

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 August 13, 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 July 31 and August 17, 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 directed the Board's attention to Agenda Item No. 3 (a), 2013-2014 Budget and Tax Levy. The Chairman noted that, after consultation with the District's attorney and auditor, it appears to be in the best interests of the District that a budget for 2013-2014 fiscal year not be proposed, as the cost of processing same would exceed the amount of taxes levied for the fiscal year.

The Chairman directed the Board's attention to Agenda Item No. 3(b). He reported that, in view of the fact that the District was not formed until January 31, 2013, the District should request from the State Auditor's office a waiver of audit for the District for the year ended June 30, 2013. After discussion, the following motion 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 District does hereby seek from the State Auditor a waiver of the audit requirement for the District for the year ended June 30, 2013, with the understanding that the audit for the year ended June 30, 2014, will include the time period from District's inception through June 30, 2014.

On roll call on the foregoing 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 duly carried and adopted.

The Chairman then directed the Board's attention to Agenda Item Nos. 4 and 5, public hearing on resolution of necessity for entering into an **Amendment to Interlocal Cooperation Agreement (SID 176, SID 192, SID 240 and SID 278) for Sewer Connection**, and for entering into a **Second Amendment to Interlocal Cooperation Agreement (SID 240, SID 255, SID 260 and SID 278) for Sewer connection Fees, Sanitary Sewer Section II (Outfall)**. He presented for the Board's consideration the Proof of Publication of the proposed resolutions, together with a Certification on posting said resolutions in three conspicuous places within the District, all as authorized by the Board at its meeting held on July 10, 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 Amendment to Interlocal Cooperation Agreement or the proposed Second Amendment to Interlocal Cooperation 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 July 10, 2013, for entering into an Amendment to Interlocal Cooperation Agreement with SID 176, SID 192 and SID 240, be and hereby is passed, verbatim as proposed.

FURTHER RESOLVED that said Board does herewith authorize the execution of said Amendment to Interlocal Cooperation Agreement by the Chairman and Clerk on behalf of the District, and does further authorize payment of the fees required thereby at such time as said Agreement is fully signed.

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 July 10, 2013, for entering into Second Amendment to Interlocal Cooperation Agreement with SID 240, SID 255 and SID 260 be and hereby is passed, verbatim as proposed.

FURTHER RESOLVED that said Board does herewith authorize the Chairman and Clerk to execute said Second Amendment to Interlocal Cooperation Agreement on behalf of the District, and does further authorize payment of the fees required thereby at such time as said Agreement is fully signed.

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 then directed the Board's attention to Agenda Item No. 6 and presented a letter from the District's fiscal agent dated August 9, 2013, explaining that three groups of warrants were purchased privately and thus no fees are due to First National Capital Markets with respect to those warrants. The letter went on to request that the warrants issued for fees, namely Nos. 22, 52 and 107, payable to First National Capital Markets in the amounts of \$2,357.02, \$4,078.35 and \$9,723.35, respectively, be canceled. After discussion, the following resolution was duly moved and seconded, to-wit:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 278 of Sarpy County, Nebraska, that Construction Fund warrants Nos. 22, 52 and 107, payable to First National Capital Markets in the amounts of \$2,357.02, \$4,078.35 and \$9,723.35, respectively, be and hereby are canceled for the reason that no fees were due to First National Capital Markets on Warrant Nos. 9 through 21, 29 through 51, or 56 through 106.

BE IT FURTHER RESOLVED, that a copy of this resolution be filed with the Treasurer of Sarpy County, Nebraska.

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 directed the Board's attention to Agenda Item No. 7, Payment of Bills of the District, and presented for the Board's consideration the following bills, statements and invoices. Also presented for the Board's consideration was a letter/invoice from Kuehl Capital Corporation, the District's Fiscal Agent, dated August 13, 2013, reflecting that the District owes \$5,780.74 of interest on its outstanding Construction Fund warrants. Attached to the letter/invoice was a computer printout reflecting the computation of interest on all of such outstanding warrants to September 1, 2013. He stated that this interest should be paid by issuing warrants payable as noted in the letter, such warrants to bear interest at the rate of seven percent per annum with an interest payment date of September 1. 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. 108 through 139 of

the District, dated the date of this meeting, to the following payees and in the following amounts, said Warrant Nos. 108 through 112 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. 113 through 139 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 August 13, 2016)

Number	Payee	Amount	Description
108	Croker Huck Kasher DeWitt Anderson & Gonderinger, LLC	\$982.29	Legal services & costs, Inv. #97210 dated 8-13-13, Acct. 488-000
109	Kuehl Capital Corporation	3,000.00	Financial Advisor/Fiscal Agent Services 2-11-13 through 6-30-13
110	Kuehl Capital Corporation	475.00	Financial Advisor/Fiscal Agent Services 2-11-13 through 6-30-13
111	Kuehl Capital Corporation	24.56	Municipal Advisor Structuring Fee; Warrant 108
112	First National Capital Markets	69.50	Underwriting placement fee, Warrants 109 and 110
CONSTRUCTION FUND (Payable August 13, 2018)			
113	Thiele Geotech, Inc.	\$3,958.50	Sanitary Sewer, Outfall Sewer, Storm Sewer and Paving Project - Section I, Inv. #46972
114 thru 120	Luxa Construction Co., Inc.	10,000.00 each	Sanitary Sewer, Outfall Sewer, Storm Sewer and Paving Project - Section I, EST. No. 1
121	Luxa Construction Co., Inc.	1,631.94	Sanitary Sewer, Outfall Sewer, Storm Sewer and Paving Project - Section I, EST. No. 1
122 thru 129	Luxa Construction Co., Inc.	10,000.00 each	Sanitary Sewer, Outfall Sewer, Storm Sewer and Paving Project - Section I, EST. No. 2
130	Luxa Construction Co., Inc.	1,713.99	Sanitary Sewer, Outfall Sewer, Storm Sewer and Paving Project - Section I, EST. No. 2

131 thru 133	Lamp Rynearson & Associates	10,000.00 each	Sanitary Sewer, Outfall Sewer, Storm Sewer and Paving Project - Section I, Inv. No. 0107018.11-3
134	Lamp Rynearson & Associates	1,043.64	Sanitary Sewer, Outfall Sewer, Storm Sewer and Paving Project - Section I, Inv. No. 0107018.11-3
135	Croker Huck Kasher DeWitt Anderson & Gonderinger, LLC	10,000.00	Legal services & costs, Inv. #997335 dated 8-13-13, Acct. 488-001
136	Croker Huck Kasher DeWitt Anderson & Gonderinger, LLC	348.16	Legal services & costs, Inv. #997335 dated 8-13-13, Acct. 488-001
137	Rod Rhoden	5,670.90	Annual Interest on Warrants
138	Robert J. Huck	109.84	Annual Interest on Warrants
139	Kuehl Capital Corporation	5,111.92	Municipal Advisor Structuring Fee; Warrants 113 thru 138, 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. 8, Miscellaneous Matters, the Chairman reported that the District has received a fully executed copy of the Omaha-Gretna-Tiburon Ridge Wastewater Service Agreement. The Clerk was directed to attach a copy 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