

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 8:00 a.m. on the 20th day of July, 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, Ed Hobza of Thompson, Dreessen & Dorner, Inc., Kraig Thelen, John Kuehl of D.A. Davidson & Co., and Jim Noerrlinger.

Absent: None.

Notice of the meeting was given in advance thereof by publication in The Plattsmouth Journal on July 15, 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.

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 informed that Construction Fund Warrant Nos. 5898 and 5899 are to be cancelled due to the fact that payment has already been received. 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, Wayne Breyfogle, Matt Burnham and Scott Pekarek 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 Construction Fund Warrant Nos. 5898 and 5899, payable to Thompson, Dreessen & Dorner, Inc., be and hereby are 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 cancellation on the records of the District.

There was next presented correspondence from D.A. Davidson & Co., the District's fiscal agent, indicating that Pansing Hogan Ernst & Bachman LLP, did not receive in the mail from D.A. Davidson & Co. General Fund Warrant No. 5933. 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, Wayne Breyfogle, Matt Burnham and Scott Pekarek 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. 5933 assigned to Pansing Hogan Ernst & Bachman LLP, 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 cancellation on the records of the District.

FURTHER RESOLVED, General Fund Warrant No. 5933 "R", be hereby issued to Pansing Hogan Ernst & Bachman LLP, in the amount of Four Thousand Eight Hundred Ninety-Seven and 35/100 Dollars (\$4,897.35).

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 No. 28, for the month of June, in the amount of One Thousand Four Hundred Thirty-Four and 50/100 Dollars (\$1,434.50).

The Clerk next directed the attention of the Board of Trustees to the fact that D.A. Davidson & Co. will purchase One Thousand Four Hundred Thirty-Four and 50/100 Dollars (\$1,434.50) in warrants at this time and that the contracted charge for such purchase of warrants is two percent (2%) or Twenty-Eight and 69/100 Dollars (\$28.69) in accordance with the financing agreement previously adopted by the Board. The Chairman recommended the issuance of a warrant for such amount to D.A. Davidson & Co.

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 Fifty-Three and 68/100 Dollars (\$53.68), 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 July 6, 2021, in the amount of Three Thousand One Hundred Four and 82/100 Dollars (\$3,104.82).

There was next presented correspondence Thompson, Dreessen & Dorner, Inc., engineers for the District, presenting and recommending payment in favor of Noerrlinger Construction, Inc., for equipment rental for miscellaneous District matters, Invoice #656, in the amount of Two Thousand Three Hundred Fourteen and 25/100 Dollars (\$2,314.25).

There was next presented correspondence from Jim Noerrlinger, requesting reimbursement to Noerrlinger Construction, Inc., for the purchase from Winsupply of PVC pipe and fittings for sprinkler system at the park, in the amount of One Thousand Seven Hundred Twenty and 04/100 Dollars (\$1,720.04).

There was next presented a statement from Wilbur-Ellis, for the purchase of Trimec Crabgrass Plus, Statement dated July 15, 2021, in the amount of Four Hundred Ninety-Three and 39/100 Dollars (\$493.39).

There was next presented a statement from Frontier Cooperative, Statement dated June 30, 2021, **having a credit balance in the amount of One Hundred Eighteen and 22/100 Dollars (\$118.22), so 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 #1060562, in the amount of Seventy-Seven Cents (\$0.77). **The Board was next reminded that it has a credit balance, so no payment is due at this time.**

There was next presented correspondence from Jim Noerrlinger, presenting and requesting payment in favor of Lake Waconda Association, for a purchase at Westlake Ace Hardware of concrete for the basketball pole, in the amount of One Hundred Twenty and 10/100 Dollars (\$120.10).

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. 5936 and 5937, 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 July 20, 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. 5936, for the amount of One Thousand Four Hundred Thirty-Four and 301/100 Dollars (\$1,434.50), payable to Kraig J. Thelen.

Warrant No. 5937, for the amount of Twenty-Eight and 69/100 Dollars (\$28.69), payable to D.A. Davidson & Co.

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. 5938 through 5942, 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 July 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. 5938, for the amount of Three Thousand One Hundred Four and 82/100 Dollars (\$3,104.82), payable to Omaha Public Power District, Account #5843000090.

Warrant No. 5939, for the amount of Two Thousand Three Hundred Fourteen and 25/100 Dollars (\$2,314.25), payable to Noerrlinger Construction, Inc.

Warrant No. 5940, for the amount of One Thousand Seven Hundred Twenty and 04/100 Dollars (\$1,720.04), payable to Noerrlinger Construction, Inc.

Warrant No. 5941, for the amount of Four Hundred Ninety-Three and 39/100 Dollars (\$493.39), payable to Wilbur-Ellis.

Warrant No. 5942, for the amount of One Hundred Twenty and 10/100 Dollars (\$120.10), 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.

The next order of business was discussion regarding FEMA and NEMA projects. Kraig Thelen reported that two projects are still under appeal with a combined amount outstanding of approximately \$500,000.00.

Ed Hobza of TD2 provided an update regarding the continuing efforts associated with the Corp of Engineers project. Waterline relocation work is presently being performed. The Corp is trying to determine the suitability of Noerrlinger Farm property for soil and fill materials. TD2 was asked to provide a cost estimate for the purchase of fill materials that such materials needed to be purchased. The administrative lot split for the lot and house owned by the District. It was discussed that a replacement of the streets in the District, either in a phased fashion or all at once is under consideration for the summer of 2022. It was also discussed that the water supply tank for the District needs to be cleaned, maintained and painted at an approximate cost \$20,000.00.

The next order of business was discussion regarding the finances of the District. John Kuehl of D.A. Davidson & Co., the fiscal agent for the District asked several questions as to outstanding expense and payments, particularly with respect to the Corp of Engineers and FEMA projects. As discussions proceed toward the next budget meeting of the District, D.A. Davidson & Co. will provide fiscal information for consideration by the Trustees.

The next order of business was discussion regarding the appraisal of the Noerrlinger Farms property. It was recorded that only one item of information necessary for the appraisal is outstanding and that the rest of the appraisal work has been done. The Trustees discussed that an estimate for the final item expense could be considered in order to allow the appraisal to be finished and ready for consideration by the sellers, as well as the Trustees, in the coming week.

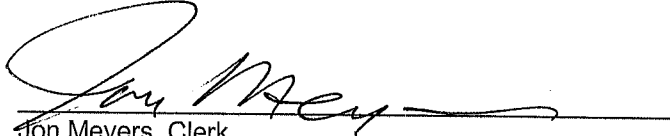
The next order of business was discussion regarding the purchase of a tractor by the District. Jim Noerrlinger presented information regarding a tractor purchase, having considered the tractor as a necessity for the District operations. The Trustees discussed that the purchase by the District would allow the District to fulfill its operational obligations without the necessity of renting equipment particularly in light of operations associated with flood fighting activities. The Trustees authorized and directed Jim Noerrlinger to obtain a contract with the equipment provider for the purchase of the tractor with the contract to be considered for approval and payment at the July 27, 2021 meeting of the District. It was noted that the District will need to obtain appropriate insurance covering the equipment to be purchased.

The next order of business was discussion regarding future budgeting for expenses of the District. It was suggested the District may also wish to consider purchase of other equipment to avoid rental cost, including the kind of equipment currently rented from nearby suppliers. It was discussed it would be appropriate for the District to identify the equipment of use to the District and begin considering the cost for such rentals in order to begin budgeting for those costs.

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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 July 20, 2021, meeting.



Jon Meyers, Clerk