

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 13th day of January, 2021, and to be held at 10250 Regency Circle, Suite 300, Omaha, Nebraska.

Present: Peggy L. Lawton, Jon Meyers, Wayne Breyfogle, Matt Burnham and Scott Pekarek. Also, in attendance were 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 7, 2021, 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.

The attorney for the District noted that the meeting was being conducted with one or more individuals participating telephonically pursuant to Executive Orders 20-36 of the Governor of the State of Nebraska, Pete Ricketts. The option to participate in the meeting telephonically was provided to all individuals requesting such information and was posted at the published location of the meeting at least one hour prior to the commencement of the meeting. It was confirmed at the outset of the meeting that all telephone participants could hear and be heard by those in physical attendance and those participating telephonically.

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 a statement from Kraig J. Thelen, for services rendered in connection with Federal Disaster DR 4420 NE, Statement dated December 2020, in the amount of Nine Hundred Seventy-Eight and 50/100 Dollars (\$978.50).

There was next presented a statement from Thompson, Dreessen & Dorner, Inc., engineers for the District, for services rendered in connection with the USACE Levee Project, Invoice #141325, in the amount of Six Thousand Eight Hundred Sixty-Five and no/100 Dollars (\$6,865.00).

There was next presented a statement from Nebraska Public Power District, for lighting at Highway 75, Account #211010041398, **having a credit balance in the amount of One Hundred Forty-Seven and 90/100 Dollars (\$147.90).**

There was next presented a statement of Summary Account #5843000090 from Omaha Public Power District, for street lights and other electrical services, Statement dated January 6, 2021, in the amount of Two Thousand One Hundred Twenty-Four and 66/100 Dollars (\$2,124.66).

There was next presented a statement from One Call Concepts, Inc., for line locates within the District, Invoice #0120556, in the amount of Thirteen and 42/100 Dollars (\$13.42). **The Board was next reminded that it has credit balance, so no payment is due at this time.**

There was next presented a statement from Nebraska Public Health Environmental Lab, for water testing, Invoice #534413, having a zero balance.

There was next presented a statement from Supreme Builders, LLC, for the remaining due for the generator shelter (not including concrete), Invoice dated January 3, 2021, in the amount of Eight Thousand Six Hundred Thirty-Seven and 79/100 Dollars (\$8,637.79).

There were next presented statements from Pansing Hogan Ernst & Bachman LLP, attorneys for the District, for legal services performed through December 31, 2020, as follows: (i) Miscellaneous District matters, in the amount of Fourteen Thousand Seven Hundred Fifty-Seven and 93/100 Dollars (\$14,757.93), and (ii) March 2019 Flood, in the amount of Four Hundred Forty and no/100 Dollars (\$440.00); said statements being in the aggregate amount of Fifteen Thousand One Hundred Ninety-Seven and 93/100 Dollars (\$15,197.93).

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. 5848 through 5850, of the District, dated the date of this meeting, to the following payees and in the following amount, said Warrants to be drawn on the **BOND** Fund of the District and to draw interest at the rate of five percent (5%) per annum (interest to be payable on February 10 of each year) and to be redeemed no later than January 13, 2026, 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. 5848, for the amount of Nine Hundred Seventy-Eight and 50/100 Dollars (\$978.50), payable to Kraig J. Thelen.

Warrant No. 5849, for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 5850, for the amount of One Thousand Eight Hundred Sixty-Five and no/100 Dollars (\$1,865.00), 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. 5851 through 5857, 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 13, 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. 5851, for the amount of Two Thousand One Hundred Twenty-Four and 66/100 Dollars (\$2,124.66), payable to Omaha Public Power District, Account #5843000090.

Warrant No. 5852, for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 5853, for the amount of Three Thousand Six Hundred Thirty-Seven and 79/100 Dollars (\$3,637.79), payable to Supreme Builders, LLC.

Warrant Nos. 5854 through 5856, each for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 5857, for the amount of One Hundred Ninety-Seven and 93/100 Dollars (\$197.93), 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 was next presented a receipt from the Cass County Treasurer representing a deposit to the District's general fund for Stock/Equity Payback from Frontier Cooperative, in the amount of One Hundred Thirty-Eight and 31/100 Dollars (\$138.31).

The next order of business was discussion regarding demolition of houses purchased by the District. Mark LaPuzza recorded that all homes had been purchased and title had been transferred, but the house purchased from Image Arts/Dana Altman was still occupied. Jim Noerrlinger and Ed Hobza reported that demolition efforts continued. There were some discussions that the demolition contract could be subjected to change orders to allow for some improvements to remain in place but the apparent costs of such change orders was deemed too high to proceed.

The Board, at 11:28 a.m., went into executive session to discuss matters and came out of such session at 12:35 p.m.

The next order of business was discussion regarding terms of sale of the property located at 4120 Bullfrog Bay. The Trustees discussed a desire to attempt to sell the property without real estate commission and to do so in a timely fashion if the price was deemed acceptable by the Trustees. The Trustees were reminded that the Appraisal received for the property was received by legal counsel and should be attorney/client privilege and work product and not, at this time, a public document.

A motion was made to authorize terms of sale of 4120 Bullfrog Bay. After a full and complete discussion and upon a motion duly made and seconded, and upon a roll call vote, the Trustees, Peggy L. Lawton, Jon Meyers, Wayne Breyfogle, Matt Burnham and Scott Pekarek voted "Aye" with none voting "Nay" with the following resolution being thereby adopted and approved:

RESOLVED that the District shall offer to sell real estate located at 4120 Bullfrog Bay to Dana Altman for the amount of \$325,000.00. Such sale will be identified as contingent upon a timely, traditional home inspection by the Buyer, with the transaction to close upon the later of 30 days following execution of the Purchase Agreement and the re-platting of the real estate to remove the portion of the property necessary for the District levy improvement project.

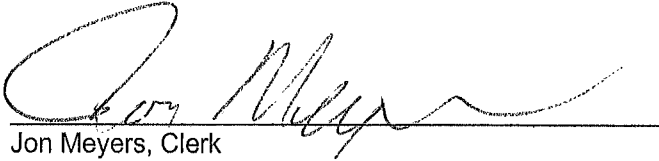
RESOLVED FURTHER that Jon Meyer and Peggy Lawton are hereby authorized and directed to communicate the terms of such offer to the Purchaser and to execute any documents and agreements reasonably necessary to effectuate such transaction, including, without limitation, a Purchase Agreement.

RESOLVED FURTHER, following the execution of the Purchase Agreement, Purchaser and Purchaser's family members, under an appropriate agreement, will be permitted to occupy the property prior to closing and shall be reasonable for utilities, insurance, and maintenance of the grounds of the real estate during such occupancy.

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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 13, 2021, meeting.



Jon Meyers, Clerk