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 February 27, 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 February 18, 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, and noted that various certificates of completion have been received from Lamp, Rynearson & Associates, Inc., Engineers of the District, certifying that all Phase 2 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 the following Phase 2 Projects: Sanitary Sewer and Storm Sewer – Section I; Paving – Section I; Sewer Connection Fees – Section I; Sub-basin Interceptor Sewer Development Connection Fee; Water – Section I; and Power – 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 the Engineer's complete statements of all costs of the Phase 2 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 specialed are as follows:

PROJECT	SPECIAL ASSESSMENTS	GENERAL OBLIGATION	TOTAL COSTS
Sanitary Sewer and Storm Sewer - Section I	$300,259.34	$211.239.97	$511,499.31
Paving - Section I	$560,488.50	$163,475.46	$723,963.96
Sewer Connection Fees – Section I	$0.00	$168,730.33	$168,730.33
Sub-Basin Interceptor Sewer Development Connection Fee	$0.00	$16,467.29	$16,467.29
Water - Section I	$250,167.23	$136,239.23	$386,406.46
Power - Section I	$118,168.83	$0.00	$118,168.76
TOTAL	**$1,229,083.83**	**$696,152.28**	**$1,925,236.11**

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 March 25, 2015, at 11:00 a.m., at 2120 South 72nd Street, Suite 1200, Omaha, Nebraska, on the proposed special assessments by publication thereof in The Gretna Breeze of Gretna, Nebraska, three times, on March 4, 11, and 18, 2015, 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 directed the Board's attention to Agenda Item No. 4, 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. 492 through 504,

inclusive, of the District, dated the date of this meeting, to the following payees and in the following amounts, and said Warrant Nos. 492 through 499, 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. 500 through 504, 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 February 27, 2018)

No		Payee	Amount		Description
492		Omaha Public Power District	27.67		Sprinklers in ROW, Acct. No. 1347205762, 1-7-15 to 2-5-15
493		Metropolitan Utilities District	139.80		Sprinklers in ROW, Acct. No. 110000071573, 12/11/14 - 2/10/15
494		Cornerstone Insurance Group	340.00		Inv. #73, renewal of bonds
495		Michael Obbink	210.00		Inv. No. 233, bookkeeping services
496		Lutz & Company, PC	245.00		Inv. No. 171848, completion of Form 1099 and 1096
497		Lamp Rynearson & Associates	859.81		Inv. No. 0107018.90-14, engineering services
498		Croker Huck Kasher DeWitt Anderson & Gonderinger, LLC	2,400.44		Inv. No. 104549, Acct. No. 488-000
499		Kuehl Capital Corporation	105.57		Warrant Structuring Fee, Warrants 492 thru 498, inclusive
Construction Fund (Due February 27, 2020)					
500		Advantage Seeding & Sprinklers	10,000.00		Inv. No. 1389, sprinkler installation
501		Advantage Seeding & Sprinklers	4,400.00		Inv. No. 1389, sprinkler installation
502		Lamp Rynearson & Associates	5,406.00		Inv. No. 107018.22-07, Phase 2 sanitary sewer (Sec. 1), storm sewer (Sec. 1) and Paving (Sec. 1)
503		Croker Huck Kasher DeWitt Anderson & Gonderinger, LLC	990.30		Inv. No. 1058028, Acct. No. 488-001
504		Kuehl Capital Corporation	519.91		Warrant Structuring Fee, Warrants 500 thru 503, 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 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.

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

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