

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF SANITARY AND IMPROVEMENT DISTRICT NO. 97 OF SARPY COUNTY, NEBRASKA HELD AT 5:00 P.M. ON JANUARY 20, 2015 AT 8335 PLATTEVIEW ROAD, PAPILLION, NEBRASKA

The meeting of the Board of Trustees of Sanitary and Improvement District No. 97 of Sarpy County, Nebraska was convened in open and public session at 5:00 p.m. on January 20, 2015, at the Sarpy County Sheriff's Station, Papillion, Nebraska, 68046.

Present at the meeting were Trustees Aaron Raszler, Jeff Warinski, David Wennstedt, David Barry, and Ken Brison. Also present the District's attorney, Brian Doyle. The Chairman then 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.

Notice of the meeting was given in advance thereof by publication in The Papillion Times on January 14, 2015, a copy of the Proof of Publication being attached to these minutes. Notice of the 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 publicized 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 Clerk then certified that notice of this meeting had been given to the Sarpy County Clerk at least seven days prior to the time set by the Board of Trustees for this meeting and filed the Certificate to that effect, said Certificate being attached to these minutes and made a part hereof by this reference.

The Board then heard the presentation from Robert Wood of Kuehl Capital Corporation, municipal advisor to the District. The new financial reporting was presented to the Board.

The Board then heard the report from Urban Utilities. They continue working on the failed pump. Discussions are ongoing with the service center on what was the cause of the failure. The service company will come to the plant to inspect further. UU reported that both digesters are functioning.

The Board then discussed Papillion water and will discuss in further detail later.

The Board discussed the Starr Well Agreement. The Board's attorney advised that the obligation to provide water and sewer service at no charge continues to the new user. The

District's engineer will review and see if a sewer stub is available and will advise the builder.

The Board then discussed approval procedures for meeting minutes.

The Board's engineer then discussed the installation of the 25 MPH signs. The Board also discussed having its engineer handle street sweeping contracting.

The Board then discussed current litigation over the Stites' mailbox. The Board declined the \$3,500.00 counter offer and revoked its settlement offer.

The Board then discussed long term plans for the dike path. The District's engineer will do an estimate and the board can decide at a future date if it wants to bid repaving the dike path.

The Chairman then presented the following statements for payment from the General Fund Account of the District:

a.)	Urban Utilities, Inc. for WWTP December and January maintenance, Postal Service charges, emergency services, sampling, etc. (#7316, 7335).	\$7,753.81
b.)	Urban Utilities, Inc. for meter reading/invoicing, NE Dept. of Revenue form prep., etc. for December and January, and support services in re: meter reading equipment, etc. (#7317, 7336).	\$2,443.10
c.)	Midwest Laboratories, Inc. for water testing and preparation of (#748534).	\$ 151.74
d.)	E & A Consulting Group, Inc. for engineering services relating to general maintenance of the District (#126513).	\$ 618.70
e.)	Cornerstone Insurance Group for renewal of excess umbrella and liability, less terrorism coverage (#5196).	\$5,228.00
f.)	Awerkamp Goodnight Schwaller & Nelson PC for accounting services relating to the audit and financial statements.	\$2,475.00
g.)	City of Omaha for quarterly sewer service bill with tax (No. 104930).	\$1,171.05
h.)	Tri-State Pumping, L.L.C. for sludge removal and hauling from WWTP (No. 1081, 1023, 1042).	\$1,980.00
i.)	Stanek Construction Co. for installation of new Stop signs on 87 th and Molokai Dr. and Makaha Cr. (No. 14-128).	\$ 215.00
j.)	Clean Sweep Commercial, Inc. d/b/a Parking Lot Services for painting of Drive 25 signs (#3752).	\$ 675.00
k.)	Thompson, Dreessen & Dorner, Inc. for engineering services re:	\$1,125.80

water services and supply valve (No. 107854).

The Chairman then presented the following statements for payment from the Construction Fund Account of the District:

- a.) Baird Holm LLP for examination of transcript and final opinion For the GO Bond Issue – 2014. \$13,802.00
- b.) Fullenkamp, Doyle & Jobeun for legal services rendered in connection with the Series 2014 Bond issue (1/2 of 1%). \$11,750.00
- c.) Kutak Rock LLP for legal services rendered in connection with the preparation of the Official Statement and Resolution in re: the Series 2014 bond issue. \$3,000.00

Upon motion made by Trustee Wennstedt and seconded by Trustee Barry, the Board voted five (5) “ayes” and zero (0) “nay” to approve the payments from the General Fund and Construction Fund Accounts of the District. The Clerk was then directed to attach copies of the invoices to these minutes.

After discussion the Resolution contained herein below and by this reference incorporated herein was duly introduced, seconded and upon a roll call vote of “aye” by the Trustees Ken Brison, Dave Barry, Jeff Warinski, David Wennstedt and Aaron Raszler, was adopted; the following resolutions were then passed:

BE IT RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 97 of Sarpy County, Nebraska that the Chairman and Clerk be and hereby are authorized and directed to execute and deliver Warrants No. 4167 through 4182 of the District, dated the date of this meeting, to the payees, for the following services and in the following amounts, said warrants to draw interest at the rate of 7% per annum, Warrants No. 4167 through 4177 to be payable from the General Fund Account of the District, to be redeemed no later than three (3) years of the date hereof, being January 20, 2018, and Warrants No. 4178 through 4182 to be payable from the Construction Fund Account of the District, to be redeemed no later than five (5) years of the date hereof, being January 20, 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:

- a.) Warrant No. 4167 for \$7,753.81 made payable to Urban Utilities for December and January maintenance, etc.

- b.) Warrant No. 4168 for \$2,443.10 made payable to Urban Utilities for December and January meter reading services, etc.
- c.) Warrant No. 4169 for \$151.74 made payable to Midwest Laboratories, Inc. for water testing.
- d.) Warrant No. 4170 for \$618.70 made payable to E & A Consulting Group, Inc. for engineering services relating to general maintenance.
- e.) Warrant No. 4171 for \$5,228.00 made payable to Cornerstone Insurance Group for renewal of excess liability policies.
- f.) Warrant No. 4172 for \$2,475.00 made payable to Awerkamp et. al. for accounting services relating to the audit and financial statements.
- g.) Warrant No. 4173 for \$1,717.05 made payable to the City of Omaha for quarterly sewer bill with tax.
- h.) Warrant No. 4174 for \$1,980.00 made payable to Tri-State Pumping, LLC for sludge removal and hauling.
- i.) Warrant No. 4175 for \$215.00 made payable to Stanek Construction Co. for install of new Stop signs.
- j.) Warrant No. 4176 for \$675.00 made payable to Clean Sweep Commercial, Inc. for painting of “Drive 25” signs.
- k.) Warrant No. 4177 for \$1,125.80 made payable to Thompson, Dreesen & Dorner, Inc. re: Papillion water matter and valve issue.
- l.) Warrant No. 4178 for \$10,000.00 and Warrant No. 4179 for \$3,802.00, both made payable to Baird Holm LLP for legal services rendered in connection w/ the opinion on GO Bond Issue.
- m.) Warrant No. 4180 for \$10,000.00 and Warrant No. 4181 for \$1,750.00, both made payable to Fullenkamp, Doyle & Jobeun for legal services rendered in connection w/ the 2014 Bond Issue.
- n.) Warrant No. 4182 for \$3,000.00 made payable to Kutak Rock LLP for disclosure counsel services and drafting of the Offering Circular relating to the GO Bond Issue – 2014.

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 97 of Sarpy County, Nebraska, that the District hereby

finds and determines and covenants, warrants and agrees as follows in connection with the issuance of the Construction Fund Warrants: (i) the improvements and/or facilities being financed by the Construction Fund Warrants are for essential governmental functions and are designed to serve members of the general public on an equal basis; (ii) 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; (iii) 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; (iv) 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; (v) 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; (vi) none of the proceeds of said Construction Fund Warrants have been or will be loaned to any private person or entity; and (vii) 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 Construction Fund Warrants.

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 97 of Sarpy County, Nebraska that the District covenants and agrees concerning the Construction Fund Warrants that: (i) it will comply with all applicable provisions of the Code, including Sections 103 and 141 through 150, necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Construction Fund Warrants and (ii) it will not use or permit the use of any proceeds of the Construction Fund Warrants or any other funds of the District nor take or permit any other action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the interest on the Construction Fund Warrants. In addition, the District will adopt such other resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Construction Fund Warrants will remain excluded from federal gross income, to the extent any such actions can be taken by the District.

The District covenants and agrees that (i) it will comply with all requirements of Section 148 of the Code to the extent applicable to the Construction Fund Warrants, (ii) it will use the proceeds of the Construction Fund Warrants as soon as practicable and with all reasonable dispatch for the purposes for which the Construction Fund Warrants are issued, and (iii) it will not invest or directly or indirectly use or permit the use of any proceeds of the Construction Fund Warrants or any other funds of the District in any manner, or take or omit to

take any action, that would cause the Construction Fund Warrants to be “arbitrage bonds” within the meaning of Section 148(a) of the Code.

The District covenants and agrees that it will pay or provide for the payment from time to time of all amounts required to be rebated to the United States pursuant to Section 148(f) of the Code and any Regulations applicable to the Construction Fund Warrants from time to time. This covenant shall survive payment in full of the Construction Fund Warrants. The District specifically covenants to pay or cause to be paid to the United States, the required amounts of rebatable arbitrage at the times and in the amounts as determined by reference to the Code and the Regulations. Pursuant to the “small issuer exception” set forth below, the District does not believe the Construction Fund Warrants will be subject to rebate.

The District covenants and agrees that (to the extent within its power or direction) it will not use any portion of the proceeds of the Construction Fund Warrants, including any investment income earned on such proceeds, directly or indirectly, in a manner that would cause any Construction Fund Warrant to be a “private activity bond”.

The District makes the following representations in connection with the exception for small governmental units from the arbitrage rebate requirements under Section 148(f)(4)(D) of the Code:

(i) the District is a governmental unit under Nebraska law with general taxing powers;

(ii) none of the Construction Fund Warrants is a private activity bond as defined in Section 141 of the Code;

(iii) ninety-five percent or more of the net proceeds of the Construction Fund Warrants are to be used for local governmental activities of the District;

(iv) the aggregate face amount of all tax-exempt obligations (other than “private activity bonds,” but including any tax-exempt lease-purchase agreements) to be issued by the District during the current calendar year is not reasonably expected to exceed \$5,000,000; and

(v) the District (including all subordinate entities thereof) will not issue in excess of \$5,000,000 of tax-exempt indebtedness (other than “private activity bonds,” but including any tax-exempt lease-purchase agreements) during the current calendar year without first obtaining an opinion of nationally recognized counsel in the area of municipal finance that the excludability of the interest on the Construction Fund Warrants from gross income for federal tax purposes will not be adversely affected thereby.

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 97 of Sarpy County, Nebraska that the District hereby covenants, warrants and agrees that to the extent that it may lawfully do so, the District hereby designates the Construction Fund Warrants as its “qualified tax exempt obligations” under Section 265(b)(3)(B)(i)(III) of the Code.

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 97 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 Construction Fund Warrants and the District hereby further certifies, as of the date of the registration of the Construction Fund Warrants with Sarpy County, Nebraska as follows:

1. The District reasonably anticipates that a portion of the monies in its Bond Fund will be expended for payment of principal of and interest on the bonds and/or construction fund warrants of the District within 12 months after receipt of such monies. The District hereby establishes a reserve fund within its Bond Fund in connection with the issuance of the Construction Fund Warrants in the amount equal to the least of (i) 10% of the stated principal amount of the Construction Fund Warrants, (ii) the maximum annual debt service due on the Construction Fund Warrants during any fiscal year, or (iii) 125% of the average annual debt service for the Construction Fund Warrants over the term of such warrants. That amount that is currently held in the District’s Bond Fund which exceeds the amount to be expended for payment of principal and interest on the bonds and/or construction fund warrants of the District within 12 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 Construction Fund 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 debt.
4. This Certificate is being passed, executed and delivered pursuant to Section 1.148-2 (b) (2) of the Income Tax Regulations under the Code (the “**Regulations**”).

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 97 of Sarpy County, Nebraska the District hereby

authorizes and directs the Chair 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 (the “**Code**”), pertaining to the Construction Fund and/or General Fund Warrants;

No opinion of nationally recognized counsel in the area of municipal finance has been delivered with respect to the treatment of interest on the General Fund Warrants. Purchasers of the General Fund Warrants are advised to consult their tax advisors as to the tax consequences of purchasing or holding the General Fund Warrants.

There being no further business before the Board, the Chairman adjourned the meeting.

**SIGNATURE PAGE FOR THE MINUTES OF SANITARY
AND IMPROVEMENT DISTRICT NO. 97 OF SARPY
COUNTY, NEBRASKA, MEETING HELD ON JANUARY
20, 2015**

There being no further business to come before the meeting, a motion was duly made,
seconded and unanimously adopted to adjourn the meeting.

David Wennstedt, Chairman

David Barry, Clerk