

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 30th day of March, 2022, at 10250 Regency Circle, Suite 300, Omaha, Nebraska.

Present were: Peggy L. Lawton, Jon Meyers, Matt Burnham, Wayne Breyfogle 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 March 24, 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 was next presented a statement from Nebraska Public Power District, for lighting at Highway 75, Account #211010041398, for March, 2022, **having a small credit balance in the amount of Fifteen and 80/100 Dollars (\$15.80). The Board was next reminded that an advance payment in the amount of One Hundred Fifty and no/100 Dollars (\$150.00) was made at the March 17, 2022 meeting.**

There was next presented a statement from Nebraska Public Health Environmental Lab, for water testing, Invoice #549617, **having a zero balance. No payment is due at this time.**

There was next presented a statement from Thompson, Dreessen & Dorner, Inc., engineers for the District, for services rendered in miscellaneous District maintenance matters through March 20, 2022, Invoice #149319, in the amount of Three Thousand Fifty-Three and 20/100 Dollars (\$3,053.20).

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) Receipt from Bomgaars, for fuel tank prep for lake pumping, in the amount of Three Hundred Sixteen and 41/100 Dollars (\$316.41), and (ii) Invoice from Kerns Excavating Company, for waterline repair, Invoice #16743, in the amount of One Thousand One Hundred Forty-Five and 50/100 Dollars (\$1,145.50); said statements being in the aggregate amount of One Thousand Four Hundred Sixty-One and 91/100 Dollars (\$1,461.91).

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. 6060 and 6061 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 30, 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. 6060, for the amount of Three Thousand Fifty-Three and 20/100 Dollars (\$3,053.20), payable to Thompson, Dreessen & Dorner, Inc.

Warrant No. 6061, for the amount of One Thousand Four Hundred Sixty-One and 91/100 Dollars (\$1,461.91), 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.

Discussion was next had concerning a bond resolution prepared by the District's Counsel in conjunction with the District's underwriter, D.A. Davidson & Co. A full and complete discussion was had of the advantages and disadvantages of the bond issue by the District at this time. A presentation was made by John Kuehl of D.A. Davidson & Co., as to the financial details of such bond issue and his firm's recommendation for such bond issue as being to the advantage of the District. Therefore, the resolution attached to these minutes as Exhibit "A" and identified thereon as "Bond Resolution" and by this reference made a part hereof as if fully incorporated and set forth herein, was duly moved for adoption which motion was thereafter seconded. Upon a roll call vote taken on such resolution the following Trustees, Peggy L. Lawton, Jon Meyers, 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 Cass County, Nebraska, that the District issue its Sanitary and Improvement District Bonds in the amount of Two Million Three Hundred Fifty Thousand and no/100 Dollars (\$2,350,000.00), through its underwriter, D. A. Davidson & Co., in accordance with the terms of its financing agreement with such underwriter and in accordance with Nebraska law.

FURTHER RESOLVED, that the "Bond Resolution" attached hereto as Exhibit "A" and incorporated herein by reference as if fully set forth, be adopted, ratified and approved.

FURTHER RESOLVED, that the Chairman, Clerk and Trustees be, and hereby are authorized and directed to execute such documents and take such steps as are necessary to implement this resolution.

FURTHER RESOLVED, that counsel for the District is directed to take appropriate steps as are necessary to place the question of the bond issue before the District Court of Cass County, Nebraska for its approval.

Discussion was next had with regard to the appointment of a paying agent for the payment of the principal and interest on the bonds. After full and complete discussion, the following resolutions were duly made and seconded, whereupon the following roll call vote was taken during which the Trustees, Peggy L. Lawton, Jon Meyers, 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 Cass County, Nebraska, that BOKF, National Association, Lincoln, Nebraska has been appointed as Paying Agent for payment of principal and interest on bonds of this District issued May 16, 2022, which appointment is hereby confirmed and ratified, and the County Treasurer of Cass County, Nebraska, as ex officio treasurer of this District, is hereby authorized and directed to pay, from time to time, to said Paying Agent, from funds of the District, such amounts of money as such Paying Agent shall certify in writing to the County Treasurer as shall be needed for payment of principal and interest on bonds of the District, such certificate of the Paying Agent to show the amounts needed for payment of principal and interest, and the date upon which such amount is due, and the date when such transfer shall be made by the County Treasurer to the Paying Agent, such certification to be made by the Paying Agent to the County Treasurer for each transfer of funds requested by the Paying Agent.

FURTHER RESOLVED, that the Chairman and Clerk of the District shall certify this resolution to said County Treasurer who may deem this resolution to be a continuing resolution and authorization to make transfers to such Paying Agent, until and unless the County Treasurer is notified of termination of such authority.

There was next presented correspondence from D.A. Davidson & Co., fiscal agent for the District, requesting that the Board adopt a resolution approving the Official Statement dated March 30, 2022 (a copy of which is on file with the Clerk of the District), in connection with the District's issuance and sale of the Series 2022 Bonds. After full and complete discussion and upon a motion duly made and seconded, and upon the following roll call vote, the Trustees, Peggy L. Lawton, Jon Meyers, Matt Burnham, Wayne Breyfogle and Scott Pekarek voted "Aye" with none voting "Nay" thereby passing and adopting the following resolution:

BE IT RESOLVED That the Official Statement dated March 30, 2022 pertaining to the issuance and sale of the Bonds is hereby approved in substantially the form attached hereto, the Official Statement as of its date is hereby deemed final within the meaning of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended, and the distribution of the Official Statement by D.A. Davidson & Co., as underwriter of the Bonds is hereby approved.

The next order of business was discussion regarding a recycling program instituted by the Lake Waconda Homeowners Association. The Association asked whether the SID would be willing to pursue participation in a county-dash sponsored program that would allow for some of the costs of recycling to be reimbursed by the County. There was significant discussion as to the value of such services and the means by which the District and the Homeowners Association could work together in providing the service and oversight. Ultimately, the District requested that the Homeowners Association determine whether reimbursements would be available to the Homeowners Association through the County without the involvement of the District. The Trustees directed Mark LaPuzza to answer any questions that may be posed by the County with respect to any Interlocal Agreement.

The next order of business was discussion regarding the status of the United States Army Corp of Engineers Levee Improvement project. General concerns were raised as to timing and interaction with the contractors. Weekly telephone calls and on-site meetings will continue to be monitored by Trustees and District professionals as necessary.

The next order of business was discussing regarding the March 24, 2022, request for information received from the Federal Emergency Management Agency with respect to certain street repairs. Mark LaPuzza reminded the Trustees that this matter had been ongoing for some time, and that this was the second request for information received on this particular project. Kraig Thelen noted that he believed that he provided all material support and documentation related to the project. The date of April 22, 2022, was identified as the response deadline with respect to the RFI. Although the RFI response was not expected to be significantly detailed, given the volume of information that has previously been provided, Mark LaPuzza said that he would work with Kraig Thelen, Ed Hobza and Jim Noerrlinger on the matter.

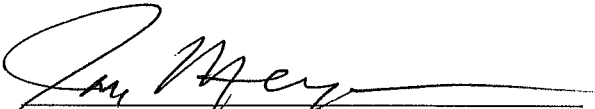
The next order of business was discussion regarding water tank replacements. The Trustees discussed that the water system for the District needed to be repaired or replaced within the next few years. Jim Noerrlinger reminded the Trustees that the costs of new tanks was likely to exceed \$100,000.00 in costs, and that that was based upon estimates which were now several years old. The Trustees discussed that the cost of reconditioning the existing tank would likely be less than \$20,000.00. The Trustees discussed that reconditioning seemed to be preferable. The Trustees were reminded that the repair did not need to be done immediately, and that any opportunity to time the work to be performed when it might be less expensive would be a benefit to the District.

The next order of business was discussion regarding a drainage issue for water flowing between two properties located on Bullfrog Bay. The Trustees discussed that the drainage in this area was not causing issues for the District on its own property, but that the involvement of the District might allow for a cost effective resolution which could also, potentially, prevent future issues of the District. Ed Hobza noted that Thompson, Dreessen & Dorner represented one of the property owners with respect to contemplated improvements (although Ed Hobza was not involved in that other client's project). The Trustees discussed that initial investigation of potential solutions could continue, but that no action is authorized at this time.

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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 30, 2022, meeting.



Jon Meyers, Clerk