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**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 9:30 a.m. on March 26, 2015, at 2120 South 72nd Street, Suite 1200, Omaha, Nebraska. Present were: Trustees Rudolph R. Mudra, Carolyn T. Mudra and William J. Whitmore. Absent: Trustees Bruce Meyers and Edward L. Storm. Also present was Attorney John M. Prososki.

Notice of the meeting was given in advance thereof by publication in *The Papillion Times*, Papillion, Nebraska, on March 18, 2015, 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, Report on Election of Trustees held on September 9, 2014. The Board had previously been provided with copies of the Sarpy County Election Commissioner's certificate of election, a copy of which is attached to these minutes. Elected to the Board were Rudolph R. Mudra, Carolyn T. Mudra, William J. Whitmore, Bruce Meyers and Edward L. Storm. He also presented for each of the Board members an Oath of Office. Mr. Prososki stated that he would file the Oaths with the County Clerk.

Mr. Prososki then stated that it was necessary for this newly elected Board to elect two officers, viz., a Chairman and a Clerk, and stated that the Board should now entertain nominations for the offices of Chairman and Clerk. Following discussion, Rudolph R. Mudra was nominated for the office of Chairman, and Carolyn T. Mudra was nominated for the office of Clerk. Such nominations being seconded, and there being no further nominations, the following resolution was duly moved and seconded, to-wit:

BE IT RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 189 of Sarpy County, Nebraska, that Rudolph R. Mudra is elected as Chairman of the District and Carolyn T. Mudra is elected as Clerk of the District, to serve until the next election of Trustees or until their successors are duly elected and qualified.

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

Mr. Prosocki stated that current statutory bonds for the Chairman and Clerk have been filed with the County Clerk.

The Chairman directed the Board's attention to Agenda Item No. 4, Engineer's Report, whereupon the following transpired:

a. Sewer Jetting. The Board next discussed jetting of the sanitary sewer system in the District. The Engineer recommended jetting the entire District once every three years. The Engineer had received an estimate from Utilities Service Group (USG) to jet the sewer system in the entire District for \$5,704.80. After discussion, the following motion was moved and seconded, to-wit:

BE IT RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 189 of Sarpy County, Nebraska, that the Engineer is authorized to engage Utilities Service Group to jet the entire sanitary sewer system in the District this year and establish a schedule of jetting the entire District every three years thereafter.

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

b. Stop Sign Replaced at 134th & Cornhusker. Attorney Prosocki reported that the Engineer had received a report from the Sarpy County Public Works that the stop sign at 134th & Cornhusker was down. The Engineer contacted Stanek Construction to replace the stop sign.

The Chairman directed the Board's attention to Agenda Item No. 5, Insurance Coverage, and reminded the Board that a new carrier for the District's general liability policy was sought due to the fact that Cincinnati Insurance is no longer insuring SIDs. Quotes have been obtained and were discussed. It was the consensus of the Board that the proposal of Columbia Insurance Group through Cornerstone Insurance Group should be accepted. After further discussion, the following resolution was duly moved and seconded, to-wit:

BE IT RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 189 of Sarpy County, Nebraska, that the proposal of Columbia Insurance Group through Cornerstone Insurance Group for general liability coverage in the aggregate of \$4,000,000, and \$2,000,000 for each occurrence be and hereby is accepted.

On roll call on the foregoing resolution, the following Trustees voted aye: Rudolph R. Mudra, Carolyn T. Mudra and William J. Whitmore; 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. 6, Audit Report for the year ended June 30, 2014. The Clerk presented the audit report which had been prepared by the District's accountants. Following review, it was duly moved and seconded that said report be accepted and that the Clerk retain a copy for the District's records.

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

The Chairman 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 and seconded, 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. 1329 through 1332, inclusive, of the District, dated the date of this meeting, to the following payees and in the following amounts, said Warrant Nos. 1329 through 1332, inclusive, 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, and no Warrants to be drawn on the Construction Fund Account of the District and to bear interest at the rate of seven percent (7%) 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 March 26, 2018)

No.	Payee	Amount	Description
1329	Hilltop Industrial Park, L.L.C.	7,285.03	Inv. No. 130, reimburse for OPPD (\$3,9979.03), Gilliland's Lawns (\$2,275.00); Clean Sweep (\$600.00) and Cornerstone Ins. General liability ins (\$431.00)
1330	Stanek Construction	205.00	Inv. No. 15-011, replace stop sign
1331	Thompson, Dreessen & Dorner, Inc.	2,319.95	Inv. No. 106383, 107212, 107213, 107495, 107494, 107733, 108118, 108584 and 108585, engineering services
1332	Croker, Huck, Kasher, DeWitt, Anderson & Gonderinger, LLC	4,909.15	Inv. No. 102845, 103238, 103664, 104020, 104384 and 104688, Acct. No. 453-000

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 \$10,000,000 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 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 Miscellaneous Matters, the following transpired:

a. Attorney Proski presented a copy of the election expenses and informed the Board that this bill has been paid by his law firm and has been or will be included as a cost on the law firm's billing to the District.

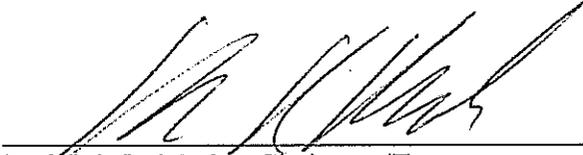
b. Attorney Proski reported that the annual statement had been filed with the Sarpy County Register of Deeds.

c. Attorney Proski presented to the Board a copy of correspondence received from the IRS regarding late filing of Form 944. The Chairman reported that this has been resolved.

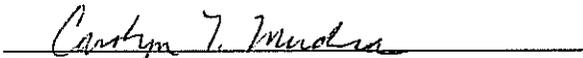
d. Attorney Proski next presented to the Board a copy of the D.A. Davidson & Co.'s letter dated September 15, 2014 regarding the annual G-23 disclosure.

e. The Board unanimously voted to schedule its next meeting as needed.

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