

**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 14th day of December, 2014, at the Cobb Community Center located within the Lake Wa-Con-Da subdivision in Union, Nebraska.

Present: Jon Meyers, Phillip G. Wright, Wayne Breyfogle and Hugh Abrahamson. Also present: Jim Noerrlinger, Caretaker of Lake Wa-Con-Da, Camilla Hurst, Carl Fiedler and Terry Jura, residents of the District.

Absent: Gary Kaplan.

Notice of the meeting was given in advance thereof by publication in The Plattsmouth Journal on November 27 and December 4, 2014, 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 certified that notice of this meeting concerning the project entitled Lake Wa-Con-Da 2015 Chip Seal had been posted in three (3) conspicuous places within the District with the Clerk causing to be filed a Certificate to that effect with a copy of the notice attached thereto, such notice being attached to the minutes of these proceedings and by this reference made a part hereof.

The Clerk next stated that no petition opposing the proposed Resolution of Advisability and Necessity had been filed by the property owners within the District or by any other person or entity and that no person appeared at the meeting or made any objections to the proposed Resolution of Advisability and Necessity with such being the same resolution adopted in form at the meeting of the Board of Trustees held on November 11, 2014, which resolution is set forth in its entirety in the proof of publication attached hereto and by this reference incorporated herein. After discussion of the Board, the following resolution was duly moved and seconded and upon a roll call vote the Trustees, Jon Meyers, Phillip G. Wright, Wayne Breyfogle and Hugh Abrahamson, 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 Resolution of Necessity and Advisability for the construction of the project entitled Lake Wa-Con-Da 2015 Chip Seal 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 Board was next presented with consideration of its outstanding bills and invoices.

There was next presented an invoice from Kraig J. Thelen, for professional services in connection with various filings with NEMA, Invoice #103-14, in the amount of Two Hundred Eighty-Five and 50/100 Dollars (\$285.50).

There were next presented statements from Thompson, Dreessen & Dornier, Inc., engineers for the District, for services rendered in construction-related matters through December 7, 2014, as follows: (i) Invoice #107605, in the amount of One Thousand One Hundred Fifty and no/100 Dollars (\$1,150.00), and (ii) Invoice #107606, in the amount of Six Thousand Two Hundred Seven and 96/100 Dollars (\$6,207.96); said statements being in the aggregate amount of Seven Thousand Three Hundred Fifty-Seven and 96/100 Dollars (\$7,357.96).

The Clerk next directed the attention of the Board of Trustees to the fact that D.A. Davidson & Co. will purchase Seven Thousand Six Hundred Forty-Three and 46/100 Dollars (\$7,643.46) in warrants at this time and that the contracted charge for such purchase of warrants is three percent (3%) or Two Hundred Twenty-Nine and 30/100 Dollars (\$229.30) 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 was next presented a statement from Nebraska Public Power District, for lighting at Highway 75, from November 15, 2014, through December 15, 2014, having a credit balance in the amount of Eighty-One and 67/100 Dollars (\$81.67).

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 Eight Hundred Eighty-Seven and 76/100 Dollars (\$1,887.76).

There was next presented correspondence from Thompson, Dreessen & Dornier, Inc., engineers for the District, presenting and recommending payment in favor of Pioneer Excavating Company LLC for filling an abandoned 12 inch storm sewer pipe through the levee system on the south side of the lake with concrete and capping each end, Invoice #2166, in the amount of Fourteen Thousand and no/100 Dollars (\$14,000.00).

There was next presented correspondence from Thompson, Dreessen & Dornier, Inc., engineers for the District, presenting and recommending payment in favor of Melvin Sudbeck Homes, Inc., for levee repair relating to flood restoration, work was performed along the asphalt portion of East Lake Drive from the dump area southerly approximately 1,500 feet, Invoice #3112, in the amount of Seven Thousand Five Hundred and no/100 Dollars (\$7,500.00).

There was next presented correspondence from Thompson, Dreessen & Dornier, Inc., engineers for the District, presenting and recommending payment in favor of Commercial Seeding Contractors, for overseeding section the levee, Invoice #14680, in the amount of Ten Thousand Seven Hundred Thirteen and no/100 Dollars (\$10,713.00).

There was next presented a statement from Meeske Ace Hardware, for miscellaneous purchases for the District, statement dated November 30, 2014, in the amount of Sixty-Six and 98/100 Dollars (\$66.98).

There were next presented statements from One Call Concepts, Inc., for line locates within the District, as follows: (i) Invoice #4100570, in the amount of Five and 55/100 Dollars (\$5.55), and (ii) Invoice #4110570, in the amount of Two and 20/100 Dollars (\$2.20); said statements being in the aggregate amount of Seven and 75/100 Dollars (\$7.75). ***The Board was next reminded that there is a credit balance at this time.***

There was next presented a statement from Thompson, Dreessen & Dorner, Inc., engineers for the District, for services rendered in miscellaneous District matters through December 7, 2014, Invoice #107604, in the amount of Two Thousand Seven Hundred Fifty-One and 36/100 Dollars (\$2,751.36).

There was next presented a statement from Pansing Hogan Ernst & Bachman LLP, attorneys for the District, for legal services performed through November 30, 2014, in the amount of Three Thousand Four Hundred and 50/100 Dollars (\$3,400.50), and costs advanced in the amount of Twenty-Eight and 94/100 Dollars (\$28.94); said statement being in the aggregate amount of Three Thousand Four Hundred Twenty-Nine and 44/100 Dollars (\$3,429.44).

The Clerk next directed the attention of the Board of Trustees to the fact that D.A. Davidson & Co. will purchase Forty Thousand Three Hundred Forty-Eight and 54/100 Dollars (\$40,348.54) in general fund warrants at this time and that the contracted charge for such purchase of warrants is two percent (2%) or Eight Hundred Six and 97/100 Dollars (\$806.97), along with general fund warrants registered from December 6, 2013 through October 28, 2014, in the aggregate amount of Two Hundred Seventy-Four Thousand Six Hundred Twenty-Two and 31/100 Dollars (\$274,622.31), for a contracted charge for such purchase of warrants in the amount of Five Thousand Four Hundred Ninety-Two and 45/100 Dollars (\$5,492.45), **for a total amount due in the amount of Six Thousand Two Hundred Ninety-Nine and 42/100 Dollars (\$6,299.42)** 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.

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, 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 Nos. 4905 through 4908, of the District, dated the date of this meeting, to the following payee 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 seven percent (7%) per annum (interest to be payable on February 10 of each year) and to be redeemed no later than December 14, 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. 4905, for the amount of Two Hundred Eighty-Five and 50/100 Dollars (\$285.50), payable to Kraig J. Thelen.

Warrant No. 4906, for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 4907, for the amount of Two Thousand Three Hundred Fifty-Seven and 96/100 Dollars (\$2,357.96), payable to Thompson, Dreessen & Dorner, Inc.

Warrant No. 4908, for the amount of Two Hundred Twenty-Nine and 30/100 Dollars (\$229.30), 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. 4909 through 4922, 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 December 14, 2017, 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. 4909, for the amount of One Thousand Eight Hundred Eighty-Seven and 76/100 Dollars (\$1,887.76), payable to Omaha Public Power District, Account #5843000090.

Warrant Nos. 4910 and 4911, each for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 4912, for the amount of Four Thousand and no/100 Dollars (\$4,000.00), payable to Pioneer Excavating Company, LLC.

Warrant No. 4913, for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 4914, for the amount of Two Thousand Five Hundred and no/100 Dollars (\$2,500.00), payable to Melvin Sudbeck Homes, Inc.

Warrant Nos. 4915 and 4916, each for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 4917, for the amount of Seven Hundred Thirteen and no/100 Dollars (\$713.00), payable to Commercial Seeding Contractors.

Warrant No. 4918, for the amount of Sixty-Six and 98/100 Dollars (\$66.98), payable to Meeske Ace Hardware.

Warrant No. 4919, for the amount of Two Thousand Seven Hundred Fifty-One and 36/100 Dollars (\$2,751.36), payable to Thompson, Dreessen & Dorner, Inc.

Warrant No. 4920, for the amount of Three Thousand Four Hundred Twenty-Nine and 44/100 Dollars (\$3,429.44), payable to Pansing Hogan Ernst & Bachman LLP.

Warrant No. 4921, for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 4922, for the amount of One Thousand Two Hundred Ninety-Nine and 42/100 Dollars (\$1,299.42), 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 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.

There was next presented a receipt from State of Nebraska representing a deposit to the District's general fund, for 2010 flooding payment from FEMA, in the amount of Seventy-Eight Thousand Four Hundred Forty-Three and 47/100 Dollars (\$78,443.47).

Discussion was next had concerning the issue of homeowners or their contractors encroaching on SID road and cutting or boring in the road. After full and complete discussion, the Board decided to add to website that ALL construction, remodel projects (especially those that affect the road or SID property) be brought to the Caretaker's attention PRIOR to commencement.

There were many comments (more than 20 minutes of discussion) about people not treating the lake or neighbors with the same respect as in years past and damage to Terry Jura's mailbox years ago. All in attendance were reminded that this was an SID meeting and some of the comments and suggestions need to be handled with the HOA.

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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 December 14, 2014, meeting.



Jon Meyers, Clerk