

MINUTES OF MEETING OF SANITARY AND
IMPROVEMENT DISTRICT NO. 278 OF
SARPY COUNTY, NEBRASKA

A meeting of the Board of Trustees of Sanitary and Improvement District No. 278 of Sarpy County, Nebraska, was convened in open and public session at 11:00 a.m. on July 10, 2013, at 19806 Maple Street, Gretna, Sarpy County, Nebraska. Present were: Trustees Paul S. McCune, Michelle Zimmerman, Susan McCune, Stacey Holt and Jason McCune. Also present was Attorney Robert J. Huck.

Notice of the meeting was given in advance thereof by publication in *The Gretna Breeze* of Gretna, Sarpy County, Nebraska, on June 26 and July 3, 2013, 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 then directed the Board's attention to Agenda Item Nos. 3 and 4, public hearing on resolution of necessity for entering into a Water Main Extension Agreement with Metropolitan Utilities District, and for entering into an Underground Service Agreement with Omaha Public Power District. He presented for the Board's consideration the Proof of Publication of the proposed resolution, together with a Certification on posting said resolution in three conspicuous places within the District, all as authorized by the Board at its meeting held on June 3, 2013. The Clerk certified to the Board that no petition signed by any owners of property within the District opposing the proposed resolution had been filed with her as Clerk. No owner or owners of property appeared at the meeting to object to the proposed Water Main Extension Agreement or the proposed Underground Service Agreement. After full discussion, the following resolutions were duly moved and seconded as follows, to-wit:

RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 278 of Sarpy County, Nebraska, that the resolution of necessity proposed by the Board at its meeting held on June 3, 2013, for entering into a Water Main Extension Agreement with Metropolitan Utilities District, be and hereby is passed, verbatim as proposed.

FURTHER RESOLVED that said Board does herewith authorize the execution of said Water Main Extension Agreement by the Chairman and Clerk on behalf of the District, and does further authorize payment of the fees required thereby.

FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 278 of Sarpy County, Nebraska, that the resolution of necessity proposed by the Board at its meeting held on June 3, 2013, for entering into an Underground Service Agreement with Omaha Public Power District be and hereby is passed, verbatim as proposed.

FURTHER RESOLVED that said Board does herewith authorize the Chairman and Clerk to execute said Underground Service Agreement on behalf of the District, and does further authorize payment of the fees required thereby.

On roll call on said resolutions, the following Trustees voted aye: Paul S. McCune, Michelle Zimmerman, Susan McCune, Stacey Holt and Jason McCune; voting nay thereon were the following Trustees: None. The Chairman then declared said resolutions to be duly carried and adopted.

With reference to Agenda Item No. 4, the Chairman presented a proposed Agreement with Omaha Public Power District for street lighting in the District. Following a review of the agreement, the following resolution was duly made and seconded, to-wit:

BE IT RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 278 of Sarpy County, Nebraska, that the Chairman and Clerk of the District are hereby authorized and directed, on behalf of the District, to enter into the proposed Agreement with Omaha Public Power District for street lighting in the District; and

FURTHER RESOLVED, that a copy of said Agreement be made a part of the records of the District by attaching same to these minutes.

On roll call on said resolution, the following Trustees voted aye: Paul S. McCune, Michelle Zimmerman, Susan McCune, Stacey Holt and Jason McCune; voting nay thereon were the following Trustees: None. The Chairman then declared said resolution to be duly carried and adopted.

The Chairman then directed the Board's attention to Agenda Item No. 5 and stated that it would be appropriate to take up the matter of the proposal of a resolution of necessity for

entering into certain Interlocal Cooperation Agreements with various other SIDs in connection with sewer connection charges that are required to be paid by SID 278 to other SIDs, such agreements to be referred to as Sanitary Sewer Section II (Outfall). There are two agreements, the first being an Amendment to Interlocal Cooperation Agreement between SID 176, SID 192, SID 240 and SID 278, and the second being the Second Amendment to Interlocal Cooperation Agreement between SID 240, SID 255, SID 260 and SID 278. He presented for the Board's consideration the engineer's estimates of the costs thereof, including miscellaneous costs, in the sum of \$19,727.81 for the Amendment to Interlocal Cooperation Agreement between SIDs 176, 192, 240 and 278 and \$25,699.46 for the Second Amendment to Interlocal Cooperation Agreement between SIDs 240, 255, 260 and 278).

The Chairman then presented for the Board's consideration a proposed Resolution of Necessity for entering into said agreements, a copy of which is attached to these minutes and by this reference made a part hereof. After full discussion, the following resolutions were duly moved and seconded:

BE IT RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 278 of Sarpy County, Nebraska, that said Board does offer and propose the Resolution of Necessity presented by the Chairman of said Board for entering into an Amendment to Interlocal Cooperation Agreement between SID 176, SID 192, SID 240 and SID 278, and for entering into a Second Amendment to Interlocal Cooperation Agreement between SID 240, SID 255, SID 260 and SID 278, and paying the fees specified therein.

BE IT FURTHER RESOLVED that said proposed Resolution of Necessity is hereby set for consideration and hearing before said Board of Trustees' meeting at 19806 Maple Street, Gretna, Nebraska, at 11:00 a.m. on August 13, 2013, and that notice of the time and place of said hearing be given by publication in *The Gretna Breeze* of Gretna, Nebraska, for two consecutive weeks, on July 31 and August 7, 2013, which publication shall contain the entire wording of said Resolution of Necessity and be posted in three conspicuous places in the District.

On roll call on said resolutions, the following Trustees voted aye: Paul S. McCune, Michelle Zimmerman, Susan McCune, Stacey Holt and Jason McCune; voting nay thereon were the following Trustees: None. The Chairman then declared said resolutions to be duly carried and adopted.

The Chairman directed the Board's attention to Agenda Item No. 6, Payment of Bills of the District, and presented for the Board's consideration the following bills, statements and invoices. Thereupon, the following resolutions were duly moved and seconded, to-wit:

BE IT RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 278 of Sarpy County, Nebraska, that the Chairman and Clerk be and they hereby are authorized and directed to execute and deliver Warrant Nos. 53 through 107 of the District, dated the date of this meeting, to the following payees and in the following amounts, said Warrant Nos. 53 through 55 to be drawn on the General Fund of the District and to draw interest at the rate of seven percent (7%) per annum, and Warrant Nos. 56 through 107 to be drawn on the Construction Fund of the District and to draw interest at the rate of seven percent (7%) per annum (interest to be payable on September 1 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
 (Payable July 10, 2016)**

| Number | Payee | Amount | Description |
|---------------|---|---------------|--|
| 53 | Croker Huck Kasher DeWitt Anderson & Gonderinger, LLC | \$967.35 | Legal services & costs, Inv. #96831 dated 7-10-13, Acct. 488-000 |
| 54 | Kuehl Capital Corporation | 24.18 | Municipal Advisor Structuring Fee; Warrant 53 |
| 55 | First National Capital Markets | 19.83 | Underwriting placement fee, Warrants 53 and 54 |

**CONSTRUCTION FUND
 (Payable July 10, 2018)**

| | | | |
|-------------------|---|---------------------|---|
| 56 thru 59 | Omaha Public Power District | \$10,000.00 each | OPPD Underground Service Agreements Project (50 single-family residential lots) |
| 60 | Omaha Public Power District | 4,000.00 | OPPD Underground Service Agreements Project (50 single-family residential lots) |
| 61 thru 100 | Metropolitan Utilities District | 10,000.00 each | MUD Water Main Extension Agreement Project |
| 101 | Metropolitan Utilities District | 7,713.00 | MUD Water Main Extension Agreement Project |
| 102 and | Croker Huck Kasher DeWitt Anderson & Gonderinger, LLC | 10,000.00 each | Legal services & costs, Inv. #96832 dated 7-10-13, Acct. 488-001 |

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| | | | |
|-----|---|-----------|--|
| 104 | Croker Huck Kasher DeWitt Anderson & Gonderinger, LLC | 2,596.74 | Legal services & costs, Inv. #96832 dated 7-10-13, Acct. 488-001 |
| 105 | Kuehl Capital Corporation | 10,000.00 | Municipal Advisor Structuring Fee; Warrants 56 thru 104, inclusive |
| 106 | Kuehl Capital Corporation | 1,857.74 | Municipal Advisor Structuring Fee; Warrants 56 thru 104, inclusive |
| 107 | First National Capital Markets | 9,723.35 | Underwriting placement fee, Warrants 56 thru 106, inclusive |

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 278 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 benefitted 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. 278 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.

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 278 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.

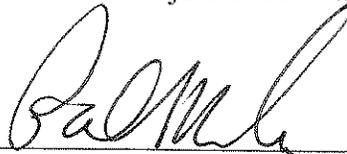
3. The District has not been notified of any listing of it by the Internal Revenue Service as an issuer that may not certify its bonds.

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

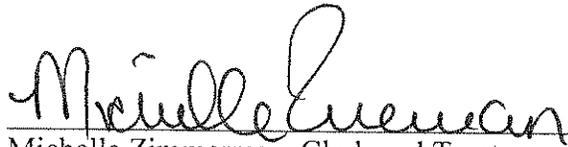
On roll call on the foregoing resolutions, the following Trustees voted aye: Paul S. McCune, Michelle Zimmerman, Susan McCune, Stacey Holt and Jason McCune; voting nay thereon were the following Trustees: None. The Chairman then declared said resolutions to be duly carried and adopted.

Under Agenda Item No. 7, Miscellaneous Matters, the Chairman reported that the Oaths of Office of the Board members have been filed with the Sarpy County Clerk, as evidenced by the receipt attached to these minutes.

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



Paul S. McCune, Chairman and Trustee



Michelle Zimmerman, Clerk and Trustee