



**MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES
OF SARPY COUNTY, NEBRASKA**

A meeting of the Board of Trustees of Sanitary and Improvement District No. 92 of Sarpy County, Nebraska, was convened at 6:30 p.m. on **July 25, 2013**, at 8901 South 154th Street, Omaha, Nebraska. Present were Trustees Stephanie Adams, Ann Rasmussen, Linda J. Paesl and Tim Albers. Absent: Aaron Thornton. Also present Jim Olmsted and Jake Zimmer, Engineer for the District and 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 July 10, 17 and 24, 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, 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 Clerk noted that the Chairman, Aaron Thornton, was not present for the meeting. After full and careful discussion, the following resolution was then duly moved and seconded, to wit:

BE IT RESOLVED that the Trustee Stephanie Adams is hereby appointed Acting Chairman for the purposes of this meeting only.

On roll call on the foregoing motion, the following Trustees voted aye: Stephanie Adams, Ann Rasmussen, Linda J. Paesl and Tim Albers. Voting nay thereon were the following Trustees: None. The Acting Chairman then declared said resolution to be duly carried and adopted.

The Acting Chairman stated that the public hearing on the proposed Resolution of Necessity for the 2013 Park Improvements would be held. The Acting Chairman presented the proof of publication that notice of the hearing on the proposed Resolution of Necessity had been published in the *Papillion Times* on July 10, 17 and 24, 2013. The Clerk certified that the notice of the hearing on the proposed Resolution of Necessity had been posted in three conspicuous places within the boundaries of the District prior to this meeting. The Acting Chairman also stated that no petition opposing the Resolution of Necessity had been filed by any of the property owners within the District or by any other persons. No persons appearing at the meeting made any objections to the proposed Resolution of Necessity. After full and careful discussion, the following resolution was then duly moved and seconded, to wit:

After full and careful review of same and full discussion, the following resolution was then duly moved and seconded, to wit:

BE IT RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 92 of Sarpy County, Nebraska, that said Board finds and determines that is advisable and necessary for the District to replace existing park play equipment with new equipment and features, expand the existing basketball court, replace the existing volleyball court with a new swing area, construct and install six (6) parking stalls (including 1 (one) handicap accessible stall), a new park light, and other miscellaneous rehabilitation of the existing facilities. The project shall also include engineering, legal, and fiscal services. The work to be performed for this improvement shall be designated as 2013 Park Improvements.

The improvements are to be located on Lot 212, Rock Creek Replat I, a subdivision as surveyed, platted and recorded in Sarpy County, Nebraska.

The plan and specifications for this improvement have been made and filled with the Clerk of the District by the District's engineering firm, Olmsted and Perry Consulting Engineers, Inc. The engineers' estimate of the total cost of this improvement designated as 2013 Park Improvements including all engineering fees, legal fees, interest, administration costs and miscellaneous costs is \$375,000.00. The plans and exact costs for this improvement shall be subject to approval by the Board of Commissioners for Sarpy County, Nebraska.

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. 92 of Sarpy County, Nebraska.

On roll call on the foregoing motion, the following Trustees voted aye: Stephanie Adams, Ann Rasmussen, Linda J. Paesl, and Tim Albers. Voting nay thereon were the following Trustees: None. The Acting Chairman then declared said resolution to be duly carried and adopted.

The Board requested the engineers to inspect and replace any damaged stop and street signs in the district and to inspect and replace a damaged manhole cover on 151st Street.

Mr. Olson advised that recent changes in the federal law and regulation regarding the issuance and underwriting of municipal debt securities will affect the relationship between the district and its fiscal agent, Kuehl Capital Corporation. Until now, Kuehl Capital as fiscal agent for the district has provided post-issuance financial advisory services in addition to underwriting bonds and warrants issued by the district. However, financial advisors are now legally required to act in the best interests of the issuer. As such, financial advisors cannot underwrite the purchase or arrange for the placement of municipal debt securities such as sanitary and improvement district warrants and bonds.

As a result, Kuehl Capital advised that effective January 1, 2013 the services provided by it will be limited to those underwriting services that are transaction specific unless the district elects to execute a contract for financial advisor/fiscal agent services proposed by Kuehl Capital. Mr. Olson advised that going forward under the proposed contract, Kuehl Capital will charge \$3,000 annually for strategic and post-issuance services plus a 2.50% fee for warrants and a 4.00% fee for bonds on transaction-related/private placement services. Mr. Olson further advised that in the past fiscal agents were compensated through an underwriter's discount (10%) for the sale of bonds or a fee (5%) for the placement of warrants and fiscal agents did not separately charge for strategic or post-issuance services.

Kuehl Capital advised that if the district elected to not enter into the new contract the district will need to find another source to provide strategic and post-issuance services such as annual budget cash flow analysis, investment of funds and processing of warrants with the county treasurer, post-issuance tax-exempt compliance as well as continuing disclosure obligations of the district (SEC rule 15c2-12).

The Chairman then 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 FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 92 of Sarpy County, Nebraska, that the Chairman and Clerk be, and hereby are authorized and directed to execute and deliver warrant nos. 2244 through 2246 dated the date of this meeting to 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% per annum and to be redeemed no later than the date noted below, to wit:

GENERAL FUND ACCOUNT
(Due July 25, 2016)

- (a) Warrant No. 2244 in the sum of \$988.96, payable to Omaha Public Power District, in payment of account no. 4504100020-street lights;
- (b) Warrant No. 2245 in the sum of \$1,638.76 payable to Steven J. Olson, in payment of legal services rendered;
- (c) Warrant No. 2246 in the sum of \$4,566.94 payable to Olmsted & Perry Consulting Engineers, Inc., in payment of engineering services rendered-2013 Park Improvements;

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 92 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. 92 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. 92 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: Stephanie Adams, Ann Rasmussen, Linda J. Paesl, and Tim Albers. Voting nay thereon were the following Trustees: None. The Acting Chairman then declared said resolution to be duly carried and adopted.

The Board then reviewed two items of correspondence from Lutz & Company dated July 10, 2013 regarding auditing services. The Board authorized the Acting Chairman to execute the letter dated July 10, 2013 as requested by Lutz & Company.

Thereupon the meeting adjourned.

Ann Rasmussen, Clerk & Trustee

Tim Albers, Trustee

Stephanie Adams, Trustee

Linda Paesl, Trustee