

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 January 12, 2015, at 2120 South 72nd 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 January 7, 2015, 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 No. 3, Engineering Report, and the following transpired:

- a. Tiburon Ridge Phase 2 MUD. It was reported that this project is completed and is now in service.
- b. Street and Regulatory Sign Installation, Phase 2. It was reported that bids had been received for this work and the low bidder was Signature Signs in the amount of \$3,970.00. A copy of the bids and the Engineer's letter recommending acceptance of the low bid is attached to these minutes for reference. The Chairman reminded the Board that he had accepted the low bid on behalf of the District. After discussion, 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 actions of the Chairman and the District's Engineer in accepting the bid of Signature Signs in the amount of \$3,970.00 on behalf of the District be and hereby are ratified and confirmed in all respects.

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 resolution to be duly carried and adopted.

The Chairman directed the Board's attention to Agenda Item No. 4, Audit Report for the year ended June 30, 2014. The Clerk presented the audit report which had been prepared by the District's accountants. Following review, it was duly moved and seconded that said report be accepted and that the Clerk retain a copy for the District's records.

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 resolutions duly carried and adopted.

The Chairman directed the Board's attention to Agenda Item No. 5, 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. 479 through 491, inclusive, of the District, dated the date of this meeting, to the following payees and in the following amounts, and said Warrant Nos. 479 through 486, 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. 487 through 491, 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 January 12, 2018)

| No | Payee | Amount | Description |
|-----|---------------------------------|--------|---|
| 479 | Omaha Public Power District | 88.02 | Sprinklers in ROW, Acct. No. 1347205762, 10-20-14 to 1-7-15 |
| 480 | Metropolitan Utilities District | 217.33 | Sprinklers in ROW, Acct. No. 110000071573, 9/11/14 - 12/10/14 |

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|---|---|-----------|--|
| 481 | Lutz & Company, PC | 3,000.00 | Inv. No. 170785, final billing re audited financial statements for year end 6-30-14 |
| 482 | Lamp Rynearson & Associates | 3,000.00 | Inv. Nos. 0107018.90-11, -12 and -13, engineering services |
| 483 | Lamp Rynearson & Associates | 2,480.17 | Inv. Nos. 0107018.90-11, -12 and -13, engineering services |
| 484 | Croker Huck Kasher DeWitt Anderson & Gonderinger, LLC | 3,000.00 | Inv. Nos. 103594, 103910 and 104160, Acct. No. 488-000 |
| 485 | Croker Huck Kasher DeWitt Anderson & Gonderinger, LLC | 1,323.45 | Inv. Nos. 103594, 103910 and 104160, Acct. No. 488-000 |
| 486 | Kuehl Capital Corporation | 327.72 | Warrant Structuring Fee, Warrants 479 through 485, inclusive |
| Construction Fund (Due January 12, 2020) | | | |
| 487 | Utilities Services Group | 4,681.30 | Inv. No. 10490, sewer televising services, Sanitary Sewer – Sec. 1 Ph. 2 |
| 488 | Lamp Rynearson & Associates | 10,000.00 | Inv. No. 107018.22-05 and -06, Phase 2 sanitary sewer (Sec. 1 and 2), storm sewer (Sec. 1) and Paving (Sec. 1) |
| 489 | Lamp Rynearson & Associates | 8,729.00 | Inv. No. 107018.22-05 and -06, Phase 2 sanitary sewer (Sec. 1 and 2), storm sewer (Sec. 1) and Paving (Sec. 1) |
| 490 | Croker Huck Kasher DeWitt Anderson & Gonderinger, LLC | 1,180.33 | Inv. No. 104223, Acct. No. 488-001 |
| 491 | Kuehl Capital Corporation | 614.77 | Warrant Structuring Fee, Warrants 487 thru 490, 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, the following transpired:

- a. Attorney Huck reported that the Sarpy County Election Commission's invoice for the 2014 election expenses had been paid by his firm, as required, and included as a cost on the District's invoice from his firm. A copy of the invoice from the Sarpy County Election Commission is attached to these minutes for reference.
- b. The Board discussed the management representation letter which had been prepared by the District's auditors and submitted to the Chairman for signature. Thereupon, 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 prior action of the Chairman in executing and delivering the management representation letter prepared by the District's auditors be and hereby is ratified, confirmed and approved.

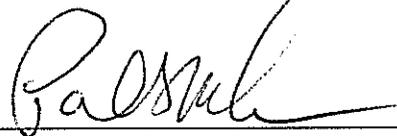
On roll call on the foregoing resolution, the following Trustees voted aye: Paul S. McCune, Michelle Zimmerman, Susan McCune, Stacey Holt and Jason McCune; voting

nay thereon were the following Trustees: None. The Chairman then declared said resolution duly carried and adopted.

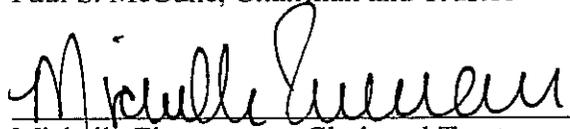
c. Attorney Huck distributed a copy of a quarterly financial report which had been prepared for the Board by Kuehl Capital Corporation. A copy of the report is attached to these minutes for reference.

d. The Board determined that the next meeting will be held on February 27, 2015.

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