

MINUTES OF MEETING  
OF  
SANITARY AND IMPROVEMENT DISTRICT NO. 220  
OF SARPY COUNTY, NEBRASKA

A meeting of the Board of Trustees of Sanitary and Improvement District No. 220 of Sarpy County, Nebraska, was convened in open and public session at 12:30 p.m. on the 3rd day of November, 2010, at 17809 Pacific Street, Omaha, Nebraska.

Present were: Herbert L. Freeman, Marcy Knobbe, John R. Christiansen, Craig A. Finnestad and Maurice Anderson. Also present were John Q. Bachman, attorney for the District and Brett J. Wawers of Lamp, Rynearson & Associates, Inc., engineers for the District.

Absent: None.

Notice of the meeting was given in advance thereof by publication in the Bellevue Leader on October 27, 2010, 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.

Counsel for the District first presented the Certificate of Results of the Election from the Sarpy County Election Commissioner with respect to the District's election of September 14, 2010. Such certificate indicated that Herbert L. Freeman, Marcy Knobbe, John R. Christiansen, Maurice Anderson and Craig A. Finnestad had been elected to serve for a two (2) year term for the Board. It was indicated that each of such individuals were owners or designees of owners of real estate within the District boundaries (as defined by Section 31-727(3) *Reissue Rev. Stat. of Neb. 1943*) and, as a consequence, qualified to serve in such capacity. Each individual being in attendance at the meeting indicated a willingness to accept the position of Trustee on the Board.

Discussion was next had with respect to the outstanding matters of the District and the powers and responsibilities of the Board in general. Discussion was also had with respect to the powers and responsibilities of the positions of Chairman and Clerk of the District. Upon conclusion of such discussion, the following roll call vote was taken during which the Trustees: Herbert L. Freeman, John R. Christiansen, and Craig A. Finnestad voting "Aye", with none voting "Nay", and Maurice Anderson and Marcy Knobbe abstaining, thereby adopting and approving the following resolution:

RESOLVED, that Maurice Anderson be hereby elected to serve in the capacity of Chairman for Sanitary and Improvement District No. 220 of Sarpy County, Nebraska, until the next regularly scheduled election of the Board of Trustees.

FURTHER RESOLVED, that Marcy Knobbe be hereby elected to serve in the capacity of Clerk for Sanitary and Improvement District No. 220 of

Sarpy County, Nebraska, until the next regularly scheduled election of the Board of Trustees.

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

There was next presented a statement from Great Western Bank for registrar and paying agent services in connection with the 2004 bond issue in the amount of Two Hundred Fifty and no/100 Dollars.

There was next presented correspondence from Thompson, Dreessen & Dorner, Inc., engineers for the District, presenting and recommending payment in favor of Nebraska's Best Lawn & Landscape, LLC in connection with park and public area maintenance within the District, Invoice No. 4925 in the amount of Four Thousand Four Hundred Twenty-Eight and no/100 Dollars (\$4,428.00).

There was next presented correspondence from Thompson, Dreessen & Dorner, Inc., engineers for the District, presenting and recommending payment in favor of Terry Hughes Tree Service for tree pruning, Invoice No. 247475 in the amount of Eight Hundred Forty and no/100 Dollars (\$840.00).

There was next presented a statement from CM's A Cut Above for mowing and trimming as follows: (i) Invoice No. 68436 in the amount of Three Thousand and no/100 Dollars (\$3,000.00); and (ii) Invoice No. 68482 in the amount of Four Hundred Fifty and no/100 Dollars (\$450.00); said statement being in the aggregate amount of Three Thousand Four Hundred Fifty and no/100 Dollars (\$3,450.00).

There was next presented a statement from Stanek Construction Company for stop sign installation at 168<sup>th</sup> and Audrey Street, Invoice No. 10-081 in the amount of One Hundred Eighty-Five and no/100 Dollars (\$185.00).

There was next presented correspondence from Thompson, Dreessen & Dorner, Inc., engineers for the District, presenting and recommending payment in favor of Great Plains One Call Services, Inc. for line locating services, Invoice No. 910SD220 in the amount of Seventeen and 60/100 Dollars (\$17.60).

There was next presented a statement from Riege's Records for bookkeeping services, Invoice No. 12678 in the amount of Two Hundred Thirty and no/100 Dollars (\$230.00).

There was next presented a statement from E & A Consulting Group, Inc., engineers for the commercial portion of the District for miscellaneous engineering services through October 10, 2010, Invoice No. 113108 in the amount of Eighty-Four and 89/100 Dollars (\$84.89).

There were next presented statements from Thompson, Dreessen & Dorner, Inc., engineers for the District for miscellaneous engineering services rendered as follows: (i) through September 5, 2010 (miscellaneous services), Invoice No. 89342 in the amount of Six Hundred Four and 06/100 Dollars (\$604.06); (ii) through September 5, 2010 (park and public area maintenance services), Invoice No. 89343 in the amount of Sixty-Five and 88/100 Dollars (\$65.88); (iii) through August 31, 2010 (One Call services); Invoice No. 89344 in the amount of Four Hundred Eight and no/100 Dollars (\$408.00); (iv) through October 24, 2010 (miscellaneous services), Invoice No. 89573 in the amount of Three Hundred Sixty and 88/100 Dollars (\$360.88); and (v) through October 26, 2010 (One Call services), Invoice No. 89574 in the amount of Five Hundred Ninety and no/100 Dollars (\$590.00); said statements being in the aggregate amount of Two Thousand Twenty-Eight and 82/100 Dollars (\$2,028.82). **The Board requested clarification with respect to the services listed on Invoice No. 89025.**

There were next presented statements from Metropolitan Utilities District for service at the 7006 S. 173<sup>rd</sup> Street location through October 5, 2010, in the amount of One Thousand Six Hundred Eighty-One and 13/100 Dollars (\$1,681.13). **The Board directed advance payment to be made in the amount of Two Thousand and no/100 Dollars (\$2,000.00).**

There were next presented statements from Metropolitan Utilities District for service at the 16802 Edna Street location through October 5, 2010, in the amount of Five Hundred Eighty-Nine and 3/100 Dollars (\$589.13). **The Board directed advance payment to be made in the amount of One Thousand and no/100 Dollars (\$1,000.00).**

There were next presented statements from Omaha Public Power District, for power service at the 17300 Emiline Street location through October 28, 2010 in the amount of Four Thousand Four Hundred Ninety-One and 66/100 Dollars (\$4,491.66).

There was next presented a statement from Omaha Public Power District for power service to the sprinkler system at the 16802 Edna Street location through October 27, 2010 in the amount of Thirty-Six and 68/100 Dollars (\$36.68).

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. 220 of Sarpy County, Nebraska, that the Chairman and Clerk be and they hereby authorized and directed to execute and deliver Warrant No. 1520 of the District, dated the date of this meeting, to the following payee and in the following amount, said Warrant 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 June 1 of each year) and to be redeemed no later than November 3, 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. 1520, for the amount of Two Hundred Fifty and no/100 Dollars (\$250.00), payable to Great Western Bank.

FURTHER RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 220 of Sarpy County, Nebraska, that the Chairman and Clerk be and they hereby authorized and directed to execute and deliver Warrant Nos. 1521 through 1532 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 September 15, 2013, 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. 1521, for the amount of Four Thousand Four Hundred Twenty-Eight and no/100 Dollars (\$4,428.00), payable to Nebraska's Best Lawn & Landscape, LLC.

Warrant No. 1522, for the amount of Eight Hundred Forty and no/100 Dollars (\$840.00), payable to Terry Hughes Tree Service.

Warrant No. 1523, for the amount of Three Thousand Four Hundred Fifty and no/100 Dollars (\$3,450.00), payable to CM's A Cut Above.

Warrant No. 1524, for the amount of One Hundred Eighty-Five and no/100 Dollars (\$185.00), payable to Stanek Construction Company.

Warrant No. 1525, for the amount of Seventeen and 60/100 Dollars (\$17.60), payable to Great Plains One Call Services, Inc.

Warrant No. 1526, for the amount of Two Hundred Thirty and no/100 Dollars (\$230.00), payable to Riege's Records.

Warrant No. 1527, for the amount of Eighty-Four and 89/100 Dollars (\$84.89), payable to E & A Consulting Group, Inc.

Warrant No. 1528, for the amount of Two Thousand Twenty-Eight and 82/100 Dollars (\$2,028.82), payable to Thompson, Dreessen & Dornier, Inc.

Warrant No. 1529, for the amount of Two Thousand and no/100 Dollars (\$2,000.00), payable to Metropolitan Utilities District, Acct. No. 173240-1350509.

Warrant No. 1530, for the amount of One Thousand and no/100 Dollars (\$1,000.00), payable to Metropolitan Utilities District, Acct. No. 310499-1358105.

Warrant No. 1531, for the amount of Four Thousand Four Hundred Ninety-One and 66/100 Dollars (\$4,491.66), payable to Omaha Public Power District, Acct. No. 4031256681.

Warrant No. 1532, for the amount of Thirty-Six and 68/100 Dollars (\$36.68), payable to Omaha Public Power District, Acct. No. 1066000010.

FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 220 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. 220 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. 220 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 a detailed discussion regarding the current maintenance contractor, Nebraska's Best Lawn & Landscape, LLC. The trustees noted that there were still deficiencies with respect to the work of this contractor as reported by the District engineers. Three notices of incomplete work had been provided to the contractor, copies of which are attached to the minutes. After further discussion, upon motion made by Craig Finnestad and seconded by John R. Christiansen, the following resolution was unanimously approved:

RESOLVED, that Nebraska's Best Lawn & Landscape, LLC is hereby terminated by the District and the District's attorneys are directed to provide said contractor a notice of the termination.

There next was a discussion on the procedures to retain a new contractor. The attorney discussed the legal requirements in obtaining formal and informal bids with respect to a new contract. After considerable discussion, the trustees directed the engineers for the District to initiate informal contacts and bids from interested contractors for the 2011 maintenance season and the 2010 - 2011 snow season. The engineers were directed to provide the informal bids to the trustees upon receipt.

The trustees next discussed the replacement of certain trees within the District. The engineers presented the bid of Yano's Nursery, Inc. and Annie's Nursery Co. The low bid was Yano's Nursery, Inc. and this bid was accepted. A copy of Yano's Nursery, Inc.'s bid is attached to these minutes.

The engineers next presented proposed locations for no parking signs along Emiline Street and certain areas where three or four-way stop signs may be appropriate. There was considerable discussion by the trustees on the pros and cons of each. It was suggested that if residents really desire no parking signs within certain areas of the District, that a petition be circulated by the interested resident and submitted to the affected residents. The resident would then present the signed petition to the trustees for further consideration. The engineers were directed to make recommendations with respect to three-way and four-way stop signs within certain areas of the District.

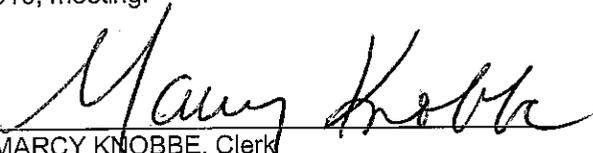
The engineers reported that crack sealing would occur within the District commencing next week.

The final item discussed was the Outlot D drainage. The engineers had done preliminary investigation with respect to the drainage problems in Outlot D and their initial conclusion was that there were many possible reasons for the drainage issues and a number of possible solutions, some of which could be very expensive. The trustees directed the engineers to continue to investigate and explore various options in an attempt to remedy the drainage issues within Outlot D.

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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.

Marcy Knobbe, as Clerk for Sanitary and Improvement District No. 220 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 November 3, 2010, meeting.

  
MARCY KNOBBE, Clerk