

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 26th 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, John E. Kuehl of D.A. Davidson & Co., underwriter for the District and Shawn Wederquist of Lutz & Company, PC, accountants for the District.

Absent: None.

Notice of the meeting was given in advance thereof by publication in the Bellevue Leader on February 11 and 18, 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.

Shawn Wederquist of Lutz & Company, PC was present at the meeting to discuss any questions proposed by the Trustees regarding the audit. Mr. Wederquist responded to the questions and indicated that many of the notes attached to the financial statements are a requirement of the audit report and not reflective of the true financial status of the District. The Trustees were satisfied with Mr. Wederquist's explanation.

The Clerk first certified that notice of this meeting concerning the project entitled Silt Basins 1 & 2 Removal (Cheyenne Country Estates) had been posted in three (3) conspicuous places within the District with the Clerk causing to be filed a Certificate to that effect with a copy of the notice attached thereto, such notice being attached to the minutes of these proceedings and by this reference made a part hereof.

The Clerk next stated that no petition opposing the proposed Resolution of Advisability and Necessity had been filed by the property owners within the District or by any other person or entity and that no person appeared at the meeting or made any objections to the proposed Resolution of Advisability and Necessity with such being the same resolution adopted in form at the meeting of the Board of Trustees held on February 5, 2015, which resolution is set forth in its entirety in the proof of publication attached hereto and by this reference incorporated herein. After discussion of the Board, the following resolution was duly moved 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" 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 the Resolution of Necessity and Advisability for the construction of the project entitled Silt Basins 1 & 2 Removal (Cheyenne Country Estates) be ratified and approved as proposed.

FURTHER RESOLVED, that the Chairman and Clerk be, and hereby are, authorized and directed to take such steps as are necessary to implement this resolution, including the execution of such agreement for and on behalf of the District.

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

There was next presented a statement from One Call Concepts, Inc. for line locating services for the month of January, 2015, Invoice No. 5010586 in the amount of Two and 25/100 Dollars (\$2.25).

There was next presented a statement from Lutz & Company, PC, accountants for the District for preparation of payroll tax returns and IRS Forms 1099 and 1096, Invoice No. 171793 in the amount of Five Hundred Thirty and no/100 Dollars (\$530.00).

There was next presented a statement from Lamp, Ryneerson & Associates, Inc., engineers for the District, for miscellaneous engineering services rendered through January 17, 2015, Invoice No. 0103071.90-0000082 in the amount of One Thousand Two Hundred Ninety-Four and 14/100 Dollars (\$1,294.14).

There was next presented a statement from Metropolitan Utilities District for service at the 16749 Canyon Trail location through February 10, 2015, indicating a **credit balance** in the amount of Two Hundred Forty-Five and 17/100 Dollars (\$245.17).

There was next presented a statement from Metropolitan Utilities District for service at the 16503 Cornhusker Road location through February 10, 2015, indicating a **credit balance** in the amount of Five Hundred Sixty-Five and 05/100 Dollars (\$565.05).

The Clerk next directed the attention of the Board of Trustees to the fact that D.A. Davidson & Co. will purchase One Thousand Eight Hundred Twenty-Six and 39/100 Dollars (\$1,826.39) in warrants at this time and that the contracted charge for such purchase of warrants is five percent (5%) or Ninety-One and 32/100 Dollars (\$91.32) 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. 2187 through 2190 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 26, 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. 2187, for the amount of Two and 25/100 Dollars (\$2.25), payable to One Call Concepts, Inc.

Warrant No. 2188, for the amount of Five Hundred Thirty and no/100 Dollars (\$530.00), payable to Lutz & Company, PC.

Warrant No. 2189, for the amount of One Thousand Two Hundred Ninety-Four and 14/100 Dollars (\$1,294.14), payable to Lamp, Rynearson & Associates, Inc.

Warrant No. 2190, for the amount of Ninety-One and 32/100 Dollars (\$91.32), 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.

Discussion was next had concerning a bond resolution prepared by the District's Counsel in conjunction with the District's underwriter, D.A. Davidson & Co. A full and complete discussion was had of the advantages and disadvantages of the bond issue by the District at this time. A presentation was made by John E. Kuehl of D.A. Davidson & Co., as to the financial details of such bond issue and his firm's recommendation for such bond issue as being to the advantage of the District. Therefore the resolution attached to these minutes as Exhibit "A" and identified thereon as "Bond Resolution" and by this reference made a part hereof as if fully incorporated and set forth herein, was duly moved for adoption which motion was thereafter seconded. Upon a roll call vote taken on such resolution the following Trustees, 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 District issue its Sanitary and Improvement District Bonds in the amount of Nine Hundred Eighty Thousand and no/100 Dollars (\$980,000.00), through its fiscal agent, D.A.

Davidson & Co., in accordance with the terms of its financing agreement with such fiscal agent and in accordance with Nebraska law.

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

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

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

Discussion was next had with regard to the appointment of a paying agent for the payment of the principal and interest on the bonds. After full and complete discussion, the following resolutions were duly made and seconded, whereupon the following roll call vote was taken during which the Trustees, Herbert L. Freeman, Marcy Knobbe, Michael L. Riedmann, Weysan Dun and Tom Jerabek voted "Aye" with none voting "Nay thereby adopting the following resolution:

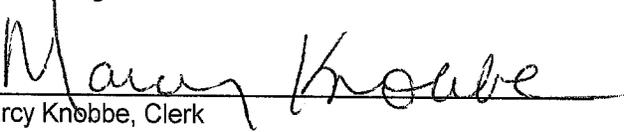
RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 255 of Sarpy County, Nebraska, that First National Bank, Omaha, Nebraska has been appointed as Paying Agent for payment of principal and interest on bonds of this District issued April 1, 2015, which appointment is hereby confirmed and ratified, and the County Treasurer of Sarpy County, Nebraska, as ex officio treasurer of this District, is hereby authorized and directed to pay, from time to time, to said Paying Agent, from funds of the District, such amounts of money as such Paying Agent shall certify in writing to the County Treasurer as shall be needed for payment of principal and interest on bonds of the District, such certificate of the Paying Agent to show the amounts needed for payment of principal and interest, and the date upon which such amount is due, and the date when such transfer shall be made by the County Treasurer to the Paying Agent, such certification to be made by the Paying Agent to the County Treasurer for each transfer of funds requested by the Paying Agent.

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

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SIGNATURES APPEAR ON THE FOLLOWING PAGE]**

The Clerk next reviewed the Agenda which had been available for public inspection in accordance with the law prior to this meeting of the Board of Trustees and reported that all matters considered by the Board at this meeting appeared on the Agenda.

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 26, 2015, meeting.



Marcy Knobbe, Clerk