

**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 March 7, 2012, at 15426 West Center Road, Omaha, Nebraska. Present were: Trustees Stan Baatz, Roger Lindsey and David L. Miller; Absent: Trustee Troy Blenderman. Also present was Attorney Robert J. Huck.

Notice of the meeting was given in advance thereof by publication in *The Papillion Times*, Papillion, Nebraska, on March 1, 2012, 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.

In the absence of the Chairman, David Miller was appointed Acting Chairman for purposes of this meeting.

After calling the meeting to order and completion of roll call, the Acting 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 Acting Chairman directed the Board's attention to Agenda Item No. 3, and presented the Board with a copy of the Engineer's storm sewer inspection report, a copy of which is attached to these minutes for reference. The Acting Chairman informed the Board that, per the report, no action is needed at this time.

The Acting Chairman directed the Board's attention to Agenda Item No. 4, and Attorney Huck reported that as a result of some changes to IRS Form 8038-G (promulgated October 2011), each SID is now required to state whether it has established certain written procedures relating to post-issuance compliance for outstanding bonds and/or warrants. In order to place the District in a position where it can check "yes" to these questions (Lines 43 and 44 on the form), the District needs to pass a resolution and incorporate certain "Procedures", a copy of same being attached to these minutes for reference. After thorough 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. 204 OF SARPY COUNTY, NEBRASKA (THE "DISTRICT") AS FOLLOWS:

Section 1: The Board of Trustees of the District hereby finds and determines:

- (a) that the District was duly formed and remains in existence pursuant to the Constitution and applicable laws of the State of Nebraska;
- (b) that the District has heretofore issued and there are now outstanding bonds and/or warrants of the District (collectively, the "Outstanding Tax-Exempt Obligation"); and
- (c) that it is necessary and advisable for the District to adopt certain procedures to promote compliance with certain federal tax and securities laws relating to the Outstanding Tax-Exempt Obligation.

Section 2. Now therefore be it resolved that the policy and procedures attached hereto as Exhibit "A" are hereby adopted by the Board of Trustees of the District in all respects.

Section 3. This Resolution shall be in full force and effect, immediately upon its adoption by the Board of Trustees.

On roll call on the foregoing resolution, the following Trustees voted aye: Baatz, Lindsey and Miller; voting nay thereon were the following Trustees: None. The Acting Chairman then declared said resolution duly carried and adopted.

With reference to Agenda Item No. 5, Attorney Huck informed the Board that the District's fiscal agent, Richard S. Harman, was unable to attend the meeting, but had provided the necessary documentation for the Board's consideration, which he has reviewed. Attorney Huck then presented a detailed proposal for calling the outstanding bonds of the District in the principal amount of \$1,510,000 dated July 15, 2005, and the issuance of refinancing bonds in the total amount of \$1,425,000, with such newly issued bonds to bear interest at rates varying from 1.00 percent to 3.5 percent. After a careful review of the proposal and full 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:

Section 1. The following bonds, in accordance with their optional redemption provisions are hereby called for payment on April 17, 2012, at par plus accrued interest, after which date interest on the bonds will cease:

General Obligation Bonds, Series 2005, dated July 15, 2005, in the principal amount of One Million Five Hundred Ten Thousand Dollars (\$1,510,000) in \$5,000 denominations bearing basic interest as follows:

Amount	Maturity Date	Basic Interest Rate
		Per Annum
\$70,0000	07/15/12	4.15%
\$80,000	07/15/13	4.25%
\$85,0000	07/15/14	4.35%
\$90,000	07/15/15	4.45%
\$95,000	07/15/16	4.50%
\$100,000	07/15/17	4.60%
\$105,000	07/15/18	4.65%
\$110,000	07/15/19	4.70%
\$115,000	07/15/20	4.75%
\$660,000	07/15/25	5.15%

which are subject to redemption at any time on or after July 15, 2010 at par plus accrued interest, and said interest is payable semiannually, provided that such bonds shall not be called for payment, and this resolution shall be of no force and effect, if the District does not issue, sell and deliver its \$1,425,000 aggregate principal amount of General Obligation Refunding Bonds Series 2012 on or before April 17, 2012.

Section 2. Said bonds are to be paid at the office of Great Western Bank, Omaha, Nebraska.

Section 3. A true copy of this resolution shall also be filed immediately with Great Western Bank, and said Paying Agent and Registrar is hereby instructed to mail notice to each registered owner of said outstanding bonds not less than thirty days prior to the date fixed for redemption. A true copy of this resolution shall be filed with the County Treasurer of Sarpy County on or before the call date.

FURTHER RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 204 of Sarpy County, Nebraska, that the BOND RESOLUTION, a copy of which is attached to these minutes for identification purposes and by this reference made a part hereof as fully as if set forth verbatim herein, providing for the

issuance and sale of fully registered bonds of the District in the aggregate principal amount of \$1,425,000, designated as "Series 2012 Bonds", be and hereby is approved and adopted.

On roll call on the foregoing resolutions, the following Trustees voted aye: Stan Baatz, Roger Lindsey and David L. Miller; voting nay thereon were the following Trustees: None. The Acting Chairman then declared said resolutions to be duly carried and adopted.

The Acting Chairman then presented an Official Statement pertaining to issuance and sale of the 2012 bonds, which was reviewed and thoroughly discussed by the Board. Thereupon, the following resolution was duly moved and seconded, to-wit:

BE IT RESOLVED That the Official Statement dated March 7, 2012 pertaining to the issuance and sale of the Bonds is hereby approved in substantially the form attached hereto, the Official Statement as of its date is hereby deemed final within the meaning of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended, and the distribution of the Official Statement by Ameritas Investment Corp., as underwriter of the Bonds is hereby approved

On roll call on the foregoing resolution, the following Trustees voted aye: Stan Baatz, Roger Lindsey and David L. Miller; voting nay thereon were the following Trustees: None. The Acting Chairman then declared said resolution to be duly carried and adopted.

The Acting Chairman then stated that the Bond Resolution which the Board just adopted provided in Section 7 thereof for appointment by the Board of Bankers Trust Company of Des Moines, Iowa, as Paying Agent and Registrar and authorizing the Chairman and Clerk, on behalf of the District, to execute and deliver an agreement with said Paying Agent and Registrar in connection with such Bonds. Thereupon, the following resolution was duly moved and seconded, to-wit:

RESOLVED, that Bankers Trust Company, Des Moines, Iowa, has been appointed as Paying Agent for payment of principal and interest on bonds of this District issued April 15, 2012, which appointment is hereby confirmed and ratified, and the County Treasurer of Douglas County, Nebraska, as ex officio treasurer of this District, is hereby authorized and directed to pay, from time to time, to said Paying Agent, from funds of the District, such amounts of money as such Paying Agent shall certify in writing to the County Treasurer as shall be needed for payment of principal or interest on bonds of the District, such certificate of the Paying Agent to show the amounts needed for payment of principal or interest, the date upon which such amount is due, and the date when such transfer shall be made to the Paying Agent by the

County Treasurer for each transfer of funds requested by the Paying Agent.”

BE IT FURTHER RESOLVED, that the Chairman and Clerk of this District shall certify this resolution to said County Treasurer who may deem this resolution to be a continuing resolution, and authorization to make transfers to such Paying Agent, until and unless the County Treasurer is notified of termination of such authority.”

There being no further discussion on the foregoing resolutions, on roll call the following Trustees voted aye: Stan Baatz, Roger Lindsey and David L. Miller; voting nay thereon were the following Trustees: None. The Acting Chairman then declared said resolutions to be duly carried and adopted.

The Acting Chairman directed the Board's attention to Agenda Item No. 6, Audit Report for the year ended June 30, 2011. The Clerk presented the audit report which had been prepared by the District's accountants. Following review, it was duly moved and seconded that the Clerk retain a copy of said report for the District's records.

On roll call on the foregoing resolution, the following Trustees voted aye: Stan Baatz, Roger Lindsey and David L. Miller; voting nay thereon were the following Trustees: None. The Acting Chairman then declared said resolution 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 statement. After full review of same 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. 623 through 629 of the District, dated the date of this meeting, to the following payees and in the following amounts, said Warrant Nos. 623 through 627 to be drawn on the General Fund Account of the District and said Warrant Nos. 628 and 629 to be drawn on the Construction Fund Account 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:

<u>GENERAL FUND</u> (Due March 7, 2015)			
No.	Payee	Amount	Purpose
623	Omaha Public Power District	4,427.03	Street lights service 12/29/11 - 6/29/12 (\$\$1,467.03 actual, plus \$2,960 est.) Acct. 4704100060
624	UNICO Group	1,677.00	Inv. No. 518250, general liability policy 11-16-11 thru 11-16-12 (\$393.00); Inv. 521499, Directors & Officers (\$1,284.00)
625	Ed Miller & Sons, Inc.	263.75	Stmt dated 12/15/11, street sweeping
626	Glaser Sign Group	3,980.00	Inv. No. 586, SID sign
627	Thompson Dreessen & Dornier Inc.	293.35	Inv. No. 93728, professional services
<u>CONSTRUCTION FUND</u> (Due March 7, 2017)			
628	Great Western Bank	250.00	Stmt dated 1/5/12, Register and Paying Agent fees for Acct. No. 6705
629	Croker Huck Kasher DeWitt Anderson & Gonderinger LLC	3,562.50	Statement dated 3-7-12, Acct. 456-006

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:

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

With respect to Miscellaneous Matters, the following transpired:

a) Attorney Huck presented the Board with correspondence from Ameritas Investment Corp., the District's fiscal agent, dated March 5, 2012. A copy of said correspondence is attached to these minutes for reference.

b) Attorney Huck reported that the Oaths of Office for the Trustees had been filed with the Sarpy County Clerk, as evidenced by the receipt attached to these minutes for reference.

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

  
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Stan Baatz, Clerk