

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 June 9, 2014, at 19806 Maple Street, Omaha, Nebraska. Present were: Trustees Paul S. McCune, Michelle Zimmerman, Susan McCune, Stacey Holt and Jason McCune; Absent: None. 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 May 28 and June 4, 2014, 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 Board then turned its attention to Agenda Item No. 3, and the Chairman then presented for the Board's consideration a "Petition for Annexation" of additional real property to the District, dated effective June 9, 2014. The Petition, executed by Paul S. McCune, as Member of JMF, LLC, a Nebraska limited liability company, owner of the property involved, certifies that said JMF, LLC is the sole owner of the real estate described in the Petition, and further certifies that none of said real estate is included within the boundaries of any municipal corporation, nor is any of said real estate used primarily for industrial purposes. The Chairman also presented an Acknowledgment and Waiver executed on behalf of Pinnacle Bank of Gretna, Nebraska and Jerry M. Slusky, Esq., Trustee of the Master Deed of Trust dated February 2, 2011, and filed February 3, 2011 as Instrument No. 2011-03653, consenting to the annexation and the imposition of taxes and special assessments against the property by the District. After full discussion, the following resolution was 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

tract of land described in said "Petition for Annexation", dated effective June 9, 2014, executed by Paul S. McCune, as Member of JMF, LLC, a Nebraska limited liability company, be and hereby is duly annexed to and now constitutes a part of Sanitary and Improvement District No. 278 of Douglas County, Nebraska.

FURTHER RESOLVED that the Clerk of the District be and hereby is directed to certify to the County Clerk of Sarpy County, Nebraska, the change in the boundaries of the District to include the above-noted tract of land, and to file a Certificate of Annexation with the Register of Deeds 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 then directed the Board's attention to Agenda Item No. 4, public hearing on resolution of necessity for Tiburon Ridge Phase 2 - Sanitary Sewer and Storm Sewer Section I. 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 May 12, 2014. 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 Tiburon Ridge Phase 2 - Sanitary Sewer and Storm Sewer Section I. After full discussion, the following resolution was duly moved and seconded as follows, to-wit:

RESOLVED that the resolution of necessity proposed by the Board at its meeting held on May 12, 2014, for Tiburon Ridge Phase 2 - Sanitary Sewer and Storm Sewer - Section I, be and hereby is passed, verbatim as proposed.

FURTHER RESOLVED that said Board does herewith order the construction of Tiburon Ridge Phase 2 - Sanitary Sewer and Storm Sewer - Section I.

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 to be duly carried and adopted.

The Chairman then presented for the Board's consideration the various bids received from contractors on June 3, 2014, for the construction of Tiburon Ridge Phase 2 - Sanitary Sewer

and Storm Sewer - Section I, such bids having been submitted in response to published Notice to Contractors (Proof of Publication of said Notice being attached to these minutes). The low bid was submitted by Cedar Construction Co., Inc., of Omaha, Nebraska, in the sum of \$372,775.00. The Engineers recommended that said low bid be accepted. After full discussion, the following resolution was duly moved and seconded:

BE IT RESOLVED that the bid submitted by Cedar Construction Co., Inc. for construction of Tiburon Ridge Phase 2 - Sanitary Sewer and Storm Sewer - Section I, in the sum of \$372,775.00, be and hereby is accepted; that the Chairman and Clerk be and hereby are authorized to enter into a written contract in the foregoing amount with said contractor on behalf of the District, provided that said contractor furnish the certificate of insurance and the bonds required by the specifications for the project.

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 to be duly carried and adopted.

The Chairman then directed the Board's attention to Agenda Item No. 5, public hearing on resolution of necessity for Tiburon Ridge Phase 2 – Paving, Section I. 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 May 12, 2014. 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 Tiburon Ridge Phase 2 – Paving, Section I. After full discussion, the following resolution was duly moved and seconded as follows, to-wit:

RESOLVED that the resolution of necessity proposed by the Board at its meeting held on May 12, 2014, for Tiburon Ridge Phase 2 – Paving - Section I, be and hereby is passed, verbatim as proposed.

FURTHER RESOLVED that said Board does herewith order the construction of Tiburon Ridge Phase 2 – Paving - Section I.

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 to be duly carried and adopted.

The Chairman then presented for the Board's consideration the various bids received

from contractors on June 3, 2014, for the construction of Tiburon Ridge Phase 2 – Paving - Section I, such bids having been submitted in response to published Notice to Contractors (Proof of Publication of said Notice being attached to these minutes). The low bid was submitted by MBC Construction Co., Inc., of Omaha, Nebraska, in the sum of \$524,940.93. The Engineers recommended that said low bid be accepted. After full discussion, the following resolution was duly moved and seconded:

BE IT RESOLVED that the bid submitted by MBC Construction Co., Inc. for construction of Tiburon Ridge Phase 2 – Paving - Section 1, in the sum of \$524,940.93, be and hereby is accepted; that the Chairman and Clerk be and hereby are authorized to enter into a written contract in the foregoing amount with said contractor on behalf of the District, provided that said contractor furnish the certificate of insurance and the bonds required by the specifications for the project.

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 to be duly carried and adopted.

The Chairman then directed the Board's attention to Agenda Item No. 6, public hearing on resolution of necessity for entering into a certain agreement in connection with the development and improvement of the District; i.e., an Agreement For Interceptor Connection and Wastewater Service between the District and the City of Gretna for Tiburon Ridge Phase 2. 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 May 12, 2014. 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 Subdivision Agreement or Interceptor Connection and Wastewater 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 May 12, 2014, for entering into an Agreement For Interceptor Connection and Wastewater Service between the District and the City of Gretna for Tiburon Ridge Phase 2, be and hereby is passed, verbatim as proposed.

FURTHER RESOLVED that said Board does herewith authorize the Chairman and Clerk to execute said Agreement on behalf of

the District, and does further authorize payment of the fees required thereby to the Sarpy County Planning and Building Department.

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. 7, public hearing on resolution of necessity for Park Improvements (Trees and Irrigation System). 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 May 12, 2014. 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 Park Improvements. After full discussion, the following resolution was duly moved and seconded as follows, to-wit:

RESOLVED that the resolution of necessity proposed by the Board at its meeting held on May 12, 2014, for Park Improvements (Trees and Irrigation System), be and hereby is passed, verbatim as proposed.

FURTHER RESOLVED that said Board does herewith order the construction of Park Improvements (Trees and Irrigation System).

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 to be duly carried and adopted.

The Chairman then directed the Board's attention to Agenda Item No. 8 and 9, and stated that it would be appropriate to take up the matter of the proposal of a resolution of necessity for certain improvements identified as Sanitary Sewer Section 2 – Tiburon Ridge Phase 2 (Pebblebrooke Lift Station Renovation) and for entering into an agreement in connection with the development and improvement of the District; i.e., a Subdivision Agreement between the District, the County of Sarpy, and JMF, LLC, and payment of the fees required thereunder – said resolution of necessity being identified as Subdivision Agreement (Tiburon Ridge Phase 2) – Sarpy County Review Fees. He presented for the Board's consideration the engineer's estimates of the costs thereof, including miscellaneous costs, in the total sums as follows:

Sanitary Sewer Section 2 (Pebblebrooke Lift Station
Renovation) – Tiburon Ridge Phase 2 – (Alternative No. 1) - \$172,500

OR

Sanitary Sewer Section 2 (Pebblebrooke Lift Station
Renovation) – Tiburon Ridge Phase 2 – (Alternative No. 2) - \$467,000

Subdivision Agreement (Tiburon Ridge Phase 2) –
Sarpy County Review Fees - \$6,000

The Chairman then presented for the Board's consideration a proposed Resolution of Necessity for said improvements, 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 constructing the improvements designated as Sanitary Sewer Section 2 – Tiburon Ridge Phase 2 (Pebblebrooke Lift Station Renovation) and for entering into an agreement in connection with the development and improvement of the District; i.e., a Subdivision Agreement between the District, the County of Sarpy, and JMF, LLC, and payment of the fees required thereunder – said resolution of necessity being identified as Subdivision Agreement (Tiburon Ridge Phase 2) – Sarpy County Review Fees

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 July 2, 2014, 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 June 18 and 25, 2014, which publication shall contain the entire wording of said Resolution of Necessity and be posted in three conspicuous places in the District.

BE IT FURTHER RESOLVED that the attached Notice to Contractors for Sanitary Sewer Section 2 – Tiburon Ridge Phase 2 (Pebblebrooke Lift Station Renovation) be published in The Gretna Breeze on June 11, 18 and 25, 2014.

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. 10, 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. 228 through 250, inclusive, of the District, dated the date of this meeting, to the following payees and in the following amounts, said Warrant Nos. 247 through 250, inclusive, to be drawn on the General Fund of the District and to draw interest at the rate of seven percent (7%) per annum, and said Warrant Nos. 228 through 246, inclusive, 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:

Construction Fund
(Due June 9, 2019)

228 through 241	Sarpy County Planning and Building Department	10,000.00 each	Sewer Capital Facility (Special Connection) Fees
242	Sarpy County Planning and Building Department	5,597.68	Sewer Capital Facility (Special Connection) Fees
243	Sarpy County Planning and Building Department	10,000.00	Sub-Basin Interceptor Sewer Development and Connection Fee
244	Sarpy County Planning and Building Department	4,209.65	Sub-Basin Interceptor Sewer Development and Connection Fee
245	Croker Huck Kasher DeWitt Anderson & Gonderinger, LLC	9,242.68	Inv. No. 101498, Acct. No. 488-001
246	Kuehl Capital Corporation	4,226.25	Municipal Advisor Structuring Fee; Warrant Nos. 228 through 245, inclusive

<u>General Fund</u> (Due June 9, 2017)			
247	Cornerstone Insurance Group	467.00	Inv. No. 4845, general liability insurance renewal
248	Croker Huck Kasher DeWitt Anderson & Gonderinger, LLC	502.76	Inv. No. 101357, Acct. No. 488-000
249	Kuehl Capital Corporation	24.24	Municipal Advisor Structuring Fee; Warrant Nos. 247 and 248, inclusive
250	First National Capital Markets	9.82	Underwriting placement fee, Warrants 247 and 249

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 \$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. 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.

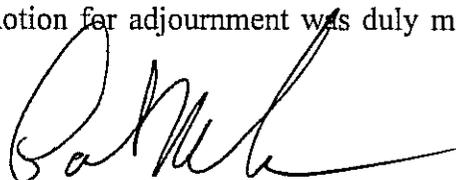
2. To the best of their knowledge, information and belief, the above expectations are reasonable.

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.

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