

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 18, 2014, at 2120 South 72 Street, Suite 1200, 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 August 13, 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, Sanitary Sewer Section 2 – Tiburon Ridge Phase 2 (Pebblebrooke Lift Station Renovation).

a.) Proposed Interlocal Cooperation Agreement with SID 240 of Sarpy County. The Chairman then reminded the Board that SID 278 and SID 240 have previously entered into an Interlocal Agreement in January, 2014 and an Addendum thereto in July, 2014, whereby SID 240 agreed to allow SID 278 to connect its sewer system to the sewer system of SID 240. The January, 2014 Interlocal Agreement sets forth various scenarios as to the maintenance, repair and, if necessary, reconstruction of SID 240's sewage lift station which is part of SID 240's sewer system. The Chairman stated that it would be appropriate to consider entering into an additional Interlocal Cooperation Agreement with SID 240 at this time. Both SID 240 and SID 278 desire to upgrade and renovate SID 240's lift station to accommodate additional platted lots within both SIDs. SID 278 has passed a Resolution of Necessity and taken bids to perform such upgrades to SID 240's lift station. Both SID 240 and SID 278 desire to proceed with the "alternate bid" submitted by Neuvirth Construction, Inc. Therefore, SID 278 will proceed to award the contract to the lowest bidder, Neuvirth Construction, Inc., for the alternate bid work. This is in conformity with the Engineer's recommendation in their July 31, 2014 letter. The total costs (including soft costs) for the alternate bid work will be initially paid by SID 278. However,

based on the number of lots in each SID to be served by SID 240's renovated lift station, SID 240 will reimburse SID 278 an amount equal to 76% of the difference between the lowest alternate bid and the lowest base bid. After a review of the proposed Agreement and full discussion on the matter, the following resolution was 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 of the District be, and hereby are, authorized and directed to execute the Interlocal Cooperation Agreement regarding the sharing of costs of SID 240's lift station renovation with SID 240 of Sarpy County, Nebraska on behalf of the District.

FURTHER RESOLVED, that a copy of said Interlocal Cooperation 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.

b.) Acceptance of Bid. The Chairman reminded the Board that a Notice to Contractors had been published and bids had previously been received for the renovation of SID 240's lift station. At its July 2, 2014 meeting, the Board had authorized the District's Engineer to provide the bid information to the Board of Trustees of SID 240 to review with regard to the bid alternatives. The Chairman reported that SID 240 has agreed that the Board should proceed with the alternate option on the project. The Engineer's letter dated July 31 2014, setting forth the low alternate bidder for the accepted option is attached to these minutes for reference. The low bid was submitted by Neuvirth Construction, Inc., of Blair, Nebraska, in the sum of \$120,994.90. 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 Neuvirth Construction, Inc. for construction of Sanitary Sewer Section 2 – Tiburon Ridge Phase 2 (Pebblebrooke Lift Station Renovation), in the sum of \$120,994.90, 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 directed the Board's attention to Agenda Item No. 4, Engineer's Statement of Completion. The Chairman presented the Engineer's Statement of Completion from Lamp, Rynearson & Associates, Inc., Engineers of the District, certifying that Cedar Construction Company has completed the construction of Tiburon Ridge Phase 2 – Sanitary Sewer and Storm Sewer, Section 1 in substantial compliance with the plans and specifications, and recommending final payment. After discussion, the following Section resolution was 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 Board does hereby accept and approve Tiburon Ridge Phase 2 – Sanitary Sewer and Storm Sewer, Section 1; further, the Clerk is directed to attach the Engineer's Statement of Completion to these minutes.

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 directed the Board's attention to Agenda Item No. 5 and noted that various certificates of completion have been received from Lamp, Rynearson & Associates, Inc., Engineers of the District, certifying that all Phase I projects of the District had been completed in substantial compliance with the plans and specifications. After discussion, it was duly moved and seconded to accept and approve Sanitary Sewer, Outfall Sewer, Storm Sewer and Paving, Section I; Sewer Connection Fees – Section I; Sub-Basin Interceptor Sewer Development Connection Fee; Water – Section I; Power – Section I; and Interlocal Agreement Between SID 278 and SID's 176, 192, 240, 255 and 260, all Tiburon Ridge – Phase 1 projects. 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 the Engineer's complete statements of all costs of the Phase I projects which have been constructed in the District, together with the plat of the property benefitted by these projects, and a schedule of the amounts proposed to be assessed against each separate piece of property in the District. The total amounts of all costs of said projects and the amounts proposed to be specialied are as follows:

PROJECT	SPECIAL ASSESSMENTS	GENERAL OBLIGATION	TOTAL COSTS
Sanitary Sewer, Outfall Sewer, Storm Sewer and Paving, Section I	\$619,907.51	\$667,753.03	\$1,287,660.54
Sewer Connection Fees Section I	\$0.00	\$101,111.64	\$101,111.64
Sub-Basin Interceptor Sewer Development Connection Fee	\$0.00	\$15,795.47	\$15,795.47
Water - Section I	\$181,170.34	\$388,266.36	\$569,436.70
Power - Section I	\$73,922.10	\$0.00	\$73,922.10
Interlocal Agreements Between SID 278 and SIDs 176, 192, 240, 255 and 260	\$0.00	\$43,767.98	\$43,767.98
<b>TOTAL</b>	<b>\$874,999.95</b>	<b>\$1,216,694.48</b>	<b>\$2,091,694.43</b>

After discussion, the following resolution was duly moved and seconded, to-wit:

BE IT RESOLVED that the Clerk of the District give the attached Notice concerning the hearing to be held September 10, 2014, at 9:00 a.m., at 2120 South 72<sup>nd</sup> Street, Suite 1200, Omaha, Nebraska, on the proposed special assessments by publication thereof in The Gretna Breeze of Gretna, Nebraska, three times, on August 20, 27 and September 3, 2014, and by handbills posted along the line of the work; that such other and further notice be given to each and every owner of record and every party appearing to have a direct legal interest in the foregoing action or proceedings, as required by law.

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 Nos. 6 and 7 and stated that it would be appropriate to take up the matter of the proposal of a resolution of necessity for entering into certain agreements in connection with the development and improvement of Phase 2 of the District; i.e., a Water Main Extension Agreement with Metropolitan Utilities District and

an Underground Service Agreement with Omaha Public Power District. He presented for the Board's consideration the engineer's estimates of the costs thereof, including miscellaneous costs, in the sum of \$429,290.00 for the Water Main Extension Agreement and \$120,240.00 for the Underground Service Agreement. 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 a Water Main Extension Agreement with Metropolitan Utilities District and an Underground Service Agreement with Omaha Public Power District 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 September 22, 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 September 10 and 17, 2014, 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.

With reference to Agenda Item No. 8, the Chairman presented a proposed Agreement with Omaha Public Power District for street lighting for Phase 2 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 for Phase 2 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 directed the Board's attention to Agenda Item No. 9, Propose 2014-2015 Budget and Tax Levy, and presented the proposed budget statement for the District, which had previously been prepared with the assistance of the District's auditors, all in accordance with the Nebraska statutes. The Board reviewed the proposed dollar requirement and the proposed budget documents.

The Chairman also noted that the Board has until October 13 to vote to establish a tax request different from the prior year, provided that a majority of the Board votes for such approval at a special public hearing, notice of which must be published at least five days prior to the hearing.

After full discussion, the following resolutions were duly moved and seconded, to-wit:

RESOLVED, that the Board of Trustees of Sanitary and Improvement District No. 278 of Sarpy County, Nebraska, does herewith propose the budget heretofore filed with the Clerk of the District; that a hearing on such proposed budget be held on September 10, 2014, at 9:00 a.m. at 2120 South 72<sup>nd</sup> Street, Suite 1200, Omaha, Nebraska; that public notice of the place and time of such hearing, together with the summary of the proposed budget statement, be published in *The Gretna Breeze* of Gretna, Nebraska, on or before September 3, 2014.

Further resolved, that a special public hearing be held on September 10, 2014, at 9:15 a.m. at 2120 South 72<sup>nd</sup> Street, Suite 1200, Omaha, Nebraska, for the purpose of establishing a tax request which is different from that of the prior year; that public notice of the place and time of such hearing be published in *The Gretna Breeze* of Gretna, Nebraska, on or before September 3, 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 to be duly carried and adopted.

With respect to Agenda Item No. 10, the Chairman reminded the Board that an election of Trustees is scheduled for September 9, 2014. Attorney Huck reported that notice of the election was mailed to all property owners in the District on July 3, 2014, and an affidavit to that effect has been submitted by the Clerk. The Board directed the Clerk to attach said affidavit to these minutes for reference.

The Chairman directed the Board's attention to Agenda Item No. 11, 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 18, 2014, reflecting that the District owes \$115,390.16 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, 2014. 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. 273 through 372, inclusive, of the District, dated the date of this meeting, to the following payees and in the following amounts, said Warrant Nos. 273 through 280, 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. 281 through 372, 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:

**General Fund**  
**(Due August 18, 2017)**

273 and 274	McArdle Grading Co.	3,000.00 each	Inv. No. 11285, waterway silt cleanup
275	McArdle Grading Co.	1,450.00	Inv. No. 11285, waterway silt cleanup
276	Skyline Sign Co.	1,040.95	Inv. Dated 8-8-14, stop sign repair
277	Trekk Design Group, LLC	562.50	Inv. No. 14-684, clean out clogged inlets
278	Lamp Rynearson & Associates	4,630.47	Inv. Nos. 0107018.90-07 & 08, engineering services

279	Croker Huck Kasher DeWitt Anderson & Gonderinger, LLC	1,684.40	Inv. No. 102239, Acct. No. 488-000
280	Kuehl Capital Corporation	384.21	Warrant Structuring Fee on Warrant Nos. 273 through 279, inclusive
<b>Construction Fund (Due August 18, 2019)</b>			
281	Sarpy County Planning and Building Department	8,791.90	Remainder of Public Improvement Review Fees
282	Thiele Geotech, Inc.	4,271.00	Inv. No. 50104, Sanitary Sewer and Storm Sewer, Section 1
283 thru 315	Cedar Construction Company	10,000.00 each	Pay Rec. 1 - FINAL, Sanitary Sewer and Storm Sewer, Section 1
316	Cedar Construction Company	9,205.66	Pay Rec. 1 - FINAL, Sanitary Sewer and Storm Sewer, Section 1
317 thru 340	MBC Construction Company	10,000.00 each	Pay Rec. 1 - Paving, Section 1
341	MBC Construction Company	4,308.27	Pay Rec. 1 - Paving, Section 1
342 thru 351	Lamp Rynearson & Associates	10,000.00 each	Inv. Nos. 0107018.11-9, 0107018.22-2 and -3, engineering services
352	Lamp Rynearson & Associates	4,204.77	Inv. Nos. 0107018.11-9, 0107018.22-2 and -3, engineering services
353 thru 355	Croker Huck Kasher DeWitt Anderson & Gonderinger, LLC	10,000.00 each	Inv. No. 102459, Acct. No. 488-001
356	Croker Huck Kasher DeWitt Anderson & Gonderinger, LLC	5,112.21	Inv. No. 102459, Acct. No. 488-001
357 thru 366	RBC Capital Markets LLC	10,000.00 each	Annual Interest on Warrants
367	RBC Capital Markets LLC	6,781.52	Annual Interest on Warrants
368	Lamp Rynearson & Associates	2,173.05	Annual Interest on Warrants
369	Robert J. Huck	6,435.59	Annual Interest on Warrants
370 and 371	Kuehl Capital Corporation	10,000.00 each	Warrant Structuring Fee on Warrant Nos. 280 through 369, inclusive
372	Kuehl Capital Corporation	1,282.10	Warrant Structuring Fee on Warrant Nos. 280 through 369, 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 \$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.

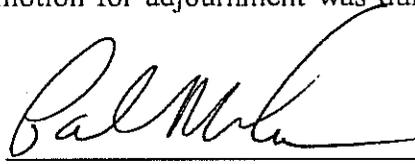
3. The District has not been notified of any listing of it by the Internal Revenue Service as an issuer that may not certify its bonds.

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.

With respect to Miscellaneous Matters, Attorney Huck presented a copy of the One Call Concepts, Inc. invoice, a copy of which is attached to these minutes for reference, 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 District's invoice.

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



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Paul S. McCune, Chairman and Trustee



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Michelle Zimmerman, Clerk and Trustee