

**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 12th day of October, 2020, and to be held at the 10250 Regency Circle, 2<sup>nd</sup> Floor, Omaha, Nebraska.

Present: Peggy L. Lawton, Jon Meyers and Matt Burnham. Also, in attendance were Mark J. LaPuzza, attorney for the District, Kraig Thelen, Ed Hobza of Thompson, Dreessen & Dorner, Inc., and Jim Noerrlinger.

Absent: Wayne Breyfogle and Scott Pekarek.

Notice of the meeting was given in advance thereof by publication in The Plattsmouth Journal on October 8, 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.

Counsel for the District first presented the Certificate of Results of the Election from the Cass County Election Commissioner with respect to the District's election of September 15, 2020. Such certificate indicated that Peggy L. Lawton, Jon Meyers, Wayne Breyfogle, Scott Pekarek and Matt Burnham had been elected to serve for a two (2) year term for the Board. It was indicated that each of such individuals were owners or designees of owners of real estate within the District boundaries (*as defined by Section 31-727(3) Reissue Rev. Stat. of Neb. 1943*) and, as a consequence, qualified to serve in such capacity. Each individual being in attendance at the meeting indicated a willingness to accept the position of Trustee on the Board.

Discussion was next had with respect to the outstanding matters of the District and the powers and responsibilities of the Board in general. Discussion was also had with respect to the powers and responsibilities of the positions of Chairman and Clerk of the District. Upon conclusion of such discussion, the following roll call vote was taken during which the Trustees: Matt Burnham voting "Aye", with none voting "Nay", and Peggy Lawton and Jon Meyers abstaining, thereby adopting and approving the following resolution:

RESOLVED, that Peggy 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.

FURTHER RESOLVED, that Jon Meyers be hereby elected to serve in the capacity of Clerk for Sanitary and Improvement District No. 1 of Cass County, Nebraska, until the next regularly scheduled election of the Board of Trustees.

There was next presented correspondence from D.A. Davidson & Co., the District's fiscal agent, indicating that Mixan Mudjacking Inc., had lost, misplaced or mishandled General Fund Warrant No. 5540. Also presented was the Indemnity Agreement of such warrant holder as an inducement to reissue such warrant as a "R" warrant. Upon discussion of this matter, the following resolution was duly made and seconded, whereupon a roll call vote was taken during which the Trustees, Peggy L. Lawton, Jon Meyers, and Matt Burnham voted "Aye," with none voting "Nay," thereby approving the following resolution:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska, that General Fund Warrant No. 5540 assigned to Mixan Mudjacking Inc., be hereby canceled.

FURTHER RESOLVED, that the Clerk of the District be and hereby is authorized to notify the Cass County Treasurer of such cancellation so that such warrant may be reflected on his records as well as noting such cancellations on the records of the District.

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska, that General Fund Warrant No. 5540, payable to Mixan Mudjacking be and hereby are replaced with General Fund Warrant No. 5540"R".

FURTHER RESOLVED, that the Clerk of the District be and hereby is authorized to notify the Cass County Treasurer of such cancellation so that such warrant may be reflected on his records as well as noting such cancellations on the records of the District.

1. Sanitary and Improvement District No. 1 of Cass County, Nebraska ("SID No. 1") hereby finds and determines that it has an outstanding warrant which have been lost/misplaced or destroyed; this warrant being General Fund Warrant No. 5540, in the amount of \$1,500.00, which had previously been issued and was to be paid to Mixan Mudjacking Inc. This warrant has been lost in the mail, misplaced or destroyed and that it is necessary for a replacement of the warrant to be issued. Said replacement warrant is to be issued for the same principal amount and at the same rate of interest as the original warrants. This replacement warrant is to be issued with a letter "R" affixed after the warrant number. Said replacement warrant is to be re-registered by D.A. Davidson & Co. after proper documentation has been provided to include an affidavit evidencing the loss of said warrant and a satisfactory indemnification for any loss, liability, damage, or expense which the District, or the Cass County Treasurer may incur if said original warrant is later presented for payment and paid.
2. That satisfactory evidence of loss or misplacement or destruction of the aforesaid warrant and adequate indemnification agreement are to be delivered to D.A. Davidson & Co. and the Treasurer of Cass County, Nebraska as ex-officio Treasurer of the District and that the Cass County Treasurer be and hereby is authorized, instructed and directed

to make payment of the amount due on said replacement Warrant No. 5540"R" in lieu of the presentation of original Warrant No. 5540.

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

There were next a presented statement from Kraig J. Thelen, for work performed on FEMA Disaster DR 4420, Statement dated September 2020, in the amount of One Thousand Five Hundred Sixty-Seven and 50/100 Dollars (\$1,567.50).

There was next presented a statement from Thompson, Dreessen & Dorner, Inc., engineers for the District, for service rendered in connection with the USACE Levee Project through October 4, 2020, Invoice #139912, in the amount of Three Thousand Eight Hundred Twenty and 90/100 Dollars (\$3,820.90).

There was next presented a statement from Nebraska Public Power District, for lighting at Highway 75, Account #211010041398, in the amount of One and 76/100 Dollars (\$1.76). **The Board was next reminded that made an advance payment was made at the July 30, 2020 meeting in the amount of One Hundred and no/100 Dollars (\$100.00), so no payment is due at this time.**

There was next presented a statement of Summary Account #5843000090 from Omaha Public Power District, for street lights and other electrical services, Statement dated September 3, 2020, in the amount of Two Thousand Eight Hundred Sixty-Five and 33/100 Dollars (\$2,865.33).

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 equipment rental, Invoice #646, in the amount of Four Hundred Ninety-Five and no/100 Dollars (\$495.00).

There was next presented a statement from One Call Concepts, Inc., for line locates within the District, Invoice #0090554, in the amount of Four and 99/100 Dollars (\$4.99). **The Board next reminded that it has a credit balance in the amount of One Hundred Six and 42/100 Dollars (\$106.42), so no payment is due at this time.**

There was next presented a statement from Helena Agri-Ent., LLC, for grass seed, starter fertilizer, and miscellaneous District maintenance, Invoice #269057349, in the amount of Eight Hundred Sixty-Two and no/100 Dollars (\$862.00).

There was next presented a statement from Thompson, Dreessen & Dorner, Inc., engineers for the District, for services rendered in miscellaneous District maintenance matters through October 4, 2020, Invoice #139913, in the amount of Nine Hundred Thirteen and 60/100 Dollars (\$913.60).

There were next presented statements from Pansing Hogan Ernst & Bachman LLP, attorneys for the District, for legal services performed through September 30, 2020, as follows: (i) Miscellaneous District matters, in the amount of Six Thousand One Hundred Sixty-Nine and 20/100 Dollars (\$6,169.20), and (ii) March 2019 Flood, in the amount of Two Thousand Four Hundred Forty-Seven and 50/100 Dollars (\$2,447.50); said statements being in the aggregate amount of Eight Thousand Six Hundred Sixteen and 70/100 Dollars (\$8,616.70).

There was next presented correspondence from Jim Noerrlinger, presenting and requesting payment in favor of Lake Waconda Association, for miscellaneous expense, as follows: (i) Menards, pump house repairs, in the amount of Fifty and 13/100 Dollars (\$50.13), and (ii) Kreifels Plumbing, for annual backflow preventer test, Invoice #3982, in the amount of Seventy-Five and no/100 Dollars (\$75.00); said statements being in the aggregate amount of One Hundred Twenty-Five and 13/100 Dollars (\$125.13).

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. 5584 and 5585, 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 October 12, 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. 5584, for the amount of One Thousand Five Hundred Sixty-Seven and 501/100 Dollars (\$1,567.50), payable to Kraig J. Thelen.

Warrant No. 5585, for the amount of Three Thousand Eight Hundred Twenty and 90/100 Dollars (\$3,820.90), 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. 5586 through 5591, 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 October 12, 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. 5586, for the amount of Two Thousand Eight Hundred Sixty-Five and 33/100 Dollars (\$2,865.33), payable to Omaha Public Power District, Account #5843000090.

Warrant No. 5587, for the amount of Four Hundred Ninety-Five and no/100 Dollars (\$495.00), payable to Noerrlinger Construction.

Warrant No. 5588, for the amount of Eight Hundred Sixty-Two and no/100 Dollars (\$862.00), payable to Helena Agi-Ent., LLC.

Warrant No. 5589, for the amount of Nine Hundred Thirteen and 60/100 Dollars (\$913.60), payable to Thompson, Dreessen & Dorner, Inc.

Warrant No. 5590, for the amount of Eight Thousand Six Hundred Sixteen and 70/100 Dollars (\$8,616.70), payable to Pansing Hogan Ernst & Bachman LLP.

Warrant No. 5591, for the amount of One Hundred Twenty-Five and 13/100 Dollars (\$125.13), payable to Lake Waconda Association.

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 was next a discussion regarding a check received from Frontier Cooperative. It was noted that the check was received without clear indication of the source or reason for payment. It was discussed in the meeting by the Trustees that the Cooperative participation was part of a previous outstanding agreement and the payment was properly made and received to the best of the knowledge of the Trustees.

The next order of business was discussion regarding the Notice of Denial received from the Nebraska Emergency Management Agency with respect to the Chip and Seal Road project. There was a detailed discussion regarding the substantive facts and appeal process. The reason given for the denial was that the nature of the damage, particularly the "alligator cracking," is a sign of either flood damage or lack of general maintenance. Mark LaPuzza explained that the appeal would be pursued using the best available information from Kraig Thelen and Thompson, Dreessen & Dorner, Inc., including, specifically, past repair costs and District repair budgeting for the projects. It was discussed that the appeal may take some time to be processed.

The next order of business was discussion regarding property acquisitions related to the proposed Levee Improvement project by the United States Army Corp of Engineers, (the "Corp"). The Trustees were provided with copies of the appraisals received for several properties. It was noted that the appraisals, while more detailed than the brokered opinions of value obtained previously, potentially it did not count for all aspects of the value of the properties and, furthermore, did not provide compensation for relocation expenses which the District had previously intended to offer with respect to property acquisitions, and would likely be required to provide in the event of condemnation.

The Trustees discussed a general desire to acquire properties voluntarily if possible, and noted that communication with all property owners had been made.

A motion was then made to go into Executive Session for the purpose of discussing negotiation and valuation of properties to be acquired. Upon a motion duly made and seconded and upon a roll call vote the Trustees, Peggy L. Lawton, Jon Meyers, Wayne Breyfogle and Phillip Wright voted "Aye" with none voting "Nay" the District went into Executive Session at 11:32 a.m.

At 12:42 p.m., the public meeting was resumed following the end of the Executive Session. Upon existing from the Executive Session, the motion was duly made and seconded and upon a roll call vote the Trustees, Peggy L. Lawton, Jon Meyers, Wayne Breyfogle and Phillip Wright voted "Aye" with none voting "Nay" the District authorized the offer of the purchase of properties, upon normal, customarily and reasonable terms of purchase, for the following properties and amounts:

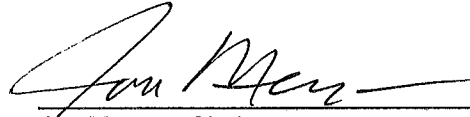
Kothenbuetal - \$465,000.00  
Beck - \$250,000.00  
Koller - \$330,000.00  
Altman/Image Arts - \$253,000.00

Mark LaPuzza was directed to prepare Purchase Agreements consistent with ordinary and reasonable terms for residential purchase transactions with these dollar amounts.

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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 October 12, 2020, meeting.

A handwritten signature in black ink, appearing to read "Jon Meyers", written over a horizontal line.

Jon Meyers, Clerk