

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 February, 2015, at 10250 Regency Circle, Suite 300, Omaha, Nebraska.

Present were: Herbert L. Freeman, Marcy Knobbe, Michael L. Riedmann, Weysan Dun and Tom Jerabek. Also present were John Q. Bachman, attorney for the District and John E. Kuehl of D.A. Davidson & Co., underwriter for the District.

Absent: None.

Notice of the meeting was given in advance thereof by publication in the Bellevue Leader on January 28, 2015, 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 Baird Holm LLP, for examination of transcript and final opinion with respect to the Series 2014 refunding bonds, invoice dated September 2, 2014 in the amount of Twelve Thousand One Hundred Ninety-Seven and no/100 Dollars (\$12,197.00).

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 Sixty Thousand Fifty-Seven and 11/100 Dollars (\$60,057.11). After a full and complete 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, Weysan Dun and Tom Jerabek 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. 255 of Sarpy County, Nebraska, find and determine that on February 10, 2015, there will be due and payable interest on the construction fund warrants for the District in the amount of Sixty Thousand Fifty-Seven and 11/100 Dollars (\$60,057.11) 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 February 10 of each year and such warrants shall be due and payable on February 5, 2020 (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>
2164	\$5,000.00
2165	5,000.00
2166	5,000.00
2167	5,000.00
2168	5,000.00
2169	5,000.00
2170	5,000.00
2171	5,000.00
2172	5,000.00
2173	5,000.00
2174	5,000.00
2175	5,000.00
2176	57.11

FURTHER RESOLVED, that the County Treasurer of Sarpy County, Nebraska, the ex officio Treasurer of the District is hereby directed and authorized on February 10, 2015, 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.

The Clerk next directed the attention of the Board of Trustees to the fact that D.A. Davidson & Co. will purchase Seventy-Two Thousand Two Hundred Fifty-Four and 11/100 Dollars (\$72,254.11) in warrants at this time and that the contracted charge for such purchase of warrants is five percent (5%) or Three Thousand Six Hundred Twelve and 71/100 Dollars (\$3,612.71) 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 HTM Sales, Inc. for sanitary sewer lift station maintenance, Invoice No. 14-30426-6 in the amount of One Thousand Fifty and no/100 Dollars (\$1,050.00).

There were next presented statements from One Call Concepts, Inc. for line locating services, as follows: (i) for the month of November, 2014, Invoice No. 4110583 in the amount of Ten and 05/100 Dollars

(\$10.05); and (ii) for the month of December, 2014, Invoice No. 4120583 in the amount of One and 85/100 Dollars (\$1.85); said statements being in the aggregate amount of Eleven and 90/100 Dollars (\$11.90).

There was next presented a statement from Michael Obbink for bookkeeping services for the year ended June 30, 2014, Invoice No. 218 in the amount of Two Hundred Ten and no/100 Dollars (\$210.00).

There was next presented a statement from Lutz & Company, PC, accountants for the District for final billing related to the completion of the audited financial statement for the year ended June 30, 2014, Invoice No. 170778 in the amount of Three Thousand One Hundred Fifty and no/100 Dollars (\$3,150.00).

There was next presented a statement from Lamp, Rynearson & Associates, Inc., engineers for the District, for miscellaneous engineering services rendered through November 15, 2014, Invoice No. 0103071.90-0000081, in the amount of One Thousand One Hundred Seventeen and 89/100 Dollars (\$1,117.89).

There were next presented statements from Metropolitan Utilities District for service at the 16749 Canyon Trail location through January 9, 2015, indicating a **credit balance** in the amount of Three Hundred Thirty-Three and 13/100 Dollars (\$333.13). **The Board directed advance payment to be made in the amount of Two Hundred Fifty and no/100 Dollars (\$250.00).**

There were presented statements from Metropolitan Utilities District for service at the 16503 Cornhusker Road location through January 9, 2015, indicating a **credit balance** in the amount of Six Hundred Fifty-Three and 01/100 Dollars (\$653.01).

There were next presented statements from Black Hills Energy for gas service at the 10105 South 163rd Street location through January 27, 2015, Account No. 4564641257, indicating a credit balance in the amount of Thirty-Three and 36/100 Dollars (\$33.36). **The Board next directed advance payment to be made in the amount of One Hundred and no/100 Dollars (\$100.00).**

There were next presented statements from Omaha Public Power District for general service with respect to Account No. 0844508449 through January 27, 2015, in the aggregate amount of Four Thousand Eight Hundred Eleven and 21/100 Dollars (\$4,811.21).

The Clerk next directed the attention of the Board of Trustees to the fact that D.A. Davidson & Co. will purchase Ten Thousand Seven Hundred One and no/100 Dollars (\$10,701.00) in warrants at this time and that the contracted charge for such purchase of warrants is five percent (5%) or Five Hundred Thirty-Five and 05/100 Dollars (\$535.05) 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. 2161 through 2177 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 February 5, 2020, 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. 2161 and 2162, each for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 2163, for the amount of Two Thousand One Hundred Ninety-Seven and no/100 Dollars (\$2,197.00), payable to Baird Holm LLP.

Warrant Nos. 2164 through 2175, each for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 2176, for the amount of Fifty-Seven and 11/100 Dollars (\$57.11), payable to D.A. Davidson & Co.

Warrant No. 2177, for the amount of Three Thousand Six Hundred Twelve and 71/100 Dollars (\$3,612.71), 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. 2178 through 2186 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 February 5, 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. 2178, for the amount of One Thousand Fifty and no/100 Dollars (\$1,050.00), payable to HTM Sales, Inc.

Warrant No. 2179, for the amount of Eleven and 90/100 Dollars (\$11.90), payable to One Call Concepts, Inc.

Warrant No. 2180, for the amount of Two Hundred Ten and no/100 Dollars (\$210.00), payable to Michael Obbink.

Warrant No. 2181, for the amount of Three Thousand One Hundred Fifty and no/100 Dollars (\$3,150.00), payable to Lutz & Company, PC.

Warrant No. 2182, for the amount of One Thousand One Hundred Seventeen and 89/100 Dollars (\$1,117.89), payable to Lamp, Rynearson & Associates, Inc.

Warrant No. 2183, for the amount of Two Hundred Fifty and no/100 Dollars (\$250.00), payable to Metropolitan Utilities District, Acct. No. 112000297622.

Warrant No. 2184, for the amount of One Hundred and no/100 Dollars (\$100.00), payable to Black Hills Energy, Acct. No. 4564 6412 57.

Warrant No. 2185, for the amount of Four Thousand Eight Hundred Eleven and 21/100 Dollars (\$4,811.21), payable to Omaha Public Power District, Acct. No. 0844508449.

Warrant No. 2186, for the amount of Five Hundred Thirty-Five and 05/100 Dollars (\$535.05), 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 a receipt from the Sarpy County Treasurer's office representing a deposit to the District's Bond Fund of a sewer connection fee on January 15, 2014 in the amount of One Thousand Six Hundred Eighty and no/100 Dollars (\$1,680.00).

John Kuehl of D.A. Davidson & Co., underwriter for the District was present at the meeting to discuss a proposed bond issue for the retirement of the remaining outstanding construction fund warrants. Mr. Kuehl presented materials to the Trustees outlining the proposed bond issue. There was a detailed discussion regarding the materials and details contained within the projections. The Trustees requested Mr. Kuehl to look at different alternatives for the bond issue and make further proposals at the next Trustees meeting.

The Clerk then presented for the consideration of the Trustees the plans and specifications for Silt Basins 1 & 2 Removal (Cheyenne Country Estates) prepared by Lamp, Rynearson & Associates, Inc., the consulting engineers for the District, for the cost of such improvement in the total amount of One Hundred Sixteen Thousand Five Hundred and no/100 Dollars (\$116,500.00). The Clerk was directed to attach a copy of the engineer's estimates of the costs to the minutes of these proceedings. After discussion, the resolution attached hereto and by this reference made a part hereof 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, Michael L. Riedmann, Weyson Dun and Tom Jerabek 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 construction of Silt Basins 1 & 2 Removal (Cheyenne Country Estates) at 10250 Regency Circle, Suite 300, Omaha, Nebraska, at 3:00 p.m. on February 26, 2015, 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 the 11th day of February, 2015, and ending on the 18th day of February, 2015, 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.

In miscellaneous District matters, Trustee Weysan Dun had a few questions relating to the audit report. The attorney for the District attempted to answer the same. It was determined that the Trustees would ask the accountant for the District to appear at the next trustees meeting to further discuss the audit report.

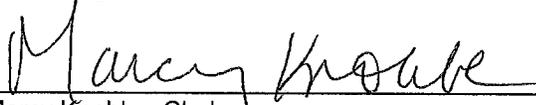
Discussion was next had concerning the proposal of Executive Lawn & Landscaping, LLC for Green Area Maintenance 2015. After discussion and upon a motion properly made and seconded, a roll call vote was had during which the Trustees, Herbert L. Freeman, Marcy Knobbe, Michael L. Riedmann, Weysan Dun and Tom Jerabek 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 the bid of Executive Lawn & Landscaping, LLC in the total amount of \$9,870.00 for Green Area Maintenance 2015 (Cheyenne Country Estates) be accepted and approved and that the Clerk and Chairman of the District be and they hereby are authorized and directed to execute the contract of Executive Lawn & Landscaping, LLC for and on behalf of the District.

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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 February 5, 2015, meeting.



Marcy Knobbe, Clerk