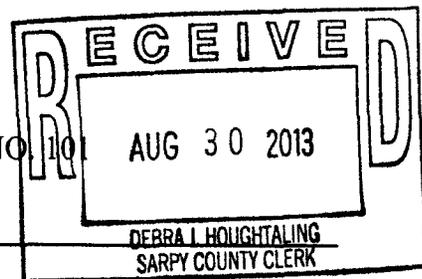


SANITARY AND IMPROVEMENT DISTRICT NO 101
OF SARPY COUNTY, NEBRASKA



Minutes of the Meeting of the Board of Trustees
July 24, 2013

A meeting of the Board of Trustees of Sanitary and Improvement District No. 101 of Sarpy County, Nebraska was convened in open public session at 7:00 p.m. on the 24th day of July, 2013, at the La Platte Community Church, 16412 Main Street, La Platte, Nebraska.

Present at the meeting were: Doug Hill, Chip Frazier, Lou Riedmann and Don Story, Trustees of the District; Jeffrey B. Farnham, the District's Attorney; Jim Olmsted of Olmsted & Perry Consulting Engineers; Rob Wood of Kuehl Capital Corporation; Rene Nelson and Joy Nelson of Urban Utilities; Adam Ecklund of OPPD; and Ken Flegle and Kevyn Sopinski, residents.

Notice of the meeting was given in advance thereof by publication in *The Bellevue Leader* on July 17, 2013, a copy of the Proof of Publication being attached to these Minutes. Advance notice was also given to the Board of Trustees and a copy of their acknowledgment of the receipt of such notice is attached to these minutes. Notice was also given to the County Clerk of Sarpy County, Nebraska per the attached certificate of the Clerk of the District. Availability of the agenda was communicated in the advance notice and in the notice to the Board of Trustees and the County Clerk.

The Clerk then certified that notice of this meeting had been given to the County Clerk of Sarpy County, Nebraska, at least seven days prior to the time set by the Board of Trustees for this meeting, said Certificate being attached to these minutes and made a part hereof by this reference.

All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

The Chairman then stated that one copy of the reproducible written material to be discussed at this meeting was available for examination or copying and that a current copy of the Open Meetings Act was posted in the meeting room.

Trustee Don Story made a motion to approve the corrected minutes of the last meeting and Trustee Lou Riedmann seconded the motion. Upon motion made and duly seconded and vote taken in open session convened, the motion carried.

The District's Clerk then presented the Treasurer's Report as of June 30, 2013. The balance in the District's General Fund was approximately \$116,312.34; the balance in the District's General Fund Investment account was approximately \$0.00; the cash balance in the District's Bond Fund account was approximately \$622,039.26; the balance in the District's Bond Fund Investment

account was approximately \$0.00; and the Service Fee Fund balance was approximately \$16,211.85.

The Chairman stated that the next item of business was payment of existing bills.

The Chairman then presented the following statements for consideration:

General Fund:

<i>Warrant No. 2744</i> – Platteview Turf Inc. Invoice No. 257 (Issued 7/1/2013)	\$357.78
<i>Warrant No. 2745</i> – Omaha Public Power District Statement dated June 5, 2013	\$628.66
<i>Warrant No. 2746</i> – Josh Tedder Construction Inc. Invoice No. 1058	\$200.00
<i>Warrant No. 2747</i> – Josh Tedder Construction Inc. Invoice No. 964	\$100.00
<i>Warrant No. 2748</i> – Josh Tedder Construction Inc. Invoice No. 979	\$100.00
<i>Warrant No. 2749</i> – Josh Tedder Construction Inc. Invoice No. 992	\$100.00
<i>Warrant No. 2750</i> – Omaha Public Power District Statement dated July 5, 2013	\$623.28
<i>Warrant No. 2751</i> – Quinn Insurance, Inc. Invoice No. 41095	\$633.00
<i>Warrant No. 2752</i> – Farnham & Simpson, P.C., L.L.O. General Legal Services & Advanced Costs through 7/24/13	\$1,988.66
<i>Warrant No. 2753</i> – Schmaderer Electric Statement No. 0018378-IN, June 28, 2013	\$1,700.00

Construction Fund:

<i>Warrant No. 2754(C)</i> – Farnham & Simpson, P.C., L.L.O. Special Assessment Collection Statement No. 1926	\$1,284.50
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Service Fee Fund:

<i>Warrant No. 282</i> – Midwest Laboratories, Inc. Invoice No. 687075	\$1,292.04
<i>Warrant No. 283</i> – Midwest Laboratories, Inc. Invoice No. 690189	\$34.04
<i>Warrant No. 284</i> – Urban Utilities, Inc. Invoice No. 6937	\$6,159.28
<i>Warrant No. 285</i> – Urban Utilities, Inc. Invoice No. 6938	\$4,012.50

<i>Warrant No. 286</i> – Urban Utilities, Inc. Invoice No. 6939	\$1,770.49
<i>Warrant No. 287</i> – Urban Utilities, Inc. Invoice No. 6940	\$1,757.00

Trustee Don Story made a motion to pay all the bills and Trustee Chip Frazier seconded the Motion. Upon motion made and duly seconded and vote taken in open session convened, and vote being in favor, none opposed. The following resolution was adopted:

RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 101 of Sarpy County, Nebraska, that the Chairman and Clerk be and they hereby are authorized and directed to execute and deliver Warrant Nos. 2744 through 27553 of the District, drawn on the General Fund of the District and to draw interest at the rate of 7% per annum to be redeemed no later than July 24, 2016, subject to extension of said maturity date by order of the District Court of Sarpy County, Nebraska, after said notice is given as required by law; Warrant No. 2754(C), drawn on the Construction Fund of the District and to draw interest at the rate of 7% per annum to be redeemed no later than July 24, 2018, subject to extension of said maturity date by order of the District Court of Sarpy County, Nebraska, after said notice is given as required by law; and Warrant Nos. 282 through 287 of the District, drawn on the Service Fee Fund of the District and to draw interest at the rate of 7% per annum to be redeemed no later than July 24, 2016, subject to extension of said maturity date by order of the District Court of Sarpy County, Nebraska, after said notice is given as required by law, to-wit:

- A. *Warrant No. 2744* payable to Platteview Turf Inc. in the amount of \$357.78
- B. *Warrant No. 2745* payable to Omaha Public Power District in the amount of \$628.66
- C. *Warrant No. 2746* payable to Josh Tedder Construction Inc. in the amount of \$200.00
- D. *Warrant No. 2747* payable to Josh Tedder Construction Inc. in the amount of \$100.00
- E. *Warrant No. 2748* payable to Josh Tedder Construction Inc. in the amount of \$100.00
- F. *Warrant No. 2749* payable to Josh Tedder Construction Inc. in the amount of \$100.00
- G. *Warrant No. 2750* payable to Omaha Public Power District in the amount of \$623.28
- H. *Warrant No. 2751* payable to Quinn Insurance, Inc. in the amount of \$633.00
- I. *Warrant No. 2752* payable to Farnham & Simpson, P.C., L.L.O. in the amount of \$1,988.66

- J. *Warrant No. 2753* payable to Schmaderer Electric in the amount of \$1,700.00
- K. *Warrant No. 2754(C)* payable to Farnham & Simpson, P.C., L.L.O. in the amount of \$1,284.50
- L. *Warrant No. 282* payable to Midwest Laboratories, Inc. in the amount of \$1,292.04
- M. *Warrant No. 283* payable to Midwest Laboratories, Inc. in the amount of \$34.04
- N. *Warrant No. 284* payable to Urban Utilities, Inc. in the amount of \$6,159.28
- O. *Warrant No. 285* payable to Urban Utilities, Inc. in the amount of \$4,012.50
- P. *Warrant No. 286* payable to Urban Utilities, Inc. in the amount of \$1,770.49
- Q. *Warrant No. 287* payable to Urban Utilities, Inc. in the amount of \$1,757.00

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 101 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 under Nebraska law as a matter of general application to all property specially benefitted 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. 101 of Sarpy County, Nebraska, that the District hereby covenants, warrants and agrees as follows: (a) to take all actions necessary under current federal 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 obligations" under Section 265(b)(3)(B)(ii) of the Internal Revenue Code of 1986 as amended and covenant 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 \$5,000,000.00 during a calendar year in which the Warrants are issued.

1. No separate reserves or replacement fund has been or will be established with respect to the above Warrants. The District reasonably anticipates that the monies in its bond fund reasonably attributable to the above Warrants in excess of the lesser of: (a) 10% of the net principle proceeds of the above Warrants, or (b) the maximum annual debt service due on the above Warrants, or (c) 125% of the average annual debt service due on the above Warrants will be expended for payment and principle of and interest on the above amount arrived at pursuant to invested in any securities or any other of 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 Services as an issuer that may not certify its bonds.
4. This Certificate is being passed, executed and delivered pursuant to Section 1.102-13, 1.103-14 and 103-15 of the Income Tax Regulations under the Internal Revenue Code of 1954, as amended, and under the Internal Revenue Code of 1986.

Rene Nelson advised that the first four pre-treatment tanks had been cleaned. The last tank will be cleaned within the next one to two weeks. There was then a general discussion concerning the repair calls listed in the sewer report. Mr. Nelson then reminded the Board that there had been discussion at past meetings concerning the reconstruction of the splitter boxes. Mr. Olmsted confirmed that this needed to be done. After further discussion it was determined that Olmsted & Perry would prepare a description of work and estimate of the cost to do this work and that a resolution of necessity for this project would be proposed at the next meeting, along with a notice to contractors.

Rob Wood of Kuehl Capital Corporation then gave the Board a brief explanation of the background behind Kuehl Capital's request for the District to designate it as either an underwriter or an advisor. Mr. Wood explained that when the Dodd Frank Act was passed it caused a change in many of the rules regulating the industry through FINRA, the Municipal Securities Rule Making Board, and the Securities and Exchange Commission. The upshot of the

new rules was to force the separation of underwriting and advisory services. There was a discussion concerning the cost to the District if all of the services which would be provided by Kuehl Capital Corporation as an advisor were farmed out to various specialized attorneys and certified public accountants. After further discussion it was determined that Kuehl Capital Corporation should be designated as a financial advisor of the District, as opposed to an underwriter. Trustee Chip Frazier then offered the following resolution and it was seconded by Doug Hill. Upon motion made and duly seconded and vote taken in open session convened, and the following resolution was adopted:

BE IT RESOLVED that the District retain Kuehl Capital Corporation as a financial advisor as opposed to a municipal underwriter.

BE IT FURTHER RESOLVED that the District enter into the "Contract for Financial Advisor/Fiscal Agent Services", a copy of which is attached to these minutes and that the Chairman of the District be and hereby is authorized to execute such contract for and on behalf of the District.

Mr. Wood then discussed the possibility of prepaying a portion of the SRF loan. In light of the estimated cost of the 2013 Bank Stabilization and Guardrail Improvements Project it was determined that the District would have a need for a portion of the cash in the Bond Fund and that consideration of a principal prepayment on the SRF loan would have to be postponed until a later date. Mr. Wood then went through his analysis and presented the Board with his company's recommendation concerning the Bond Fund and General Fund levies for 2013/14 fiscal year. The recommendation was for a Bond Fund levy of 0.25 and a General Fund levy of 0.15.

The District's attorney then gave a brief report concerning the status of the special assessment collections.

Jim Olmsted then advised the Board that he and Doug Hill had toured the District and looked at all of the streets on July 19, 2013. Mr. Olmsted's estimate of the cost of the necessary crack ceiling, street repairs and drainage improvements is approximately \$25,000-\$30,000. Mr. Olmsted proposed that he would prepare a description of the work and that the project would be presented to the Board and put out for bids after the next meeting. Trustee Chip Frazier offered the following resolution and it was seconded by Don Story. Upon motion made and duly seconded and vote taken in open session convened, and the following resolution was adopted:

BE IT RESOLVED that the engineering firm of Olmsted & Perry is hereby authorized to prepare a description of work and estimate of cost of the 2013 Street Repair and Drainage Improvements Project.

Mr. Olmsted also discussed the installation of guardrails at certain locations within the District and indicated that the guardrails would become a part of the 2013 Bank Stabilization and Guardrail Improvements Project.

Adam Ecklund of OPPD advised the Board that in connection with the acquisition of an easement from the District and the construction of a new power line, a temporary culvert and

bridge was installed. When the culvert and bridge were removed the contractor attempted to grade and seed the area, however there has been a washout and the area needs to be repaired. Mr. Ecklund explained that OPPD's normal procedure would be to have the SID hire a contractor to do the necessary dirt work and seeding and then OPPD would reimburse the SID for the cost. It was determined that the Chairman would obtain an estimate from Josh Tedder and that it would be submitted to OPPD for approval before the work was done. There was then discussion concerning the remaining trees located in the ditch and whose responsibility it was to remove them. The Chairman and Mr. Frazier indicated that they would review their records and advise OPPD concerning their understanding of whose responsibility the tree removal would be.

Rene Nelson then advised the Board that the phragmites seed heads in the wetlands area were not ready to be cut and that he would let the Chairman know when that occurred so that Josh Tedder could proceed to cut the seed heads.

Mr. Olmsted then discussed the 2013 Bank Stabilization and Guardrail Improvements Project. He indicated that the erosion of the bank on the south side of Annabelle adjacent to Betty Lake was undermining the street and consequently there is an immediate need to stabilize the bank. The slope of the bank right now is a one-to-one ratio and it should be a one-to-three ratio. Soil borings were done last year and there is more surveying work to be done. Mr. Olmsted indicated that stone rip-rap would be placed in order to stabilize and harden the bank. At the present time, the precise volume of material needed to stabilize the bank is unknown. The project would also include moving and replacing the existing guardrail and the construction of additional guardrail at this location and possibly other locations within the District. The estimate to be presented to the Board has a 20% contingency because the exact amount of material needed is not known. Most of the rock will be placed in the lake in order to stabilize the bank. There was also discussion of the fact that a Temporary Construction Easement and a Permanent Easement would need to be obtained from the Betty Lake Association in connection with the rip-rap.

The District's Engineer then presented plans and specifications prepared by his firm, Olmsted & Perry, for the construction of the 2013 Bank Stabilization and Guardrail Improvements, together with an estimate of the total cost of said improvement prepared by said engineers for the District, which cost estimate, including engineering fees, legal fees, fiscal fees, administration costs and other miscellaneous costs, is the sum of \$270,900.00.

After discussion, the Resolution contained in Exhibit "A" attached hereto and by this reference incorporated herein was duly introduced, seconded and upon a roll call vote of "aye" by the Trustees was unanimously adopted. The Trustees then unanimously passed the following resolution:

BE IT RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 101 of Sarpy County, Nebraska, that the hearing on the proposed Resolution of Advisability and Necessity for the construction of the 2013 Bank Stabilization and Guardrail Improvements Project shall be held at La Platte Community Church, 16412 Main Street, La Platte, Nebraska at 7:00 p.m. on August 28, 2013, at which time owners of property within the District who might become subject to assessment for the improvements contemplated by the

proposed Resolution of Necessity may appear and make objections to the proposed improvements and if a petition opposing the proposed Resolution of Advisability and Necessity, signed by property owners representing a majority of the front footage which might become subject to assessments for the cost of said improvements, as set out in the Resolution, is filed which the Clerk of the District within three days before the date set for hearing on such Resolution, such Resolution shall not be passed.

BE IT FURTHER RESOLVED that the notice of said hearing shall be given by publication in *The Papillion Times*, a legal newspaper of Sarpy County, Nebraska, for three consecutive weeks on August 7, August 14 and August 21, 2013, which publication shall contain the entire wording of the proposed Resolution and that notice shall be given by posting same in three conspicuous places within the boundaries of the District as required by Neb. Rev. Stat. Section 31-745 and further, that the Clerk of the District shall give notice not less than seven days prior to said hearing to the City Clerk of Bellevue, Nebraska as required by Neb. Rev. Stat. Section 31-727.02.

The District's attorney then advised that General Fund Warrant No. 2743 in the amount of \$357.78 issued June 5, 2013 to Josh Tedder Construction Inc. needed to be canceled. Mr. Farnham explained that this warrant was issued in error and that a new warrant was issued to Platteview Turf Inc. for the same amount. Trustee Don Story offered the following resolution, seconded by Lou Riedmann. Upon motion made and duly seconded and vote taken in open session convened, and the following resolution was adopted:

BE IT RESOLVED that General Fund Warrant No. 2743 issued June 5, 2013 in the amount of \$357.78 to Josh Tedder Construction Inc. be and hereby is canceled on the warrant records of the District.

Trustee Chip Frazier then advised the Board that he would like to have a listing of the real property owned by the SID and would like the District's attorney to explain to the Board the statutory procedure for sale of the District's real property. Doug Hill indicated that he had records listing the District's properties and he would dig that out and present it at the next Board meeting. The District's attorney indicated that he would advise the Board regarding the statutory sale procedure at the next meeting.

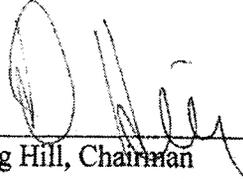
Resident Kevyn Sopinski stated that he was interested in purchasing property behind his house for the construction of a garage. The Chairman indicated that the Board was taking this one step at a time and would go through the properties and the sale procedure at the next meeting.

Resident Ken Flegle then discussed the possibility of reducing the size of the grinder pumps to 2hp to realize a possible cost savings. There was a general discussion about this matter and it was determined that Mr. Flegle, Mr. Olmsted, Rene Nelson and Chip Frazier would meet to discuss this matter. It was determined that Chip Frazier would coordinate the meeting.

There were no future agenda items.

It was determined that the next Board meeting would be at 7:00 PM on August 28, 2013.

There being no further business appearing, and upon motion duly made by Don Story, seconded by Lou Riedmann and unanimously carried, the meeting was adjourned.



Doug Hill, Chairman



William R. Nosek, Clerk

Sid101\Meetings-2013\07-24-13\Minutes

CONTRACT FOR FINANCIAL ADVISOR/FISCAL AGENT SERVICES

THIS CONTRACT FOR FINANCIAL ADVISOR/FISCAL AGENT SERVICES (together with the attached Exhibits, this "Contract") is entered into and is effective as of July 24th, 2013 (the "Effective Date") by and between **SANITARY AND IMPROVEMENT DISTRICT NO. 101 OF SARPY COUNTY IN THE STATE OF NEBRASKA** (the "District"), as its sole beneficiary, and **KUEHL CAPITAL CORPORATION** (the "Financial Advisor").

1. **Definitions.** All terms and phrases not expressly defined herein shall have their ordinary meanings, consistent with federal and state law, except where the context clearly indicates a different meaning.

2. **Term of Engagement.** This Contract shall be for an initial term beginning on the Effective Date and ending on June 30, 2015, subject to earlier termination pursuant to the provisions of Paragraph 9 and 10 hereof. Effective at the end of each fiscal year, beginning June 30, 2014, the term of this Agreement shall extend for an additional year beyond the then end of the term unless one party gives the other party notice, not less than ninety (90) days prior to the end of a fiscal year, that such party does not agree to such extension of the term.

3. **Basic Services.** The Financial Advisor is hereby engaged by the District as an independent contractor to perform, in accordance with industry best practices and in the best interest of the District, such portions of the work which may include but is not limited to those items outlined in Exhibit A (which is attached hereto and incorporated as a part of this Contract) (the "Financial Advisor Services"). The Financial Advisor shall be compensated for performing such Financial Advisor Services as provided in Exhibit B, which is attached hereto and incorporated as a part of this Contract.

4. **Records and Accounts.** The Financial Advisor shall maintain all records and accounts in connection with the Financial Advisor Services performed pursuant to this Contract in the manner and for at least the length of time prescribed by federal and state rules, regulations and industry standard guidelines governing financial advisors.

5. **No Underwriting.** The Financial Advisor covenants and agrees that neither it nor any person who serves as an officer or employee of the Financial Advisor will directly or indirectly act as or on behalf of an underwriter for any bonds, warrants or other obligations issued by the District.

6. **No Conflict of Interest; Termination of Prior Agreements.** The Financial Advisor shall advise the District of any business relationship (formal or otherwise) which may in any way be (or be construed to be) a conflict of interest. Prior to the expiration of the existing agreement between the District and the Financial Advisor, the District shall enter into a new agreement with a with a recognized municipal bond underwriting firm to underwrite the issuance of the District's indebtedness upon substantially the same terms and conditions set forth in the existing agreement between the District and the Financial Advisor dated February 9, 1998 (the "Existing Agreement") or such other terms and conditions that are acceptable to the District in the District's sole discretion. Upon the execution and delivery of the new agreement between the District and the new municipal bond underwriting firm, the Existing Agreement shall terminate; provided, however, the termination of the Existing Agreement shall in no way release or discharge the Financial Advisor from any liabilities, costs, penalties, fines or damages resulting from or

arising from any act or omission by the Financial Advisor prior to the termination of the Existing Agreement. The Financial Advisor hereby acknowledges that it previously conducted business with the District under the Existing Agreement, including arm's-length commercial transactions, and that at the time of such transactions the Financial Advisor had financial and other interests that differed from those of the District in regards to the issuance and sale of the District's obligations.

7. **Fiduciary Relationship.** The Financial Advisor acknowledges pursuant to this Contract that it has a fiduciary duty to the District under the federal securities laws and is required to act in the best interests of the District without regard to its own financial or other interests.

8. **No Other Compensation.** The Financial Advisor covenants and agrees that neither it nor any person who serves as an officer or employee of the Financial Advisor will receive or accept any compensation or other benefit or tangible thing of material value from any person or entity in connection with the issuance of any obligations or the incurrence of any indebtedness by the District or related to the Financial Advisor Services provided herein other than compensation pursuant to this Contract.

9. **Termination for Default.** Either party may terminate this Contract for failure of the other party to fulfill or promptly fulfill its covenants or obligations under this Contract.

(a) Upon a breach by one party of any covenant or obligation under this Contract, the non-breaching party shall send written notice of such breach to the other party. If the party in breach does not cure or remedy such breach within 30 business days of receiving such written notice, the non-breaching party may terminate this Contract immediately.

(b) If this Contract is terminated by reason of a default of the Financial Advisor prior to the completion of Financial Advisor Services under this Contract, the Financial Advisor shall immediately assign to the District, at the District's discretion, any contracts and/or agreements relative to this Contract entered into between the Financial Advisor and its subcontractors and consultants. The Financial Advisor also shall (i) immediately discontinue all work and services affected (unless the notice directs otherwise), and (ii) upon payment for work performed, promptly deliver to the District all studies, reports, documents, specifications, calculations, plans, estimates, summaries and other information and materials accumulated in performing this Contract.

10. **Termination upon Annexation.** This Contract will automatically terminate upon annexation of the District according to applicable Nebraska state law by a city with the authority to complete such annexation; provided all fees of the Financial Advisor hereunder have been paid in full.

11. **Ownership of Documents.** All studies, reports, documents, estimates, summaries and any other written materials produced, created or accumulated in performing this Contract and delivered to the District are and shall remain the property of the District and may be reproduced, distributed and published in whole or part without permission or any additional payments or fees to the Financial Advisor.

12. **Liability.** The District agrees that the Financial Advisor's total liability under this Contract, for any reason, including but not limited to any negligence by or of the Financial Advisor, shall not exceed the actual damages of the District. Neither the District nor the Financial Advisor shall be liable for any special, incidental, punitive or consequential damages to the other resulting from the breach of this Contract.

13. **Assignment.** This Contract is a professional service agreement which relies upon the personal and professional integrity and expertise of the Financial Advisor to provide professional services to the District, the Financial Advisor may only assign its obligations, rights, duties or interest in this Contract to an affiliate of the Financial Advisor or any corporation, firm or other entity into which the Financial Advisor may merge or consolidate or to which the Financial Advisor may sell all or substantially all of its assets, provided the assignee accepts all the rights and obligations hereunder.

14. **Consultants and Subcontractors.** Prior to the engagement of any consultants or subcontractors, the Financial Advisor shall submit for approval by the District a list of any consultants or subcontractors the Financial Advisor intends to engage to perform work and/or services related to this Contract; provided however, that the Financial Advisor does not anticipate the need to engage any consultants or subcontractors in the performance of Financial Advisor Services covered under this Contract.

15. **Notices.** All notices given pursuant to this Contract shall be in writing, delivered or mailed by United States mail, postage prepaid or e-mailed (with hard-copy follow-up by mail or delivery) and addressed as follows:

To the District: Jeffrey B. Farnham, P.C., LLO
220 North 89th Ste., Ste. 201
Omaha, Nebraska 68114
Attention: Mr. Jeff Farnham

To the Financial Advisor: Kuehl Capital Corporation
14747 California Street, Suite 1
Omaha, Nebraska 68154
Attention: Mr. Robert A. Wood
Email: rwood@kuehlcapital.com

The address of any person or party may be changed by notice to the other party, given in the manner described above. All such notices shall be deemed received when delivered.

16. **Independent Contractor.** The Financial Advisor is engaged as an independent contractor, and the Financial Advisor shall accomplish all of the Financial Advisor Services provided for herein in such capacity. The District, the Chairman or other agents of the District will have no control or supervisory powers as to the detailed manner or method of the Financial Advisor's performance of the subject matter of this Contract.

17. **Time Is of the Essence.** Both the District and the Financial Advisor expressly agree that time is of the essence with respect to this Contract, and any schedule for completion of tasks pursuant to this Contract shall be observed accordingly; provided, however, that the District

and the Financial Advisor understand and agree that delays in the performance of Financial Advisor Services pursuant to this Contract due to circumstances or events outside the control of the parties shall result in a reasonable revision of the schedule and shall not constitute a default under this Contract.

18. **Amendment.** This Contract may be modified only by a written amendment of subsequent date hereto, approved by the District and the Financial Advisor. In the event the Financial Advisor's scope of work is increased or changed so as to materially increase the scope of Financial Advisor Services, the Financial Advisor may seek to amend this Contract.

19. **Nonwaiver.** Failure by either party to insist upon strict performance of any of the terms and conditions hereof, or failure or delay to exercise any rights or remedies provided herein or by law, or failure by either party to notify the other party properly in the event of default, or the acceptance of or payment for service or review or approval of any document shall not release either party from any of the obligations of this Contract and shall not be deemed a waiver of any right of either party to insist upon strict performance hereof or any of its rights or remedies to a prior or subsequent default hereunder.

20. **Remedies Cumulative.** The rights and remedies contained in this Contract shall not be exclusive but shall be in addition to all rights and remedies now or hereafter existing whether by statute, at law or in equity; provided, however, neither party may terminate its duties under this Contract except in accordance with the provisions hereof.

21. **Headings.** The section headings of this Contract are inserted or annexed for convenience of reference only and shall not affect the meaning, construction, interpretation or effect of this Contract.

22. **Severability.** In the event that any provision, clause, portion or section of this Contract is unenforceable or invalid for any reason, such unenforceability or invalidity may not affect the enforceability or validity of any other paragraph or the remainder of this Contract.

23. **Entire Agreement.** This Contract, including its Exhibits and any other documents or certificates incorporated herein by reference, expresses the entire understanding of the District and the Financial Advisor concerning this Contract. Neither the District nor the Financial Advisor has made or shall be bound by any agreement or any representation to the other concerning this Contract, which is not expressly set forth or incorporated by reference herein.

24. **Construction and Enforcement.** This Contract shall be construed and enforced in accordance with the laws of the State of Nebraska.

25. **Authority of the Parties.** Each of the parties to this Contract, and each person signing this Contract on behalf of such party, represents and warrants to the other party to this Contract as follows: (a) that such party has full power and authority to execute, deliver and carry out the terms and provisions of this Contract; (b) that such party has taken all necessary action to authorize the execution, delivery and performance of this Contract; (c) that the individual(s) and/or entities executing this Contract on such party's behalf have the authority to bind it to the terms and conditions of this Contract; and (d) that this Contract has been duly executed and delivered by such party.

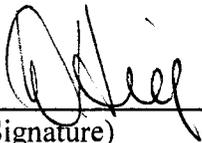
26. **Parties Bound.** This Contract shall be binding upon and inure to the benefit of all parties. This Contract is solely for the benefit of the parties and their successors in interest, and none of the provisions hereof are intended to benefit third parties.

27. **Execution in Counterparts.** This Contract may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature Page to Follow]

IN WITNESS WHEREOF, this Contract was approved and duly executed by the Chairman of Sanitary and Improvement District No. 101 of SARPY County this 24 day of July, 2013.

SANITARY AND IMPROVEMENT
DISTRICT NO. 101 OF SARPY COUNTY IN
THE STATE OF NEBRASKA

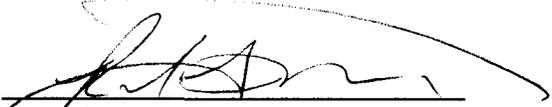
By 
(Signature)

By Doug Hill
(Printed name)

Title: Chairman

IN WITNESS WHEREOF, this Contract was duly executed by the Financial Advisor this
27 day of July, 2013.

KUEHL CAPITAL CORPORATION

By 

Name: Robert A. Wood

Title: Managing Director

EXHIBIT A

SCOPE OF SERVICES FINANCIAL ADVISOR/FISCAL AGENT CONTRACT

The Financial Advisor will provide Financial Advisor Services, which may include, but are not limited to:

A. Strategic Services

1. Project financial feasibility analysis
 - (a) Evaluate assumptions for feasibility analysis as provided by developer and engineer and conduct qualitative analysis of subjective inputs to feasibility/debt structure discussion.
 - (b) At request of developer, attorney or engineer, meet with city/county planning officials to assist in negotiation on behalf of the District to determine scope and timing of infrastructure improvements to be installed.
 - (c) Conduct build-out analysis to analyze impact of scope and timing of improvements, quality and timing of reimbursables and to project timing and volume of bond issuance.
 - (d) Conduct cash flow analysis based on proposed cost of public improvements taking into account anticipated special assessments to be levied and projected general obligation costs to determine the Bond Fund levy necessary to cash flow the debt of the District given reasonable assumptions.
 - (e) Advise District, engineer and attorney as to the aggregate principal amount of construction fund warrants to be issued and timing of issuance based on build-out of the District.
 - (f) Advise District as to optimal financing structure regarding installation of public improvements.
2. Identify funding options (public sale vs. private placement, institutional vs. retail, negotiated vs. competitive) and recommend best choice given current market conditions.
3. Negotiate initial warrant and bond fiscal commitment with underwriter and secure financing commitment on behalf of the District.

4. Provide the District with an impact analysis on public improvement cost changes which are in excess of original estimates; including the impact such overruns will have on cash flow, debt issuance, budget and Bond and General Fund levies.
5. Annual budget analysis and recommendations
 - (a) Conduct annual budget cash flow analysis and, upon consultation with attorney, accountant, engineer, developer and District, recommend Bond Fund and General Fund tax levies.
 - (b) Make recommendations for cash management, and adjustment to financing plan / debt structure to best suit pace of development and current market conditions.
6. Assist the District in determining the most appropriate method for receiving underwriting proposals and evaluating such proposals.
 - (a) Assist the District in the selection of an underwriter, paying agent and other finance team members as needed. Assist District in determining the best firms to meet the needs of the District, and assist in negotiating final terms, conditions and fees.
 - (b) Contact underwriters to generate interest in submitting a proposal for a debt issuance, including underwriters located in Nebraska and active in the sanitary and improvement district debt industry.
 - (c) Assist in the selection and designation of Bond Counsel and Disclosure Counsel on behalf of the District. The fees of the professionals shall be paid by the District in the form of fee warrants or cash.
7. Conduct ongoing analysis of the outstanding debt of the District and identify opportunities to optimize structure and rates.
 - (a) Meet with the District to establish timing parameters for a particular financing and identify financing needs and issues.
 - (b) Notify the District of potential refunding opportunities, identifying specific full or partial issues that may qualify to be refunded based on current or forecasted market conditions.
 - (c) Attend meetings of the District, as requested and respond to the District's general or specific inquiries regarding its debt.

B. Transaction-Related Services

1. Assist District and attorney in addressing resident concerns related to proposed project and related financing.
 - (a) Develop a detailed strategy to highlight key credit strengths and address areas of concern. Assist in the preparation of a thorough credit presentation.
 - (b) Attend District Court hearings for new money issuance of bonds and provide expert testimony, as required.
2. Advising District regarding the method of sale for particular transactions, taking into account market conditions and other factors.
 - (a) Discuss potential financing structures with the District and determine the best approach given the District's goals.
 - (b) Conduct analysis and size bond transaction appropriately for tax-exempt issuance compliance.
 - (c) Advise on the general timing of the sale of bonds and/or warrants, taking into consideration major economic indicators, competing large bond sales that may impact the District's pricing, changing economic conditions, length of approval processes, and District scheduling concerns.
 - (d) Negotiation of various deal documents with underwriter, Bond Counsel, Disclosure Counsel, and other professionals with respect to debt instruments.
3. Initial Disclosure
 - (a) Work with Disclosure Counsel in the preparation of warrant Offering Circular, including coordinating updates from District, and deliver to underwriter in appropriate format.
 - (b) Prepare an "Addendum" to the Warrant Offering Circular and deliver to the underwriter in appropriate format when new debt is issued.
 - (c) Assist in the preparation of Bond Preliminary Official Statement and Final Official Statements and deliver to underwriter in appropriate format.

4. Warrant Issuance
 - (a) Review meeting minutes and resolutions specific to warrants issued.
 - (b) Prepare IRS Form 8038-G and 8038-GC for registered warrants.
 - (c) Package warrants and meeting minutes for review by Bond Counsel and act as point of contact between District and Bond Counsel to address any deficiencies that need to be addressed to acquire tax-exempt legal opinion.
 - (d) Coordinate the registration of warrants with County Treasurer.
 - (e) Coordinate endorsement of warrants by payees.
 - (f) Coordinate purchase of warrants by underwriter and payment to contractors.

5. Bond structuring and issuance
 - (a) Prepare plan of finance and related transaction timetable.
 - (b) Model the debt using assumptions specific to the District and the current market environment, advising on appropriate terms and conditions, including structure, maturity schedule and redemption provisions.
 - (c) Review the final Official Statement and all legal documents to ensure accuracy and completeness. Work with Bond Counsel to ensure all regulatory documentation is filed and assist in the closing process as needed.
 - (d) Coordinate with Bond Counsel to prepare the authorizing resolution and other documents. Review all draft financing documents. Work with the District and Disclosure Counsel in preparation of the Official Statement.
 - (e) File “Blanket Letter of Representations” (BLOR) with the Depository Trust Company (DTC) on behalf of the District.
 - (f) Structure debt issuances in manner complying with applicable Nebraska State statutory requirements, Internal Revenue Service (IRS) code, United States Securities Exchange Commission (SEC)

regulations and Municipal Securities Rulemaking Board (MSRB) rules.

- (g) On refunding issues, independently verify payoff amounts on bonds to be redeemed. On advanced refunding issues, provide calculation of net escrow funding requirement, coordinate selection of escrow agent and recommend appropriate investments for escrowed proceeds.
- (h) Prepare and present final analysis packet specific to transaction to the District.
- (i) Prepare and coordinate with Bond Counsel the filing requirements of the District regarding tax-exempt debt, including filing 8083-G with the Internal Revenue Service.
- (j) Coordinate closing activities between District, underwriter and other involved parties (Registrar and Paying Agent, Bond Counsel, Disclosure Counsel, Depository Trust Company, etc.) and address any unforeseen issues that come up prior to settlement to ensure timely closing.

6. Negotiated sales

- (a) Identify qualified underwriters in marketplace and advise District as to which underwriter is the best fit for the specific needs of the transaction.
- (b) Consult with underwriter to determine the marketability of various alternatives and structures given current market conditions.
- (c) Negotiate costs, interest rates, underwriter discount and specific terms on behalf of the District.
- (d) Explain to the District the risks associated with transaction as disclosed in the G-23 & G-17 letters from the underwriter and acknowledge receipt and understanding on behalf of the District.
- (e) Assist District with understanding bond pricing and marketing approaches, including advice regarding retail and institutional sales, public vs. private placement and analysis of comparable deals in the marketplace.
- (f) Conduct a pre-pricing discussion to update the District on market conditions leading into the pricing period. Hold a pricing call with

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the underwriter and the District, present comparable issue pricing to the underwriter as a basis for negotiation, and react and respond to last-minute pricing issues.

7. **Competitive Sales**

- (a) Identify active SID underwriters in the marketplace and advise District as to what firms are to be approached with a request for a bid.
- (b) Develop bid request with terms and conditions specific to District's needs and distribute request of proposal to selected bidder(s).
- (c) Receive bids from underwriters on pricing date and evaluate bids to verify lowest cost and that the lowest cost bid meets the specified terms and conditions.
- (d) Recommend the lowest cost, qualified and best bidder and award bonds to selected bidder.

C. Post-Issuance Services

- 1. Assist District in preparing and submitting continuing disclosures as they relate to updated financial information, including compiling updated data and assisting Dissemination Agent with ongoing disclosure obligations of the District pursuant to SEC Rule 15c2-12 under the Securities Exchange Act of 1934, as amended, as applicable. Such information shall include annual operating data, annual audit and material event filings.
- 2. Research and advise the District concerning aspects of tax exemption and arbitrage on existing debt in cooperation with Bond Counsel, District Accountant and District Attorney, including helping coordinate post issuance compliance obligations of the District.
- 3. Manage SID fund balances.
 - (a) Track Bond Fund and General Fund balances.
 - (b) Provide investment direction to County Treasurer concerning Bond Fund and General Fund balances.

- (c) Coordinate redemption of general fund and construction fund warrants with cash from the Bond Fund or General Fund, as necessary.
- 4. Review minutes of District meetings.
- 5. Coordinate annual interest payment of construction fund warrants
- 6. Scan all District minutes received from District into electronic format and maintain archive.
- 7. Scan all warrant legal opinions from Bond Counsel into electronic format and maintain archive. Deliver the same to underwriter.
- 8. Maintain database of outstanding warrant debt to generate reports by payee, registration dates, maturity date and have the ability to calculate principal and interest payments.
- 9. Coordinate the periodic reconciliation of District warrant debt with Registrar and Paying Agent and County Treasurer.
- 10. Track District development by performing periodic site visits and keeping a journalized entry system containing house counts and other significant development events.
- 11. Track outstanding bond debt to identify and present refunding opportunities to the District.
- 12. Restructuring and Bankruptcy Services (Chapter 9).
 - (a) Restructure debt with complex credit structures.
 - (b) Conduct credit analysis.
 - (c) Negotiate with creditors/creditor representatives on behalf of the District.
 - (d) Work with District and bankruptcy and attorneys to assist in drafting of documents (plan of adjustment, disclosure statement, etc.)
 - (e) Execute Plan of Adjustment and confirmed by the Bankruptcy Court.

D. Private Placement/Nontraditional Financing Services

1. Assist the District in identifying prospective investors
2. Provide all of the services listed in Section B and C above, as applicable.
3. Prepare credit package to solicit initial feedback from prospective investors.
4. Present feedback to the District; determine next steps and likely timeline.
5. Assist District with preparation of Purchase Agreement.
6. Assist District and Disclosure Counsel with preparation of Private Placement Memorandum.
7. Assist District with preparation of Investor Letter.

EXHIBIT B

FEE FINANCIAL ADVISOR CONTRACT

Under the terms of this Contract, the Financial Advisor agrees to perform the Financial Advisor Services described in this Contract. The District agrees, in accordance with the limitations and conditions set forth in the Contract, to compensate the Financial Advisor as follows:

1. **Exhibit A, Section A. and C. (Strategic Services and Post-Issuance Services).** For providing Strategic Services and Post-Issuance Services, the Financial Advisor shall receive a fixed annual fee equal to:

(a) Flat fee of \$ 9,000 / per annum. At the District's election, such fees shall be payable at the beginning of the District's fiscal year or in equal quarterly installments on September 30, December 31, March 31, June 30.

2. **Exhibit A, Section B. and D. (Transaction-Related Services and/or Private Placement Services).** For providing Transaction-Related Services and/or Private Placement Services related to the issuance, refinancing or restructuring of any bonds, warrants or other obligations of the District, the Financial Advisor shall receive a consultant fee for structuring as follows:

(a) **Warrants.** In connection with the issuance of general fund warrants and/or construction fund warrants, a fee payable in warrants at the time of such issuance equal to **2.50 %** of the principal amount of the warrants registered.

(b) **General Obligation Bonds.** In connection with the issuance of general obligation bonds, a fee equal to **4.00%** of the principal amount of such bonds. Such fee shall be paid in warrants at the time of the closing of the bonds.

(c) **General Obligation Refunding Bonds.** In connection with the issuance of general obligation refunding bonds, a fee equal to **3.00%** of the principal amount of such bonds.

(d) **Other Obligations.** In connection with the District's incurrence of other indebtedness, the District and the Financial Advisor shall negotiate a reasonable fee upon terms acceptable to both parties.