RECEIVED
MAY 8 2013
DEBRA J. HOUGHTALING
SARPY COUNTY CLERK

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF SANITARY AND IMPROVEMENT DISTRICT NO. 68 OF SARPY COUNTY, NEBRASKA

A meeting of the Board of Trustees of Sanitary and Improvement District No. 68 of Sarpy County, Nebraska, was convened in open and public session at 7:15 p.m. on **April 11, 2013,** at 8901 South 154th Street, Omaha, Nebraska. Present were Trustees Dale Arndt, Gene Mackey, Rodney Martin, Darran Holst and Richard Verby. Absent: None. Also present Steven J. Olson, Attorney for the District.

Notice of the meeting was given in advance thereof by publication in The Papillion Times, Papillion, Nebraska, on Wednesday, March 27, 2013, a copy of the Proof of Publication being attached to these Minutes. Notice of this meeting was sent to the Sarpy County Clerk, Sarpy County Courthouse, Highway 370 and 84th Street, Papillion, Nebraska, and to the LaVista City Clerk, LaVista City Hall, 8116 Park View Blvd., LaVista, Nebraska, not less than seven (7) days prior to the date of this meeting. Notice of this meeting was simultaneously given to all members of the Board of Trustees, and a copy of their Acknowledgment of Receipt of Notice is attached to these Minutes. Availability of the Agenda was communicated in the published notice and in the notice to the Trustees of this meeting. All proceedings of the Board were taken while the convened meeting was open to the attendance of the public.

The undersigned Clerk hereby certifies that these minutes were written and available for public inspection within ten (10) working days after the date of said meeting.

The Chairman advised that three proposals to mow and fertilize the District's park for 2013 were submitted. Trustee Arndt advised that he had submitted a proposal and would therefore abstain from consideration and voting. He then excused himself from the meeting.

The Chairman then presented three proposals for mowing for 2013: proposal from C&R Mowing for $260 per mowing; a proposal from Upper Cut Lawns for $4,900, total; and a proposal from Dale's Diversified Services (Dale Arndt) in the total sum of $4,671.71. The Chairman and Trustee Holst advised that they were in favor of accepting the proposal from Upper Cut Lawn as they felt that the mowing, fertilizing and tree removal services performed last year by Dale's Diversified Services were not in compliance with the contract. In particular, they advised that they received comments from property owners in the District that last year the mowings were not finished promptly and that there was an interruption between the time the mowing was started and completed; that weeds on the asphalt trail were extending over the trail and the chemical removal treatment was ineffective; and the areas around the trees in the park were not weeded. The Chairman presented photographs of the weeds on the asphalt trail.

The Chairman and Trustee Holst advised that they were also concerned about whether work outside the mowing contract such as tree removal was performed within a reasonable time by Dale's Diversified Services. The Chairman and Trustee Holst said that the District would be better served if the mowing contract was performed by an unrelated contractor who is engaged in the mowing business on a full-time basis, rather than a part-time contractor such as Dale's

Diversified Services.

Trustees Mackey and Verby advised that they believed Dale's Diversified Services had done a good job every year, that it was not in breach of the mowing contract and deserved to have the mowing contract renewed particularly since the bid was less than the bid by Upper Cut. They also stated that if there were performance expectations of the mowing contractor which were not stated in the contract, it was unfair to impose those expectations upon Dale's Diversified Services without notice and prior discussion. Trustees Mackey and Verby advised that they would vote in favor of awarding the mowing contract to Dale's Diversified Services, but they were open to another contractor providing tree removal services.

The Chairman and Trustee Holst advised that they would not vote in favor of awarding the contract to Dale's Diversified Services and would vote in favor of awarding the mowing contract to Upper Cut Lawns. Since the vote was deadlocked at 2-2 on the mowing contract no action was taken.

The Chairman presented the plans and specifications for the 2013 Paving Repair, together with an estimate of the total cost as said improvement prepared by Thompson, Dreessen & Dorner, Inc., Engineers of the District, which cost estimate included engineering fees, legal fees, administration costs and other miscellaneous costs in the sum of $166,672.00. After careful review of same, and full discussion, the following resolutions were duly moved and second, to wit:

> BE IT RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 68 of Sarpy County Nebraska, that said District finds and determines that it is advisable and necessary for the District to remove existing pavement and replace with 9" Uniform Thickness PCC Paving in the following locations within SID No. 68 (Echo Hills subdivision):
>
> <u>In 146th Street</u>
>
> At a point 70 feet south of the intersection of the centerlines of 146th Street and Echo Hills Drive, remove and replace 95 square yards of payment.
>
> <u>In 147th Street</u>
>
> At a point 50 feet south of the intersection of the centerlines of 147th Street and Echo Hills Drive, remove and replace 79 square yards of pavement.
>
> Also, at a point 160 feet south of the intersection of the centerlines of 147th Street and Echo Hills Drive, remove and replace 55 square yards of pavement.
>
> <u>In 150th Street</u>
>
> At a point 120 feet south of the intersection of the centerlines of 150th Street and

Olive Street, remove and replace 19 square yards of pavement.

Also, at the intersection of the centerlines of 150th Street and Margo Street, remove and replace 75 square yards of pavement.

Also, at a point 170 feet south of the intersection of the centerlines of 150th Street and Margo Street, remove and replace 66 square yards of pavement.

In Josephine Street

From a point 350 feet west, to a point 90 feet west of the intersection of the centerlines of Josephine Street and 147th Street, remove and replace 717 square yards of pavement.

Also, at a point 40 feet west of the intersection of the centerlines of Josephine Street and 147th Street, remove and replace 9 square yards of pavement.

Also, at point 50 feet east of the intersection of the centerlines of Josephine Street and 147th Street, remove and replace 80 square yards of pavement.

Also, at a point 130 feet east of the intersection of the centerlines of Josephine Street and 147th Street, remove and replace 71 square yards of pavement.

Also, at a point 410 feet east of the intersection of the centerlines of Josephine Street and 147th Street, remove and replace 70 square yards of pavement.

Also, at a point 40 feet west of the intersection of the centerlines of Josephine Street and 146th Street, remove and replace 15 square yards of pavement.

In Olive Street

At a point 220 feet east of the intersection of the centerlines of Olive Street and 150th Street, remove and replace 14 square yards of pavement.

Also, at a point 480 feet east of the intersection of the centerlines of Olive Street and 150th Street, remove and replace 34 square yards of pavement.

Also, at a point 620 feet east of the intersection of the centerlines of Olive Street and 150th Street, remove and replace 156 square yards of pavement.

In Echo Hills Drive

At a point 300 feet west of the intersection of the centerlines of Echo Hills Drive and 147th Street, remove and replace 379 square yards of pavement.

Also, at a point 60 feet west of the intersection of the centerlines of Echo Hills

Drive and 147th Street, remove and replace 86 square yards of pavement.

Also, at a point 360 feet east of the intersection of the centerlines of Echo Hills Drive and 147th Street, remove and replace 48 square yards of pavement.

Also, at a point 300 feet east of the intersection of the centerlines of Echo Hills Drive and 146th Street, remove and replace 248 square yards of payment.

The above-described work is to include removing and replacing PCC integral curb and gutter, removing and replacing approximately 2,316 S.Y. of PCC concrete pavement, repair of subgrade, adjusting manhole rings and covers to grade, sodding, and all other work necessary or incidental to the construction of 2013 Paving Repair in accordance with the plans and specifications. The improvement is to be located in dedicated public right-of-way within the boundaries of SID No. 68. The improvement shall be designated as 2013 Paving Repair. All work shall be as shown on the project drawings and described by the specifications and construction contract documents.

The plans, specifications, and cost estimate for this improvement have been made and filed, prior to the First Publication of this Resolution, with the Clerk of the District by the District's engineering firm, Thompson, Dreessen & Dorner, Inc. The engineer's estimate of the total cost of this improvement, including all engineering fees, legal fees, interest, administration costs, and miscellaneous costs is $166,672.00.

To pay for the cost of said improvement the Board of Trustees shall have the power to issue negotiable bonds after such improvements have been constructed or installed; said bonds to be called "Sanitary and Improvement District Bonds" and to be payable and to bear interest as provided by the statutes by the State of Nebraska. The Board of Trustees shall have the power to assess, to the extent of special benefits, the cost of such portions of said improvement as are local improvements against properties found especially benefited thereby. All special assessments which may be levied upon properties specially benefited shall, when collected, be set aside and constitute a sinking fund for the payment of interest and principal of said bonds. The District shall also cause to be levied annually a tax upon the assessed value of all taxable property in the District, except intangible property, which together with said sinking fund, derived from special assessments, shall be sufficient to meet payments of interest and principal of said bonds as the same shall become due; said tax shall be known as the "Sanitary and Improvement District Tax" and shall be payable annually in money. The outer boundaries in which it is proposed to make special assessments for said improvements are the outer boundaries of said Sanitary and Improvement District No. 68 of Sarpy County, Nebraska.

That the hearing on the proposed resolution of necessity and advisability for the 2013 Paving Repair shall be held on May 2, 2013 at 7:15 p.m. at 8901 South 154th Street, Omaha, Sarpy County, Nebraska.

Any owner of property which might become subject to assessment and contemplated improvement may appear and make objections to the proposed improvement. The proposed resolution may be amended and passed or may be passed as proposed.

If a petition opposing this resolution, signed by property owners representing a majority of front footage which may become subject to assessment for the cost of said improvement be filed with the clerk of the District within three (3) days before the date of the meeting for the hearing on said resolutions, this resolution shall not be passed.

BE IT FURTHER RESOLVED, that notice of said hearing shall be given by publication in the *Papillion Times*, a legal newspaper, Sarpy County, Nebraska, for three (3) consecutive weeks on April 17, 24, 2013, and May 1, 2013, which publication shall contain the entire wording of the proposed resolution of necessity and that notice shall be given by posting same in three (3) conspicuous places within the boundaries of the district as required by Neb. Rev. Stat. §31-745; and further, that the Clerk of the District shall give notice not less than seven (7) days prior to said hearing to the Sarpy County Clerk and LaVista City Clerk, as required by Neb. Rev. Stat. §31-727.02.

On roll call on the foregoing motion, the following Trustees voted aye: Gene Mackey, Rodney Martin, Darran Holst and Richard Verby. Voting nay thereon were the following Trustees: None. The Chairman then declared said resolution to be duly carried and adopted.

The Chairman presented the hereinafter described bills, statements and invoices. After full and careful discussion, the following resolutions were then duly moved and seconded, to wit:

BE IT RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 68 of Sarpy County, Nebraska, that the Chairman and Clerk be, and hereby are authorized and directed to execute and deliver warrant nos. 2011-2014, inclusive of the District, dated the date of this meeting, to the following payees and in the following amounts, said Warrants to be drawn on the General Fund account of the District and to draw interest at the rate of 7.0% per annum and to be redeemed no later than the date noted below, to wit:

GENERAL FUND ACCOUNT
(Due April 11, 2016)

(a) Warrant No. 2011 in the sum of $1,027.02, payable to Omaha Public

Power District, in payment of services 2/27 to 3/28/2013;

(b) Warrant No. 2012 in the sum of $250.00, payable to Great Western Bank, in payment of registrar & paying agent fee;

(c) Warrant No. 2013 in the sum of $573.77, payable to Thompson, Dreessen & Dorner, Inc., in payment of engineering services rendered;

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 68 of Sarpy County, Nebraska, that the Chairman and Clerk be, and they hereby are, authorized and directed to execute and deliver warrant nos. 2004 and 2005, dated the date of this meeting, to the following payees and in the following amounts to be drawn on the Construction Fund of the District and to draw interest at the rate of 7% per annum, interest to be payable on July 1 of each year, and to be redeemed on later that the dated noted below, subject to extension of said maturity date by order of the District Court, Sarpy County, Nebraska, after notice is given as required by law, to wit:

CONSTRUCTION FUND ACCOUNT
(Due April 11, 2018)

(a) Warrant No. 2004 in the sum of $3,930.70, payable to Steven J. Olson, in payment of legal services for 2013 paving repair;

(b) Warrant No. 2005 in the sum of $1,705.32, payable to Thompson Dreessen & Dorner, Inc., in payment of engineering services for 2013 paving repair;

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 68 of Sarpy County, Nebraska, that both they and the District hereby find and determine and covenant, warrant and agree as follows: the improvements and/or facilities being financed or refinanced by the above Warrants are for essential governmental functions and are designed to serve members of the general public on an equal basis; all said improvements have from the time of their first acquisition and construction been owned, are owned and are to be owned by the District or another political subdivision; to the extent special assessments have been or are to be levied for any of said improvements, such special assessments have been or are to be levied upon Nebraska law as a matter of general application to all property specially benefited by said improvements in the District; the development of the land in the District is for residential or commercial use and the development of the land in the District for sale and occupation by the general public has proceeded and is proceeding with reasonable speed; other than any incidental use of said improvements by a developer during the initial period of development of said improvements, there have been, are and will be no persons with rights to use such improvements other than as members of

the general public; none of the proceeds of said Bonds or any refinanced indebtedness have been or will be loaned to any private person or entity; the District hereby authorizes and directs the Chairperson or Clerk to file or cause to be filed, when due, an information reporting form pursuant to Section 149(e) of the Internal Revenue Code of 1986, as amended, pertaining to the above Warrants; and the District does not reasonably expect to sell or otherwise dispose of said improvements and/or facilities, in whole or in part, prior to the last maturity of the above Warrants.

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 68 of Sarpy County, Nebraska, that the District hereby covenants, warrants and agrees as follows: (a) to take all actions necessary under current law to maintain the tax exempt status (as to taxpayers generally) of interest on the above Warrants; and (b) to the extent that it may lawfully do so, the District hereby designates the above Warrants as its "qualified tax exempt obligation" under Section 265(b)(3)(B)(ii) of the Internal Revenue Code of 1986, as amended, and covenants and warrants that the District does not reasonably expect to issue warrants or bonds or other obligations aggregating in the principal amount of more than $5,000,000 during the calendar year in which the above Warrants are to be issued.

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 68 of Sarpy County, Nebraska that this and the preceding Resolutions are hereby adopted as the Certificate with Respect to Arbitrage of the District pertaining to the above Warrants and the District and the Chairman and Clerk of the District hereby further certify, as of the date of the registration of the above Warrants with the County Treasurer of Sarpy County, Nebraska, as follows:

1. No separate reserve or replacement fund has been or will be established with respect to the above Warrants. The District reasonably anticipates that monies in its Bond Fund reasonably attributable to the above Warrants in excess of the less of: (a) 10% of the net principal proceeds of the above Warrants, (b) the maximum annual debt service due on the above Warrants, or (c) 125% of average annual debt service due on the above Warrants will be expended for payment of principal of and interest on the above Warrants within 13 months after receipt of such monies. That amount which is currently held in the District's Bond Fund which exceeds the amount which is to be expended for payment of principal and interest on the above Warrants within 13 months after receipt of such monies, plus that amount arrived at pursuant to the immediately preceding sentence, will not be invested in any securities or any other investment obligations which bear a yield, as computed in accordance with the actuarial method, in excess of the yield on the above Warrants.

2. To the best of their knowledge, information and belief, the above expectations are reasonable.

3. The District has not been notified of any listing of it by the Internal Revenue Service as an issuer that may not certify its bonds.

4. This Certificate is being passed, executed and delivered pursuant to Section 1.148(b)(2) of the Income Tax Regulations of the Internal Revenue Code of 1986, as amended.

On roll call on the foregoing motion, the following Trustees voted aye: Gene Mackey, Rodney Martin, Darran Holst and Richard Verby. Voting nay thereon were the following Trustees: None. The Chairman then declared said resolution to be duly carried and adopted.

Thereupon the meeting adjourned.

Richard Verby, Clerk & Trustee	Rodney Martin, Chairman and Trustee
Dale Arndt, Trustee	Gene Mackey, Trustee
Darran Holst, Trustee	