

MINUTES OF MEETING
OF
SANITARY AND IMPROVEMENT DISTRICT NO. 199
OF SARPY COUNTY, NEBRASKA

A meeting of the Board of Trustees of Sanitary and Improvement District No. 199 of Sarpy County, Nebraska, was convened in open and public session at 8:00 a.m. on the 20th day of April, 2012, at 11205 South 150th Street, Suite 100, Omaha, Nebraska.

Present were: Gerald L. Torczon, Doris J. Nicholson, John R. Torczon, Joadele Ressler and Jerome Pieper.

Absent: None.

Notice of the meeting was given in advance thereof by publication in the Bellevue Leader on April 18, 2012, a copy of the proof of publication being attached to these minutes. 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 agenda was at all times available at the office for the District at 10250 Regency Circle, Suite 300, Omaha, Nebraska 68114.

The meeting was called to order by the undersigned presiding as Chairman. Upon roll call, all of the Trustees were present.

The Chairman publicly stated to all in attendance that a current copy of the Nebraska Open Meetings Act was available for review and indicated the location of such copy in the room where the meeting was being held.

There was next presented correspondence from D.A. Davidson & Co. requesting the District to issue warrants payable to D.A. Davidson & Co. in the total amount of Twenty-Three Thousand One Hundred Thirty-Three and 17/100 Dollars (\$23,133.17). After a full and complete discussion and upon a motion duly made and seconded, and upon a roll call vote, the Trustees, Gerald L. Torczon, Doris J. Nicholson, John R. Torczon, Joadele Ressler and Jerome Pieper voted "Aye" with none voting "Nay" with the following resolution being thereby adopted and approved:

RESOLVED, that the Board of Trustees of Sanitary and Improvement District No. 199 of Sarpy County, Nebraska, find and determine that on May 10, 2012, there will be due and payable interest on the construction fund warrants for the District in the amount of Twenty-Three Thousand One Hundred Thirty-Three and 17/100 Dollars (\$23,133.17) and that to pay such interest it is advisable to authorize the issuance of warrants to be drawn from the District's construction fund payable to D.A. Davidson & Co.

FURTHER RESOLVED, that the following warrants, to be drawn on the construction fund of the District, draw interest at the rate of seven percent (7%) from the date of presentation until paid; such interest to be payable on May 10 of each year and such warrants shall be due and payable on April 20, 2017 (unless redeemed prior to such date), subject to extension of such maturity date by order of the District Court of Sarpy County, Nebraska, after notice as required by law, to be issued as follows:

<u>WARRANT NO.</u>	<u>AMOUNT</u>
678	\$5,000.00
679	5,000.00
680	5,000.00
681	5,000.00
682	2,919.90
683	213.27

FURTHER RESOLVED, that the County Treasurer of Sarpy County, Nebraska, the ex officio Treasurer of the District is hereby directed and authorized on May 10, 2012, to pay the interest due on the construction warrants of the District and is hereby directed that such proceeds of the above warrants hereby are authorized and may only be used for the payment of such specified interest.

FURTHER RESOLVED, that the Chairman and Clerk be, and they hereby are authorized and directed to execute such warrants on behalf of the District and deliver the same, along with a copy of this and the preceding resolutions to the County Treasurer of Sarpy County, Nebraska, the ex officio Treasurer of the District.

There were next presented miscellaneous bills, invoices, statements, and recommendations for the Board's consideration.

There was next presented correspondence from Lamp, Rynearson & Associates, Inc., engineers for the District, presenting and recommending payment in favor of Todco Barricade Company as follows: (i) Invoice No. 113251 in the amount of One Hundred Three and 39/100 Dollars (\$103.39); and (ii) Invoice No. 113261 in the amount of Two Hundred Sixty-Three and 75/100 Dollars (\$263.75); said invoices being in the aggregate amount of Three Hundred Sixty-Seven and 14/100 Dollars (\$367.14).

There were next presented statements from Great Plains One-Call Services Inc. for line locating services as follows: (i) Invoice No. 112SD199 in the amount of One and 79/100 Dollars (\$1.79); (ii) Invoice No. 212SD199 in the amount of One and 79/100 Dollars (\$1.79); and (iii) Invoice No. 312SD199 in the amount of One and 76/100 Dollars (\$1.76); said statements being in the aggregate amount of Five and 34/100 Dollars (\$5.34).

There were next presented statements from Lutz & Company, PC, accountants for the District as follows: (i) final billing related to the completion of the audited financial statement for the year ended June 30, 2011, Invoice No. 135264 in the amount of Two Thousand Four Hundred and no/100 Dollars (\$2,400.00); and (ii) preparation of quarterly payroll tax returns including W-2, correspondence with the IRS and completion of IRS Forms 1096 and 1099, Invoice No. 136219 in the amount of Five Hundred Fifty and no/100 Dollars (\$550.00); said statements being in the aggregate amount of Two Thousand Nine Hundred Fifty and no/100 Dollars (\$2,950.00).

There were next presented statements from Lamp, Rynearson & Associates, Inc., engineers for the District for miscellaneous engineering services rendered as follows: (i) through October 22, 2011, Invoice No. 0107010.90-0000016 in the amount of Two Hundred Thirteen and 01/100 Dollars (\$213.01); (ii) through December 17, 2011, Invoice No. 0107010.90-0000017 in the amount of One Hundred Thirty-Seven and 70/100 Dollars (\$137.70); (iii) through January 21, 2012, Invoice No. 0107010.90-0000018 in the amount of Two Hundred Fifty-Five and 20/100 Dollars (\$255.20); and (iv) through March 17, 2012, Invoice No. 0107010.90-0000019 in the amount of One Hundred Forty-Six and 79/100 Dollars (\$146.79); said statements being in the aggregate amount of Seven Hundred Fifty-Two and 70/100 Dollars (\$752.70).

There were next presented statements from Omaha Public Power District, for electrical service at the 15000 Shepard Street location through March 29, 2012 in the aggregate amount of Two Thousand One Hundred Twenty-Four and 24/100 Dollars (\$2,124.24).

The previously described bills, invoices, recommendations and statements having been presented for the Board's consideration and after review and discussion of such items, the following resolution was duly moved and passed:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 199 of Sarpy County, Nebraska, that the Chairman and Clerk be and they hereby authorized and directed to execute and deliver Warrant Nos. 678 through 683, dated the date of this meeting, to the following payees and in the following amounts, said Warrants to be drawn on the Construction Fund of the District and to draw interest at the rate of seven percent (7%) per annum (interest to be payable on May 10 of each year) and to be redeemed no later than April 20, 2017, subject to extension of said maturity date by order of the District Court of Sarpy County, Nebraska, after notice is given as required by law, to-wit:

Warrant Nos. 678 through 681, each for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 682, for the amount of Two Thousand Nine Hundred Nineteen and 90/100 Dollars (\$2,919.90), payable to D.A. Davidson & Co.

Warrant No. 683, for the amount of Two Hundred Thirteen and 27/100 Dollars (\$213.27), payable to D.A. Davidson & Co.

FURTHER RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 199 of Sarpy County, Nebraska, that the Chairman and Clerk be and they hereby authorized and directed to execute and deliver Warrant Nos. 684 through 688 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 of the District and to draw interest at the rate of seven percent (7%) per annum and to be redeemed no later than April 20, 2015, subject to extension of said maturity date by order of the District Court of Sarpy County, Nebraska, after notice is given as required by law, to-wit:

Warrant No. 684, for the amount of Three Hundred Sixty-Seven and 14/100 Dollars (\$367.14), payable to Todco Barricade Company.

Warrant No. 685, for the amount of Five and 34/100 Dollars (\$5.34), payable to Great Plains One-Call Services Inc.

Warrant No. 686, for the amount of Two Thousand Nine Hundred Fifty and no/100 Dollars (\$2,950.00), payable to Lutz & Company, PC.

Warrant No. 687, for the amount of Seven Hundred Fifty-Two and 70/100 Dollars (\$752.70), payable to Lamp, Ryneerson & Associates, Inc.

Warrant No. 688, for the amount of Two Thousand One Hundred Twenty-Four and 24/100 Dollars (\$2,124.24), payable to Omaha Public Power District, Acct. No. 5321962230.

FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 199 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 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.

FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 199 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)(i)(III) 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.

FURTHER RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 199 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 lesser of: (a) ten percent (10%) of the net principal proceeds of the above Warrants, (b) the maximum annual debt service due on the above Warrants, or (c) one hundred twenty-five percent (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 thirteen (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 thirteen (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 1.148-2(b)(2) of the Income Tax Regulations under the Internal Revenue Code of 1986, as amended

There was next presented correspondence from D.A. Davidson & Co., fiscal agent for the District, requesting that the Board adopt a resolution as a result of some changes to IRS Form 8038-G, regarding ongoing compliance issuances relating to outstanding bonds and/or warrants. After full and complete discussion and upon a motion duly made and seconded, and upon the following roll call vote, the Trustees, Gerald L. Torczon, Doris J. Nicholson, John R. Torczon, Joadele Ressler and Jerome Pieper voted "Aye" with none voting "Nay" thereby passing and adopting the following resolution:

RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 199 of Sarpy County, Nebraska (the "District"), as follows:

Section 1. The Board of Trustees of the District hereby finds and determines:

(a) that the District was duly formed and remains in existence pursuant to the Constitution and applicable laws of the State of Nebraska;

(b) that the District has heretofore issued and there are now outstanding bonds and/or warrants of the District (collectively, the "Outstanding Tax-Exempt Obligation"); and

(c) that it is necessary and advisable for the District to adopt certain procedures to promote compliance with certain federal tax and securities laws relating to the Outstanding Tax-Exempt Obligation.

Section 2. Now therefore be it resolved that the policy and procedures attached hereto as Exhibit "A" are hereby adopted by the Board of Trustees of the District in all respects.

Section 3. This Resolution shall be in full force and effect, immediately upon its adoption by the Board of Trustees.

The Clerk next reviewed the Agenda which had been available for public inspection in accordance with the law prior to this meeting of the Board of Trustees and reported that all matters considered by the Board at this meeting appeared on the Agenda.

Doris J. Nicholson, as Clerk for Sanitary and Improvement District No. 199 of Sarpy County, Nebraska (the "District") does hereby certify that the above proceedings are a true and accurate statement of the proceedings had by the District at its April 20, 2012, meeting.



DORIS J. NICHOLSON, Clerk