

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 11:00 a.m. on the 7th day of January, 2020, and to be held at the 10250 Regency Circle, Suite 300, Omaha, Nebraska.

Present: Gary P. Bruechert, Jon Meyers, Wayne Breyfogle, Phillip Wright and Peggy L. Lawton. Also, in attendance were Scott Pekarek, Mark J. LaPuzza, attorney for the District, Kraig Thelen, Ed Hobza of Thompson, Dreessen & Dorner, Inc., and Jim Noerrlinger.

Absent: None.

Notice of the meeting was given in advance thereof by publication in The Plattsmouth Journal on January 2, 2020, 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)**, Invoice dated December 16, 2019, in the amount of Sixteen Thousand Seven Hundred Sixty and no/100 Dollars (\$16,760.00).

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 December 16, 2019, in the amount of Five Thousand One Hundred Ninety and no/100 Dollars (\$5,190.00).

There was next presented correspondence from Thompson, Dreessen & Dorner, Inc., engineers for the District, presenting and recommending payment in favor of Lake Waconda Association, for services entitled **Receipt Reimbursement – March 2019 Flood (Lake Wa-Con-Da)**, as follows: (i) Bomgaars, Invoice #36656206, in the amount of One Hundred Thirty-Five and 87/100 Dollars (\$135.87), (ii) Bomgaars, Invoice #36650286, in the amount of Eighty and 24/100 Dollars (\$80.24), and (iii) Amazon Prime, Invoice #113-2760903-4973018, in the amount of One Hundred Twenty and 86/100 Dollars (\$120.86); said statements being in the aggregate amount of Three Hundred Thirty-Six and 97/100 Dollars (\$336.97).

There was next presented correspondence from Thompson, Dreessen & Dorner, Inc., engineers for the District, presenting and recommending payment in favor of Frontier Cooperative, for the purchase of fuel for the tractor entitled **Tractor Fuel – March 2019 Flood (Lake Wa-Con-Da)**, Statement dated

November 30, 2019, in the amount of Three Thousand Five Hundred Ninety-One and 71/100 Dollars (\$3,591.71).

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 water quality testing and shipping entitled Lake Water Package – March 2019 Flood (Lake Wa-Con-Da), Invoice No. 969683, in the amount of Five Hundred Thirty-One and no/100 Dollars (\$531.00).

There were next presented statements from Kraig J. Thelen, for work performed on FEMA Disaster DR 4420, as follows: (i) Statement dated November, 2019, in the amount of Two Thousand Ninety-Nine and 50/100 Dollars (\$2,099.50), and (ii) Statement dated December, 2019, in the amount of Eight Hundred Seven and 50/100 Dollars (\$807.50); said statements being in the aggregate amount of Two Thousand Nine Hundred Seven and no/100 Dollars (\$2,907.00).

There was next presented a statement from Thompson, Dreessen & Dorner, Inc., engineers for the District, for services provided for the project entitled March 2019 Flood (Lake Wa-Con-Da), Invoice #135179, in the amount of Three Thousand Three Hundred Twenty-Two and 65/100 Dollars (\$3,322.65).

There were next presented statements from Nebraska Public Power District, for lighting at Highway 75, Account #211010041398, as follows: (i) Invoice dated November 18, 2019, in the amount of Sixteen and 78/100 Dollars (\$16.78), and (ii) Invoice dated December 17, 2019, in the amount of Sixteen and 78/100 Dollars (\$16.78); said statements being in the aggregate amount of Thirty-Three and 56/100 Dollars (\$33.56). The Board next directed advance payment to be made in the amount of One Hundred Fifty and no/100 Dollars (\$150.00).

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-Two and 42/100 Dollars (\$1,862.42).

There was next presented correspondence from Thompson, Dreessen & Dorner, Inc., engineers for the District, presenting and recommending payment in favor of Professional Heating & Air, for the purchase and installation of a new furnace and air conditioning at the caretaker's residence, in the amount of Six Thousand Five Hundred Forty and no/100 Dollars (\$6,540.00).

There were next presented statements from Nebraska Public Health Environmental Lab, for water testing, as follows: (i) Invoice #519709, having a zero balance, and (ii) Invoice #520788, having a zero balance. No payment is due at this time.

There was next presented a statement from One Call Concepts, Inc., for line locates within the District, invoice #9110549, in the amount of One and 15/100 Dollars (\$1.15). The Board was next reminded that it has a credit balance in the amount of Forty-Eight and 67/100 Dollars (\$48.67), so no payment is due at this time.

There was next presented a statement from Thompson, Dreessen & Dorner, Inc., engineers for the District, for miscellaneous District maintenance through December 29, 2019, Invoice #135178, in the amount of Six Hundred Thirty-Four and 80/100 Dollars (\$634.80).

There were next presented statements from Pansing Hogan Ernst & Bachman LLP, attorneys for the District, for legal services performed through November 30, 2019, as follows: (i) Miscellaneous District matters, in the amount of Two Thousand Three Hundred Forty-Two and 10/100 Dollars (\$2,342.10), and (ii) March 2019 Flood, in the amount of Four Hundred Ninety-Four and no/100 Dollars (\$494.00); said statements being in the aggregate amount of Two Thousand Eight Hundred Thirty-Six and 10/100 Dollars (\$2,836.10).

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 5-0 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. 5504 through 5510, 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 January 7, 2025, 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. 5504, for the amount of Sixteen Thousand Seven Hundred Sixty and no/100 Dollars (\$16,760.00), payable to Zach's Boat Lift Service.

Warrant No. 5505, for the amount of Five Thousand One Hundred Ninety and no/100 Dollars (\$5,190.00), payable to Noerrlinger Farms Inc.

Warrant No. 5506, for the amount of Three Hundred Thirty-Six and 97/100 Dollars (\$336.97), payable to Lake Waconda Association.

Warrant No. 5507, for the amount of Three Thousand Five Hundred Ninety-One and 71/100 Dollars (\$3,591.71), payable to Frontier Cooperative.

Warrant No. 5508, for the amount of Five Hundred Thirty-One and no/100 Dollars (\$531.00), payable to Midwest Laboratories, Inc.

Warrant No. 5509, for the amount of Two Thousand Nine Hundred Seven and no/100 Dollars (\$2,907.00), payable to Kraig J. Thelen.

Warrant No. 5510, for the amount of Three Thousand Three Hundred Twenty-Two and 65/100 Dollars (\$3,322.65), 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. 5511 through 5515, 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 January 7, 2023, 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. 5511, for the amount of One Thousand Eight Hundred Sixty-Two and 42/100 Dollars (\$1,862.42), payable to Omaha Public Power District, Account #5843000090.

Warrant No. 5512, for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 5513, for the amount of One Thousand Five Hundred Forty and no/100 Dollars (\$1,540.00), payable to Professional Heating & Air.

Warrant No. 5514, for the amount of Six Hundred Thirty-Four and 80/100 Dollars (\$634.80), payable to Thompson, Dreessen & Dormer, Inc.

Warrant No. 5515, for the amount of Two Thousand Eight Hundred Thirty-Six and 10/100 Dollars (\$2,836.10), payable to Pansing Hogan Ernst & Bachman LLP.

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.

There were next presented various receipts from Cass County Treasurer representing deposits to the District's bond and general fund, as follows: (i) Federal Grant Funding, in the aggregate amount of Eighty Thousand Five Hundred Fifty-Three and 43/100 Dollars (\$80,553.43), and (ii) Noerrlinger Farms, Inc., in the amount of Eight Thousand Eight Hundred Thirty-Two and 50/100 Dollars (\$8,832.50).

The next order of business was discussion regarding the March 2019 Flood. Kraig Thelen provided an update as to his communications with FEMA in coordinating reimbursement of expenses. Kraig reported that a new FEMA representative had been identified and that Kraig had conducted a tour of the lake and brought the representatives up to speed. He further noted that, immediately following the Board of Trustees meeting, he would be meeting with NEMA representatives to continue discussions.

The next order of business was a discussion regarding the potential for levy improvements in coordination with Army Corp of Engineers. The Trustees discussed that proposals are in very early stages and that no decision should or can be made at this time. The Trustees discussed that as more detailed information was received, the Trustees would communicate with the residents to make them aware of plans and to discuss options.

Discussion was next had concerning the resignation of Gary Bruechert, Chairman/Trustee, due to the fact that he will be moving out of the District. The Board expressed its appreciation for his services as Chairman/Trustee and will be effective upon the conclusion of the meeting. Scott Pekarek was recommended and indicated a willingness to serve. Upon conclusion of such discussion, and upon a motion duly made and seconded and upon a roll call vote of the Trustees, Jon Meyers, Wayne Breyfogle, Phillip Wright and Peggy L. Lawton voted "Aye," with none voting "Nay," thereby adopting the following resolution:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska, that Scott Pekarek be appointed to serve as Trustee in place of Gary Bruechert, who resigned from the Board due to moving out of the District.

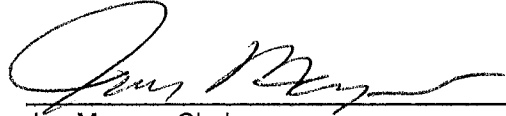
There was next consideration given to appointing a new Chairman to serve the balance of the term. Upon conclusion of such discussion, the following roll call vote was taken during which the Trustees, Jon Meyers, Wayne Breyfogle and Phillip Wright voting "Aye," with none voting "Nay," and Peggy L. Lawton abstaining, thereby adopting and approving the following resolution:

RESOLVED, that Peggy L. Lawton be hereby elected to serve in the capacity of Chairman for Sanitary and Improvement District No. 1 of Cass County, Nebraska, until the next regularly scheduled election of the Board of Trustees.

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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 January 7, 2020, meeting.



Jon Meyers, Clerk