

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 on the 7th day of February, 2024, at 9:00 a.m., at 10250 Regency Circle, Suite 300, Omaha, Nebraska.

Present were: Peggy L. Lawton, Matt Burnham, Wayne Breyfogle and Scott Pekarek. Also attending was Mark J. LaPuzza, attorney for the District, Ed Hobza, Thompson, Dreessen & Dorner, Inc., and Jim Noerrlinger.

Absent: Jon Meyers (participated via phone).

Notice of the meeting was given in advance thereof by publication in the Omaha World Herald on February 1, 2024 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 10250 Regency Circle, Suite 300, Omaha, Nebraska 68114.

The meeting was called to order. Upon roll call, all of the Trustees were present.

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.

There were next presented various statements and invoices for payment by the District.

There were next presented statements from Kraig J. Thelen, for services rendered in connection with Federal Disaster DR 4420 NE, as follows: (i) Statement No. 56, having a zero balance, (ii) Statement No. 57, in the amount of One Hundred Seventy-One and no/100 Dollars (\$171.00), (iii) Statement No. 58, in the amount of Five Hundred Fifty-One and no/100 Dollars (\$551.00), and (iv) Statement No. 59, in the amount of Nine Hundred Thirty-One and no/100 Dollars (\$931.00); said statements being in the aggregate amount of One Thousand Six Hundred Fifty-Three and no/100 Dollars (\$1,653.00).

There was next presented an invoice from Thompson, Dreessen & Dorner, Inc., engineers for the District, for engineering services rendered in construction-related matters through December 31, 2023, Invoice #161392, in the amount of One Thousand One Hundred Five and no/100 Dollars (\$1,105.00).

There were next presented statements from Nebraska Public Power District, for lighting at Highway 75, Account #211010041398, **having a credit balance in the amount of One Hundred Seventy-Eight and 37/100 Dollars (\$178.37).**

There were next presented statements from Omaha Public Power District for street lights and other electrical services, Account #5843000090, from September 29, 2023 to January 3, 2024, in the aggregate amount of Five Thousand Ninety-One and 95/100 Dollars (\$5,091.95).

There was next presented an invoice from Layne Christensen Company, for repairs on the east well, Invoice #2624956, in the amount of Seven Thousand Five Hundred Five and 42/100 Dollars (\$7,505.42).

There was next presented an invoice from Midwest Laboratories, Inc., for water samples, Invoice #1162007, in the amount of Two Hundred Twenty and no/100 Dollars (\$220.00).

There was next presented a statement from Frontier Cooperative, for miscellaneous purchases, Statement dated December 31, 2023, in the amount of Seven Hundred Forty-Three and 66/100 Dollars (\$743.66).

There was next presented an email from Jim Noerlinger, presenting and requesting reimbursement to Noerlinger Construction, for the purchase made at Winsupply of a 1 ¼" check valve for the east pump house, Invoice #562207 01, in the amount of Fifty-Two and 75/100 Dollars (\$52.75).

There was next presented an invoice from Kreifels Electric L.L.C., for electrical work performed at the east pump house, Invoice #6678, in the amount of Eleven Thousand One Hundred Ninety-Two and no/100 Dollars (\$11,192.00).

There were next presented invoices from Nebraska Public Health Environmental Lab, for testing of water, as follows: (i) Invoice #571439, having a zero balance, (ii) Invoice #572453, having a zero balance, and (iii) Invoice #573452, having a zero balance.

There were next presented invoices from One Call Concepts, Inc., for line locates within the District, as follows: (i) Invoice #3100598, in the amount of Four and 76/100 Dollars (\$4.76), (ii) Invoice #3110597, in the amount of Two and 40/100 Dollars (\$2.40), and (iii) Invoice #3120597, in the amount of Eighty Cents (\$.80); said invoices being in the aggregate amount of Seven and 96/100 Dollars (\$7.96). **The Board was next reminded that it has a credit balance in the amount of Two Hundred Eleven and 27/100 Dollars (\$211.27).**

The Board was next reminded about the 2024 Routine Sample Schedules and Cost Estimates, from Nebraska Public Health Environmental Lab, for water testing for the 2024-year, Public Water System ID #NE3102519, in the amount of Nine Hundred Seventy-Three and no/100 Dollars (\$973.00).

There were next presented invoices from AgriVision Equipment Group, for parts purchased and skid load repair, as follows: (i) Invoice #3044550, in the amount of Two Hundred Ninety-One and 71/100 Dollars (\$291.71), and (ii) Invoice ##1000996253, in the amount of Five Hundred Twenty-Two and 31/100 Dollars (\$522.31); said invoices being in the aggregate amount of Eight Hundred Fourteen and 02/100 Dollars (\$814.02).

There were next presented invoices from Thompson, Dreessen & Dorner, Inc., engineers for the District, for services rendered in miscellaneous District matters through December 31, 2023, as follows: (i) Invoice #160618, in the amount of One Thousand Seven Hundred Fifty-Two and 50/100 Dollars (\$1,752.50), (ii) Invoice #161391, in the amount of Seven Hundred Fifty and no/100 Dollars (\$750.00), and (iii) Invoice #161489, in the amount of Two Thousand Nineteen and no/100 Dollars (\$2,019.00); said invoices being in the aggregate amount of Four Thousand Five Hundred Twenty-One and 50/100 Dollars (\$4,521.50).

There was next presented a statement from Pansing Hogan Ernst & Buser LLP, attorneys for the District, for legal services performed through December 31, 2023, in the amount of Five Thousand Nine Hundred Thirty-Six and no/100 Dollars (\$5,936.00), and costs advanced in the amount of One Hundred Fifteen and no/100 Dollars (\$115.00); said statement being in the aggregate amount of Six Thousand Fifty-One and no/100 Dollars (\$6,051.00).

There were next presented invoices from Lake Wa-Con-Da Association, for miscellaneous District expenses, as follows: (i) Invoice #5042, for the month of January, 2024, in the amount of Nine Thousand Two Hundred and no/100 Dollars (\$9,200.00), (ii) Invoice #5043, for the month of February, 2024, in the amount of Nine Thousand Two Hundred and no/100 Dollars (\$9,200.00), (iii) (i) Invoice #5044, for the month of March, 2024, in the amount of Nine Thousand Two Hundred and no/100 Dollars (\$9,200.00), (iv) Invoice #5045, for the month of April, 2024, in the amount of Nine Thousand Two Hundred and no/100 Dollars (\$9,200.00), (v) (i) Invoice #5046, for the month of May, 2024, in the amount of Nine Thousand Two Hundred and no/100

Dollars (\$9,200.00), (vi) Invoice #5047, for the month of June, 2024, in the amount of Nine Thousand Two Hundred and no/100 Dollars (\$9,200.00), (vii) Invoice #5037, in the amount of Six Hundred Sixty-Five and 92/100 Dollars (\$665.92), and (viii) Invoice #5048, in the amount of Seven Hundred Thirty and 04/100 Dollars (\$730.04); said invoices being in the aggregate amount of Fifty-Six Thousand Five Hundred Ninety-Five and 96/100 Dollars (\$56,595.96).

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 **4-0** 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. 6241 and 6242, 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 six percent (6%) per annum (interest to be payable on February 10 of each year) and to be redeemed no later than **February 7, 2029**, 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. 6241, for the amount of One Thousand Six Hundred Fifty-Three and no/100 Dollars (\$1,653.00), payable to Kraig J. Thelen.

Warrant No. 6242, for the amount of One Thousand One Hundred Five and no/100 Dollars (\$1,105.00), 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. 6243 through 6269 of the District, dated the date of this meeting, to the following payee and in the following amount, said Warrant 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 **February 7, 2027**, 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. 6243, for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 6244, for the amount of Ninety-One and 95/100 Dollars (\$91.95), payable to Omaha Public Power District, Account #5843000090.

Warrant No. 6245, for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 6246, for the amount of Two Thousand Five Hundred Five and 42/100 Dollars (\$2,505.42), payable to Layne Christensen Company.

Warrant No. 6247, for the amount of Two Hundred Twenty and no/100 Dollars (\$220.00), payable to Midwest Laboratories, Inc.

Warrant No. 6248, for the amount of Seven Hundred Forty-Three and 66/100 Dollars (\$743.66), payable to Frontier Cooperative.

Warrant No. 6249, for the amount of Fifty-Two and 75/100 Dollars (\$52.75), payable to Noerrlinger Construction.

Warrant Nos. 6250 and 6251, each for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 6252, for the amount of One Thousand One Hundred Ninety-Two and no/100 Dollars (\$1,192.00), payable to Kreifels Electric L.L.C.

Warrant No. 6253, for the amount of Nine Hundred Seventy-Three and no/100 Dollars (\$973.00), payable to Nebraska Public Health Environmental Lab.

Warrant No. 6254, for the amount of Eight Hundred Fourteen and 02/100 Dollars (\$841.02), payable to AgriVision Equipment Group.

Warrant No. 6255, for the amount of Four Thousand Five Hundred Twenty-One and 50/100 Dollars (\$4,521.50), payable to Thompson, Dreessen & Dorner, Inc.

Warrant No. 6256, for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 6257, for the amount of One Thousand Fifty-One and no/100 Dollars (\$1,051.00), payable to Pansing Hogan Ernst & Buser LLP.

Warrant Nos. 6258 through 6268, each for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 6269, for the amount of One Thousand Five Hundred Ninety-Five and 96/100 Dollars (\$1,595.96), payable to Lake Wa-Con-Da 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, and warrant and agree that (a) the facilities for which the above Warrants are issued are for essential governmental functions and are designed to serve members of the general public on an equal basis; (b) there are no persons with rights to use said facilities other than as members of the general public; (c) ownership and operation of said facilities is within the District or another political subdivision; (d) none of the proceeds of the Warrants will be loaned to any person and to the extent that special assessments have been or are to be levied for any said facilities, 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 such facilities in the District; (e) the development of the land in the District is for residential or commercial use; (f) the development of the land in the District for sale and occupation by the general public is proceeding with reasonable speed; and (g) the District hereby authorizes and directs the Chairman or Clerk to file, when due, an information reporting form pursuant to Section 149(e) of the Internal Revenue Code of 1986 pertaining to 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 \$5,000,000 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 Cass County Treasurer representing a deposit to the District's general fund, for Noerrlinger Farms Inc. 2nd half cash rent, in the amount of Eleven Thousand Eighteen and no/100 Dollars (\$11,018.00).

The Clerk then presented for the consideration of the Trustees the plans and specifications for 2024 Road Reconstruction (Lake Wa-Con-Da) prepared by Thompson, Dreessen & Dorner, Inc., the consulting engineers for the District, for the cost of such improvement in the total amount of Ninety Thousand Nine Hundred Ninety and no/100 Dollars (\$90,990.00). The Clerk was directed to attach a copy of the engineer's estimates of the costs to the minutes of these proceedings. After discussion, the resolution attached hereto and by this reference made a part hereof was duly introduced and upon a motion properly made and seconded, a roll call vote was had upon such motion during which the Trustees, Peggy L. Lawton, Matt Burnham, Wayne Breyfogle and Scott Pekarek 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 Sarpy County, Nebraska, that a hearing be had on the proposed Resolution of Advisability and Necessity for the construction of 2024 Road Reconstruction (Lake Wa-Con-Da) at the Cobb Community Center located within the Lake Wa-Con-Da subdivision in Union, Nebraska, at 10:00 a.m. on March 3, 2024, at which time owners of the property within the District who might become subject to assessment for the improvement contemplated by the proposed Resolution of Advisability and Necessity may appear and make objections to the proposed improvement, and if a petition opposing the proposed resolution is signed by property owners representing the majority of the front footage which may be subject to assessment for the costs of improvements set out in the resolution is filed with the Clerk of the District within three days before the date set for hearing on such resolution, such resolution shall and will not be passed.

FURTHER RESOLVED, that notice of such hearing be given by publication in the Omaha World Herald of Omaha, Douglas County, Nebraska, for two (2) consecutive weeks beginning on the 15th day of February, 2024, and ending on the 22nd day of February, 2024, which publication shall contain the entire wording of the proposed Resolution of Advisability and Necessity, and that notice shall be posted in three (3) conspicuous places within the District as required by Section 31-745, Reissue Rev. Stat. of Neb. 1943.

The Clerk then presented for the consideration of the Trustees the Interlocal Services and Cooperation Agreement for sharing the costs for recycling service for one recycling container to collect recyclable and transport them to a recycle center between the District and the County of Cass, Nebraska. The Clerk was directed to attach a copy of the Agreement to the minutes of these proceedings. After discussion of the Board, the following resolution was duly moved and seconded and upon a roll call vote the Trustees, Peggy L. Lawton, Matt Burnham, Wayne Breyfogle and Scott Pekarek voted "Aye" with none voting "Nay" thereby passing and adopting the following resolution:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska, that the Interlocal Services and Cooperation Agreement (Cost Share) for sharing the costs for recycling service for one recycling container to collect recyclables and transport them to a recycle center between the District and the County of Cass, Nebraska, be ratified and approved as proposed.

FURTHER RESOLVED, that the Chairman and Clerk be, and hereby are, authorized and directed to take such steps as are necessary to implement this resolution, including the execution of such agreement for and on behalf of the District.

The next order of business was discussion regarding the District water system. Ed Hobza reported that he performed more investigation as to the availability to hook up to the Cass County Rural Water District system and estimated the cost of line construction to be between \$700,000.00 and \$800,000.00. This did not include ancillary expenses or expenses internal to the District. The Trustees expressed some skepticism that the connection could be so inexpensive. The Trustees directed the District engineers to attempt to obtain better estimate costs as the figures provided were based on extrapolation from costs of other projects. The Trustees discussed the benefits to connecting to the Cass County Rural Water District system, including avoiding expenses for new water tanks and other water system operational costs. However, the cost of water would then be entirely outside the control of the District. It was also noted that the original proposal contemplated a single water meter so the District would pay the bill for all water used in the District each month. Whether that cost would be absorbed as a general obligation expense of the District, charged to the Homeowner Association, charged at an equal rate to each household or charged based on individual meters installed at each house was a decision that would have to be made. The

Trustees discussed some skepticism that the District would be in a position to manage water billing and logistical matters related thereto. However, it was noted that if individual houses had water meters, the District might be able to secure grants or low interest loans for other projects such as an eventual sewer treatment facility. Ultimately, it was discussed that this was a project that would have to be considered for an extended period of time to resolve these outstanding questions.

The next order of business was discussion regarding the ability of the District to locate its water lines. Generally speaking, the District would benefit from being able to locate water lines with more specific application for identification of shut off valves, when necessary. It was also discussed that the District would benefit from the ability to catalog these findings electronically in order to create a file that could be used by the Association, the District or various professionals.

To that end, there was a discussion regarding equipment available for purchase and software available for license from Subsurface Solutions. This equipment would allow the operator, likely the District caretaker or engineer, to use high accuracy GPS and "pin" locations of anything within the District. This could be useful for waterlines but also a variety of other matters. Upon a motion duly made and seconded and upon a roll call vote, all the Trustees, Peggy Lawton, Matt Burnham Wayne Breyfogle and Scott Pekarek voted "Aye" with none voting "Nay" thereby adopting the following resolution:

RESOLVED that the purchase of the equipment identified in Estimate/Bid/Proposal 33388 from Subsurface Solutions is hereby approved.

RESOLVED FURTHER that Matt Burnham, Clerk of the District, is hereby authorized and directed to sign and deliver documents as necessary to complete the purchase.

With respect to locating underground utilities, the discussion turned to services available from Line Guard Locating. Estimate/Bid/Proposal 6971, in the amount of \$3,750.00 was presented. The service proposed would use ground penetrating sonar or other equipment to physically locate underground utilities in the District. This would, in turn, allow the District to use newly purchased GPS equipment to locate water lines and potentially other underground improvements. Upon a motion duly made and seconded and upon a roll call vote, all the Trustees, Peggy Lawton, Matt Burnham Wayne Breyfogle and Scott Pekarek voted "Aye" with none voting "Nay" thereby adopting the following resolution:

RESOLVED that the purchase of the equipment identified in Estimate/Bid/Proposal 6971 from Line Guard Locating is hereby approved.

RESOLVED FURTHER that Matt Burnham, Clerk of the District, is hereby authorized and directed to sign and deliver documents as necessary to complete the purchase.

Also, with respect to such waterlines, the District discussed compliance with new regulations related to identification of copper and lead contained in water service pipes. Jim Noerrlinger identified that regulations had not been finalized and the original concern that all connections would have to be inspected in one year, no longer appears to be the case. Nonetheless, the Trustees thought it appropriate to notify residents of the upcoming inspections and locations. The Trustees discussed that Mark LaPuzza and Jim Noerrlinger should work together to draft correspondence to be sent by the law firm. The correspondence should address the copper and lead matter, the District-wide system survey for line locates and the need for individual owners to locate and exercise curb stops to allow shut off on a house-by-house basis when necessary.

The next order of business was discussion regarding necessary warranty work related to the trailer storage parking. It had come to the attention of the District that a portion of the lot had been improperly graded as a part of the United States Army Corp of Engineers levee improvement project. As a result, water appeared to be draining in the opposite direction as designed. It was estimated that the cost of remedying

the grade would be approximately \$36,000.00. The Trustees directed that a warranty claim be submitted to re-grade the area. In connection therewith, it was directed that rock should be removed and stored while the grading was corrected so the rock could be replaced at the end of the grading process. The Trustees discussed that they would determine at that time whether additional rock would be necessary. There was also discussion regarding the potential increase in the size of the trailer storage lot but no decision was made with respect to that matter.

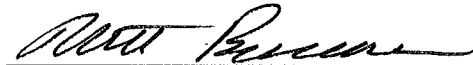
The next order of business was discussion regarding research and investigation as to the benefits of "road fogging" or the purchase of equipment to perform such work. It was discussed that the costs did not seem justified and the matter was considered closed.

The next order of business was discussion regarding fish stocking and habitat. Scott Pekarek reported that his research was continuing as to which fish could be stocked at what time of the year to maximize benefits. He also reported that he had been in communication with several active fishermen in the District as to their expectations and wishes. There was also discussion regarding the potential for construction and installation of fish habitats to benefit fish spawning and growth to maximize the benefit of stocking.

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SIGNATURES APPEAR ON THE FOLLOWING PAGE]**

The Clerk 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.

Matt Burnham, 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 February 7, 2024, meeting.

A handwritten signature in black ink, appearing to read "Matt Burnham", written in a cursive style.

Matt Burnham, Clerk