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 3:00 p.m. on September 8, 2015, at 15426 West Center Road, Omaha, Nebraska. Present were: Trustees Troy Blenderman, Stan Baatz, David L. Miller, and Edward Miller; Absent: None. Also present was Attorney Robert J. Huck.

Notice of the meeting was given in advance thereof by publication in *The Papillion Times* of Papillion, Nebraska, on September 2, 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.

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.

With reference to Agenda Item No. 3, the Chairman then stated that it would be appropriate to fill the vacancy on the Board. The Clerk then informed the Board that Miller Developments, LLC, a property owner in the District, had submitted a Designation of Representative document designating Edward Miller to serve as a member of the Board of Trustees. He also reported that Mr. Miller has expressed a willingness to serve on the Board of Trustees. After full and careful discussion, the following resolution was then duly moved and seconded, to-wit:

> BE IT RESOLVED that the Board of Trustees of Sanitary and Improvement District No. 204 of Sarpy County, Nebraska, appoints Edward Miller to serve as a Trustee for the remainder of the current term.

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

Attorney Huck then provided an Oath of Office for Edward Miller, who executed the same. Attorney Huck stated that he will file the Oath with the County Clerk.

The Chairman directed the Board's attention to Agenda Item No. 4, Ratify Approval of Minutes of August 24, 2015 Board Meeting. It was duly moved and seconded that said minutes are approved as written and the actions of the Clerk in executing the minutes be, and hereby are, ratified and confirmed. Upon roll call vote thereon, the following Trustees voted aye: Troy

Blenderman, Stan Baatz, David L. Miller and Edward Miller; voting nay thereon were the following Trustees: None.

The Chairman directed the Board's attention to the 2015-2016 budget. No property owners in the District appeared at this hearing on the proposed budget and budget summary to offer support, opposition, criticism, suggestions or observations concerning the proposed budget. The Chairman noted that the published notice of this public hearing on the budget had been published in *The Papillion Times* of Papillion, Nebraska, on the date noted above, as previously authorized by the Board. He further noted that the proposed budget requires property taxes for the general fund of $36,000.00 and property taxes for the bond fund of $103,500.00, and that the proposed budget reflects the permitted increase of 2.5% in the base of restricted funds, plus an additional 1%, which requires an approval vote of not less than 75 percent of the Board members.

He further stated that the Board is required to hold a separate special public hearing in order to set the 2015-2016 property tax request at an amount which is different from the prior year's tax request, and that the District has until October 13 to file with the County Clerk a resolution setting a tax request different from the prior year. The District must also submit proof of publication of notice of the special hearing. The Chairman noted that the separate special public hearing is scheduled for 3:15 p.m. on September 8, 2015.

The Chairman then declared the public hearing on the budget to be closed and inquired as to the pleasure of the Board. 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. 204 of Sarpy County, Nebraska, as follows:
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> THAT the Board does herewith approve and adopt an increase of up to 2.5% in the base of restricted funds over last year's budget, plus an additional one percent.
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> BE IT FURTHER RESOLVED that the attached budget proposed by the Board at its meeting held on August 24, 2015, is hereby adopted, exactly as proposed; that the 2015-2016 dollar requirement totaling $139,500.00 is hereby established, $36,000.00 of said sum to be credited to the District's general fund account, and $103,500.00 to be credited to the District's bond sinking fund account, such budget requiring a total levy of $0.502720 per $100 of valuation.
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> BE IT FURTHER RESOLVED that Robert J. Huck, Attorney for the District, be and hereby is directed on behalf of the Board of Trustees to file or cause to be filed said budget and dollar

requirement with the County Board, in care of the County Clerk of this County, and with the State Auditor of Public Accounts, on or before September 20, 2015.

There being no further discussion on the foregoing resolutions, on roll call vote thereon, the following Trustees voted aye: Troy Blenderman, Stan Baatz, David L. Miller, and Edward Miller; voting nay thereon were the following Trustees: None. The Chairman then declared the resolutions to be duly carried and adopted, noting particularly that the increase of up to one percent was approved by not less than 75 percent of the Board members.

With regard to Agenda Item No. 6, Maintenance, the Clerk informed the Board that he has arranged to have the necessary storm sewer maintenance work taken care of.

The Chairman then directed the Board's attention to Agenda Item No. 7, Bills of the District, and presented for the Board's consideration the following bills, statements and invoices. 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 No. 670 of the District, dated the date of this meeting, to the following payees and in the following amounts, said Warrant No. 670 to be drawn on the General Fund Account of the District and no warrants 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:

General Fund
(Due September 8, 2018)

No.		Payee	Amount	Purpose
670		Omaha Public Power District	3,647.20	Street lights service – 7/30/15 to 8/28/15 & 8/29/15 through 12/28/15 (Est.) Acct. #4704100060

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 resolution, the following Trustees voted aye: Stan Baatz, Troy Blenderman, David Miller and Edward Miller, voting nay thereon were the following Trustees: None. The Chairman then declared said resolution duly carried and adopted.

With regard to Agenda Item No. 8, Miscellaneous Matters, it was reported that no update had been received with regard to requested building construction on the Valley Ridge Business Park lots that had been discussed at the last meeting.

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

Stan Baatz, Clerk

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