

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 18th day of March, 2016, at 11205 South 150th Street, Suite 100, Omaha, Nebraska.

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

Absent: None.

Notice of the meeting was given in advance thereof by publication in the Bellevue Leader on March 16, 2016, 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 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 Skyline Sign Co. for installation of speed limit signs, invoice dated March 8, 2016 in the amount of Six Hundred Seventy-Two and 69/100 Dollars (\$672.69).

There were next presented statements from One Call Concepts, Inc., for line locating services as follows: (i) for the month of December, 2015, Invoice No. 5120559 in the amount of Four and 45/100 Dollars (\$4.45); (ii) for the month of January, 2016, Invoice No. 6010561 in the amount of Three and no/100 Dollars (\$3.00); and (iii) for the month of February, 2016, Invoice No. 6020563 in the amount of Twelve and 87/100 Dollars (\$12.87); said statements being in the aggregate amount of Twenty and 32/100 Dollars (\$20.32).

There were next presented statements from Lutz & Company, PC, accountants for the District for services as follows: (i) final billing related to the completion of the audited financial statement for the year ended June 30, 2015, Invoice No. 183857 in the amount of Three Thousand Four Hundred and no/100 Dollars (\$3,400.00); and (ii) preparation of quarterly payroll tax returns and IRS Forms 1099 and 1096, Invoice No. 184020 in the amount of Five Hundred Seventy and no/100 Dollars (\$570.00); said statements being in the aggregate amount of Three Thousand Nine Hundred Seventy and no/100 Dollars (\$3,970.00).

There was next presented a statement from Lamp, Rynearson & Associates, Inc., engineers for the District for miscellaneous engineering services rendered as follows: (i) through November 14, 2015, Invoice No. 0107010.90-0000044 in the amount of Three Hundred Sixty and 55/100 Dollars (\$360.55); (ii) through January 16, 2016, Invoice No. 0107010.90-0000045 in the amount of Three Hundred Fifteen and 80/100 Dollars (\$315.80); and (iii) through February 13, 2016, Invoice No. 0107010.90-0000046 in the amount of Three Hundred Thirty-Four and 41/100 Dollars (\$334.51); said statements being in the aggregate amount of One Thousand Ten and 76/100 Dollars (\$1,010.76).

There were next presented statements from Omaha Public Power District, for electrical service at the 15000 Shepard Street location through February 26, 2016, in the aggregate amount of One Thousand Four Hundred Twenty-Seven and 39/100 Dollars (\$1,427.39).

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. 798 through 802 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 six percent (6%) per annum and to be redeemed no later than March 18, 2019, 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. 798, for the amount of Six Hundred Seventy-Two and 69/100 Dollars (\$672.69), payable to Skyline Sign Co.

Warrant No. 799, for the amount of Twenty and 32/100 Dollars (\$20.32), payable to One Call Concepts, Inc.

Warrant No. 800, for the amount of Three Thousand Nine Hundred Seventy and no/100 Dollars (\$3,970.00), payable to Lutz & Company, PC.

Warrant No. 801, for the amount of One Thousand Ten and 76/100 Dollars (\$1,010.76), payable to Lamp, Rynearson & Associates, Inc.

Warrant No. 802, for the amount of One Thousand Four Hundred Twenty-Seven and 39/100 Dollars (\$1,427.39), 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

Discussion was next had concerning a bond call on the December 1, 2006, general obligation bonds, prepared by the District's Counsel in conjunction with the District's fiscal agent, D.A. Davidson & Co. A full and complete discussion was had of the advantages and disadvantages of the bond call by the District at this time. Upon a motion duly made and seconded, and upon a roll call vote taken the following Trustees, Gerald L. Torczon, Doris J. Nicholson, John R. Torczon, Jerome Pieper and Jeffery Torczon voted "Aye" with none voting "Nay thereby adopting the following resolution:

BE IT RESOLVED by the Chairman and Board of Trustees of Sanitary and Improvement District No. 199 of Sarpy County, in the State of Nebraska as follows:

1. The following General Obligation Bonds issued by Sanitary and Improvement District No. 199 of Sarpy County, in the State of Nebraska, are hereby called for redemption on **May 2, 2016**, at par plus accrued interest to the date fixed for redemption. After said date of call, the bonds shall no longer bear interest.

(a) General Obligation Bonds, Series 2006, dated December 1, 2006, issued in the original principal amount of One Million Seven Hundred Thousand Dollars (\$1,700,000), numbered as shown on the records of First National Bank, located in Omaha, Nebraska, in the remaining principal amount of One Million Two Hundred Fifty Thousand Dollars (\$1,250,000), maturing as follows, became optional on December 1, 2009, at par and accrued interest and have been called for redemption on May 2, 2016:

SERIES 2006 BONDS

<u>Principal Amount</u>	<u>Maturity December 1,</u>	<u>Interest Rate</u>
\$ 1,250,000	2021	5.00%

2. A copy of this Resolution shall be filed with First National Bank, located in Omaha, Nebraska, as Paying Agent and Registrar, who shall cause notice to be sent to holders of Bonds called for redemption in the

manner and time as provided in the Resolution authorizing the Series 2006 Bonds all of said filings being made at least 30 days prior to the date fixed for redemption.

Discussion was next had concerning a bond resolution prepared by the District's Counsel in conjunction with the District's underwriter, D.A. Davidson & Co. A full and complete discussion was had of the advantages and disadvantages of the bond issue by the District at this time. Therefore the resolution attached to these minutes as Exhibit "A" and identified thereon as "Bond Resolution" and by this reference made a part hereof as if fully incorporated and set forth herein, was duly moved for adoption which motion was thereafter seconded. Upon a roll call vote taken on such resolution the following Trustees, Gerald L. Torczon, Doris J. Nicholson, John R. Torczon, Jerome Pieper and Jeffery Torczon voted "Aye" with none voting "Nay thereby adopting the following resolution:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 199 of Sarpy County, Nebraska, that the District issue its Sanitary and Improvement District Bonds in the amount of One Million Eight Hundred Twenty-Five Thousand and no/100 Dollars (\$1,825,000.00), through its underwriter, D.A. Davidson & Co., in accordance with the terms of its financing agreement with such underwriter and in accordance with Nebraska law.

FURTHER RESOLVED, that the "Bond Resolution" attached hereto as Exhibit "A" and incorporated herein by reference as if fully set forth, be adopted, ratified and approved.

FURTHER RESOLVED, that the Chairman, Clerk and Trustees be, and hereby are authorized and directed to execute such documents and take such steps as are necessary to implement this resolution.

FURTHER RESOLVED, that counsel for the District is directed to take appropriate steps as are necessary to place the question of the bond issue before the District Court of Sarpy County, Nebraska for its approval.

Discussion was next had with regard to the appointment of a paying agent for the payment of the principal and interest on the bonds. After full and complete discussion, the following resolutions were duly made and seconded, whereupon the following roll call vote was taken during which the Trustees, Gerald L. Torczon, Doris J. Nicholson, John R. Torczon, Jerome Pieper and Jeffery Torczon voted "Aye" with none voting "Nay thereby adopting the following resolution:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 199 of Sarpy County, Nebraska, that First National Bank, Omaha, Nebraska has been appointed as Paying Agent for payment of principal and interest on bonds of this District issued May 1, 2016, which appointment is hereby confirmed and ratified, and the County Treasurer of Sarpy County, Nebraska, as ex officio treasurer of this District, is hereby authorized and directed to pay, from time to time, to said Paying Agent, from funds of the District, such amounts of money as such Paying Agent shall certify in writing to the County Treasurer as shall be needed for payment of principal and interest on bonds of the District, such certificate of the Paying Agent to show the amounts needed for payment of principal and interest, and the date upon which such amount is due, and the date when such transfer shall be made by the County Treasurer to the Paying

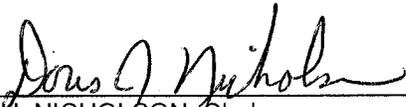
Agent, such certification to be made by the Paying Agent to the County Treasurer for each transfer of funds requested by the Paying Agent.

FURTHER RESOLVED, that the Chairman and Clerk of the District shall certify this resolution to said County Treasurer who may deem this resolution to be a continuing resolution and authorization to make transfers to such Paying Agent, until and unless the County Treasurer is notified of termination of such authority.

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SIGNATURES APPEAR ON THE FOLLOWING PAGE]**

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 March 18, 2016, meeting.



DORIS J. NICHOLSON, Clerk