

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 10:45 a.m. on the 10th day of July, 2016, at the Cobb Community Center located within the Lake Wa-Con-Da subdivision in Union, Nebraska.

Present: Gary Kaplan, Jon Meyers, Hugh I. Abrahamson and Wayne Breyfogle.

Absent: Phillip G. Wright.

Notice of the meeting was given in advance thereof by publication in The Plattsmouth Journal on July 7, 2016, 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 a statement from First National Bank of Omaha, for paying agent fees for Series 2011 and Series 2012, Invoice dated June 30, 2016, in the amount of One Thousand Four Hundred and no/100 Dollars (\$1,400.00).

There was next presented a statement from Nebraska Public Power District, for lighting at Highway 75, from May, 2016, through June, 2016, in the amount of Seventeen and 91/100 Dollars (\$17.91). **The Board was next reminded that advance payment in the amount of Two Hundred and no/100 Dollars (\$200.00) was made at the May 31, 2016 meeting.**

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 Nine Hundred Forty and 34/100 Dollars (\$1,940.34).

There was next presented a statement from Nebraska Public Health Environmental Laboratory, for testing of water, Invoice #476794, in the amount of Two Hundred Sixty-Two and no/100 Dollars (\$262.00).

There was next presented a statement from Midwest Farmers Cooperative, for the purchase of Trimec Classic and rental of dry spreader, Invoice #010889, in the amount of One Hundred Seventy-One and 60/100 Dollars (\$171.60).

There were next presented statements from One Call Concepts, Inc., for line locates within the District, as follows: (i) Invoice #6050571, in the amount of Five and 28/100 Dollars (\$5.28), and (ii) Invoice

#6060572, in the amount of Two and 64/100 Dollars (\$2.64); said statements being in the aggregate amount of Seven and 92/100 Dollars (\$7.92). **The Board was next reminded that advance payment in the amount of One Hundred and no/100 Dollars (\$100.00), was made at the February 11, 2106 meeting and it has a credit balance at this time.**

There was next presented correspondence from Thompson, Dreesen & Dorner, Inc., engineers for the District, presenting and recommending payment in favor of Noerrlinger Construction Inc., for equipment rental, Invoice #569, in the amount of Five Hundred Ninety-Seven and no/100 Dollars (\$597.00).

There was next presented a statement from Pansing Hogan Ernst & Bachman LLP, attorneys for the District, for legal services performed through June 30, 2016, in the amount of Two Thousand Nine Hundred and no/100 Dollars (\$2,900.00), and costs advanced in the amount of Eighty-One and 48/100 Dollars (\$81.48); said statement being in the aggregate amount of Two Thousand Nine Hundred Eighty-One and 48/100 Dollars (\$2,981.48).

There was next presented correspondence from Jim Noerrlinger, requesting reimbursement to Lake Waconda Association for payments made, as follows: (i) Builders Supply Co., Invoice #00708536-001, in the amount of One Thousand Four Hundred Twenty-Four and 46/100 Dollars (\$1,424.46), (ii) Builders Supply Co., Invoice 00708600-001, in the amount of Fifty-Seven and 53/100 Dollars (\$57.53), (iii) Builders Supply Co., Invoice #00708642-001, in the amount of Twelve and 84/100 Dollars (\$12.84), and (iv) Statement dated June 1, 2016, from Johnson's Gas-N-Go, for the amount of Three Hundred Thirty-Six and 98/100 Dollars (\$336.98); said statements being in the aggregate amount of One Thousand Eight Hundred Thirty-One and 81/100 Dollars (\$1,831.81).

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, with any other exceptions duly noted above:

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 No. 5111, 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 **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 July 10, 2021, 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. 5111, for the amount of One Thousand Four Hundred and no/100 Dollars (\$1,400.00), payable to First National Bank of Omaha.

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. 5112 through 5117, 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 10, 2019, 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. 5112, for the amount of One Thousand Nine Hundred Forty and 34/100 Dollars (\$1,940.34), payable to Omaha Public Power District, Account #5843000090.

Warrant No. 5113, for the amount of Two Hundred Sixty-Two and no/100 Dollars (\$262.00), payable to Nebraska Public Health Environmental Laboratory.

Warrant No. 5114, for the amount of One Hundred Seventy-One and 60/100 Dollars (\$171.60), payable to Midwest Farmers Cooperative.

Warrant No. 5115, for the amount of Five Hundred Ninety-Seven and no/100 Dollars (\$597.00), payable to Noerrlinger Construction.

Warrant No. 5116, for the amount of Two Thousand Nine Hundred Eighty-One and 48/100 Dollars (\$2,981.48), payable to Pansing Hogan Ernst & Bachman, LLP.

Warrant No. 5117, for the amount of One Thousand Eight Hundred Thirty-One and 81/100 Dollars (\$1,831.81), 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 Board next discussed current maintenance projects and the District's Long Term Planning Process. A list of possible projects was distributed. The projects ranged from short term items likely to be accomplished to very long term contingency planning items.

There was next discussion regarding that the State Fire Marshall had ordered the District and Association to stop using the gasoline and diesel fuel storage tanks used by the caretaker at the lake, as they are unsafe. Options for fixed tanks versus portable tanks were discussed. A motion was made and approved to authorize the purchase of double walled, fixed tanks that comply with current Fire Safety Codes, at a cost not to exceed \$11,000.00. These may be two separate tanks or a combination unit.

The Association was notified that the Board has no objection to a welcome sign stating as follows:

*Welcome to Lake Wa-Con-Da
A Community of private lake residences*

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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 10, 2016, meeting.



Jon Meyers, Clerk