

**MINUTES OF MEETING**  
**OF**  
**SANITARY AND IMPROVEMENT DISTRICT NO. 1**  
**OF CASS COUNTY, NEBRASKA**

A meeting of the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska, was convened in open and public session at 1:30 p.m. on the 20th day of June, 2019, and to be held at the 10250 Regency Circle, Suite 300, Omaha, Nebraska.

Present: Jon Meyers, Wayne Breyfogle and Peggy L. Lawton. Also, in attendance were Dennis P. Hogan, attorney for the District, John Kuehl of D.A. Davidson & Co., Kraig Thelen, Ed Hobza of Thompson, Dreessen & Dorner, Inc., and Jim Noerrlinger.

Absent: Gary P. Bruechert and Phillip Wright.

Notice of the meeting was given in advance thereof by publication in The Plattsmouth Journal on June 13, 2018, a copy of the proof of publication being attached to these minutes. 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 agenda was at all times available at the office for the District at Regency Center, Suite 300, 10250 Regency Circle, Omaha, Nebraska 68114.

It was first 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 Board was next presented with consideration of its outstanding bills and invoices.

There was next presented correspondence from Thompson, Dreessen & Dorner, Inc., engineers for the District, presenting and recommending payment in favor of Zach's Boat Lift Service, for services entitled Tractor Rental – March 2019 Flood (Lake Wa-Con-Da), in the amount of Twenty-Three Thousand Eighty and no/100 Dollars (\$23,080.00).

There was next presented correspondence from Thompson, Dreessen & Dorner, Inc., engineers for the District, presenting and recommending payment in favor of Noerrlinger Farms Inc., for services entitled Equipment Rental – March 2019 Flood (Lake Wa-Con-Da), Invoice dated June 12, 2019, in the amount of Ten Thousand One Hundred Sixty and no/100 Dollars (\$10,160.00).

There was next presented correspondence from Thompson, Dreessen & Dorner, Inc., engineers for the District, presenting and recommending payment in favor of Schumacher Irrigation, Inc., for services entitled Murphy Switch for Tractor – March 2019 Flood (Lake Wa-Con-Da), Invoice #0240437-IN, in the amount of Four Hundred Sixty-One and 04/100 Dollars (\$461.04).

There was next presented correspondence from Thompson, Dreessen & Dorner, Inc., engineers for the District, presenting and recommending payment in favor of Midwest Laboratories, Inc., for two water quality tests services entitled Lake Water Package – March 2019 Flood (Lake Wa-Con-Da), Invoice #944740, in the amount of Three Hundred Eighty-Four and 08/100 Dollars (\$384.08). The Board next directed advance payment to be made in the amount of One Thousand Five Hundred and no/100 Dollars (\$1,500.00).

There was next presented correspondence from Thompson, Dreessen & Dorner, Inc., engineers for the District, presenting and recommending payment in favor of Noerrlinger Construction Inc., for services entitled **Equipment Rental – March 2019 Flood (Lake Wa-Con-Da)**, as follows: (i) Invoice #610, in the amount of One Thousand Seven Hundred Eighty-Six and 25/100 Dollars (\$1,786.25), and (ii) Invoice #611, in the amount of Six Hundred Thirty and no/100 Dollars (\$630.00); said statements being in the aggregate amount of Two Thousand Four Hundred Sixteen and 23/100 Dollars (\$2,416.23).

There was next presented correspondence from Thompson, Dreessen & Dorner, Inc., engineers for the District, presenting and recommending payment in favor of Midwest Farmers Cooperative, for the purchase of fuel for the tractor entitled **Tractor Fuel – March 2019 Flood (Lake Wa-Con-Da)**, as follows: (i) Ticket #16268, in the amount of Two Thousand Four Hundred Eight and 35/100 Dollars (\$2,408.35), and (ii) Ticket #16266, in the amount of Nine Hundred Eighty and no/100 Dollars (\$980.00); said statements being in the aggregate amount of Three Thousand Three Hundred Eighty-Eight and 35/100 Dollars (\$3,388.35).

There was next presented correspondence from Thompson, Dreessen & Dorner, Inc., engineers for the District, for the project entitled **Purchase of Tractor – March 2019 Flood (Lake Wa-Con-Da)**, for reimbursement to the Lake Waconda Association, for the purchase of a John Deere 4430, Serial No. SG1046411R tractor, in the amount of Eleven Thousand Two Hundred and no/100 Dollars (\$11,200.00).

There was next presented correspondence from Thompson, Dreessen & Dorner, Inc., engineers for the District, for the project entitled **Receipt Reimbursement – March 2019 Flood (Lake Wa-Con-Da)**, for reimbursement to the Lake Waconda Association, for supplies needed for the flood fight, as follows: (i) Baum Hydraulics Corporation, Invoice #2089005, in the amount of Three Hundred Nineteen and 34/100 Dollars (\$319.34), (ii) Kelly Supply Company, Invoice #11125767-0, in the amount of Thirty-Eight and 25/100 Dollars (\$38.25), (iii) Jim Noerrlinger, Order #113-26443557-0347434, in the amount of Fifty-Three and 72/100 Dollars (\$53.72), (iv) Anderson Industrial Engines Co., Invoice #264311, in the amount of Eighty-Four and 02/100 Dollars (\$84.02, and (v) Lincoln Clutch & Brake, Invoice #01-417207, in the amount of One Hundred Forty-Seven and 15/100 Dollars (\$147.15); said statements being in the aggregate amount of Six Hundred Forty-Two and 48/100 Dollars (\$642.48).

There was next presented a statement from Kraig J. Thelen, for work performed on FEMA Disaster DR 4420, May 2019, in the amount of One Thousand Two Hundred Twenty-Two and 50/100 Dollars (\$1,225.50).

There were next presented statements from Thompson, Dreessen & Dorner, Inc., engineers for the District, for services rendered in construction-related matters, as follows: (i) Lake Pumping Road Crossing project, Invoice #131928, in the amount of One Thousand Five Hundred Sixty and 75/100 Dollars (\$1,560.75), and (ii) March 2019 Flood, Invoice #131929, in the amount of One Thousand Six Hundred Eighty-Eight and 50/100 Dollars (\$1,688.50); said statements being in the aggregate amount of Three Thousand Two Hundred Forty-Nine and 25/100 Dollars (\$3,249.25).

There was next presented a statement of Summary Account #5843000090 from Omaha Public Power District, for street lights and other electrical services, in the amount of One Thousand Eight Hundred Sixty and 11/100 Dollars (\$1,860.11).

There was next presented a statement from Arthur J. Gallagher & Co., for Directors and Officers renewal policy, in the amount of Five Hundred Eighteen and no/100 Dollars (\$518.00).

There was next presented a statement from Wilbur-Ellis, for miscellaneous purchases, Invoice #1588, in the amount of One Thousand Four Hundred Eighty-Six and 83/100 Dollars (\$1,486.83).

There were next presented statements from Pansing Hogan Ernst & Bachman LLP, attorneys for the District, for legal services performed through May 31, 2019, as follows: (i) Miscellaneous District

matters, in the aggregate amount of Two Thousand Three Hundred Twenty-Two and 28/100 Dollars (\$2,322.28), and (ii) March 2019 Flood, in the amount of Two Thousand Twenty-Eight and 17/100 Dollars (\$2,028.17); said statements being in the aggregate amount of Four Thousand Three Hundred Fifty and 45/100 Dollars (\$4,350.45).

There was next presented a statement from Thompson, Dreessen & Dorner, Inc., engineers for the District, for services rendered in miscellaneous District maintenance matters, Invoice #131927, in the amount of Seven Hundred Ninety-Seven and 50/100 Dollars (\$797.50).

The previously described bills, invoices, recommendations and statements having been presented for the Board's consideration and after review and discussion of such items, the following resolution was duly moved and passed on a 3-0 vote.

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska, that the Chairman and Clerk be and they hereby authorized and directed to execute and deliver Warrant Nos. 5424 through 5433, of the District, dated the date of this meeting, to the following payees and in the following amounts, said Warrants to be drawn on the **BOND** Fund of the District and to draw interest at the rate of seven percent (7%) per annum (interest to be payable on February 10 of each year) and to be redeemed no later than June 20, 2024, subject to extension of said maturity date by order of the District Court of Cass County, Nebraska, after notice is given as required by law, to-wit:

Warrant No. 5424, for the amount of Twenty-Three Thousand Eighty and no/100 Dollars (\$23,080.00), payable to Zach's Boat Lift Service.

Warrant No. 5425, for the amount of Ten Thousand One Hundred Sixty and no/100 Dollars (\$10,160.00), payable to Noerrlinger Farms Inc.

Warrant No. 5426, for the amount of Four Hundred Sixty-One and 04/100 Dollars (\$461.04), payable to Schumacher Irrigation, Inc.

Warrant No. 5427, for the amount of One Thousand Five Hundred and no/100 Dollars (\$1,500.00), payable to Midwest Laboratories, Inc.

Warrant No. 5428, for the amount of Two Thousand Four Hundred Sixteen and 25/100 Dollars (\$2,416.25), payable to Noerrlinger Construction Inc.

Warrant No. 5429, for the amount of Three Thousand Three Hundred Eighty-Eight and 35/100 Dollars (\$3,388.35), payable to Midwest Farmers Cooperative.

Warrant No. 5430, for the amount of Eleven Thousand Two Hundred and no/100 Dollars (\$11,200.00), payable to Lake Waconda Association.

Warrant No. 5431, for the amount of Six Hundred Forty-Two and 48/100 Dollars (\$642.48), payable to Lake Waconda Association.

Warrant No. 5432, for the amount of One Thousand Two Hundred Twenty-Five and 50/100 Dollars (\$1,225.50), payable to Kraig J. Thelen.

Warrant No. 5433, for the amount of Three Thousand Two Hundred Forty-Nine and 25/100 Dollars (\$3,249.25), payable to Thompson, Dreessen & Dorner, Inc.

FURTHER RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska, that the Chairman and Clerk be and they hereby authorized and directed to execute and deliver Warrant Nos. 5434 through 5438, of the District, dated the date of this meeting, to the following payees and in the following amounts, said Warrants to be drawn on the General Fund of the District and to draw interest at the rate of six percent (6%) per annum and to be redeemed no later than June 20, 2022, subject to extension of said maturity date by order of the District Court of Cass County, Nebraska, after notice is given as required by law, to-wit:

Warrant No. 5434, for the amount of One Thousand Eight Hundred Sixty and 11/100 Dollars (\$1,860.11), payable to Omaha Public Power District, Account #5843000090.

Warrant No. 5435, for the amount of Five Hundred Eighteen and no/100 Dollars (\$518.00), payable to Arthur J. Gallagher & Co.

Warrant No. 5436, for the amount of One Thousand Four Hundred Eighty-Six and 83/100 Dollars (\$1,486.83), payable to Wilbur-Ellis.

Warrant No. 5437, for the amount of Four Thousand Three Hundred Fifty and 45/100 Dollars (\$4,350.45), payable to Pansing Hogan Ernst & Bachman LLP.

Warrant No. 5438, for the amount of Seven Hundred Ninety-Seven and 50/100 Dollars (\$797.50), payable to Thompson, Dreessen & Dorner, Inc.

FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass 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.

FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass 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.

FURTHER RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass 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 Cass 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) ten percent (10%) of the net principal proceeds of the above Warrants, (b) the maximum annual debt service due on the above Warrants, or (c) one hundred twenty-five percent (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 thirteen (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 thirteen (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.

Kraig Thelen presented a status report on FEMA to review and potential reimbursements. He indicated that with the unprecedented weather conditions being experienced in the Midwest, FEMA is being stretched to the extreme in trying to coordinate any consistent meeting schedule. Scheduling was at best most difficult. No progress was being made on the scheduling of a Scoping Meeting. Further with the continuing wet conditions, it remained premature to proceed under the wet conditions for any corrective work. A conference call was scheduled for later in the day with various governmental entities to discuss status and options. The Board decided to attempt a mid-July meeting to again review the status of the corrective work.

Ed Hobza next reported the status of various projects of the District. The Board discussed dust suppression work. Ed indicated that there was a long waiting list for such work and the Board generally expressed a strong concern as to the value of such work in relation to the cost with the current conditions being experienced at Lake Wa-Con-Da. The Board also discussed electronic pumps for moving water out of the lake area. Ed indicated that a 12,000 gallon a minute pump would be the "perfect world" sized pump but was in the neighborhood of \$700,000.00 after which the Board summarily dismissed further investigation of this level of pumping. The Board also discussed chip sealing of the District's streets and roads. The Board concluded that it was too late in the season to have chip sealing be effective.

The Board authorized repairing the landslide on the west side of West Shore Drive in an amount not to exceed \$10,000.00. Such work was unanimously approved.

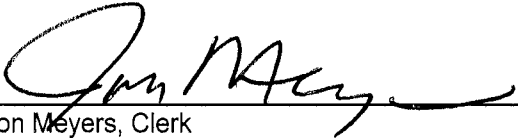
A motion was next made by Wayne Breyfogle and seconded by Jon Meyers for the Board to go into executive session to discuss personnel matters; the reason for executive session was to protect the reputation of such personnel. This motion was made and unanimously approved at 12:25 p.m. It was then restated that the sole purpose for the executive session was to discuss personnel matters. The Board came out of such executive session at 12:35 p.m. having taken no action.

The meeting was then adjourned.

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SIGNATURES APPEAR ON THE FOLLOWING PAGE]**

There was next reviewed the Agenda which had been available for public inspection in accordance with the law prior to this meeting of the Board of Trustees and reported that all matters considered by the Board at this meeting appeared on the Agenda.

Jon Meyers, as Clerk for Sanitary and Improvement District No. 1 of Cass County, Nebraska (the "District") does hereby certify that the above proceedings are a true and accurate statement of the proceedings had by the District at its June 20, 2019, meeting.

  
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Jon Meyers, Clerk