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MINUTES OF MEETING

OF

SANITARY AND IMPROVEMENT DISTRICT NO. 192
OF SARPY COUNTY, NEBRASKA

A meeting of the Board of Trustees of Sanitary and Improvement District No. 192 of Sarpy County, Nebraska, was convened in open and public session at 2:00 p.m. on the 12th day of March, 2014, at 17206 Fairway Drive, Omaha, Nebraska.

Present were: Lee Harrow, Timothy P. Goodman, Steven Moore, and Morrie Naumann.

Absent: Tom Dein

Notice of the meeting was given in advance thereof by publication in The Papillion Times, on March 5, 2014, 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.

It was first 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 stated that the first order of business was a report on the water system activities. The report was given by the Chairman based upon discussions with Gerry Gutoski. There are no major issues with the lift stations to report.

There was next a presentation and discussion regarding the transition of the SID 192 water system from district operation to Metropolitan Utilities District ("MUD"). Keri Kasun presented the updated timeline for transition of the water system as well as the expense associated therewith. She reported that the approximate expense of the water system conversion, based upon bids received, will be approximately twenty percent (20%) higher than originally anticipated.

There was next a discussion regarding the water acquisition agreement. The Chairman reported that the Agreement had been reviewed by legal counsel and comments had been provided to MUD. Ms. Kasum indicated that the changes had been reviewed internally by MUD but had not been finally approved. The specific substantive changes requested by legal counsel were clarification that the District would retain present deposits, additional language allowing the District to correct any deficiencies in the transfer of the easements, and clarification that MUD would begin collecting and remitting sewer system payments. Upon motion duly made and seconded, and as unanimously approved by roll call vote:

> RESOLVED, that the District hereby approves the Water Acquisition Agreement subject to the revision of the Agreement to include final costs and fees, as well as the revisions required by legal counsel.
>
> RESOLVED FURTHER, that the Chairman and Clerk are hereby authorized to execute the Water Acquisition Agreement on behalf of the

District once the Agreement is revised consistent with the resolution above, together with the insertion of final dollar amounts for payments and improvements as provided by MUD.

There was further presentation by Ms. Kasum regarding construction to be performed within easements on and between private lots. It was discussed that counsel for the District would need to coordinate with counsel for SID 158 with respect to these easements. There was also specific discussion regarding the Williamson lot (Lot 13), and the concern that golf cart traffic may be redirected outside of the easement area onto the private lot.

There was next a discussion regarding the correspondence to be sent by the District to water system customers with respect to the water system transition and schedule. An updated scheduled was provided by MUD. MUD is to provide further comments with respect to the correspondence before it is mailed. Legal counsel will continue to work with MUD to finalize correspondence.

The next order of business was installing meter pits for the Tiburon South lawn irrigation system maintained by the District. The Trustees discussed that investigation was required at this area to connect the current irrigation system to the incoming MUD water system. Specifically, there was some discussion as to whether the irrigation system was fed directly by Well No. 3 or whether the irrigation system was connected to the greater District water system. Investigation of this will be performed by Gerry Gutoski who will report back to the District with the appropriate bids and analysis, if necessary. Additionally, a meter pit will need to be installed at the 168th Street entrance for irrigation of landscaping. Mr. Gutoski will report the expected cost of the meter pit to the District once bids and estimates are obtained.

There was next a discussion regarding concerns raised by resident Rod Pearson, owner of Lot 11. Mr. Pearson had previously worked with the District to correct certain sewer flow issues regarding the sanitary sewer line from his house to the main sanitary sewer line.

It was generally discussed that the solution previously implemented had addressed sewage flow issues with respect to the line running from Lot 11 to the sewer main. Mr. Pearson requested formal confirmation from the District that the solution presently in place is sufficient to correct any issues caused by or related to the portion of the sewer line which is the responsibility of the owner of Lot 11. Mr. Pearson provided photographs of the sanitary sewer flow which are incorporated into and made a part of the Meeting Minutes.

The next order of business was addressing the issue of lawn care for the coming year. Mr. Greg Deins appeared at the meeting and presented a bid for lawn care to the District. A bid from the current provider has not yet been obtained. The District will obtain appropriate bids and select the best bid from those submitted at the next meeting.

The following is a reporting item for the Trustee's information and required no action: Service Fee Fund Statement for February, 2014.

There was next presented a statement from Omaha Public Power District, for service at the locations of 16800 Ridgemont Street and 16802 Oakmont Drive, account number 0622093108, dated February 10, 2014, in the amount of One Thousand Ninety-Eight Dollars and 98/100 ($1,098.98).

There was next presented a statement from Omaha Public Power District, for service at the location of 17209 Fairway Drive, account number 2953028855, dated February 10, 2014, in the amount of One Hundred Forty-One Dollars and 35/100 ($141.35).

There was next presented a statement from Omaha Public Power District, for service at the location of 17221 Oakmont Street, account number 5958727663, dated February 10, 2014, in the amount of Thirty-Nine Dollars and 62/100 ($39.62).

There was next presented a statement from Omaha Public Power District, for service at the location of 17300 S. Highway 370 Street, regarding account number 146000031, dated March 7, 2014, in the amount of Twenty-Three Dollars and 35/100 ($23.35).

There was next presented a statement from Omaha Public Power District, for service at the location of 10817 Fairway Drive, account number 6474900369, dated February 10, 2014, in the amount of Eighty-One Dollars and 86/100 ($81.86).

There was next presented a statement from Thompson, Dreessen & Dorner, Inc., for One Call services, dated March 4, 2014, Invoice No. 103330, in the amount of Three Hundred Eighteen Dollars and 50/100 ($318.50).

There was next presented a statement from Field R&D, for services rendered dated March 1, 2014, Invoice No. 140122, in the amount of Two Thousand Three Hundred Fourteen Dollars and no/100 ($2,314.00).

There was next presented a statement from Providence Group, Inc., for services rendered dated March 1, 2014, Invoice No. 140118, in the amount of One Thousand Nine Hundred Fifty-Eight Dollars and 83/100 ($1,958.83).

There was next presented a statement from Black Hills Energy, Account No. 3497 3578 91 for services provided at 17207 Fairway Drive dated February 27, 2014, in the amount of One Hundred Sixty Dollars and 53/100 ($160.53).

There was next presented a statement from Papillion Sanitation for residential service charges for account number 3050-30014918-001, dated March 1, 2014, in the amount of One Thousand Two Hundred Eighty-One Dollars and 15/100 ($1,281.15).

There was next presented a statement from One Call Concepts, Inc., Invoice No. 4020457, dated February 28, 2014, in the amount of Eleven Dollars and 20/100 ($11.20).

There was next presented a statement from the City of Omaha for sewer services regarding Invoice No. 98214, dated February 24, 2014, in the amount of Two Thousand One Hundred Forty-Four Dollars and 90/100 ($2,144.90).

There was next presented a statement from O'Donnell, Ficenec, Wills & Ferdig, LLP, Invoice No. 74550 dated February 17, 2014, for the audit of June 30, 2013 financial statements and preparation of June 30, 2013 Budget in the amount of Eight Thousand Eight Hundred Dollars and no/100 ($8,800.00).

There was next presented a statement from Pansing Hogan Ernst & Bachman LLP, attorneys for the District, for legal services performed in miscellaneous District matters, dated March 6, 2014, in the amount of Two Thousand Two Hundred Thirty-Eight Dollars and 50/100 ($2,238.50), and costs advanced in the amount of One Hundred Sixty-Eight Dollars and 80/100 ($168.80); said statement being in the aggregate amount of Two Thousand Four Hundred Seven Dollars and 30/100 ($2,407.30).

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:

> FURTHER RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 192 of Sarpy County, Nebraska, that the Chairman and Clerk be and they hereby authorized and directed to execute and deliver Warrant Nos. 2747 through 2754 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 seven percent (7%) per annum and to be redeemed no later than March 12, 2017, 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. 2747, for the amount of One Thousand Ninety-Eight Dollars and 98/100 ($1,098.98), payable to Omaha Public Power District for Account No. 0622093108.

Warrant No. 2748, for the amount of Twenty-Three Dollars and 35/100 ($23.35), payable to Omaha Public Power District for Account No. 1436000031.

Warrant No. 2749, for the amount of Three Hundred Eighteen Dollars and 50/100 ($318.50), payable to Thompson, Dreessen & Dorner, Inc for Invoice Nos. 103330.

Warrant No. 2750, for the amount of One Thousand Two Hundred Eighty-One Dollars and 15/100 ($1,281.15), payable to Papillion Sanitation for Account No. 3050-30014918-001.

Warrant No. 2751, for the amount of Eleven Dollars and 20/100 ($11.20), payable to One Call Concepts, Inc. for Account No. 04-SID192S.

Warrant No. 2752, for the amount of Five Thousand Dollars and no/100 ($5,000.00), payable to O'Donnell, Ficenec, Wills & Ferdig, LLP.

Warrant No. 2753, for the amount of Three Thousand Eight Hundred Dollars and no/100 ($3,800.00), payable to O'Donnell, Ficenec, Wills & Ferdig, LLP.

Warrant No. 2754, for the amount of Two Thousand Four Hundred Seven Dollars and 30/100 ($2,407.30), payable to Pansing Hogan Ernst & Bachman, LLP.

FURTHER RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 192 of Sarpy County, Nebraska, that the Chairman and Clerk be and hereby are authorized and directed to execute and deliver Check Nos. 1303 through 1309 of the District, dated the date of this meeting, to the following payees and in the following amounts, said Checks to be drawn on the American National Bank Service Fee Fund Checking Account of the District, to-wit:

Check No. 1303, for the amount of One Hundred Forty-One Dollars and 35/100 ($141.35), payable to OPPD for Account No. 2953028855.

Check No. 1304, for the amount of Thirty-Nine Dollars and 62/100 ($39.62), payable to OPPD for Account No. 5958727663.

Check No. 1305, for the amount of Eighty-One Dollars and 86/100 ($81.86), payable to OPPD for Account No. 6474900369.

Check No. 1306, for the amount of Two Thousand Three Hundred Fourteen Dollars and no/100 ($2,314.00), payable to Field R&D, Customer No. TIBSO, Invoice No. 140122.

Check No. 1307, for the amount of One Thousand Nine Hundred Fifty-Eight Dollars and 83/100 ($1,958.83), payable to Providence Group, Inc., Invoice No. 140118.

Check No. 1308, for the amount of One Hundred Sixty Dollars and 53/100 ($160.53), payable to Black Hills Energy for Account No. 3497 3578 91.

Check No. 1309, for the amount of Two Thousand One Hundred Forty-Four Dollars and 90/100 ($2,144.90), payable to City of Omaha, Customer No. 40239, Invoice No. 98214.

FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 192 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. 192 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 $10,000,000 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. 192 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.

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