

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 9:00 a.m. on the 17th day of March, 2022, at 10250 Regency Circle, Suite 300, Omaha, Nebraska.

Present were: Peggy L. Lawton, Jon Meyers and Matt Burnham. Also in attendance were Mark J. LaPuzza, attorney for the District, Ed Hobza, of Thompson, Dreessen & Dorner, Inc., John Kuehl, of D.A. Davidson & Co., and Jim Noerrlinger.

Absent: Scott Pekarek, Wayne Breyfogle and Kraig Thelen.

Notice of the meeting was given in advance thereof by publication in The Plattsmouth Journal on March 10, 2022, 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 Thompson, Dreessen & Dorner, Inc., engineers for the District, for services as follows: (i) March 2019 Flood project, Invoice #148203, in the amount of Four Hundred Twenty and no/100 Dollars (\$420.00), (ii) 2022 Chip and Seal project, Invoice #148204, in the amount of Four Thousand Two Hundred Fifty-Six and 80/100 Dollars (\$4,256.80), and (iii) USACE Levy Project, Invoice #148267, in the amount of Four Thousand Four Hundred Ninety-Six and 80/100 Dollars (\$4,496.80); said statements being in the aggregate amount of Nine Thousand One Hundred Seventy-Three and 60/100 Dollars (\$9,173.60).

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. 33, for the month of November, 2021, in the amount of One Thousand Two Hundred Six and 50/100 Dollars (\$1,206.50), (ii) Statement No. 34, for the month of December, 2021, in the amount of Five Hundred Twenty-Two and 50/100 Dollars (\$522.50), (iii) Statement No. 35, for the month of January, 2022, in the amount of Three Hundred Fifty-One and 50/100 Dollars (\$351.50), and (iv) Statement No. 36, for the month of February, 2022, in the amount of Two Hundred Thirty-Seven and 50/100 Dollars (\$237.50); said statements being in the aggregate amount of Two Thousand Three Hundred Eighteen and no/100 Dollars (\$2,318.00).

The Clerk next directed the attention of the Board of Trustees to the fact that D.A. Davidson & Co. will place Eleven Thousand Four Hundred Ninety-One and 60/100 Dollars (\$11,491.60) in warrants at this time and that the contracted charge for such placement of warrants is two percent (2%) or Two Hundred Twenty-Nine and 84/100 Dollars (\$229.84) 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 were next presented statements from Nebraska Public Power District, for lighting at Highway 75, Account #211010041398, from November, 2021 through February, 2022, **having a small credit balance in the amount of Thirty-One and 12/100 Dollars (\$31.12). The Board next directed advance payment to be made in the amount of One Hundred Fifty and no/100 Dollars (\$150.00).**

There were next presented statements from Omaha Public Power District for street lights and other electrical services, Account #5843000090, from December 1, 2021 to March 2, 2022, in the aggregate amount of Six Thousand One Hundred Thirty-Five and 83/100 Dollars (\$6,135.83).

There was next presented correspondence from Thompson, Dreessen & Dorner, Inc., engineers for the District, presenting and recommending payment in favor of Noerrlinger Construction, Inc., for equipment rental, for miscellaneous tasks throughout the District and the purchase of a snow pusher, as follows: (i) Invoice #667, in the amount of One Thousand Three Hundred Forty and no/100 Dollars (\$1,340.00), (ii) Auction on December 15, 2021, for the purchase of snow pusher, in the amount of One Thousand Eighty-Six and 65/100 Dollars (\$1,086.65); said statements being in the aggregate amount of Two Thousand Four Hundred Twenty-Six and 65/100 Dollars (\$2,426.65).

There were next presented statements from One Call Concepts, Inc., for line locates within the District, as follows: (i) Invoice #1110567, in the amount of One and 15/100 Dollars (\$1.15), (ii) Invoice #1120562, in the amount of Three and 08/100 Dollars (\$3.08), (iii) Invoice #2010562, in the amount of Four and 34/100 Dollars (\$4.34), and (iv) Invoice #2020562, in the amount of Two and 78/100 Dollars (\$2.78). Said statements being in the aggregate amount of Eleven and 35/100 Dollars (\$11.35). **The Board was next reminded that it has a credit balance in the amount of Thirty and 38/100 Dollars (\$30.38), so no payment is due at this time.**

There were next presented statements from Nebraska Public Health Environmental Lab, for water testing, as follows: (i) Invoice #545549, **having a zero balance**, (ii) Invoice #546688, **having a zero balance**, (iii) Invoice #547645, **having a zero balance**, (iv) Invoice #547645, **having a zero balance**, and (v) Invoice #548574, **having a zero balance. No payment is due at this time.**

There was next presented an email from Jon Meyers, requesting reimbursement for website costs to Weebly, in the amount of One Hundred Ninety-Nine and 75/100 Dollars (\$199.75).

There were next presented statements from Thompson, Dreessen & Dorner, Inc., engineers for the District, for services rendered in miscellaneous District maintenance matters through February 6, 2022, as follows: (i) Invoice #148202, in the amount of Six Hundred Thirty-Nine and 06/100 Dollars (\$639.06), and (ii) Invoice #148957, in the amount of Six Hundred Thirty and no/100 Dollars (\$630.00); said statements being in the aggregate amount of One Thousand Two Hundred Sixty-Nine and 06/100 Dollars (\$1,269.06).

There was next presented a statement from Frontier Cooperative, for purchase of propane, Invoice #015906, in the amount of Seven Hundred Sixty-Six and 59/100 Dollars (\$766.59).

There was next presented correspondence from Lamp Rynearson, engineers for the District, presenting and recommending payment in favor of Brian Korth, for the purchase of equipment and installation of the park sprinkler system, Invoice #275751, in the amount of One Thousand Six Hundred and no/100 Dollars (\$1,600.00).

There was next presented a statement from Masimore Magnuson & Associates, P.C., accountants for the District, for audit of financial statements as of June 30, 2021 and preparing Forms 1099 and 1096 for 2021, Invoice #60121, in the amount of Ten Thousand Four Hundred Thirty and no/100 Dollars (\$10,430.00).

There were next presented statements from Pansing Hogan Ernst & Bachman LLP, attorneys for the District, for legal services performed through February 28, 2022, as follows: (i) Miscellaneous District matters, in the aggregate amount of Twenty-Five Thousand Sixty-Four and 67/100 Dollars (\$25,064.67), and (ii) March 2019 Flood, in the amount of One Thousand Nine Hundred Ninety-Eight and no/100 Dollars (\$1,998.00); said statements being in the aggregate amount of Twenty-Seven Thousand Sixty-Two and 67/100 Dollars (\$27,062.67).

There was next presented correspondence from Jim Noerrlinger, presenting and requesting payment in favor of Lake Waconda Association, for miscellaneous payments made, as follows: (i) Kriefels Plumbing, for annual backflow device inspection, in the amount of Seventy and no/100 Dollars (\$70.00), (ii) Aqua-Chem, Inc., Invoice #00198285, in the amount of Eighty-Seven and 10/100 Dollars (\$87.10), (iii) Aqua-Chem, Inc., Invoice #00198287, in the amount of Twenty-One and 30/100 Dollars (\$21.30), (iv) Meeske Auto Parts, for water system backup generator repair, in the amount of Thirty-Two and 53/100 Dollars (\$32.53), (v) Meeske Hardware, for gator pump repair, in the amount of Sixty-Three and 47/100 Dollars (\$63.47), (vi) Meeske Auto Parts, for gator pump repair, in the amount of One Hundred Thirty-Nine and 84/100 Dollars (\$139.84), and (vii) AA Wheel & Truck, for gator pump repair, in the amount of Seventy-Nine and 86/100 Dollars (\$79.86); said statements being in the aggregate amount of Four Hundred Ninety-Four and 10/100 Dollars (\$494.10).

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.

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:

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. 6038 through 6041 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 **five percent (5%)** per annum (interest to be payable on **February 10** of each year) and to be redeemed no later than **March 17, 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. 6038, for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 6039, for the amount of Four Thousand One Hundred Seventy-Three and 60/100 Dollars (\$4,173.60), payable to Thompson, Dreessen & Dorner, Inc.

Warrant No. 6040, for the amount of Two Thousand Three Hundred Eighteen and no/100 Dollars (\$2,318.00), payable to Kraig J. Thelen.

Warrant No. 6041, for the amount of Two Hundred Twenty-Nine and 84/100 Dollars (\$229.84), 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. 6042 through 6059 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 **March 17, 2025**, 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. 6042, for the amount of One Hundred Fifty and no/100 Dollars (\$150.00), payable to Nebraska Public Power District, **Account #211010041398**.

Warrant No. 6043, for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 6044, for the amount of One Thousand One Hundred Thirty-Five and 83/100 Dollars (\$1,135.83) payable to Omaha Public Power District, **Account #5843000090**.

Warrant No. 6045, for the amount of Two Thousand Four Hundred Twenty-Six and 65/100 Dollars (\$2,426.65), payable to Noerrlinger Construction, Inc.

Warrant No. 6046, for the amount of One Hundred Ninety-Nine and 75/100 Dollars (\$199.75), payable to Jon Meyers.

Warrant No. 6047, for the amount of One Thousand Two Hundred Sixty-Nine and 06/100 Dollars (\$1,269.06), payable to Thompson, Dreessen & Dorner, Inc.

Warrant No. 6048, for the amount of Seven Hundred Sixty-Six and 59/100 Dollars (\$766.59), payable to Frontier Cooperative.

Warrant No. 6049, for the amount of One Thousand Six Hundred and no/100 Dollars (\$1,600.00), payable to Brian Korth.

Warrant Nos. 6050 and 6051, each for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 6052, for the amount of Four Hundred Thirty and no/100 Dollars (\$430.00), payable to Masimore Magnuson & Associates, P.C.

Warrant Nos. 6053 through 6057, each for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 6058, for the amount of Two Thousand Sixty-Two and 67/100 Dollars (\$2,062.67), payable to Pansing Hogan Ernst & Bachman, LLP.

Warrant No. 6059, for the amount of Four Hundred Ninety-Four and 10/100 Dollars (\$494.10), 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, 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 were next presented receipts from the Cass County Treasurer representing deposits to the District's general fund, as follows: (i) Reimbursement for cancellation of public official bond for Gary Kaplan, in the amount of Seventy and no/100 Dollars (\$70.00), and (ii) Cash rent from Noerrlinger Farms, Inc., in the amount of Eight Thousand Eight Hundred Thirty-Two and 50/100 Dollars (\$8,832.50).

The next order of business was discussion regarding the status of FEMA reimbursements from the 2019 flood. Mark LaPuzza reported he had not received a response following the most recently submitted response to request for more information. Kraig Thelen reported, via email, that the District was told to expect a response in or around late March.

The next order of business was discussion regarding the U.S. Army Corp of Engineers project. It was discussed that those in attendance at the onsite meeting had high expectations for the construction process and were satisfied with the information provided by the contractor. The Trustees discussed that there would continue to be on site meetings on a weekly basis to coordinate efforts between the Corp and the contractor. It was discussed that Jim Noerrlinger, the District engineer or a Trustee could attend these meetings if necessary and that a Trustee would probably attend at least the first few meetings to get a feel for the process and report back to the other Trustees.

The next order of business was discussion regarding the potential of a Bond Issuance for the District. John Kuehl of D.A. Davison & Co. noted interest rates had been increasing and that the District had well over \$3,000,000.00 in warrants outstanding. The Trustees discussed it would be advantageous for the District to issue Bonds and redeem outstanding warrants issued at a higher interest rate. John Kuehl reported he would prepare numbers and information necessary and present a Bond Issue for approval by the Trustees at the next meeting.

The next order of business was discussion regarding certain drainage issues in the District. The Trustees discussed that certain matters regarding drainage between property owners and potentially impacting the District near Lot 224 were being considered by the District. Thomson Dreessen & Dorner, Inc. were directed to mark lot lines and prepare plans regarding a potential drainage solution.

The next order of business was discussion regarding an Interlocal Cooperation Agreement proposed by Cass County relating to recycling. It was discussed that the contract would provide for reimbursement of 50 percent (50%) of the cost of recycling contracting, with a maximum recovery of \$1,500.00 should the District provide recycling services. The Trustees discussed that the residents sentiment and concerns of the Homeowners Association should be considered to ensure that such a recycling project is in the best interest of the residents.

The next order of business was discussion regarding resident construction permits. The Homeowners Association presently issues building permits and requires that any improvements to be constructed within five feet of a neighboring property requires the approval of the neighboring property owner. Jim Noerrlinger reported to the Trustees that this would include a request for approval by the District in the event that construction was proposed within five feet of property owned or maintained by the Association. The Trustees agreed to have this matter as a permanent Agenda item and to consider requests for consents and approval.

The next order of business related to the construction of replacement of the boat ramp at the secondary boat ramp location. Jim Noerrlinger reported that a bid of \$7,800.00 had been received for construction of a wider boat ramp. Timing of this construction is based upon the lower lake levels necessitated by the Corp levy improvement project. The Trustees discussed that the widened and improved secondary boat ramp would be beneficial to the District. After a full and complete discussion and motion duly made and seconded, and unanimously approved with the following resolution being thereby adopted and approved:

RESOLVED that Jim Noerrlinger is hereby authorized and directed to contract for the construction of a replacement of the District's secondary boat ramp at a cost not to exceed \$7,800.00.

The next order of business was discussion regarding emergency preparedness documentation. Jim Noerrlinger reported that he would find it helpful for the District to have a repository of forms to be used in the event of a future flooding disaster. These will include rental agreements, fuel and hour logs, volunteer and communication logs. Additionally, it was discussed that an annual review of conditions and improvements, particularly with respect to the road would be useful. The Trustees discussed that Jim Noerrlinger should work with Kraig Thelen, the District Engineer and District legal counsel to prepare policies and procedures, as well as documents for use by the District in the future.

The next order of business was discussion regarding the location of water lines within the District as constructed on private property. The Trustees discussed that the water lines had been constructed many decades ago and by virtue thereof, the District was the beneficial holder of a restrictive easement with respect to all water lines as located. However, it was reported that the District may wish, where possible, to obtain easements as to the exact locations of the water lines as installed. The Trustees discussed that it should be the general policy of the District to identify whether a sign and recorded easement exists and, if not, to obtain easements when appropriate. The Trustees discussed that any dealings with respect to the District on a particular lot should trigger a search for such easements that would provide the opportunity to resolve easements on a particular lot. Furthermore, the Trustees discussed that the results of such easement searches should be kept in physical and/or electronic files of the District so that each lot had its own file for future reference.

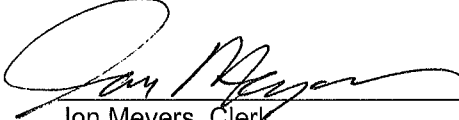
The next order of business was discussion regarding the need for the District to be able to locate curb stops related to water service at the individual homes. Jim Noerrlinger reported that approximately half of the curb stops were not in known locations. Furthermore, he reported that curb stops should be tested and regularly exercised to ensure the working order of the service shutoff. The Trustees discussed that communications in this regard could provide marking and testing would be appropriate.

The next order of business was discussion regarding the long-term water tanking of the District. The Trustees discussed that a previous estimate had been obtained for reconditioning the District water tank. Costs for reconditioning and replacing the tank had been obtained some time ago and the current were likely significantly higher than when the last estimate was obtained. The Trustees discussed that this would be a long-term consideration of the District as a potential expenditure and that the Trustees would have to consider the location, size and installation of the tank or tanks.

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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.

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 March 17, 2022, meeting.


Jon Meyers, Clerk