

**MINUTES OF MEETING OF SANITARY AND
IMPROVEMENT DISTRICT NO. 204 OF
SARPY COUNTY, NEBRASKA**

A meeting of the Board of Trustees of Sanitary and Improvement District No. 204 of Sarpy County, Nebraska, was convened in open and public session at 2:00 p.m. on August 26, 2009, at 15426 West Center Road, Omaha, Nebraska. Present were: Trustees Troy Blenderman, Stan Baatz, Roger Lindsey, David L. Miller and Herbert D. Beard; Absent: None. Also present were George Massman, CPA, and Robert J. Huck, Attorney for the District.

Notice of the meeting was given in advance thereof by publication in *The Papillion Times*, Papillion, Nebraska, on August 20, 2009, 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, Engineer's Report. The Clerk reported that all three items noted in the April 20, 2009 meeting have been accomplished. Attorney Huck was requested to provide the Clerk with the names of contractor(s) who perform sanitary sewer clean outs.

Further, all trash in the R.O.W. has been picked up and disposed of.

The Chairman directed the Board's attention to Agenda Item No. 4, and Mr. Huck reviewed briefly with the Board the proposed renewal of the District's errors and omissions insurance coverage as put together by the Greco Insurance Agency. After further discussion, the following resolution was moved and seconded, to-wit:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 204 of Sarpy County, Nebraska, that the policy of general liability insurance for the period 4/25/09 through 4/25/10 be and hereby is approved; and further, that

the Clerk is directed to retain said policy for the District's records.

On roll call on the foregoing resolution, the following Trustees voted aye: Troy Blenderman, Stan Baatz, Roger Lindsey and David L. Miller; 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, 2009-2010 Budget and Tax Levy. The Board then reviewed and discussed a proposed budget which had been prepared with the assistance of the District's auditors.

Some of the provisions of the budget draft indicated, among other things, the need to raise \$33,512 for the General Fund and \$86,419 for the Bond Fund, for a total of \$119,931. Attorney Huck noted that for 2009-2010 the District is allowed to request up to 2.5% above last year's general fund request. In addition, this budget limit may be exceeded by up to an additional one percent upon the affirmative vote of at least 75 percent of the Board members. There is no special hearing or notice required to consider the additional one percent increase.

The Chairman further noted that the above-noted amount proposed to be raised for the General Fund takes advantage under the provisions of the current lid law of the allowed 2.5% increase and the above-noted additional one percent increase over last year, provided that 75 percent of the Board members vote in favor of such additional increase at the public hearing on the budget. The law requires the District's budget to be filed with the County Board (care of the County Clerk) and the Auditor of Public Accounts on or before September 20, 2009. Notwithstanding this deadline, 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.

The Chairman then indicated that it appeared that the Board should propose the budget at this time as presented. After further discussion and review of the proposed budget items, the following resolution was moved and seconded, to-wit:

RESOLVED, that the Board of Trustees of Sanitary and Improvement District No. 204 of Sarpy County, Nebraska, does herewith propose the budget heretofore filed with the Clerk of the District reflecting the need for property taxes for the General Fund in the amount of \$33,512 and for the Bond Fund in the amount of \$86,419; that the proposed levy for the General Fund does not exceed the maximum increase permitted by the Nebraska Lid Law, but that same will require the approval of a 75 percent majority of the Board; that a

hearing on such proposed budget be held on September 9, 2009, at 2:00 p.m. at 15426 West Center Road, 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 Papillion Times* of Papillion, Nebraska, on or before September 3, 2009.

Further resolved, that a special public hearing be held on September 9, 2009, at 2:15 p.m. at 15426 West Center Road, 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 Papillion Times* of Papillion, Nebraska, on or before September 3, 2009.

On roll call on the foregoing resolution, the following Trustees voted aye: Troy Blenderman, Stan Baatz, Roger Lindsey and David L. Miller; 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. 6 and reported that the warrant which was issued at the April 20, 2009 meeting payable to Massman Nelson Reinig PC had been lost. He presented a letter along with an Affidavit of Lost Warrant and Indemnity Agreement from Ameritas Investment Corp. and stated that it would therefore be appropriate to cancel Warrant No. 587 and issue a warrant to replace the lost warrant. He also noted that the warrant was never registered with the County Treasurer. 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. 204 of Sarpy County, Nebraska, that Warrant No. 587, which was authorized at the meeting of the Board held on April 20, 2009, be and hereby is canceled.

FURTHER RESOLVED that a warrant payable to Massman Nelson Reinig PC in the amount of \$3,450.00 be issued at this meeting.

On roll call on the foregoing resolution, the following Trustees voted aye: David L. Miller, Roger Lindsey, Stan M. Baatz, Herbert D. Beard and Troy Blenderman; 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. 7, Payment of Bills, and presented for the Board's consideration the following bills, statements and

invoices. After full review of all statements and complete discussion, the following resolutions were duly moved and seconded, to-wit:

BE IT RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 204 of Sarpy County, Nebraska, that the Chairman and Clerk be and they hereby are authorized and directed to execute and deliver Warrant Nos. 592 through 598 of the District, dated the date of this meeting, to the following payee and in the following amount, said Warrant Nos. 592 through 597 to be drawn on the General Fund Account of the District and to bear interest at the rate of seven percent (7%) per annum, and Warrant No. 598 to be drawn on the Construction Fund Account of the District and to bear interest at the rate of seven percent (7%) per annum (interest to be payable on May 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 26, 2012)

1. Warrant No. 592 in the sum of \$3,450.00 payable to Massman Nelson Reinig PC in payment of Invoice No. 26452 for professional services re 6/30/08 financial statements.
2. Warrant No. 593 in the sum of \$4,050.00 payable to Omaha Public Power District in payment of street lights service 6/30/09 through 12/30/09 (estimate), Account No. 4704100060.
3. Warrant No. 594 in the sum of \$20.00 payable to UNICO Group in payment of Invoice No. 420830 for change of Chairman on bond.
4. Warrant No. 595 in the sum of \$1,753.66 payable to Ed Miller & Sons, Inc. in payment of statement for sewer maintenance labor and materials.

5. Warrant No. 596 in the sum of \$130.00 payable to Thompson Dreessen & Dorner Inc. in payment of Invoice No. 86431.
6. ~~Warrant No. 597 in the sum of \$3,401.14 payable to Croker Huck Kasher DeWitt Anderson & Gonderinger LLC in payment of statements dated 5/20/09, 6/15/09 and 7/21/09, Account No. 456-000.~~

CONSTRUCTION FUND
(Due August 26, 2014)

7. Warrant No. 598 in the sum of \$250.00 payable to Great Western Bank in payment of statement dated 7/1/09, Fees for Account No. 6705 1/16/09 - 7/15/09.

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 204 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 benefited 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. 204 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. 204 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:

I. 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: Troy Blenderman, Stan Baatz, Roger Lindsey, Herbert D. Beard and David L. Miller; voting nay thereon were the following Trustees: None. The Chairman then declared said resolutions duly carried and adopted.

Chairman Troy Blenderman indicated that he will be unavailable to sign warrants authorized at this meeting, and a motion was moved and seconded Herbert D. Beard be authorized to sign the warrant Nos. 592 through 59 as Acting Chairman. On roll call on the foregoing resolutions, the following Trustees voted aye: Troy Blenderman, Stan Baatz, Roger Lindsey, Herbert D. Beard and David L. Miller; voting nay thereon were the following Trustees: None. The Chairman then declared said resolutions duly carried and adopted.

Under Miscellaneous Matters:

- a. The next meeting is scheduled for September 9, 2009, as noted above.
- b. The Clerk reported that Bonds of the Chairman and Clerk, as well as Oaths of Office of all Board members, have been filed with the County Clerk, as evidenced by the receipts attached to these minutes.

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



Stan Baatz, Clerk