

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 18th day of July, 2013, at 17809 Pacific Street, Omaha, Nebraska.

Present were: Herbert L. Freeman, Marcy Knobbe and William Kaplan, Jr. Also present was John Q. Bachman, attorney for the District.

Absent: Michael L. Riedmann and Mordaunt Brabner.

Notice of the meeting was given in advance thereof by publication in the Bellevue Leader on July 10, 2013, 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 a statement from First National Bank of Omaha for annual paying agent fees through June 30, 2013 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, 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. 2559 in the amount of Four Hundred and no/100 Dollars (\$400.00).

There was next presented correspondence from Lamp, Rynearson & Associates, Inc., engineers for the District, presenting and recommending payment in favor of PeopleService, Inc. for sanitary sewer lift station maintenance as follows: (i) Invoice No. 0020354 in the amount of Nine Hundred and no/100 Dollars

(\$900.00); (ii) Invoice No. 20762 in the amount of Nine Hundred and no/100 Dollars (\$900.00); and (iii) Invoice No. 0020914 in the amount of One Hundred Seventy-Two and 50/100 Dollars (\$172.50); said invoices being in the aggregate amount of One Thousand Nine Hundred Seventy-Two and 50/100 Dollars (\$1,972.50).

There was next presented correspondence from Lamp, Ryneerson & Associates, Inc., engineers for the District, presenting and recommending payment in favor of Executive Lawn & Landscaping, LLC as follows: (i) Invoice No. 10959 in the amount of One Hundred Sixty-Five and no/100 Dollars (\$165.00); and (ii) Invoice No. 11041 in the amount of Six Hundred Sixty and no/100 Dollars (\$660.00); said invoices being in the aggregate amount of Eight Hundred Twenty-Five and no/100 Dollars (\$825.00).

There were next presented statements from One Call Concepts, Inc. for line locating services as follows: (i) for the month of March, 2013, Invoice No. 3030644 in the amount of Eight and 15/100 Dollars (\$8.15); (ii) for the month of April, 2013, Invoice No. 3040604 in the amount of Six and 30/100 Dollars (\$6.30); (iii) for the month of May, 2013, Invoice No. 3050602 in the amount of Eight and 20/100 Dollars (\$8.20); and (iv) for the month of June, 2013, Invoice No. 3060582 in the amount of Thirteen and 40/100 Dollars (\$13.40); said statements being in the aggregate amount of Thirty-Six and 05/100 Dollars (\$36.05).

There was next presented a statement from Cornerstone Insurance Group for general liability insurance premium, Invoice No. 4257 in the amount of Seven Hundred Ninety-Eight and no/100 Dollars (\$798.00).

There were next presented statements from Lamp, Ryneerson & Associates, Inc., engineers for the District for miscellaneous engineering services rendered as follows: (i) through March 16, 2013, Invoice No. 0103071.90-0000061 in the amount of Seven Hundred Thirty-Six and 84/100 Dollars (\$736.84); (ii) through April 20, 2013, Invoice No. 0103071.90-0000062 in the amount of One Thousand Four Hundred Seventy and 66/100 Dollars (\$1,470.66); (iii) through May 18, 2013, Invoice No. 0103071.90-0000063 in the amount of Six Hundred Forty-Four and 86/100 Dollars (\$644.86); and (iv) through June 15, 2013, Invoice No. 0103071.90-0000064 in the amount of Eight Hundred Sixty and 73/100 Dollars (\$860.73); said invoices being in the aggregate amount of Three Thousand Seven Hundred Thirteen and 09/100 Dollars (\$3,713.09).

There were next presented statements from Black Hills Energy for gas service at the 10105 South 163rd Street location through June 26, 2013, Account No. 4564641257 indicating a **credit balance** in the amount of Thirty-Two and 99/100 Dollars (\$32.99). **The Board directed advance payment to be made in the amount of Seventy-Five and no/100 Dollars (\$75.00).**

There were next presented statements from Omaha Public Power District for general service with respect to Account No. 0844508449 through June 26, 2013, in the aggregate amount of Six Thousand Seventy and 63/100 Dollars (\$6,070.63).

The Clerk next directed the attention of the Board of Trustees to the fact that D.A. Davidson & Co. will purchase Thirteen Thousand Eight Hundred Ninety and 27/100 Dollars (\$13,890.27) in warrants at this time and that the contracted charge for such purchase of warrants is five percent (5%) or Six Hundred Ninety-Four and 52/100 Dollars (\$694.52) 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. 1901 and 1902 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 July 18, 2018, 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. 1901, for the amount of Seven Hundred and no/100 Dollars (\$700.00), payable to First National Bank of Omaha.

Warrant No. 1902, for the amount of Thirty-Five and no/100 Dollars (\$35.00), 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. 1903 through 1912 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 July 18, 2016, 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. 1903, for the amount of Four Hundred and no/100 Dollars (\$400.00), payable to Clean Sweep Commercial, Inc.

Warrant No. 1904, for the amount of One Thousand Nine Hundred Seventy-Two and 50/100 Dollars (\$1,972.50), payable to PeopleService, Inc.

Warrant No. 1905, for the amount of Eight Hundred Twenty-Five and no/100 Dollars (\$825.00), payable to Executive Lawn & Landscaping, LLC.

Warrant No. 1906, for the amount of Thirty-Six and 05/100 Dollars (\$36.05), payable to One Call Concepts, Inc.

Warrant No. 1907, for the amount of Seven Hundred Ninety-Eight and no/100 Dollars (\$798.00), payable to Cornerstone Insurance Group.

Warrant No. 1908, for the amount of Three Thousand Seven Hundred Thirteen and 09/100 Dollars (\$3,713.09), payable to Lamp, Rynearson & Associates, Inc.

Warrant No. 1909, for the amount of Seventy-Five and no/100 Dollars (\$75.00), payable to Black Hills Energy, Acct. No. 4564 6412 57.

Warrant No. 1910, for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 1911, for the amount of One Thousand Seventy and 63/100 Dollars (\$1,070.63), payable to Omaha Public Power District, Acct. No. 0844508449.

Warrant No. 1912, for the amount of Six Hundred Ninety-Four and 52/100 Dollars (\$694.52), 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.

The Clerk then presented for the consideration of the Trustees the Second Amendment to Interlocal Cooperation Agreement between the District, SID #240 of Sarpy County, Nebraska, SID #260 of Sarpy County, Nebraska, and SID #278 to allow SID #278 to connect an outfall sewer to SID #240's existing sewer system which will flow through the outfall sewer and force main constructed by SID #240, SID #255 and SID #260. SID #278 will pay a total of Twenty-One Thousand Seven Hundred Eighty-Five and 20/100 Dollars (\$21,785.20) to SIDs #240, #255 and #260 to allow the connection. In the event such connection still exists seven (7) years from the date of initial connection, SID #278 agrees to pay an additional Ten Thousand Eight Hundred Ninety-Two and 60/100 Dollars (\$10,892.60) to SIDs #240, #255 and #260. The Clerk was directed to attach a copy of the Amendment to the minutes of these proceedings. After discussion, the resolution attached hereto and by this reference made apart thereof was duly introduced and upon a motion properly made and seconded, a roll call vote was had upon such motion during which the Trustees, Herbert L. Freeman, Marcy Knobbe and William Kaplan, Jr. voted "Aye" with none voting "Nay" thereby adopting the following resolution:

RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 255 of Sarpy County, Nebraska, that a hearing be had on the proposed Resolution of Advisability and Necessity for the Second Amendment to Interlocal Cooperation Agreement between the District, SID #240 of Sarpy County, Nebraska, SID #260 of Sarpy County, Nebraska, and SID #278 to allow SID #278 to connect an outfall sewer to SID #240's existing sewer system, at 17809 Pacific Street, Omaha, Nebraska, at 3:00 p.m., on September 11, 2013, at which time owners of the property within the District who might become subject to assessment for the improvement contemplated by the proposed Resolution of Advisability and Necessity may appear and make objections to the proposed improvement, and if a petition opposing the proposed resolution is signed by property owners

representing the majority of the front footage which may be subject to assessment for the costs of improvements set out in the resolution is filed with the Clerk of the District within three days before the date set for hearing on such resolution, such resolution shall and will not be passed.

FURTHER RESOLVED, that notice of such hearing be given by publication in the Bellevue Leader, of Bellevue, Sarpy County, Nebraska for two (2) consecutive weeks beginning on August 28, 2013, and ending on September 4, 2013, which publication shall contain the entire wording of the proposed Resolution of Advisability and Necessity, and that notice shall be posted in three (3) conspicuous places within the District as required by Section 31-745, Reissue Rev. Stat. of Neb. 1943.

The Trustees next discussed the proposals for Tree Planting 2013. A copy of the correspondence from Lamp, Rynearson & Associates, Inc., engineers for the District setting forth the three options was presented. After discussion, and upon a motion properly made and seconded, a roll call vote was had upon such motion during which the Trustees, Herbert L. Freeman, Marcy Knobbe and William Kaplan, Jr. voted "Aye" with none voting "Nay" thereby adopting the following resolution:

RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 255 of Sarpy County, Nebraska, that Option No. 2 proposed by Executive Lawn & Landscaping, LLC in the amount of \$4,320.00 be accepted.

The Trustees next discussed a possible paving maintenance project. The attorneys will contact D.A. Davidson & Co., fiscal agent for the District to determine if the District can afford the expenditure.

Discussion was next had concerning the recommendation of the District's fiscal agent, D.A. Davidson & Co. to extend the maturity date of some of the District's warrants. A full and complete discussion was had of the advantages of the warrant extension. A copy of the warrant calculation as of July 23, 2013 is attached to these minutes. 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 and William Kaplan, Jr., voted "Aye" with none voting "Nay" with the following resolution being thereby adopted and approved:

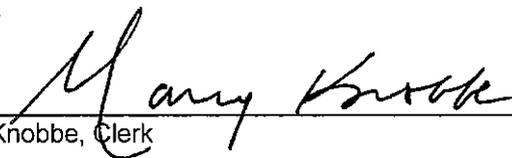
RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 255 of Sarpy County, Nebraska, that the District extend the maturity date of some of the District's warrants.

FURTHER RESOLVED, that counsel for the District is directed to take appropriate steps as are necessary to apply to the District Court of Sarpy County, Nebraska for the extension of the maturity date of such warrants.

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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 July 18, 2013, meeting.



Marcy Knobbe, Clerk