

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 September, 2018, and to be held at 10250 Regency Circle, Suite 300, Omaha, Nebraska.

Present: Gary Kaplan, Jon Meyers, Phillip G. Wright and Wayne Breyfogle. Also present: Gary P. Bruechert, resident of the District, and John Kuehl of D.A. Davidson & Co.

Absent: Hugh I. Abrahamson.

Notice of the meeting was given in advance thereof by publication in The Plattsmouth Journal on September 6, 2018, 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 Clerk next presented in accordance with the provisions of Neb. R.R.S. Section 77-1601.02, the publication concerning the Board of Trustees recommendation that the property tax request for tax year 2018-2019 be set at a different amount than the 2017-2018 tax request. The Clerk further reported that no person had appeared at the meeting in response to such hearing notice. The Clerk was directed to attach a copy of such notice to the minutes of these proceedings.

After discussion and upon a motion duly made and seconded, and upon a roll call vote, the Trustees, Gary Kaplan, Jon Meyers, Phillip G. Wright, Wayne Breyfogle voted "Aye" with none voting "Nay" with the following resolution being thereby adopted and approved:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska, that it is advisable that the property tax request for tax year 2018-2019 be set at a different amount than the 2017-2018 tax request as set out in the proof of publication attached hereto and incorporated herein by this reference, as follows:

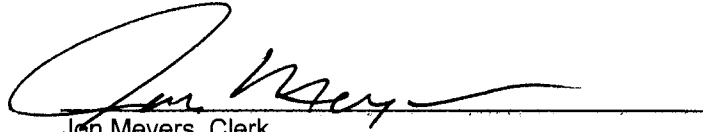
2017-2018 Property Tax Request	\$439,272.04
2017 Tax Rate	1.110000
Property Tax Rate (2017-2018 Request/2018 Valuation)	1.020504

2018-2019 Proposed Property Tax Request		\$477,795.31
General Fund	\$172,178.49	
Bond Fund	\$305,616.82	
Proposed 2018 Tax Rate		1.110000
General Fund	0.400000	
Bond Fund	0.710000	

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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 September 13, 2018, meeting.



Jon Meyers, Clerk

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 11:05 a.m. on the 13th day of September, 2018, and to be held at 10250 Regency Circle, Suite 300, Omaha, Nebraska.

Present: Gary Kaplan, Jon Meyers, Phillip G. Wright, Wayne Breyfogle. Also present: Gary P. Bruechert, resident of the District, John Kuehl of D.A. Davidson & Co., and Jim Noerrlinger, caretaker for the District.

Absent: Hugh I. Abrahamson.

Notice of the meeting was given in advance thereof by publication in The Plattsmouth Journal on September 6, 2018, 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 Clerk first reported in accordance with the provisions of Neb. R.R.S. Section 13-501 through 13-513, the District's certified public accountants were directed to prepare a proposed budget and further that the Clerk attended to the required publication of notice with regard to the budgetary hearing to be held by the Board of Trustees. The Clerk had been directed to give the appropriate notices in accordance with the Nebraska Budget Act and that a budgetary hearing for the District be held on the 13th day of September, 2018, at 10250 Regency Circle, Suite 300, Omaha, Nebraska.

The Clerk next presented the publication of this budgetary hearing as presented in The Plattsmouth Journal. The Clerk next reported that such notice of the budgetary hearing along with a budget summary had been published in accordance with law. The Clerk further reported that it appeared that no person had appeared at the meeting in response to such notice of the budgetary hearing and the Clerk was directed to attach a copy of such notice to the minutes of these proceedings.

After a lengthy discussion and upon a motion duly made and seconded, and upon a roll call vote, the Trustees, Gary Kaplan, Jon Meyers, Phillip G. Wright, Wayne Breyfogle voted "Aye" with none voting "Nay" with the following resolution being thereby adopted and approved:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska, that the budget and tax levy as tentatively set forth be adopted as the final budget and levy in accordance with Exhibit "A" attached hereto and by this reference made a part hereof. Further that the Clerk of the District be directed to file a copy of the adopted budget with the levying board of the State Auditor's office as well as

certifying the levy to the Cass County officials as well as attaching a proof of publication to such adopted budget.

With the budget for the District having been adopted, the Chairman then stated that it would be appropriate at this time to levy the tax in accordance with the budget statement. After a full and complete discussion and upon a motion duly made and seconded, and upon the following roll call vote, the Trustees, Gary Kaplan, Jon Meyers, Phillip G. Wright, Wayne Breyfogle voted "Aye" with none voting "Nay" thereby passing and adopting the following resolution:

RESOLVED, that Sanitary and Improvement District No. 1 of Cass County, Nebraska, levy and collect for the year 2018-2019 a tax of \$1.110000 per One Hundred and no/100 Dollars (\$100.00) actual valuation of taxable property in the District, except intangible property, said tax to be credited to the appropriate fund as indicated below:

\$0.400000 on each One Hundred and no/100 Dollars (\$100.00) actual valuation to be credited to the General Fund of the District and thereby collect \$172,178.49 in taxes to be credited to this fund; and

\$0.710000 on each One Hundred and no/100 Dollars (\$100.00) actual valuation to be credited to the Construction (Bond) Fund of the District and thereby collect \$305,616.82 in taxes to be credited to this fund.

FURTHER RESOLVED, that the Clerk of this District be and hereby is directed to deliver and file with the County Clerk of Cass County, Nebraska and the Auditor of Public Accounts, a copy of this resolution.

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

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 Thirty-Two and 74/100 Dollars (\$32.74). The Board next directed advance payment to be made in the amount of One Fifty and no/100 Dollars (\$150.00).**

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 Two Thousand Two Hundred Fourteen and 79/100 Dollars (\$2,214.79).

There was next presented correspondence from Jim Noerrlinger, presenting and requesting payment to Helena Chemical Company, for the purchase of grass seed and starter fertilizer, Ticket #3347352, in the amount of Two Thousand Five Hundred Eighty and no/100 Dollars (\$2,580.00).

There was next presented a statement from One Call Concepts, Inc., for line locates within the District, Invoice #8080546, in the amount of Six and 06/100 Dollars (\$6.06). **The Board was next reminded that it has a credit balance and no payment is due at this time.**

There was next presented a statement from Pansing Hogan Ernst & Bachman LLP, attorneys for the District, for legal services performed in miscellaneous District matters through August 31, 2018, in the amount of Two Thousand Three Hundred Two and 50/100 Dollars (\$2,302.50).

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. 5311 through 5314, 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 September 13, 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. 5311, for the amount of One Hundred Fifty and no/100 Dollars (\$150.00), payable to Nebraska Public Power District, Account #211010041398.

Warrant No. 5312, for the amount of Two Thousand Two Hundred Fourteen and 79/100 Dollars (\$2,214.79), payable to Omaha Public Power District, Account #5843000090.

Warrant No. 5313, for the amount of Two Thousand Five Hundred Eighty and no/100 Dollars (\$2,580.00), payable to Helena Chemical Company.

Warrant No. 5314, for the amount of Two Thousand Three Hundred Two and 50/100 Dollars (\$2,302.50), 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.

The Board spent a considerable amount of time discussing various future projects for the District. A copy of such tentative projects is attached to these minutes. The Board discussed timing, cost and efficiencies. The Board directed Thompson, Dreessen & Dorner, Inc., to prepare engineer's estimates and design materials for certain drainage projects, as well as an increased water tank. The Board also discussed the installation of fire hydrants throughout the District.

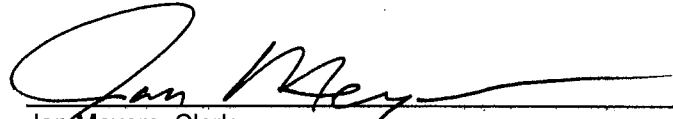
At the conclusion of such discussion, it was brought to the attention of the Board by Phil Wright, that the Board was losing two (2) significant members, those being Gary Kaplan, as well as Hugh Abrahamson. There was a general discussion by the Board of the significant contributions Gary and Hugh made during some of the extreme challenges the Board had during the flooding of 2011, as well as efforts by the Board to decrease the tax rate of the District. At the conclusion of such discussion, and upon a motion duly made and seconded, and unanimously approved, with the following resolution being thereby adopted and approved:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska, that they applaud, thank and extend its appreciation to Gary Kaplan and Hugh Abrahamson for the significant contributions they made to Sanitary and Improvement District No. 1 of Cass County, Nebraska, and Lake Wa-Con-Da during the course of their tenures. Without such contributions, the residents of Lake Wa-Con-Da would have experienced detrimental changes to their community and the lifestyle of Lake Wa-Con-Da.

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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 September 13, 2018, meeting.



Jon Meyers, Clerk