall supersede and replace Attachment A.

Section 2.06. Administrative Fee. The Borrower shall pay to the NDEQ, or at the direction of NDEQ, to NIFA or the Trustee, an annual administrative fee of 0.5% per annum on the outstanding Loan balance, as further set forth herein, to be paid in semiannual installments on June 15 and December 15 of each fiscal year. The Administrative fee is waived for the first year after the date the loan agreement was signed. After the first year, the loan amount outstanding accumulated during the first year, begins to accrue. Any disbursements after the first year, begins to accrue the administrative fee from the date of the disbursement. After receipt of the final disbursement, a revised final Attachment A shall be prepared to establish the debt service schedule pursuant to Section 2.05. Such revised final Attachment A thereafter shall be deemed to be incorporated herein by reference and made a part hereof and shall supersede and replace the projected Attachment A.

Section 2.07. Schedule Of Compliance. The Borrower agrees to perform steps of the Project in accordance with the following projected schedule of milestone dates.

- (a) July, 2019, Loan date
- (b) September, 2017, Planning and design start
- (c) July, 2022, Substantial completion of planning and design

Section 2.08. Disadvantaged Business Enterprises (Small Business Enterprise/Minority Business Enterprise/Women's Business Enterprise/Small Business Rural Area), including Historically Black Colleges and Universities (hereinafter "DBE/HBCU"). The Borrower agrees that ten percent of the Loan Amount shall be the objective for proposed DBE/HBCU subagreement work under this Loan Agreement.

The Borrower shall take affirmative steps to assure that small, minority, and women's businesses pursuant to 40 CFR 33 and small businesses rural areas pursuant to 13 CFR 121 are used when possible as sources of supplies, construction and services. Affirmative steps shall include the following:

- (a) Placing disadvantaged business enterprises, including minority, women's, small businesses and small businesses in a rural area and historically black colleges and universities on solicitation lists;
- (b) Assuring that disadvantaged business enterprises, historically black colleges and universities are solicited whenever they are potential sources;
- (c) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by disadvantaged business enterprises;
- (d) Establishing delivery schedules, where the requirement permits, which encourages participation by disadvantaged business enterprises;
- (e) Using the services and assistance of the Small Business Administration and Minority Business Development Agency of the U. S. Department of Commerce; and
- (f) Requiring the prime contractor to take the affirmative steps listed above.

In addition, the Borrower agrees to submit to the NDEQ a completed SF 334 form within 15 days after the end of each federal fiscal quarter during which the Borrower or its contractors award any subagreements to a disadvantaged business enterprise for building and building-related services and supplies.

Section 2.09. Other Conditions and Terms.

- (a) Engineering Services. The Borrower shall provide and maintain competent and adequate engineering services to plan and design the project.
- (b) Certified Operator. Intentionally deleted [inapplicable].
- (c) Debarment Suspension. The Borrower acknowledges that doing business with any party appearing in the "List of Parties Excluded from Federal Procurement or Non Procurement Programs" may result in disallowance of federal funds under this Loan Agreement and may also result in suspension or debarment under 40 CFR Part 32.
- (d) Other Federal Requirements. The Borrower agrees to comply with other applicable Federal Requirements in Attachment D hereto.
- (e) Employment under Public Contracts, LB 403. The Borrower agrees to comply with the provisions of Neb. Rev. Stat. § 4-114. The following language is required and will be included in all agreements made with contractors and is a pass through requirement for his or her subcontractors.

"The Contractor is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee. If the Contractor is an individual or sole proprietorship, the following applies: 1. The Contractor must complete the United States

Citizenship Attestation Form, available on the Department of Administrative Services website at www.das.state.ne.us; 2. If the Contractor indicates on such attestation form that he or she is a qualified alien, the Contractor agrees to provide the US Citizenship and Immigration Services documentation required to verify the Contractor's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program; and 3. The Contractor understands and agrees that lawful presence in the United States is required and the Contractor may be disqualified or the contract terminated if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108"

(f) Human Trafficking. Under the requirements of Section 106 of the Trafficking Victims Protection Act of 2000, as amended, the following provisions apply to this award:

"The Borrower, its employees, sub-recipients under this award, and sub-recipients' employees may not engage in severe forms of trafficking in persons during the period of time that the award is in effect; procure a commercial sex act during the period of time that the award is in effect; or use forced labor in the performance of the award or sub-awards under the award."

ARTICLE III

REPRESENTATIONS AND COVENANTS OF BORROWER

Section 3.01. Representations of the Borrower. The Borrower represents as follows:

(a) Organization and Authority.

- (1) The Borrower is a village, town, city, district, association, or other public body created by or pursuant to the constitution and statutes of the State of Nebraska.
- (2) The Borrower has full legal right and authority to carry on its activities relating to the Project, to execute and deliver this Loan Agreement, to undertake and complete the Project, and to carry out and consummate all transactions contemplated by this Loan.
- (3) The proceedings of the Borrower's governing body approving this Loan Agreement and authorizing its execution, issuance and delivery on behalf of the Borrower, and authorizing the Borrower to undertake and complete the Project have been duly and lawfully adopted.
- (4) This Loan Agreement has been duly authorized, executed and delivered on behalf of the Borrower, and constitutes the legal, valid and binding obligation of the Borrower enforceable in accordance with its terms.

(b) Full Disclosure. To the best knowledge of the Borrower, there is no fact that the Borrower has not disclosed to the NDEQ in writing on the Borrower's application for the Loan or otherwise anything that materially adversely affects or that will materially adversely affect the properties, activities of its intended Wastewater Treatment Works, or the ability of the Borrower to make all Loan Repayments and otherwise observe and perform its duties, covenants, obligations and agreement under this Loan Agreement.

(c) Non-Litigation. There is no controversy, suit or other proceeding of any kind pending or to the best knowledge of the Borrower, threatened questioning, disputing or affecting in any way the legal organization of the Borrower or its boundaries within which the proposed sewer system operated by the Sarpy Wastewater Agency will be located, or the right or title of any of its officers to their respective offices, or the legality of any official act taken in connection with obtaining the Loan, or the constitutionality or validity of the indebtedness represented by the Loan Agreement, or the pledging of the County's ad valorem real estate taxes, or the ability of the Borrower to make all

Loan Repayments or otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement.

(d) Compliance with Existing Laws and Agreements. The authorization, execution and delivery of this Loan Agreement by the Borrower, and the performance by the Borrower of its duties, covenants, obligations, and agreements there under will not result in any breach of any existing law or agreement to which the Borrower is a party.

(e) No Defaults. No event has occurred and no condition exists that would constitute an Event of Default. The Borrower is not in violation of any agreement, which would materially adversely affect the ability of the Borrower to make all Loan Repayments or otherwise observe and perform its duties, covenants, obligations, and agreements under this Loan Agreement.

(f) Governmental Consent. The Borrower has obtained all approvals required to date under this Loan Agreement (or is in the process of obtaining or reasonably expects to obtain, all approvals that will be required, but are not required to be in place as of the date hereof) for the undertaking or completion of the Project and the financing or refinancing thereof. The Borrower has complied with, or expects to comply with, all applicable provisions of law requiring any notification, with any governmental body or officer in connection with this Loan Agreement or with the undertaking or completion of the Project and the financing or refinancing thereof.

(g) Compliance with Law. The Borrower

(1) is in compliance with all laws, ordinances, governmental rules and regulations to which it is subject, including, without limitation, any public hearing or public notice requirements or environmental review requirements contained in the Regulations, with which the failure to comply would materially adversely affect the ability of the Borrower to conduct its activities, enter into this Loan Agreement or undertake or complete the Project; and

(2) has obtained, or expects to obtain, all licenses, permits, franchises or other governmental authorizations presently necessary for the ownership of its property which, if not obtained, would materially adversely affect the ability of the Borrower to complete the Project.

(h) Use of Loan Proceeds. The Borrower will apply the proceeds of the Loan as described in Article II: (1) to finance or refinance a portion of the Project Costs; (2) where applicable, to reimburse the Borrower for a portion of the Project Costs, which portion was paid or incurred in anticipation of reimbursement by the NDEQ and is eligible for such reimbursement pursuant to the Regulations; and/or (3) where applicable, to reimburse Borrower for a portion of the Project Costs, which portion was paid or advanced to the Sarpy Wastewater Agency in anticipation of reimbursement by the NDEQ and is eligible for such reimbursement pursuant to the Regulations. All of such costs constitute Project Costs for which the NDEQ is authorized to make loans to the Borrower pursuant to the Act and the Regulations.

(i) Project Costs. The Borrower certifies that the Project Costs, as listed in Attachment B, are reasonable and accurate estimations, and upon direction of the NDEQ, will supply the same with a certificate from an authorized representative stating that such costs are reasonable and accurate estimations to pay the Project Costs.

Section 3.02. Particular Covenants of the Borrower.

(a) Dedicated Source of Revenue for Repayment of the Loan. As provided in the Resolution, the Note is payable from ad valorem real property taxes levied from time to time against real property within the territory of the County, to the extent not paid from other sources. The County agrees the initial financial analysis performed by NDEQ in Attachment C is a reasonable estimate of the Project Costs, of the financial situation of the Municipality in relation to this Project, and of the

sources of funds necessary at the time of Project Completion of the Project. The NDEQ may review this information annually to insure the Borrower's compliance with the Loan conditions and update Attachment C to reflect any changes.

(b) Performance Under Loan Agreement. The Borrower covenants and agrees:

(1) to comply with all applicable State and Federal laws, rules, and regulations (including, but not limited to the Federal crosscutting issues listed in Appendix F of the EPA's Initial Guidance for State Revolving Funds and set forth on Attachment D hereto and the NDEQ Regulations), in the performance of this Loan Agreement; and

(2) to cooperate with the NDEQ in the observance and performance of the respective duties, covenants, obligations, and agreements of the Borrower and the NDEQ under this Loan Agreement.

(c) Completion of Project and Provision of Moneys Therefore. The Borrower covenants and agrees:

(1) to exercise its best efforts to complete the Project and to so accomplish such completion on or before the estimated Project completion date set forth in Article II hereto; and

(2) to provide from its own financial resources all moneys, in excess of the total amount of proceeds it receives under the Loan, required to complete the Project.

(d) Delivery of Documents. Concurrently with the delivery of this Loan Agreement (as previously authorized and executed) at the Loan Closing, the Borrower will cause to be delivered to the NDEQ each of the following items:

(1) Counterparts of this Loan Agreement (as previously executed by parties hereto);

(2) copies of the resolutions of the governing body of the borrower authorizing the execution and delivery of this Loan Agreement certified by an Authorized Representative;

(3) an Opinion of the Borrower's Counsel substantially in the form of Attachment E hereto, or in the form otherwise acceptable to the Borrower and NDEQ;

(4) an executed Note (or other evidence of indebtedness) evidencing the Borrower's obligations under this Loan Agreement in the form of Attachment F; and

(5) such other certificates, documents, opinions, and information as the NDEQ may require.

(e) Records and Accounts. The Borrower shall maintain accurate records and accounts with respect to any records or documents for the payment and reimbursement of Project Costs, the Project itself, and this Agreement in accordance with generally accepted accounting principles (the "Records"). The Records shall be made available for inspection upon request by the NDEQ at any reasonable time. The Borrower shall, upon written request by the NDEQ during the term of the Loan, engage an independent auditor to conduct an audit of the Project's financial records in accordance with generally accepted government auditing standards. The Borrower shall provide the NDEQ a copy of the audit report, provided such audit shall not be due to the NDEQ sooner than 210 days following the close of the fiscal year, or years, identified in the request for audit. In the event that during the period in which the Project financed by this Loan Agreement is under construction, and the Borrower expends, for any purpose, total federal funds in excess of seven hundred and fifty thousand dollars (\$750,000) during the Borrower's fiscal year, then the Borrower shall, irrespective of any request from the NDEQ, provide the NDEQ a copy of the Single Audit made on the Borrower's General Accounts performed by an independent auditor required in such cases by 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit

Requirements for Federal Awards. In the sole discretion of the NDEQ, any requirement herein to perform and/or provide an audit at the request of the NDEQ may be waived by the NDEQ on the basis of the Borrower's receipt of an audit waiver received from some other government agency and accurately acknowledging the Borrower's obligation to the NDEQ under this Loan or for any other reason acceptable to the NDEQ.

(f) Inspections; Information. The Borrower shall permit the EPA, the NDEQ, and any party designated by the NDEQ to examine, visit and inspect, at any and all reasonable times, the property, if any, constituting the Project, and to inspect and make copies of any accounts, books, and records, including (without limitation) its records regarding receipts, disbursements, contracts, investments and any other matters relating thereto and to its financial standing, and shall supply such reports and information as the EPA and the NDEQ may reasonably require in connection therewith.

(g) Continuing Representations. The representations of the Borrower contained herein shall be true at the time of the execution of this Loan Agreement and at all times during the term of this Loan Agreement.

(h) Notice of Material Adverse Change. The Borrower shall promptly notify the NDEQ of any material adverse change in the ability of the Borrower to make all Loan Repayments and otherwise observe and perform its duties, covenants, obligations, and agreements under this Loan Agreement.

(i) Additional Covenants and Requirements. If necessary in connection with the making of the Loan, additional covenants and requirements have been included. The Borrower agrees to observe and comply with each such additional covenant and requirement, if any.

ARTICLE IV

ASSIGNMENT

Section 4.01. Assignment and Transfer by the NDEQ. The Borrower hereby approves and consents to any assignment or transfer of this Loan Agreement that the NDEQ deems necessary in connection with the operation and administration of the Fund. The Borrower hereby specifically approves the assignment and pledging of the interest portion of the Loan Repayments to NIFA.

Section 4.02. Assignment by the Borrower. This Loan Agreement may not be assigned by the Borrower for any reason, unless the following conditions shall be satisfied:

(a) Assignment in Writing. The NDEQ shall have approved said assignment in writing;

(b) the assignee is a village, town, city, district, association, county, or other public body created by or pursuant to State law of the State of Nebraska or any combination thereof, that has legal responsibility to treat wastewater;

(c) the assignee shall have expressly assumed in writing the full and faithful observance and performance of the Borrower's duties, covenants, and obligations under this Loan Agreement; provided, however, such assignment shall not relieve the Borrower of its duties, covenants, and obligations under this Loan Agreement;

(d) the assignment will not adversely impact the NDEQ's ability to meet its duties, covenants and obligations under the Pledge Agreement nor may the assignment endanger the exclusion from gross income for federal tax purposes of the interest on any bonds issued by NIFA to fund deposits into the Fund; and

(e) the Borrower shall provide the NDEQ with an opinion of a nationally recognized bond counsel that each of the conditions set forth in subparagraphs (b), (c), and (d) hereof have been met.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES

Section 5.01. Events of Default and Remedies.

(a) Violation of Loan Agreement Provisions. Violation or noncompliance of any of the provisions of this Loan Agreement by the Borrower, or failure of the Borrower to undertake and complete the Project as set forth herein may result in a cancellation of this Loan Agreement, and a demand that any outstanding balance of principal and interest be paid immediately.

(b) Late Payments. In the event that the Borrower makes a late payment pursuant to the Loan Repayment Schedule in Attachment A, the NDEQ may assess a penalty. Late payments will subject the Borrower to a five percent administrative penalty on the delinquent amount. Penalty interest shall accrue at the rate of one percent per month of the amount of the late payment from and after the due date until it is paid.

(c) Failure to Make Payments. If the Borrower fails to make any payment of principal and interest, late fee, and penalty interest imposed pursuant to this Loan Agreement within 60 days of the due dates specified in Section 2.05, the payment shall be deducted from the amount of aid to municipalities to which the Borrower is entitled under Neb. Rev. Stat. §72-1503. Such amount shall be paid directly to the Fund.

Section 5.02. Notice of Default. Before any action is taken under this Article, the NDEQ shall give 30 days' written notice of default to the Borrower. The Borrower shall have the 30 day time period to comply with the violated Agreement term. If compliance is achieved the Loan shall revert to good standing.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Hold Harmless Agreement. The State of Nebraska and the NDEQ, and the officers, agents, and employees of each, shall have no responsibility or liability for the undertaking or completion of the Project.

Section 6.02. Waivers. Any waiver at any time of rights or duties under this Loan Agreement shall not be deemed to be a waiver of any subsequent right or duty under this Loan Agreement.

Section 6.03. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, to the Borrower, NDEQ, at the following addresses:

(a) BORROWER

Sarpy County, Nebraska
1210 Golden Gate Drive Suite 1250
Papillion, NE 68046-2845
Attn: County Clerk

Sarpy County and Sarpy Cities Wastewater Agency

1210 Golden Gate Drive, Suite 1126
Papillion, NE 68046-2845
Attn: Administrator

(b) NDEQ

Department of Environmental Quality
Suite 400
1200 "N" Street, The Atrium
P.O. Box 98922
Lincoln, NE 68509-8922

All notices given by registered, or certified mail as aforesaid, shall be deemed duly given as of the date they are so mailed. Any of the foregoing parties may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent, by notice in writing given to the others.

Section 6.04. Amendments, Supplements and Modifications. This Loan Agreement may not be amended, supplemented, or modified except in writing signed by the NDEQ and the Borrower.

Section 6.05. Severability. In the event any provision of this Loan Agreement shall be held illegal, invalid, or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

Section 6.06. Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon the NDEQ and the Borrower and their respective successors and assigns.

Section 6.07. Execution in Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument.

Section 6.08. Governing Law and Regulations. This Loan Agreement shall be governed by and construed in accordance with the laws of the State of Nebraska, including the Act and the Regulations which Regulations are, by this reference thereto, are incorporated herein as a part of this Loan Agreement.

Section 6.09. Consents and Approvals. Whenever the written consent or approval of the State shall be required under the provisions of this Loan Agreement, such consent or approval may only be given by the NDEQ.

Section 6.10. Further Assurances. The Borrower shall, at the request of the NDEQ, authorize, execute, acknowledge, and deliver such further resolutions, conveyances, transfers, assurances, financing statements, and other instruments as may be necessary, or desirable for better assuring, conveying, granting, assigning and confirming the rights, security interests, and agreements granted, or intended to be granted by this Loan Agreement.

Section 6.11. Notice to Trustee. Upon assignment of the Note to NIFA which may occur from time to time and thereafter, the NDEQ shall deliver a notice of this Loan in the form prescribed by NIFA, and other pertinent information relating thereto, to the Trustee for any bonds of NIFA issued to fund deposits into the Fund. The NDEQ shall also provide to Borrower simultaneous notice of such assignment to NIFA.

IN WITNESS THEREOF, the parties hereto have caused this Loan Agreement to be executed and delivered as of the date set forth below.

SARPY COUNTY, NEBRASKA

By _____
Title Chairperson
Date _____

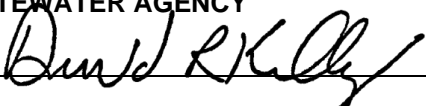
NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY

By _____
Title Director
Date _____

Approved as to form:

Deputy Sarpy County Attorney

SARPY COUNTY AND SARPY CITIES WASTEWATER AGENCY

By 
Title Chairperson
Date June 26, 2019

INDEX OF ATTACHMENTS

Attachment A - Projected Loan Repayment Schedule

Attachment B - Project Costs and Projected Outlay Schedule

Attachment C - Financial Analysis

Attachment D - List of Federal Laws and Authorities

Attachment E - Borrower's Counsel's Opinion

Attachment F - Promissory Note

Attachment G - Certificate

ATTACHMENT A
PROJECTED LOAN REPAYMENT SCHEDULE

Interest and Administrative fee accruing before December 15, 2022, which is not reflected on the following amortization schedule, shall be billed and paid in accordance with the NDEQ's procedures. Administrative fee shall accrue at the applicable rate (set forth in Section 2.03 and 2.06 of the Loan Agreement) as to the amount drawn from the date of each disbursement. Payments are due on June 15 and December 15 of each year, with an estimated commencement of December 15, 2019. Amounts due will be invoiced on or about May 15 and November 15 of each year for each six-month payment period ending on the set interest payment date. Administrative fee accruing on principal amounts drawn after the invoicing date are to be included with the next invoice. Following the receipt of Project Completion date and the final disbursement of Loan proceeds to the Borrower, a revised final Attachment A shall be prepared by NDEQ to establish the final debt service schedule based upon the following parameters set forth below. Such revised final Attachment A thereafter shall be deemed to be incorporated herein by reference and made a part hereof and shall supersede and replace the projected Attachment A.

The final Loan Repayment Schedule shall be calculated by NDEQ based on the following parameters:

- (1) Final principal amount of Loan;
- (2) Interest rate as set forth in Section 2.03;
- (3) Administrative fee rate as set forth in Section 2.06;
- (4) Installments of principal on each June 15 and December 15 payment date, (a) beginning on the latest such payment date that is within one year after the Project Completion date but no later than three years after the date of the Loan Agreement, whichever occurs first and (b) ending on the latest such payment date that is less than 10 years after the Loan date; and
- (5) Amortization of principal to achieve level payments of principal and interest (not taking into account the administrative fee payment pursuant to Section 2.06).

ATTACHMENT B

PROJECT COSTS

A/E fees	\$1,700,000
Planning and related consulting fees	\$25,240
Financial advisory and related consulting fees	\$1,700,000
Miscellaneous (including eligible land acquisition and legal costs)	\$1,574,760
TOTAL ESTIMATED PROJECT COST	\$5,000,000

SOURCE OF FUNDS

NDEQ CWSRF Loan	\$5,000,000
TOTAL ASSISTANCE	\$5,000,000

OUTLAY SCHEDULE

July 2019	\$1,053,699
August 2019	\$156,535
September 2019	\$156,535
October 2019	\$502,542
November 2019	\$156,535
December 2019	\$156,535
January 2020	\$156,535
February 2020	\$156,535
March 2020	\$156,535
April 2020	\$156,535
May 2020	\$156,535
June 2020	\$156,535
July 2020	\$156,535
August 2020	\$156,534
September 2020	\$156,534
October 2020	\$156,534
November 2020	\$156,534
December 2020	\$156,534
January 2021	\$156,534
February 2021	\$156,534
March 2021	\$156,534
April 2021	\$156,534
May 2021	\$156,534
June 2021	\$156,534
TOTAL	\$5,000,000

**ATTACHMENT C
FINANCIAL ANALYSIS**

**THE COUNTY OF SARPY, NEBRASKA AND THE SARPY COUNTY AND SARPY CITIES
WASTEWATER AGENCY**

CWSRF PROJECT NO. C318009

Sarpy County has requested a CWSRF assistance of \$5,000,000 to finance the feasibility analysis, planning and preliminary design costs for the Sarpy County Regional Wastewater System. Sarpy County is proposing to obligate the revenues of the General Fund which also include revenues collected by the County by assessing property taxes.

A financial analysis is presented. The documents reviewed and used to complete this analysis are:

1. Annual Audit Reports for Sarpy County, for Fiscal Years 2016, 2017 & 2018.

Sarpy County generates revenues by assessing property taxes on the residents and businesses in the County. The General Fund consists of revenues due to property taxes and funds that include revenues from the federal, and state funds plus revenues from local sources. This revenue stream goes towards paying for general governmental expenses, public safety, public health, public welfare, capital outlay, and debt service for debt incurred due to General Obligation Bonds.

Table 1

Sarpy County Governmental Fund Financial Summary FY 2016 – FY 2018

Fiscal Year	Operating Income	Operating Expense (1)	Net Revenue	Debt Service	Debt Coverage Ratio
2016	\$80,955,354	\$80,293,502	\$661,852	\$3,742,151 (2)	0.18
2017	\$88,891,567	\$86,357,784	\$2,533,783	\$4,449,171 (2)	0.57
2018	\$94,652,732	\$84,323,067	\$10,329,665	\$3,363,859	3.07

1. Debt Service Paid in a given fiscal year is not included in the expense column

2. Shortfall for payment of debt service was paid with cash on hand.

Fiscal Year	Total Valuation	Property Taxes and Assessments	Population July, 2010 158,840	Number of Building Permits issued	Total Value of Value of Single Family Building Permits Issued
2016	\$12,785,158,397	\$49,891,518	179,023	276	\$68,739,432
2017	\$13,565,438,185	\$53,046,562	181,439	342	\$84,666,636
2018	\$14,493,101,695	\$56,346,794	Not available	329	\$81,169,710

Debt Administration

At the end of the 2018 fiscal year, the County had total bonded debt and notes payable of \$40,141,532. The information regarding long term Liabilities is provided in the table below:

		Principal Balance	Total Interest Due	Total
Governmental Activities- Bonds	2019 -2026	\$15,430,000	\$1,060,710	\$16,490,710
Governmental Activities – Notes Payable	2019-2023	\$1,716,532	\$63,038	\$1,779,570
Business- Type Activities - Bonds	2019-2036	\$22,995,000	\$12,822,129	\$35,817,129

Economic Environment

Sarpy County encompasses approximately 241 square miles on the eastern border of Nebraska. While it is the smallest County by square mile in the State, it has the State's third largest population. It is located just south of the City of Omaha, and is home to cities of Bellevue, Gretna, LaVista, Papillion and Springfield. Sarpy County, unlike most of Nebraska, does not have an agriculturally oriented economy. Offutt Air Force Base is located in the County, making the U.S. military the County's largest employer. Offutt, is the headquarters of the U.S. Strategic Command. The County has one of the fastest growing populations in the State due primarily to continued residential and commercial development west and south of the cities of Papillion and Gretna. The population has grown from an estimate of 158,840 in July, 2010 to 181,439 in July 2017, an increase of 22,599 or 14.23%. For the past three years, Sarpy County has assessed a tax levy of \$.2969/\$100 of valuation. Sarpy County has the authority to assess a maximum tax levy of \$.50/\$100 of valuation. Of that amount, up to \$.05 may be allocated for inter local cooperation agreements and up to \$.15 may be allocated to fire districts and the agricultural society if the County chooses. Sarpy County has implemented a policy that will not allow development to occur unless utilities such as water and sewer are in place.

Recommendation: Sarpy County's property valuation and population has shown consistent growth trajectory. Also, the General Obligation debt as a percentage of property valuation for Sarpy County is less than Douglas County as well as Lancaster County, the two largest counties in the state. The General Obligation pledge is considered to be stronger then the revenue pledge. The proposed project will incentivize development and will provide significant opportunity for Sarpy County to grow and provide opportunity for businesses to move to the County. We recommend that CWSRF loan funds be offered to Sarpy County.

ATTACHMENT D

LIST OF FEDERAL LAWS AND AUTHORITIES

ENVIRONMENTAL:

- Archeological and Historic Preservation Act of 1974, Pub. L. 93-291, 16 U.S.C. §469a-1
- Clean Air Act, PL 95-95, as amended, 42 U.S.C. 7506(c)
- Coastal Barrier Resources Act, PL 97-348, 96 Stat. 1653, 16 U.S.C. 3501 et seq.
- Coastal Zone Management Act of 1972, PL 92-583, as amended, 16 U.S.C. §1451 et seq.
- Endangered Species Act, PL 93-205, as amended, 16 U.S.C. 1531 et seq.
- Essential Fish Habitat Consultation Process Under the Magnuson-Stevens Fishery Conservation and Management Act, PL 94-265, as amended, 16 U.S.C. §1801 et seq.
- Executive Order 11988, Floodplain Management, as amended; Executive Order 12148, as amended
- Executive Order 11990, Protection of Wetlands, as amended; Executive Order 12608, as amended
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, as amended
- Farmland Protection Policy Act, PL 97-98, 7 U.S.C. §4201 et seq.
- National Environmental Policy Act, PL 91-190, 42 U.S.C. §4321 et seq.
- National Historic Preservation Act of 1966, PL 89-665, as amended, 16 U.S.C. §740 et seq.
- Safe Drinking Water Act, as amended, PL 92-523, as amended, 42 U.S.C. 300f et seq.
- U.S. Fish and Wildlife Service National Wetlands Inventory
- Wild and Scenic Rivers Act, PL 90-542, as amended, 82 Stat. 913, 16 U.S.C. §1271 et seq.

ECONOMIC :

- Demonstration Cities and Metropolitan Development Act of 1966, PL 89-754, as amended, 42 U.S.C. §3331 et seq.
- Executive Order 12549, Debarment and Suspension, as amended
- Executive Order 13202, as amended; Executive Order 13208, as amended
- Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act, with Respect to Federal Contracts, Grants, or Loans, as amended
- Uniform Relocation and Real Property Acquisition Policies Act of 1970, PL 91-646, as amended, 42 U.S.C. §§4601-4655

SOCIAL LEGISLATION:

- Age Discrimination Act of 1975, PL 94-135, 42 U.S.C. §6102
- Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, PL 102-389
- Executive Order 11246, Equal Employment Opportunity, as amended
- Executive Orders 11625, 12138, and 12432 Women's and Minority Business Enterprise, as amended
- Section 129 of the Small Business Administration Reauthorization and Amendment Act of 1988, PL 100-590
- Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. §794
- Section 13 of the Federal Water Pollution Control Act Amendments of 1972, 33 U.S.C. §1251
- Title VI of the Civil Rights Act of 1964, PL 88-352, 42 U.S.C. §200d

MISCELLANEOUS AUTHORITY

- Nebraska Clean Water State Revolving Loan Fund #CS – 310001

The list of Federal Laws and Authorities is based upon the EPA's listing of "Additional Information on Cross-Cutting Federal Authorities" (http://water.epa.gov/grants_funding/dwsrf/xcuts.cfm) and the EPA's "Cross-Cutting Federal Authorities: A Handbook on Their Application in the Clean Water and Drinking Water State Revolving Fund Programs" (October 2013: <http://www2.epa.gov/sites/production/files/2015-08/documents/crosscutterhandbook.pdf>) as of October 12, 2015. This list is subject to change based upon the federal authorities of the EPA.

ATTACHMENT E

Form of Opinion of Borrower's Counsel

[USE BORROWER'S OR COUNSEL'S LETTERHEAD]

[Date]

[NOTE: Any of the opinions given below may be given in reliance upon the opinion of another Bond Counsel, and one Bond Counsel may give some of the opinions and another Bond Counsel may give others.]

Nebraska Department of Environmental Quality
Suite 400
1200 N Street, The Atrium
Post Office Box 98922
Lincoln, NE 68509-8922
Attention: Water Quality Division

Ladies and Gentlemen:

I am the Deputy County attorney for Sarpy County, Nebraska in connection with the execution and delivery by the County of Sarpy, Nebraska (the "Borrower"), of a Loan Agreement for Loan No. C318009 (the "Loan Agreement") between the Borrower and the Nebraska Department of Environmental Quality ("NDEQ") and the issuance of a promissory note (the "Note") by the Borrower to NDEQ. All terms used in this opinion letter and not defined shall have the meanings given to them in the Loan Agreement.

In this connection, I have examined the following:

- (a) Certified copies of the **[DESCRIBE RESOLUTION AND/OR ORDINANCE PURSUANT TO WHICH LOAN AGREEMENT AND NOTE ARE TO BE ENTERED INTO];**
- (b) An executed counterpart of the Loan Agreement;
- (c) The executed Note; and
- (d) Such other documents as I deemed relevant and necessary in rendering this opinion.

As to questions of fact material to my opinion, I have relied upon the certified proceedings and other certifications of public officials furnished to me without undertaking to verify the same by independent investigation.

Based upon the foregoing I am of the opinion that:

1. The Borrower is a county duly organized and validly existing under the laws of the State of Nebraska.
2. The Borrower is a governmental unit, as such term is used in Section 141(b)(6) of the Internal Revenue Code of 1986, as amended.
3. The Borrower has the power and authority to enter into the Loan Agreement, to issue the Note, to borrow the entire principal amount provided for in Section 2.01 of the Loan Agreement (the "Principal Amount") and to perform its obligations under the Loan Agreement and the Note.

4. The Loan Agreement and the Note have been duly authorized, executed and delivered by the Borrower and are, and would be if the entire Principal Amount were advanced to the Borrower pursuant to the Loan Agreement on the date of this opinion, valid and legally binding special obligations of the Borrower, payable solely from the sources provided therefor in the Loan Agreement, enforceable in accordance with their respective terms, except to the extent that the enforceability thereof may be limited by laws relating to bankruptcy, insolvency or other similar laws affecting creditors' rights generally and general principles of equity.

5. The Borrower has obtained or made all approvals, authorizations, consents or other actions of, and filings, registrations or qualifications with, the Borrower or any other government authority which are legally required to allow the Borrower to enter into and perform its obligations under the Loan Agreement and the Note and borrow the full Principal Amount pursuant to the Loan Agreement and the Note.

Very truly yours,

ATTACHMENT F

PROMISSORY NOTE OF THE COUNTY OF SARPY, NEBRASKA

FOR VALUE RECEIVED, the undersigned (the "Borrower") promises to pay, but solely from the sources described herein, to the order of the Nebraska Department of Environmental Quality ("NDEQ"), or its successors and assigns, the principal sum of not to exceed \$5,000,000 to the extent disbursed pursuant to Section 2.01 and Section 2.04 of the Loan Agreement No. C318009 ("the Loan Agreement"), with interest on each such amount until paid, as provided in Section 2.03 of the Loan Agreement between NDEQ and the Borrower. In addition, the Borrower shall pay an Administrative Fee on the outstanding principal amount of this Note at the rate of 0.5 percent per annum as provided in the Loan Agreement. The said principal and interest and administrative fee shall be payable in semiannual installments each payable on June 15 and December 15 of each year in accordance with Section 2.05 of the Loan Agreement. Each installment shall be in the amount set forth in Attachment A to the Loan Agreement.

All payments under this Note shall be payable at the offices of NDEQ in Lincoln, Nebraska, and upon the assignment of this Note to NIFA at the principal corporate trust office of a Trustee designated by NIFA, or as the NDEQ may designate in writing.

This Note is issued pursuant to and is secured by the Loan Agreement between the Borrower and the Sarpy County and Sarpy Cities Wastewater Agency and NDEQ, the terms and provisions of which are incorporated herein by reference.

All payments of principal of and interest on this Note and other payment obligations of the Borrower hereunder shall be limited obligations of the Borrower payable by ad valorem real estate taxes which may be levied against real property within the territory of the Borrower, to the extent not paid from other sources, under the terms of the resolution of the County authorizing the same, including the special levy of taxes provided for in said resolution, subject to statutory limitations.

This Note may be prepaid by the Borrower, in whole or in part, together with any accrued interest thereon, at any time without penalty upon giving 60 days written notice to the NDEQ of its intent to prepay.

If default be made in the payment of any installment due under this Note, or by the occurrence of any one or more of the Events of Default specified in Article V of the Loan Agreement, and if such Event of Default is not remedied as therein provided, or at any time thereafter, NDEQ may give notice to the Borrower that all unpaid amounts of this Note then outstanding, together with all other unpaid amounts outstanding under the Loan Agreement, are due and payable immediately, and thereupon, without further notice or demand, all such amounts shall become and be immediately due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise the same at any time in the event of any continuing or subsequent default.

The Borrower hereby waives presentment for payment, demand, protest, notice of protest and notice of dishonor.

This Note and all instruments securing the same are to be construed according to the laws of the State of Nebraska. Signed and sealed this _____ day of _____, 20_____.

[SEAL]

COUNTY OF SARPY COUNTY, NEBRASKA

Attest:

By _____

Title Chairperson

Clerk

Approved as to form:

Deputy Sarpy County Attorney

SARPY COUNTY AND SARPY CITIES WASTEWATER AGENCY

By 

Title Chairperson

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY

By _____

Title Director

Date _____

Complete this section upon assignment of this Note to NIFA.

Pursuant to the Pledge Agreement dated as of _____ as amended (the "Pledge Agreement"), by and between the NDEQ and the Nebraska Investment Finance Authority ("NIFA"), and the _____ dated as of _____, as supplemented and amended, by and between NIFA [BOND TRUSTEE] _____, as trustee, the NDEQ hereby assigns, grants and conveys any and all of the NDEQ's rights, title and interest in this Note to NIFA, except as provided in the Pledge Agreement, and NIFA hereby assigns such rights, title and interest to the Trustee and any successor Trustee.

NEBRASKA INVESTMENT FINANCE AUTHORITY

Attest:

By _____

Title _____

Date _____

ATTACHMENT G

**CERTIFICATE OF THE
COUNTY OF SARPY, NEBRASKA**

The following certifications are made in connection with the Agreement for Loan No. C318009 (the "Loan Agreement") between the Nebraska Department of Environmental Quality ("NDEQ") and the County of Sarpy, Nebraska (the "County") and the Sarpy County and Sarpy Cities Wastewater Agency (the "Agency"; together with the County, the "Borrower") for the purpose of establishing compliance by the Borrower with requirements for the maintenance of the tax exemption of interest on any bonds (the "Bonds") which may be from time to time issued by the Nebraska Investment Finance Authority ("NIFA") to provide funds for deposit in the Fund (as defined in the Loan Agreement).

WHEREFORE, the undersigned hereby certifies on behalf of the County to NDEQ, NIFA and any trustee for the Bonds, as follows:

1. The undersigned is authorized to make the following certifications on behalf of the County.
2. The County represents that it reasonably expects that the Project, as defined in the Loan Agreement, will commence within six months from the execution of the Loan Agreement and that the Project will proceed with due diligence thereafter to completion.
3. The proceeds of the Loan pursuant to the Loan Agreement will be used to perform feasibility analysis, plan and conduct preliminary design for a facility that will be owned by the County, the Agency, or a qualified Municipality as approved by the NDEQ.

Dated this _____ day of _____, 2019.

COUNTY OF SARPY COUNTY, NEBRASKA

By _____

Title: Chairperson

Approved as to form:

Deputy Sarpy County Attorney

**CERTIFICATE OF THE
SARPY COUNTY AND SARPY CITIES WASTEWATER AGENCY**

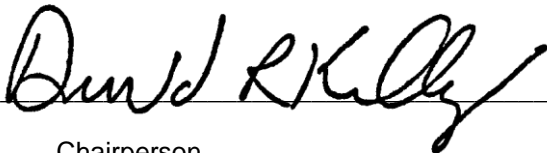
The following certifications are made in connection with the Agreement for Loan No. C318009 (the "Loan Agreement") between the Nebraska Department of Environmental Quality ("NDEQ") and the County of Sarpy, Nebraska (the "County") and the Sarpy County and Sarpy Cities Wastewater Agency (the "Agency"; together with the County, the "Borrower") for the purpose of establishing compliance by the Borrower with requirements for the maintenance of the tax exemption of interest on any bonds (the "Bonds") which may be from time to time issued by the Nebraska Investment Finance Authority ("NIFA") to provide funds for deposit in the Fund (as defined in the Loan Agreement).

WHEREFORE, the undersigned hereby certifies on behalf of the Agency to NDEQ, NIFA and any trustee for the Bonds, as follows:

1. The undersigned is authorized to make the following certifications on behalf of the Agency.
2. The Agency represents that it reasonably expects that the Project, as defined in the Loan Agreement, will commence within six months from the execution of the Loan Agreement and that the Project will proceed with due diligence thereafter to completion.
3. The proceeds of the Loan pursuant to the Loan Agreement will be used to perform feasibility analysis, plan and conduct preliminary design for a facility that will be owned by the County, the Agency, or a qualified Municipality as approved by the NDEQ.

Dated this 26th day of June, 2019.

THE SARPY COUNTY AND SARPY CITIES WASTEWATER AGENCY

By 
Title: Chairperson