

**MINUTES OF THE MEETING OF
THE BOARD OF TRUSTEES OF
SANITARY AND IMPROVEMENT DISTRICT NO. 177
DOUGLAS COUNTY NEBRASKA**

APRIL 16, 2008

A scheduled Meeting of the Board of Trustees of Sanitary & Improvement District No. 177 of Douglas County, Nebraska, was convened in open and public session on Apr. 16, 2008, at the D.C. West Public School Library 7th & Washington Streets, Waterloo, Nebraska.

PRESENT:	Dean Miller	Chairman
	Ginger Parker	Clerk
	Steve Clark	Trustee
	Jerry Hraban	Trustee
	William Reppert	Trustee
ABSENT:	None	

Notice of the Meeting was given in advance by publication in **The Daily Record**, a legal newspaper published in Douglas County, Nebraska, on Apr. 8, 2008, a copy of the Proof of Publication being attached to these Minutes.

Notice of this Meeting was given to all Trustees in advance by the Clerk, and the Acknowledgement of Receipt of Notice of Meeting and Agenda by the Trustees is also attached to these Minutes.

Notice of this Meeting was given the Clerk of the City of Omaha, Nebraska, the municipality having zoning jurisdiction over the District, at least seven days prior to the Meeting, and notice of the Meeting and Agenda were posted in the District.

Availability of the Agenda was communicated in the published Notice and in the Notices to the City and Trustees.

All proceedings of the Board of Trustees were taken while the convened Meeting was open to the attendance of the public.

Agenda Item 1. Role Call and call Meeting to Order: All of the Board Members being present, Chairman called the Meeting to order at 7:40 p.m.

Agenda Item 2. Nebraska Open Meetings Act: The Chairman reviewed the Nebraska Press Association publication entitled "Nebraska Open Meetings Act, For Public Use During a Meeting", and announced that the pamphlet containing the Act, would be on display at each meeting of the Trustees.

Agenda Item 3. Approve Minutes of Meeting held on Mar. 19, 2008: Following discussion of the draft of the Minutes previously furnished the Trustees, Trustee Parker moved that the Minutes be approved, and Trustee Clark seconded the motion. On roll call vote thereon, the following Trustees voted aye: Miller, Parker, Clark, Hraban and Reppert; voting nay: None. The Chairman, declared said Resolution duly passed and adopted.

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Agenda Item 4. PeopleService Report: The PeopleService Report for Mar. (S.T.) was reviewed by the Board. Problems with branches over a well and the malfunction of the controls for well #3 have been corrected.

Agenda Item 5. Comments from audience: The Chairman took up Agenda item 7 explaining the difference between financing projects with bond funds (with several examples), and performing routine maintenance using general funds (with several examples); the District's bidding procedures and requirements for projects over and under \$20,000; and how the pavilion project was handled. Following the explanation, comments and questions from the audience were discussed in detail.

Agenda Item 6. Reports and Business:

6.1 Water and Waste-water Plants: No additional comments.

6.2 Lakes Management: Trustee Reppert reported that the stocking of the lakes has been completed. After discussing the replacement of the dock in the Boating Lake, the following Resolution was proposed by Trustee Reppert and seconded by Trustee Clark:

RESOLUTION

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska, that the District authorize the Maintenance Contractor to install a 4' by 20' dock at the ramp in the Boating Lake at a total cost not to exceed \$1,350.

On roll call vote thereon, the following Trustees voted aye: Miller, Clark, Hraban, Parker, and Reppert; voting nay: None. The Chairman declared said Resolution duly passed and adopted by the Board.

6.3 Grounds Management: Trustee Clark discussed his memo to Residents and Board Members (S.T.) containing three possible Motions on the street parking and three possible Motions covering parking on S.I.D. property. Following an extended discussion with the audience, Trustee Hraban proposed, and Trustee Reppert seconded the adoption of proposed Motion No. 2 governing street parking:

RESOLUTION

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska, adopt Motion No. 2, which provides:

On Street Parking Motion #2 - Parking will be restricted to one side of the street on Holidays, Weekends (Friday through Sunday) in the interest of public safety. The parking vs. non-parking sides of the street will be determined by the County on the side of the street which will provide the most parking.

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On roll call vote thereon, the following Trustees voted aye: Miller, Clark, Hraban, Parker, and Reppert; voting nay: None. The Chairman declared said Resolution duly passed and adopted by the Board.

The Board then discussed proposed Motion #3 and Trustee Parker proposed, and Trustee Hraban seconded, the adoption of Motion #3:

RESOLUTION

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska, adopt Motion No. 3, which provides in part:

On Street Parking Motion #3: Prohibiting overnight/long term parking on the District's streets.

On roll call vote thereon, the following Trustees voted aye: Miller, Clark, Hraban, Parker, and Reppert; voting nay: None. The Chairman declared said Resolution duly passed and adopted by the Board.

Following further discussion of Motion #3 the Board voted unanimously to repeal the foregoing Resolution adopting Motion #3.

The Board then voted unanimously to table discussion of parking on S.I.D. property until the next meeting.

6.4 Legal: The Attorney requested that the Board go into Executive Session to discuss pending litigation following the completion of other items on the Agenda.

6.5 Payment of Bills: Trustee Parker presented the current bills for discussion. After reviewing the bills the following Resolution was proposed for adoption by Trustee Parker and seconded by Trustee Miller:

RESOLUTION

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska, that the Chairman and Clerk be, and they hereby are, authorized and directed to execute and deliver **Warrant Nos. 5202 through 5218** of the District, dated the date of this Meeting, to the payees and in the amounts listed on the attached Exhibit "A", said Warrants to be drawn on the General Fund of the District and to draw interest at the rate of six and one-half percent (6.5%) per annum and to be redeemed no later than Apr. 16, 2011, subject to extension of said maturity date by order of the District Court of Douglas County, Nebraska, after notice is given as required by law.

FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska, that

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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 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, 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 of 177 of Douglas 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; (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 that \$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 of 177 of Douglas 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 Douglas County, Nebraska as follows:

- (1) No separate reserve or replacement fund has been or will

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be established with respect to the above Warrants. The District reasonably anticipates that monies 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.

On roll call vote thereon, the following Trustees voted aye: Miller, Clark, Hraban, Parker, and Reppert; voting nay: None. The Chairman declared said Resolution duly passed and adopted by the Board.

Trustee Parker presented the Construction Fund Warrants Nos. A485 and A486 for discussion. After reviewing the bills the following Resolution was proposed for adoption by Trustee Parker and seconded by Trustee Reppert;

RESOLUTION

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska, that the Chairman and Clerk be, and they hereby are, authorized and directed to execute and deliver Warrant Nos. A485 and A486 of the District, dated the date of this Meeting, to the payee and in the amount listed on the attached Exhibit "A", said Warrants to be drawn on the Construction Fund of the District, and to draw interest at the rate of six and one-half percent (6.5%) percent per annum (interest payable on Oct. 10th of each year) and to be redeemed no later than Apr. 16, 2013, subject to extension of said maturity date by order of the District Court of Douglas County, Nebraska, after notice is given as required by law.

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FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska, that said Warrant Nos. A485 and A486 will not be delivered to the payee until all work on the District's Shelter has been completed and accepted by the District.

On roll call vote thereon, the following Trustees voted aye: Miller, Clark, Hraban, Parker, and Reppert; voting nay: None. The Chairman declared said Resolution duly passed and adopted by the Board.

Agenda Item 7. Old Business: Discussion of bidding process and condition of trees requested by Don Pearson (See ¶5).

The Chairman then stated that there being no objection from the audience (Mr. Cooper being present), he would entertain a motion to go into executive session for the purpose of discussing the case of Cooper vs. S.I.D. No. 177. Trustee Parker moved, and Trustee Clark seconded, the motion to go into executive session at 10:10 p.m.

On roll call vote thereon, the following Trustees voted aye: Miller, Clark, Parker, and Reppert; voting nay: None. The Chairman declared said Motion duly passed and adopted.

Trustees Miller, Clark, Parker, and Reppert (Trustee Hraban had left the Meeting) discussed the case of Cooper v. the District, with the District's Attorney and Attorney Craig Martin with the law firm of Lampson, Dugan & Murray during the executive session. The discussion included seeking insurance coverage and the defense of the case.

At 10:45 p.m. Trustee Parker moved, and Trustee Clark seconded, a motion to adjourn the executive session.

On roll call vote thereon, the following Trustees voted aye: Miller, Clark, Parker, and Reppert; voting nay: None. The Chairman declared said Motion duly passed and adopted.

Upon reconvening the regular meeting, the Board voted unanimously to retain the firm of Lampson, Dugan & Murray to defend the Cooper case and to investigate the District's claims for coverage under its insurance policies.

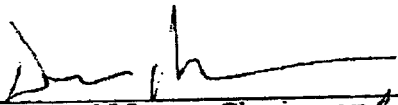
Agenda Item 8. Set Next Meeting Date, Location and Time: The next Regular Meeting of the Board will be conducted on May 22, 2008, at 7:30 p.m., at the D.C. West Public School Library, 7th & Washington Streets, Waterloo, Nebraska.


Agenda Item 9. Adjourn Meeting: There being no further business to come before the Board, the Meeting was, upon motion by Trustee Parker, seconded by Trustee Reppert, with the following Trustees voting aye: Miller, Clark, Parker, and Reppert; voting nay: None, the Meeting was adjourned at 10:55 p.m.

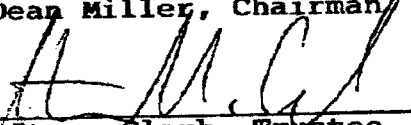
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SANITARY AND IMPROVEMENT DISTRICT NO. 177
DOUGLAS COUNTY NEBRASKA


Dean Miller, Chairman


Ginger Parker, Clerk


Steve Clark, Trustee


Gerald Eraban, Trustee


William Reppert, Trustee

Don

2008 April General Fund Warrants

<u>Date</u>	<u>Num</u>	<u>Transaction</u>	<u>Payment</u>	<u>Deposit</u>	<u>Balance</u>
04/16/08		General Fund Cat: (Special) memo: Transfer to General Fund		8,851.66	19,843.45
4/1/2008	5202	Carlson Clearwater Fish Farms Cat: Lakes memo: Fish	3,000.00		16,843.45
04/16/08	5203	Nebraska Department of Revenue Cat: Sales Taxes memo: Mar	449.91		16,393.54
04/16/08	5204	Paula Magiera cat: Prof Fees: Bookkeeping memo: Mar	115.44		16,278.10
04/16/08	5205	Ginger Parker cat: Clerk Fees memo: Mar	92.45		16,185.65
04/16/08	5206	Daily Record cat: Publication memo: Inv # 77678	21.20		16,164.45
04/16/08	5207	Omaha Public Power District cat: split memo: Mar	2,388.50		13,775.95
04/16/08	5208	Don Overholt cat: Professional Fees: Legal Fees memo: Mar	1,200.00		12,575.95
04/16/08	5209	Stan & Sons, INC cat: Repair/Maint- grounds memo: trash pickup	71.75		12,504.20
04/16/08	5210	Peoples Service cat: Repair/Maint.: Contractor Fees memo: Mar Inv	6,182.00		6,322.20
04/16/08	5211	Lamson, Dugan & Murray, LLP cat: Legal memo: SID vs. EMC	5,491.32		890.88
04/16/08	5212	Bill Reppert cat: Lakes memo: NE Lakes Conf/NE Lakes Assoc Fee	110.00		720.88

EXHIBIT A-1

04/16/08	5213	Brian Toelle cat: Repair/Maint: Grounds memo: #0802, 0804, 0805,0806,0807,0808	5,219.84	-4,498.96
04/16/08	DEP	Douglas Couty Property Tax Receipts cat: partial tax collection memo: 2008 property taxes	\$50,000.00	45,501.04
04/16/08	DEP	Progressive Insurance cat: insurance reimbursement memo: sewage plant vandalism	\$332.70	45,833.74
04/16/08	DEP	Lamson, Dugan,& Murray, LLP Cat: legal memo: SID 177 vs. EMC settlement	\$20,000.00	65,833.74
04/16/08	5214	Dean Miller cat: Board Fees memo: 3rd Qtr Board Fees	41.56	65,792.18
04/16/08	5215	Ginger Parker cat: Board Fees memo: 3rd Qtr Board Fees	27.71	65,764.47
04/16/08	5216	Bill Reppert cat: Board Fees memo: 3rd Qtr Board Fees	41.56	65,722.91
04/16/08	5217	Steve Clark cat: Board Fees memo: 3rd Qtr Board Fees	41.56	65,681.35
04/16/08	5218	Gerald Hraban cat: Board Fees memo: 3rd Qtr Board Fees	41.56	65,639.79

EXHIBIT A-2

Don

2008 April Bond Fund Warrants

<u>Date</u>	<u>Num</u>	<u>Transaction</u>	<u>Payment</u>	<u>Deposit</u>	<u>Balance</u>
12/31/07		Balance Forward			72,443.22
04/16/08	A485	Brian Toelle cat: Grounds: Shelter memo: final payments	\$5,000.00		67,443.22
04/16/08	A486	Brian Toelle cat: Grounds: Shelter memo: final payments	\$2,227.00		65,216.22

EXHIBIT A-3