

MINUTES OF MEETING

OF

SANITARY AND IMPROVEMENT DISTRICT NO. 255
OF SARPY COUNTY, NEBRASKA

A meeting of the Board of Trustees of Sanitary and Improvement District No. 255 of Sarpy County, Nebraska, was convened in open and public session at 3:00 p.m. on the 5th day of September, 2012, at 17809 Pacific Street, Omaha, Nebraska.

Present were: Herbert L. Freeman, Marcy Knobbe, Michael L. Riedmann and Mordaunt Brabner. Also present was John Q. Bachman, attorney for the District.

Absent: None.

Notice of the meeting was given in advance thereof by publication in the Bellevue Leader on August 29, 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.

The Clerk next presented in accordance with the provisions of Neb. R.R.S. Section 77-1601.02, the publication concerning the Board of Trustees recommendation that the property tax request for tax year 2012-2013 be set at a different amount than the 2011-2012 tax request. The Clerk further reported that no person had appeared at the meeting in response to such hearing notice. The Clerk was directed to attach a copy of such notice to the minutes of these proceedings.

After discussion and upon a motion duly made and seconded, and upon a roll call vote, the Trustees, Herbert L. Freeman, Marcy Knobbe, Michael L. Riedmann and Mordaunt Brabner voted "Aye" with none voting "Nay" with the following resolution being thereby adopted and approved:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 255 of Sarpy County, Nebraska, that it is advisable that the property tax request for tax year 2012-2013 be set at a different amount than the 2011-2012 tax request as set out in the proof of publication attached hereto and incorporated herein by this reference, as follows:

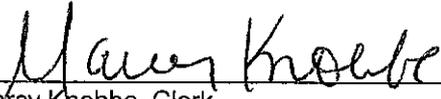
2011-2012 Property Tax Request	\$193,428.14
2011 Tax Rate	0.900000
Property Tax Rate (2011-2012 Request/2012 Valuation)	0.882680

2012-2013 Proposed Property Tax Request		\$197,223.53
General Fund	\$ 87,654.90	
Bond Fund	\$109,568.63	
Proposed 2012 Tax Rate		0.900000
General Fund	0.400000	
Bond Fund	0.500000	

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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. 255 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 September 5, 2012, meeting.



Marcy Knobbe, Clerk

MINUTES OF MEETING
OF
SANITARY AND IMPROVEMENT DISTRICT NO. 255
OF SARPY COUNTY, NEBRASKA

A meeting of the Board of Trustees of Sanitary and Improvement District No. 255 of Sarpy County, Nebraska, was convened in open and public session at 3:05 p.m. on the 5th day of September, 2012, at 17809 Pacific Street, Omaha, Nebraska.

Present were: Herbert L. Freeman, Marcy Knobbe, Michael L. Riedmann and Mordaunt Brabner. Also present was John Q. Bachman, attorney for the District.

Absent: None.

Notice of the meeting was given in advance thereof by publication in the Bellevue Leader on August 29, 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.

The Clerk first reported in accordance with the provisions of Neb. R.R.S. Section 13-501 through 13-513, the District's certified public accountants were directed to prepare a proposed budget and further that the Clerk attended to the required publication of notice with regard to the budgetary hearing to be held by the Board of Trustees. The Clerk had been directed to give the appropriate notices in accordance with the Nebraska Budget Act and that a budgetary hearing for the District be held on the 5th day of September, 2012, at 17809 Pacific Street, Omaha, Nebraska.

The Clerk next presented the publication of this budgetary hearing as presented in the Bellevue Leader. The Clerk next reported that such notice of the budgetary hearing along with a budget summary had been published in accordance with law. The Clerk further reported that it appeared that no person had appeared at the meeting in response to such notice of the budgetary hearing and the Clerk was directed to attach a copy of such notice to the minutes of these proceedings.

After a lengthy discussion and upon a motion duly made and seconded, and upon a roll call vote, the Trustees, Herbert L. Freeman, Marcy Knobbe, Michael L. Riedmann and Mordaunt Brabner, voted "Aye" with none voting "Nay" with the following resolution being thereby adopted and approved:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 255 of Sarpy County, Nebraska, that the budget and tax levy as tentatively set forth be adopted as the final budget and levy in accordance with Exhibit "A" attached hereto and by this reference made a part hereof.

Further that the Clerk of the District be directed to file a copy of the adopted budget with the levying board of the State Auditor's office as well as certifying the levy to the Sarpy County officials as well as attaching a proof of publication to such adopted budget.

With the budget for the District having been adopted, the Chairman then stated that it would be appropriate at this time to levy the tax in accordance with the budget statement. After a full and complete discussion and upon a motion duly made and seconded, and upon the following roll call vote, the Trustees, Herbert L. Freeman, Marcy Knobbe, Michael L. Riedmann and Mordaunt Brabner voted "Aye" with none voting "Nay" thereby passing and adopting the following resolution:

RESOLVED, that Sanitary and Improvement District No. 255 of Sarpy County, Nebraska, levy and collect for the year 2012-2013 a tax of \$0.900000 per One Hundred and no/100 Dollars (\$100.00) actual valuation of taxable property in the District, except intangible property, said tax to be credited to the appropriate fund as indicated below:

\$0.400000 on each One Hundred and no/100 Dollars (\$100.00) actual valuation to be credited to the General Fund of the District and thereby collect \$87,654.90 in taxes to be credited to this fund; and

\$0.500000 on each One Hundred and no/100 Dollars (\$100.00) actual valuation to be credited to the Construction (Bond) Fund of the District and thereby collect \$109,568.63 in taxes to be credited to this fund.

FURTHER RESOLVED, that the Clerk of this District be and hereby is directed to deliver and file with the County Clerk of Sarpy County, Nebraska and the Auditor of Public Accounts, a copy of this resolution.

The Chairman stated that Warrant Nos. 1857 through 1867 had been issued since the date of the last meeting of the Board of Trustees to pay various expenses of the District. It was now necessary to ratify the Warrants. After further discussion by the Trustees, and upon a motion duly made and seconded, and upon the following roll call vote, the Trustees, Herbert L. Freeman, Marcy Knobbe, Michael L. Riedmann and Mordaunt Brabner, 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. 255 of Sarpy County, Nebraska, that Warrant Nos. 1857 through 1867 issued since the date of the last meeting of the Board of Trustees are hereby ratified.

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

There was next presented correspondence from Lamp, Ryneerson & Associates, Inc., engineers for the District, presenting and recommending payment in favor of Royal Lawns, Inc. for green area maintenance 2012 as follows: (i) Invoice No. 944 in the amount of Two Thousand Three Hundred Seven and 50/100 Dollars (\$2,307.50); and (ii) Invoice No. 969 in the amount of One Thousand One Hundred Fifty and no/100 Dollars (\$1,150.00); said invoices being in the aggregate amount of Three Thousand Four Hundred Fifty-Seven and 50/100 Dollars (\$3,457.50).

There was next presented correspondence from Lamp, Rynearson & Associates, Inc., engineers for the District, presenting and recommending payment in favor of Elden Hobza for sanitary sewer lift station maintenance, Invoice No. 121192 in the amount of Six Hundred and no/100 Dollars (\$600.00).

There was next presented correspondence from Lamp, Rynearson & Associates, Inc., engineers for the District, presenting and recommending payment in favor of Clean Sweep Commercial, Inc. for street sweeping throughout the District, Invoice No. 1916 in the amount of Four Hundred and no/100 Dollars (\$400.00).

There were next presented statements from Great Plains One Call Services Inc. for line locating services as follows: (i) Invoice No. 312SD255 in the amount of Eight and 80/100 Dollars (\$8.80); and (ii) Invoice No. 412SD255 in the amount of Eight and 80/100 Dollars (\$8.80); said invoices being in the aggregate amount of Seventeen and 60/100 Dollars (\$17.60).

There were next presented statements from Lamp, Rynearson & Associates, Inc., engineers for the District for miscellaneous engineering services rendered as follows: (i) through March 17, 2012, Invoice No. 0103071.90-0000050 in the amount of One Thousand Thirteen and 19/100 Dollars (\$1,013.19); and (ii) through April 21, 2012, Invoice No. 0103071.90-0000051 in the amount of Four Hundred Ninety-Six and 32/100 Dollars (\$496.32); said statements being in the aggregate amount of One Thousand Five Hundred Nine and 51/100 Dollars (\$1,509.51).

There were next presented statements from Black Hills Energy for gas service at the 10105 South 163rd Street location through May 25, 2012, Account No. 4564641257 in the aggregate amount of One Hundred and 90/100 Dollars (\$100.90). ***The Board directed advance payment to be made in the amount of Two Hundred and no/100 Dollars (\$200.00).***

There were next presented statements from Metropolitan Utilities District for service at the 16749 Canyon Trail location through June 1, 2012, in the amount of One Hundred Ten and 20/100 Dollars (\$110.20). ***The Board directed advance payment to be made in the amount of One Thousand and no/100 Dollars (\$1,000.00).***

There were presented statements from Metropolitan Utilities District for service at the 16503 Cornhusker Road location through June 1, 2012, indicating a ***credit balance*** in the amount of Two Hundred Twenty-Six and 51/100 Dollars (\$226.51). ***The Board directed advance payment to be made in the amount of Eight Hundred and no/100 Dollars (\$800.00).***

There were next presented statements from Omaha Public Power District for general service with respect to Account No. 0844508449 through May 25, 2012, in the aggregate amount of Six Thousand One Hundred Thirty and no/100 Dollars (\$6,130.00).

The Clerk next directed the attention of the Board of Trustees to the fact that D.A. Davidson & Co. will purchase Seven Thousand Nine Hundred Eighty-Four and 61/100 Dollars (\$7,984.61) in warrants at this time and that the contracted charge for such purchase of warrants is five percent (5%) or Seven Hundred Five and 73/100 Dollars (\$705.73) in accordance with the financing agreement previously adopted by the Board. The Chairman recommended the issuance of a warrant for such amount to D.A. Davidson & Co.

There was next presented a statement from First National Bank of Omaha for annual paying agent fees through June 30, 2012 with respect to the 2007 bond issue in the amount of Seven Hundred and no/100 Dollars (\$700.00).

The Clerk next directed the attention of the Board of Trustees to the fact that D.A. Davidson & Co., will purchase Seven Hundred and no/100 Dollars (\$700.00) in warrants at this time and that the contracted

charge for such purchase of warrants is five percent (5%) or Thirty-Five and no/100 Dollars (\$35.00) in accordance with the financing agreement previously adopted by the Board. The Chairman recommended the issuance of a warrant for such amount to D.A. Davidson & Co.

There was next presented correspondence from Lamp, Ryneerson & Associates, Inc., engineers for the District, presenting and recommending payment in favor of Royal Lawns, Inc. for green area maintenance as follows: (i) Invoice No. 1000 in the amount of One Thousand One Hundred Fifty and no/100 Dollars (\$1,150.00); and (ii) Invoice No. 1027 in the amount of Six Hundred Ninety and no/100 Dollars (\$690.00); said statements being in the aggregate amount of One Thousand Eight Hundred Forty and no/100 Dollars (\$1,840.00).

There was next presented correspondence from Lamp, Ryneerson & Associates, Inc., engineers for the District, presenting and recommending payment in favor of Elden Hobza for sanitary sewer lift station maintenance, Invoice No. 121205 in the amount of Six Hundred and no/100 Dollars (\$600.00).

There were next presented statements from Great Plains One-Call Services, Inc., for line locating services as follows: (i) Invoice No. 512SD255 in the amount of Eight and 80/100 Dollars (\$8.80); (ii) Invoice No. 612SD255 in the amount of Ten and 56/100 Dollars (\$10.56); and (iii) Invoice No. 712SD255 in the amount of Seven and 04/100 Dollars (\$7.04); said statements being in the aggregate amount of Twenty-Six and 40/100 Dollars (\$26.40).

Counsel for the District next informed the Board that the Clerk was entitled to \$100.00 per month. Payment was authorized for twelve (12) months, from September 1, 2011 through August 31, 2012, the Clerk to receive the amount of One Thousand Two Hundred and no/100 Dollars (\$1,200.00) less Sixty-Seven and 80/100 Dollars (\$67.80) to be withheld for income tax purposes; therefore payment to be made to the Clerk in the amount of One Thousand One Hundred Thirty-Two and 20/100 Dollars (\$1,132.20).

Counsel for the District next informed the Board that sums were to be placed in the Pansing Hogan Ernst & Bachman LLP Trust Account for purposes of payment of tax on income received by the Clerk of the District, said tax to be in the amount of Sixty-Seven and 80/100 Dollars (\$67.80).

There were next presented statements from UNICO Group, Inc. as follows: (i) general liability insurance renewal premium, Invoice No. 531224 in the amount of Seven Hundred Nineteen and no/100 Dollars (\$719.00); (ii) chairman surety bond renewal, Invoice No. 542128 in the amount of One Hundred Seventy and no/100 Dollars (\$170.00); and (iii) clerk surety bond renewal, Invoice No. 542129 in the amount of One Hundred Seventy and no/100 Dollars (\$170.00); said statements being in the aggregate amount of One Thousand Fifty-Nine and no/100 Dollars (\$1,059.00).

There were next presented statements from Lamp, Ryneerson & Associates, Inc., engineers for the District for miscellaneous engineering services rendered as follows: (i) through May 19, 2012, Invoice No. 0103071.90-0000052 in the amount of Four Hundred Sixty and 12/100 Dollars (\$460.12); and (ii) through June 16, 2012, Invoice No. 0103071.90-0000053 in the amount of Two Hundred Fifty-Two and 24/100 Dollars (\$252.24); said statements being in the aggregate amount of Seven Hundred Twelve and 36/100 Dollars (\$712.36).

There was next presented a statement from Pansing Hogan Ernst & Bachman LLP, attorneys for the District, for legal services rendered from September 1, 2011 through August 31, 2012, in the amount of Ten Thousand Eight Hundred Sixty-Nine and 50/100 Dollars (\$10,869.50); and costs advanced in the amount of One Thousand Three Hundred Eighteen and 88/100 Dollars (\$1,318.88); said statement being in the aggregate amount of Twelve Thousand One Hundred Eighty-Eight and 38/100 Dollars (\$12,188.38).

There were next presented statements from Black Hills Energy for gas service at the 10105 South 163rd Street location through August 24, 2012, Account No. 4564641257 indicating a **credit balance** in

the amount of Thirty-Nine and 23/100 Dollars (\$39.23). ***The Board directed advance payment to be made in the amount of One Hundred and no/100 Dollars (\$100.00).***

There were next presented statements from Metropolitan Utilities District for service at the 16749 Canyon Trail location through August 2, 2012, indicating a ***credit balance*** in the amount of Two Hundred Seventy-Five and 43/100 Dollars (\$275.43). ***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 Metropolitan Utilities District for service at the 16503 Cornhusker Road location through August 2, 2012, in the amount of Three Hundred Thirty-Two and 39/100 Dollars (\$332.39). ***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 Omaha Public Power District for general service with respect to Account No. 0844508449 through August 27, 2012, in the aggregate amount of Six Thousand Thirty-Six and 77/100 Dollars (\$6,036.77).

The Clerk next directed the attention of the Board of Trustees to the fact that D.A. Davidson & Co. will purchase Twenty-Six Thousand Seven Hundred Sixty-Two and 91/100 Dollars (\$26,762.91) in warrants at this time and that the contracted charge for such purchase of warrants is five percent (5%) or One Thousand Three Hundred Thirty-Eight and 15/100 Dollars (\$1,338.15) in accordance with the financing agreement previously adopted by the Board. The Chairman recommended the issuance of a warrant for such amount to D.A. Davidson & Co.

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. 255 of Sarpy County, Nebraska, that the Chairman and Clerk be and they hereby authorized and directed to execute and deliver Warrant Nos. 1857 through 1867 of the District, dated June 11, 2012, 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 June 11, 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. 1857, for the amount of Three Thousand Four Hundred Fifty-Seven and 50/100 Dollars (\$3,457.50), payable to Royal Lawns, Inc.

Warrant No. 1858, for the amount of Six Hundred and no/100 Dollars (\$600.00), payable to Elden Hobza.

Warrant No. 1859, for the amount of Four Hundred and no/100 Dollars (\$400.00), payable to Clean Sweep Commercial, Inc.

Warrant No. 1860, for the amount of Seventeen and 60/100 Dollars (\$17.60), payable to Great Plains One Call Services, Inc.

Warrant No. 1861, for the amount of One Thousand Five Hundred Nine and 51/100 Dollars (\$1,509.51), payable to Lamp, Ryneerson & Associates, Inc.

Warrant No. 1862, for the amount of Two Hundred and no/100 Dollars (\$200.00), payable to Black Hills Energy, Acct. No. 4564 6412 57.

Warrant No. 1863, for the amount of One Thousand and no/100 Dollars (\$1,000.00), payable to Metropolitan Utilities District, Acct. No. 336996-1356956.

Warrant No. 1864, for the amount of Eight Hundred and no/100 Dollars (\$800.00), payable to Metropolitan Utilities District, Acct. No. 336996-1358049.

Warrant No. 1865, for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 1866, for the amount of One Thousand One Hundred Thirty and no/100 Dollars (\$1,130.00), payable to Omaha Public Power District, Acct. No. 0844508449.

Warrant No. 1867, for the amount of Seven Hundred Five and 73/100 Dollars (\$705.73), payable to D.A. Davidson & Co.

FURTHER RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 255 of Sarpy County, Nebraska, that the Chairman and Clerk be and they hereby authorized and directed to execute and deliver Warrant Nos. 1868 and 1869 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 Construction Fund of the District and to draw interest at the rate of seven percent (7%) per annum (interest to be payable on February 10 of each year) and to be redeemed no later than September 5, 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 No. 1868, for the amount of Seven Hundred and no/100 Dollars (\$700.00), payable to First National Bank of Omaha.

Warrant No. 1869, for the amount of Thirty-Five and no/100 Dollars (\$35.00), payable to D.A. Davidson & Co.

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 255 of Sarpy County, Nebraska, that the Chairman and Clerk be and they hereby authorized and directed to execute and deliver Warrant Nos. 1870 through 1885 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 September 5, 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. 1870, for the amount of One Thousand Eight Hundred Forty and no/100 Dollars (\$1,840.00), payable to Royal Lawns, Inc.

Warrant No. 1871, for the amount of Six Hundred and no/100 Dollars (\$600.00), payable to Elden Hobza.

Warrant No. 1872, for the amount of Twenty-Six and 40/100 Dollars (\$26.40), payable to Great Plains One-Call Services Inc.

Warrant No. 1873, for the amount of One Thousand One Hundred Thirty-Two and 20/100 Dollars (\$1,132.20), payable to Marcy Knobbe.

Warrant No. 1874, for the amount of Sixty-Seven and 80/100 Dollars (\$67.80), payable to the Pansing Hogan Ernst & Bachman LLP Trust Account.

Warrant No. 1875, for the amount of One Thousand Fifty-Nine and no/100 Dollars (\$1,059.00), payable to UNICO Group, Inc.

Warrant No. 1876, for the amount of Seven Hundred Twelve and 36/100 Dollars (\$712.36), payable to Lamp, Rynearson & Associates, Inc.

Warrant Nos. 1877 and 1878, each for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 1879, for the amount of Two Thousand One Hundred Eighty-Eight and 38/100 Dollars (\$2,188.38), payable to Pansing Hogan Ernst & Bachman LLP.

Warrant No. 1880, for the amount of One Hundred and no/100 Dollars (\$100.00), payable to Black Hills Energy.

Warrant No. 1881, for the amount of One Thousand and no/100 Dollars (\$1,000.00), payable to Metropolitan Utilities District, Acct. No. 336996-1356956.

Warrant No. 1882, for the amount of Two Thousand and no/100 Dollars (\$2,000.00), payable to Metropolitan Utilities District, Acct. No. 336996-1358049.

Warrant No. 1883, for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 1884, for the amount of One Thousand Thirty-Six and 77/100 Dollars (\$1,036.77), payable to Omaha Public Power District, Acct. No. 0844508449.

Warrant No. 1885, for the amount of One Thousand Three Hundred Thirty-Eight and 15/100 Dollars (\$1,338.15), payable to D.A. Davidson & Co.

FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 255 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. 255 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. 255 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., the District's fiscal agent, indicating that Black Hills Energy, had lost, misplaced or mishandled General Fund Warrant No. 1854. Also presented was the Indemnity Agreement of such warrant holder as an inducement to reissue such warrant(s) as an "A" warrant. Upon discussion of this matter, the following resolution was duly made and seconded, whereupon a roll call vote was taken during which the Trustees, Herbert L. Freeman, Marcy Knobbe, Michael L. Riedmann and Mordaunt Brabner voted "Aye," with none voting "Nay," thereby approving the following resolution:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 255 of Sarpy County, Nebraska, that General Fund Warrant No. 1854 assigned to Black Hills Energy, be hereby canceled.

FURTHER RESOLVED, that the Clerk of the District be and hereby is authorized to notify the Sarpy County Treasurer of such cancellation so that such warrant may be reflected on his records as well as noting such cancellation on the records of the District.

FURTHER RESOLVED, General Fund Warrant No. 1854"R", be hereby issued to Black Hills Energy, in the amount of Forty and 24/100 Dollars (\$40.24).

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, Herbert L. Freeman, Marcy Knobbe, Michael L. Riedmann and Mordaunt Brabner 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. 255 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.

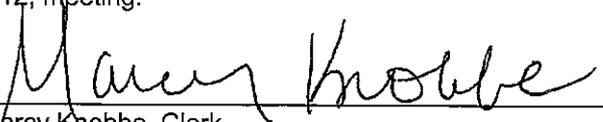
Section 2. Now therefore be it resolved that the policy and procedures attached hereto as Exhibit "A" are hereby adopted by the Board of Trustees of the District in all respects.

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

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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. 255 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 September 5, 2012, meeting.



Marcy Knobbe, Clerk