

**MINUTES OF MEETING OF BOARD OF TRUSTEES
OF SANITARY AND IMPROVEMENT DISTRICT NO. 189
OF SARPY COUNTY, NEBRASKA**

A meeting of the Board of Trustees of Sanitary and Improvement District No. 189 of Sarpy County, Nebraska, was convened in open and public session at 10:00 a.m. on June 13, 2012, at 10064 South 134 Street, Omaha, Nebraska. Present were: Trustees Rudolph R. Mudra, Carolyn T. Mudra, William J. Whitmore and Bruce Meyers. Absent: Trustee Mary L. Blair. Also present was Attorney James F. Kasher.

Notice of the meeting was given in advance thereof by publication in *The Papillion Times*, Papillion, Nebraska, on June 6, 2012, a copy of the Proof of Publication being attached to these minutes. Notice of this meeting was sent to the Sarpy County Clerk, Papillion, Nebraska, not less than seven (7) days prior to the date of this meeting. 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 undersigned Clerk hereby certifies that these minutes were written and available for public inspection within ten (10) working days after the date of said meeting.

After calling the meeting to order and completion of roll call, 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 Chairman directed the Board's attention to Agenda Item No. 3, Engineer's Report.

The Board reviewed and discussed the storm sewer inspection report which was prepared by Thompson Dreessen & Dorner, Inc. As noted in the report, the suggested repairs could be made in conjunction with paving repairs should the Board deem them necessary. It was the consensus of the Board that the engineers should inspect the streets in the District and submit a report for consideration by the Board. Attorney Kasher will contact the engineer with this request.

The Chairman directed the Board's attention to Agenda Item No. 4, and Attorney Kasher reported that as a result of some changes to IRS Form 8038-G (promulgated October 2011), each SID is now required to state whether it has established certain written procedures relating to post-issuance compliance for outstanding bonds and/or warrants. In order to place the District in a position where it can check "yes" to these questions (Lines 43 and 44 on the form), the District needs to pass a resolution and incorporate certain "Procedures", a copy of same being attached to these minutes for reference. After thorough discussion, the following resolution was duly moved by Trustee Bruce Meyers and seconded by Trustee William J. Whitmore, to-wit:

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF SANITARY AND IMPROVEMENT DISTRICT NO. 189 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.

On roll call on the foregoing resolution, the following Trustees voted aye: Rudolph R. Mudra, Carolyn T. Mudra, William J. Whitmore and Bruce Meyers; voting nay thereon were the following Trustees: None. The Chairman then declared said resolution duly carried and adopted.

The Chairman directed the Board's attention to Agenda Item No. 5, and the Board reviewed correspondence from the fiscal agent dated December 12, 2011, notifying the District that it is acting in a capacity as an underwriter and not as a financial advisor regarding its purchase/placement of warrants or bonds of the District. A copy of the letter is attached to these minutes for reference.

The Chairman directed the Board's attention to Agenda Item No. 6. It was noted that the fiscal agent, D.A. Davidson & Co., is requesting that all general fund warrants of the District be issued at 6%, effective immediately, until further notice.

The Chairman then directed the Board's attention to Agenda Item No. 7, Payment of Bills, and presented for the Board's consideration the following bills, statements and invoices. After careful review of same and full discussion, the following resolution was duly moved by Trustee Bruce Meyers and seconded by Trustee William J. Whitmore, to-wit:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 189 of Sarpy County, Nebraska, that the Chairman and Clerk be and they hereby are authorized and directed to execute and deliver Warrant Nos. 1266 through 1270 of the District, dated the date of this meeting, to the following payees and in the following amounts, said Warrant Nos. 1266 through 1270 to be drawn on the General Fund Account of the District and to bear interest at the rate of six percent (6.0%) per annum (interest to be payable on May 10 of each year, as to the Construction Fund Warrants only), and to be redeemed no later than the dates noted below, subject to extension of said maturity date, (for Construction Fund Warrants only), by order of the District Court of Sarpy County, Nebraska, after notice is given as required by law, to-wit:

GENERAL FUND
(Due June 13, 2015)

No.	Payee	Amount	Purpose
1266	Carolyn T. Mudra	\$1,132.20	Clerk's fee 7/1/11 – 6/30/12 (\$1200 gross; \$50.40 FICA; \$17.40 Medicare)
1267	Omaha Public Power District	1,780.00	Street lights service 4/12/12 – 7/12/12 (est.) Acct. 8404100020
1268	Lanoha Nurseries	2,823.14	Invoice #4676, ROW Landscape Maintenance and Tree Replacement
1269	Thompson Dreessen & Dornier, Inc..	657.66	Invoice #93479, 93718, 94015, 94016, 94384 & 94751
1270	Croker Huck Kasher DeWitt Anderson & Gonderinger, LLC.	2,065.54	Invoice #90599, 91032, 91404, 92971 & 92129 dated 2/14/12, 3/26/12, 4/19/12, 5/24/12, 6/12/12

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 189 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.

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 189 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)(ii) 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.

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 189 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) 10% of the net principal proceeds of the above Warrants, (b) the maximum annual debt service due on the above Warrants, or (c) 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 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 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.

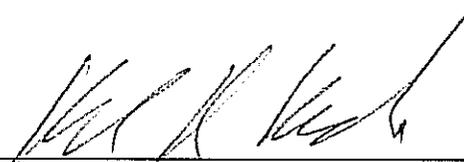
3. The District has not been notified of any listing of it by the Internal Revenue Service as an issuer that may not certify its bonds.

4. This Certificate is being passed, executed and delivered pursuant to Sections 1.148-2(b)(2) of the Income Tax Regulations under the Internal Revenue Code of 1986, as amended.

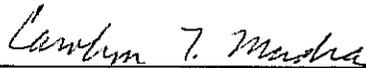
On roll call on the foregoing resolution, the following Trustees voted aye: Rudolph R. Mudra, Carolyn T. Mudra, Bruce Meyers and William J. Whitmore; voting nay thereon were the following Trustees: None. The Chairman then declared said resolution to be duly carried and adopted.

Under Agenda Item No. 8, Miscellaneous Matters, Attorney Kasher reported that continuation certificates for the bonds of the Chairman and Clerk covering the term 9/14/11 through 9/14/13 were filed with the County Clerk, as evidenced by the County Clerk's receipt attached to these minutes.

There being no further business, a motion for adjournment was duly moved, seconded and unanimously carried.



Rudolph R. Mudra, Chairman/Trustee



Carolyn T. Mudra, Clerk/Trustee