

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

November 16, 2011

The duly scheduled and noticed Meeting of the Board of Trustees of Sanitary & Improvement District No. 177 of Douglas County, Nebraska, was convened in open and public session on November 16, 2011, at 7:30 p.m. at D.C. West Public School Library 7th & Washington Streets, Waterloo, Nebraska.

	<u>Present</u>	<u>Absent</u>
Eric Nelson Chairman	X	
Robert W. Lynn Clerk	X	
Jeff Spilker Trustee	X	
Mike Anderson Trustee	X	
William Reppert Trustee	X	

Also in attendance was Darren R. Carlson of the law firm of Carlson & Burnett, LLP who serves as the legal counsel for the Board of Trustees.

All of the Board Members being present, the Chairman called the meeting to order at 7:30 p.m. The Chairman reported and confirmed that Notice of the meeting was given in advance by publication in *The Daily Record*, a legal newspaper published and in general circulation in Douglas County, Nebraska on November 7, 2011. The "Proof of Publication" is attached to these Minutes as Exhibit "A" and incorporated herein. Advance notice of this meeting was given to all Board Members. The Acknowledgement of Receipt of Notice of Meeting by the Board of Trustees is attached to these Minutes as Exhibit "B" and incorporated herein.

Notice of this meeting was given to 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. The signed Agenda is attached to these Minutes as Exhibit "C".

All proceedings of the Board of Trustees were taken while the convened Meeting was open to the attendance of the public. The Chairman reported that the Nebraska Open Meetings Act was posted and available for public use and inspection.

Approve Minutes of Meeting held on October 18, 2011: Following discussion of the Minutes previously circulated, Trustee Lynn moved that the Minutes of the October 18, 2011 meeting be approved and Trustee Anderson seconded the motion in the following form:

BE IT RESOLVED, that Sanitary and Improvement District No. 177 Board of Trustees hereby approves the Minutes of the October 18, 2011 as completed and filed with the City of Omaha.

On roll call vote thereon, the following Resolution was unanimously passed and adopted.

PeopleService Report: The next matter discussed was the PeopleService Report presented by Bob McLaughlin. Bob McLaughlin's full written report for the months of October are attached to these Minutes as Exhibit "D" and incorporated herein. Layne Wester removed the #1 high service pump and took it to their shop for cleaning and repairs. A water main breakage was reported and repaired with no significant damage.

Water and Waste-Water Plants: Trustee Spilker reported that he has been working on assembling a longer term (maybe 5 year) plan for discussion and consideration for the board. The plan would outline timelines, repairs, capital improvements and other longer term planning for the continued maintenance and repair of the water and waste-water plants and facilities. After he gets additional information, he will present this plan early next year.

Lakes Management: Trustee Reppert reported the pumps for the lakes have all been shut down for the season. As such, the lake levels have dropped to their natural levels of the water table.

Grounds Management & Maintenance Update: Trustee Anderson reported that trees have been and are continuing to be trimmed on the island and through the District. The board discussed the procedures that have been used to monitor the work for the maintenance throughout the District. In recent years, a checklist has been submitted at least monthly by the maintenance company to outline what items have been undertaken. The discussion of the board was that not only a "checklist" but an itemization of how much time was required for each category of maintenance would be beneficial. By tracking how much time is spent for categories of repair, like tree trimming, the board can better evaluate how much time is spent on the various items of repair. This gives the board a better opportunity to fairly evaluate the time expended and required to maintain the District. The board would also like the contractor to obtain his certification for the application and use of chemicals for the lake for the next season.

The trustees discussed that evening out the monthly pay rate over the year was probably more appropriate. In the late fall tree cutting down, tree trimming and burning requires more time than during other periods during the year. To balance out the time and pay equally over the year lets the contractor adjust workloads to better match the appropriate season and weather to complete tasks. The discussion and recommendation was to equalize out the payments on a monthly basis to \$2,000 per month. This payment on an annualized amount is comparable to the current rate. Only the variations in the payment amounts are adjusted to be consistent on a monthly basis. The grass mowing contract will have to be rebid in January or February for the spring. The lawn weed and fertilizer spraying will be reviewed in the spring as well. Following discussion of these items, Trustee Anderson moved and Trustee Reppert seconded the motion in the following form:

BE IT RESOLVED, that the winter contract with Chuck Higgins Jr. of Higgins Professional Lawn Care to provide the winter maintenance for the Sanitary & Improvement District #177 board (November- March) for \$2,000 per month.

On roll call vote thereon, the following Resolution was unanimously passed and adopted.

The board next discussed that a significant amount of tree trimming and cutting downs of trees in the District. As these items were not initially provided for (at least to the extent that Chuck Higgins is undertaking this work), the purchase of equipment by the District was discussed. It was recommended by Trustee Anderson that two saws (a 16 ft. pole saw and a 16 inch chain saw) be purchased for use by the maintenance contractor in the District. Following discussion of these items, Trustee Anderson moved and Trustee Reppert seconded the motion in the following form:

BE IT RESOLVED, that Sanitary & Improvement District #177 authorizes the expenditure of up to \$1,200 for the purchase of two saws and extra chains for use by the contractor in the District.

On roll call vote thereon, the following Resolution was unanimously passed and adopted.

Attorney's Report: The Chairman's Bond has been secured for the Chairman and has been filed with the Douglas County Clerk's office. Also, the SID Annual Statement is prepared and will be executed by the Clerk tonight and filed with the Douglas County Register of Deeds office following the meeting.

The Trustees discussed changing the bookkeeping service for the District to an independent contractor status and not an employee. The board and the bookkeeper, Ginger Parker, have all agreed that the bookkeeping services provided by Ginger Parker will be rendered as an independent contractor where she performs all services from home and controls her schedule, procedures, timing and other matters. Following discussion of these items, Trustee Lynn moved and Trustee Nelson seconded the motion in the following form:

BE IT RESOLVED, that Sanitary & Improvement District #177 authorizes the use of Ginger Parker as bookkeeper for the District starting January 1, 2012, as an independent contractor at the rate of \$140.00/month.

On roll call vote thereon, the following Resolution was unanimously passed and adopted.

Trustee Nelson reported that he had received and filled out the US Census Report that comes to all government entities every five years. The report has been completed and returned.

The trustees discussed that no formal request has yet been received from the Homeowner's Association with regards to the "monument" that was placed there this fall. Trustee Spilker reported that he has had discussion with approximately ten homeowners who would prefer that the monument was removed. In fact, he has found little support for leaving the monument in place. The trustees agreed to table this item until they receive additional feedback from the Homeowners' Association. It was the clear consensus from the discussions that a

formal policy or understanding should be put in place that prior to the installation, construction, planting, alteration or rebuild on any of the District's land and common area that such requests should be brought to the Board of Trustees at a formal meeting prior to undertaking such action.

Payment of Bills. The Clerk presented the current bills for review and discussion. A listing of all of the vendors, amount of payment, description of transaction and warrant numbers is attached to these Minutes as Exhibit "E" and incorporated herein. After reviewing the bills, a motion was made by Trustee Lynn and seconded by Trustee Anderson the following form:

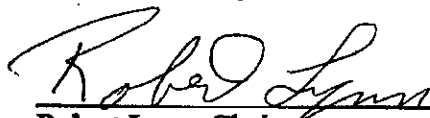
BE IT RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska, that the Board hereby ratifies, adopts and approves that the Chairman and Clerk to execute and deliver **GENERAL FUND Warrant Nos. 5854 through 5871** of the District, to the payees and in the amounts listed on the attached Exhibit "E", 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 three years after issuance, subject to the extension of the said maturity date by order of the District Court of Douglas County, Nebraska, after notice is given as required by law.

BE IT FURTHER RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska hereby adopts the Warrant Resolutions and Tax Exemption Resolutions listed on Exhibit "F" attached hereto and incorporated herein.

Upon roll call thereon, the following Trustees voted yes: unanimous; voting no: none. The Chairman declared said Resolution duly passed and adopted.

Next meeting Date, location and Time: The next Regular Meeting of the Board will be conducted on Wednesday, January 18, 2012, at 7:30 p.m., at the DC West Public School Library, 7th & Washington Streets, Waterloo, Nebraska.

Adjourn Meeting: There being no further business to come before the Board, following motion and second by the Trustees, the Meeting was unanimously adjourned.


Robert Lynn, Clerk

EXHIBITS TO MEETING

The attached Exhibits are a part of the transcript of meeting and are fully and expressly incorporated into the minutes of meeting of Sanitary & Improvement District #177 of Douglas County, Nebraska as though these Exhibits were set forth in their entirety in said Minutes.

Exhibit "A"	Affidavit of Publication—Daily Record
Exhibit "B"	Acknowledgment of Receipt of Notice of Meeting
Exhibit "C"	Agenda for Meeting
Exhibit "D"	People Service Report
Exhibit "E"	General Fund Warrants
Exhibit "F"	Warrant Resolutions and Tax Exemption Resolutions

EXHIBIT "A"

CARLSON & BURNETT, LLP
Attorneys
816 South 169 Street
NOTICE OF MEETING
SANITARY AND IMPROVEMENT
DISTRICT NO. 177 OF
DOUGLAS COUNTY, NEBRASKA

NOTICE IS HEREBY GIVEN that a Meeting of the Board of Trustees of Sanitary & Improvement District No. 177 of Douglas County, Nebraska will be held:

Date: **November 16, 2011**
Place: Douglas County West Public School Library, 7th & Washington Streets, Waterloo, Nebraska.

Time: 7:30 p.m.
This Meeting will be open to the public. An agenda for the meeting, kept continuously current but which may be modified at least twenty-four hours before the meeting, or by the Board during the meeting in the event of an emergency, is available for public inspection at 816 South 169th Street, Omaha, Nebraska 68118, and includes the payment of bills of the District.

ROBERT W. LYNN,
Clerk of the District

11-7-11

THE DAILY RECORD OF OMAHA

LYNDA K. HENNINGSEN, Publisher
PROOF OF PUBLICATION

UNITED STATES OF AMERICA, }
The State of Nebraska, } ss.
District of Nebraska, }
County of Douglas, }
City of Omaha, }

J. BOYD

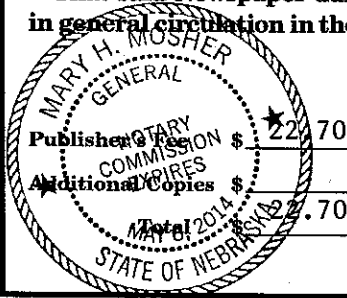
being duly sworn, deposes and says that she is

LEGAL EDITOR

of **THE DAILY RECORD**, of Omaha, a legal newspaper, printed and published daily in the English language, having a bona fide paid circulation in Douglas County in excess of 300 copies, printed in Omaha, in said County of Douglas, for more than fifty-two weeks last past; that the printed notice hereto attached was published in **THE DAILY RECORD**, of Omaha, on _____

November 7, 2011.

That said Newspaper during that time was regularly published and in general circulation in the County of Douglas, and State of Nebraska.



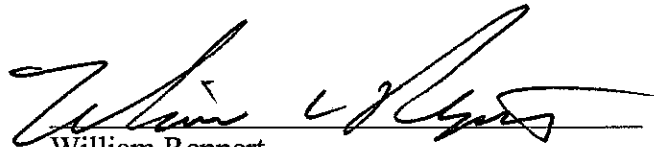
Subscribed in my presence and sworn to before me this 7th day of November 2011
Notary Public in and for Douglas County, State of Nebraska

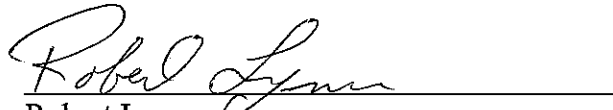
EXHIBIT "B"

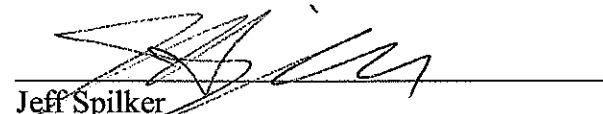
ACKNOWLEDGMENT OF RECEIPT OF NOTICE OF MEETING

The undersigned Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska, hereby acknowledge receipt of advance notice of a meeting of the Board of Trustees of said District and the agenda for such meeting held at 7:30 on November 16, 2011, at DC West Public School Library, 7th & Washington Streets, Waterloo, Nebraska.

Dated this 16th day of November, 2011.


William Reppert


Robert Lynn


Jeff Spilker


Mike Anderson

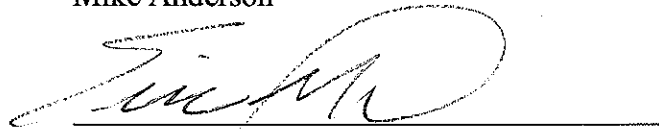

Eric Nelson

EXHIBIT "C"

AGENDA

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

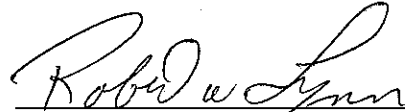
November 16, 2011
7:30 p.m.

Douglas County West Public School Library
7th & Washington Streets
Waterloo, Nebraska

1. Roll Call and Call Meeting to Order.
2. Nebraska Open Meetings Act Announcement and Announcement that comments from audience will be permitted during the discussion of each Agenda item.
3. Approve Minutes of October 18, 2011 Meeting.
4. PeopleService Report
5. Reports and Business
 - 5.1 Water and Waste-water Plants Trustee Spiker
 - 5.2 Lakes Management..... Trustee Reppert
 - 5.3 Grounds Management..... Trustee Anderson
 - 5.4 Legal..... Darren R. Carlson
 - 5.5 Payment of Bills..... Trustee Lynn
6. Other Matters
7. Set Next meeting Date & Adjourn Meeting.

CERTIFICATE

The undersigned hereby certifies that the foregoing Agenda was prepared and available for public inspection at the address shown in the Notice to Meeting prior to the commencement of said meeting, and that no items were added to the agenda after the commencement of the meeting. The Clerk further certifies 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.



Robert W. Lynn, Clerk of the District

Date: November 15, 2011

To: Riverside Lakes

From: Bob McLaughlin, Operator

O & M Report: October 2011

Water Operation & Maintenance

- On 10\04\11 Layne western reinstalled the #1 high service pump. It is now back in service.
- There were no shut-off notices given this month.
- The water meters were read on the 24th.
- The lock on the garage door was replaced.
- The filters at the plant were backwashed as needed.

Wastewater Operation & Maintenance

- The monthly effluent sampler was set up on 10\11\11 and then taken to the lab on 10\12\11. All sample results came back within permit limits.
- Normal daily operations, maintenance and cleaning was done during the month.
- The plant ran normal with only small repairs being done.

To: Riverside Lakes

From: Bob McLaughlin, Operator

O & M Report: September 2011

Water Operation & Maintenance

- This month Rodger Rhylander with DHHS sent us his report. He found the water plant and the water system in good order except for cleaning and inspection of the main water tank and the condition of the media in the filters. I am currently inspecting the filters and we have Maguire Iron scheduled to clean and inspect the main tank.
- On Sept. 23rd I called All Seasons heating and cooling to repair the furnace at the water plant. The cost for repair was \$163.56. This was paid out of the maintenance budget.
- The routine monthly water sample taken for bacteria came back "0" for coliform and absent of E-coli
- Layne Western removed the #1 high service pump then took it to there shop to be cleaned and repaired on 10\30\11. I will keep you informed of there progress.
- There were 4 water shut-off notices given this month for non-payment.

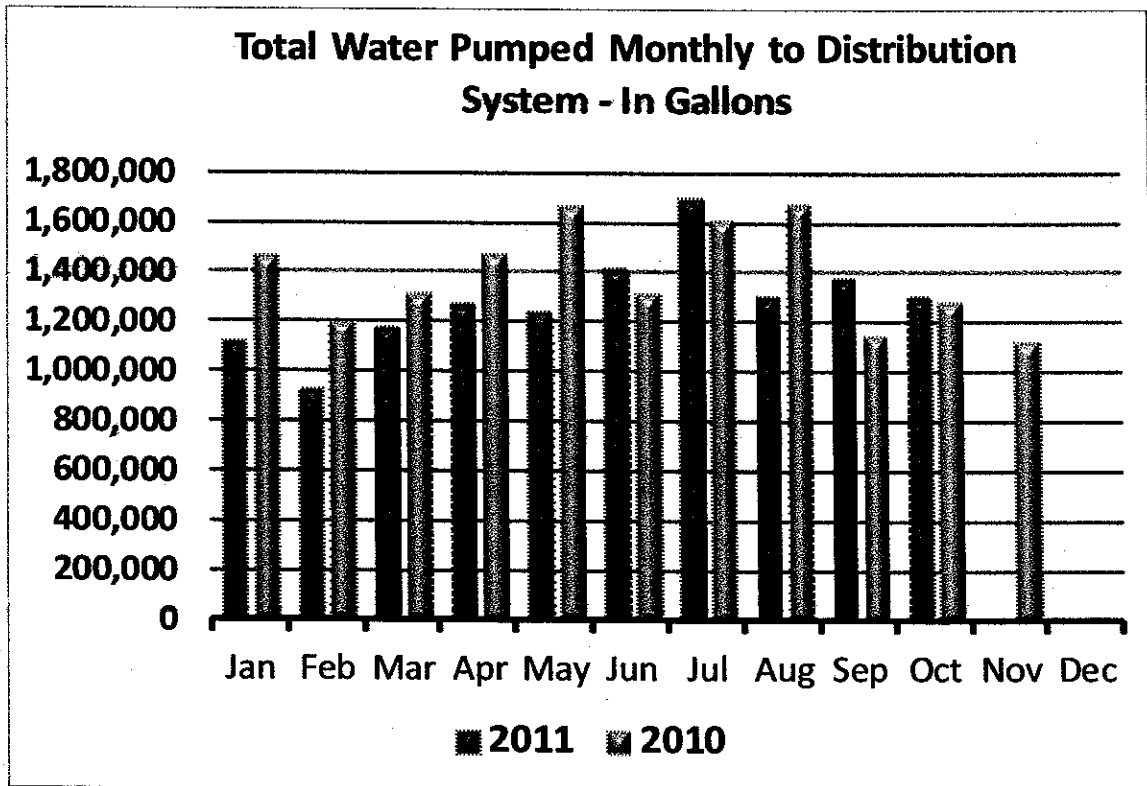
Wastewater Operation & Maintenance

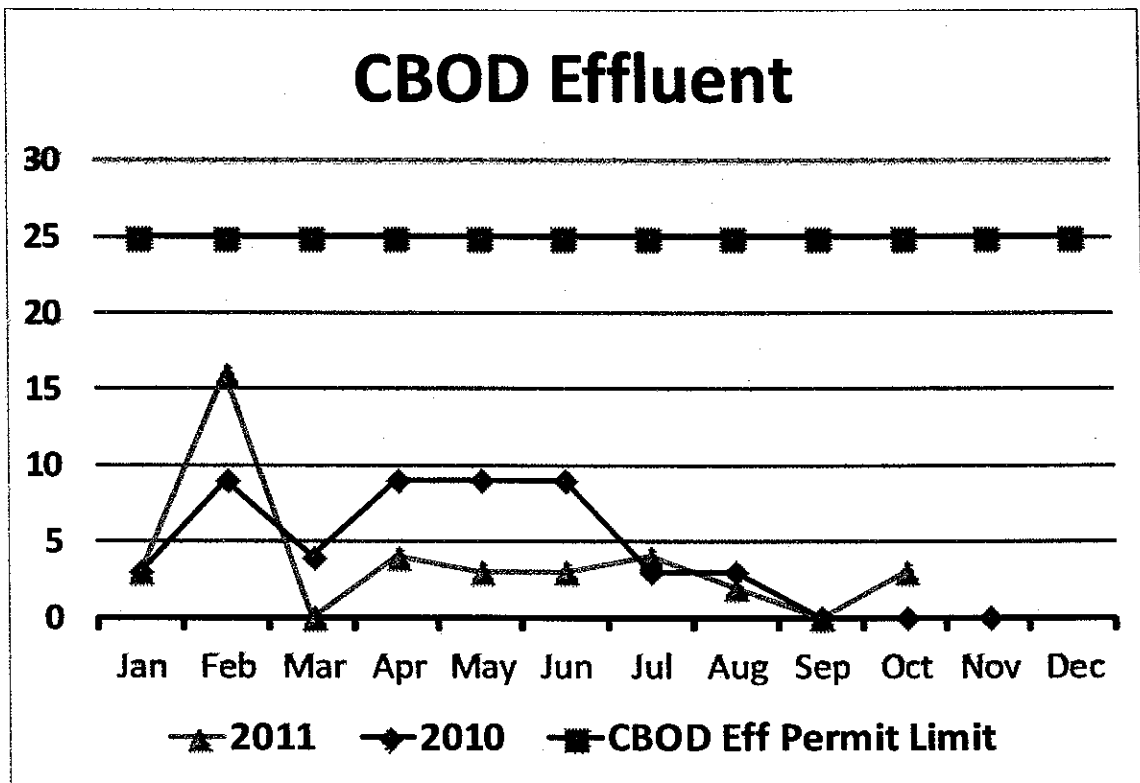
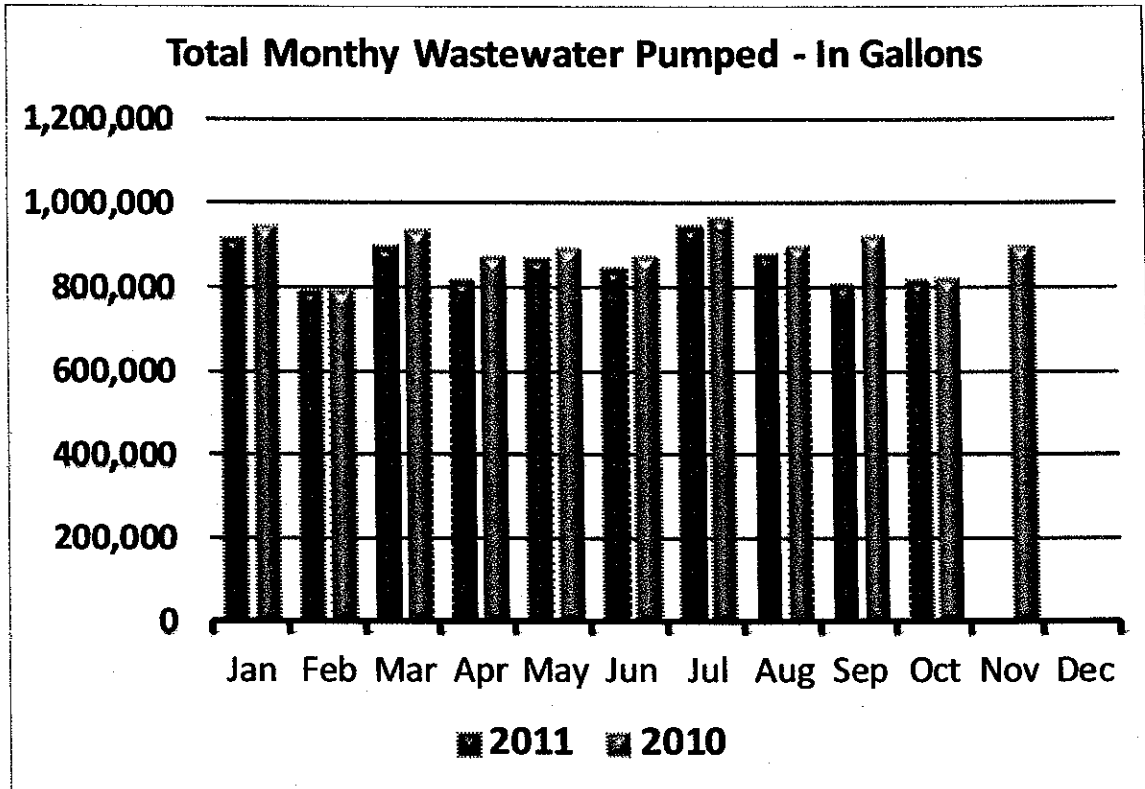
- At the beginning of the month I noticed a noise coming from the grinder. While inspecting it I found that the bearings were worn. I had it repaired and reinstalled it on the 8th. Repairs were \$855.81. I also called West-E-Con to look at the #2 blower that had been tripping out. He found that one of the heater overloads was weak. He replaced it and it is now working normal. The repairs were \$163.56. The cost for these projects was taken from the maintenance budget.

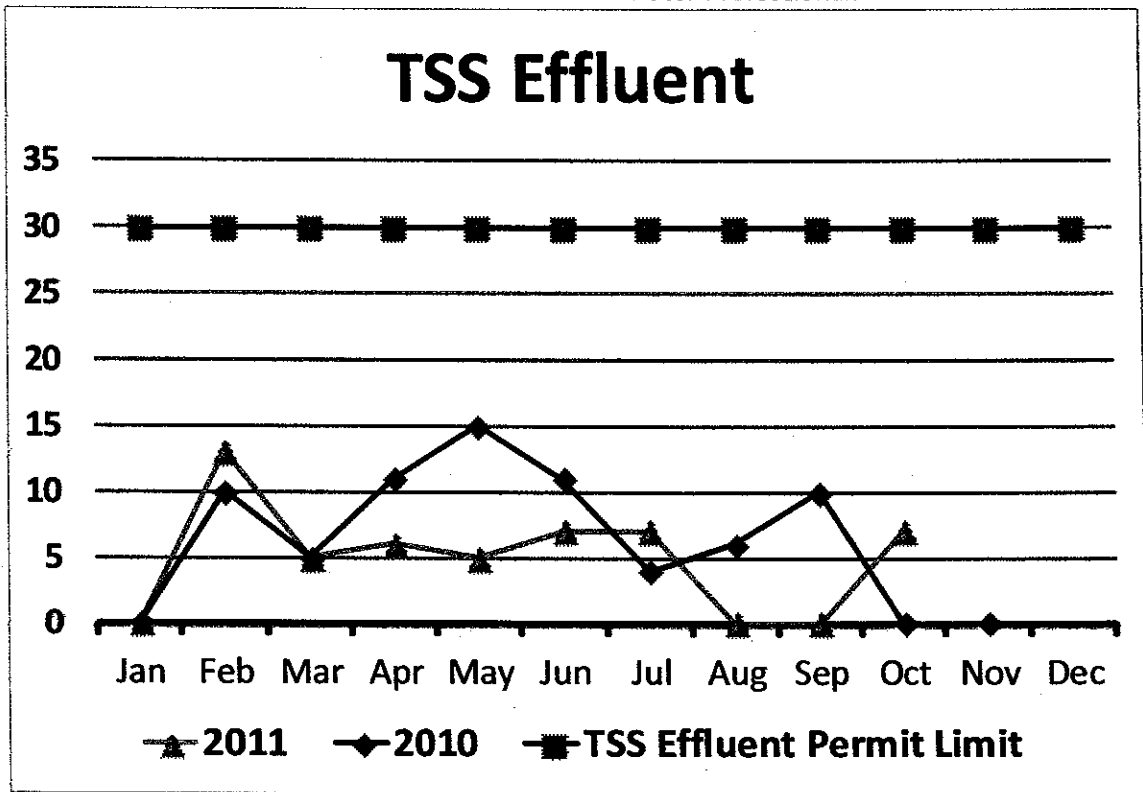
PeopleService^{INC.}

Water & Wastewater Professionals

- The monthly effluent sampler was set up on 10\20\11 and then taken to the lab on 10\21\11. All sample results came back within permit limits.
- The U.V. unit used for disinfection at the plant was taken out of service until next spring.
- Normal daily operations , maintenance and cleaning was done during the month including mowing and trimming.







Water		Units			
Average Daily Pumped to Plant		gallons	48,490	51,033	49,935
Total Monthly Pumped to Plant		gallons	1,503,200	1,531,000	1,548,000
Total Monthly Pumped to Dist System		gallons	1,317,000	1,388,000	1,293,000
Average Daily Pumped to Dist System		gallons	42,483	46,266	41,709
Wells - Total Runtime		hours	131	136	125
Wells - Average Daily Runtime		hours	4	5	4
CBOD					
CBOD Effluent		mg/L	3	<2.0	0
CBOD Eff Permit Limit		mg/L	25	25.0	25
TSS					
TSS Effluent		mg/L	7	<4	0
TSS Effluent Permit Limit		mg/L	30	30	30
Nitrogen Ammonia					
NA Effluent		mg/L	No detect	not needed	0
NA Effluent Permit Limit		mg/L	135	135	135
Effluent Flow					
Total Monthly		gallons	826,000	817,000	831,000
Average Daily		gallons	26,645	27,233	26,806
Maximum Daily		gallons	35,000	36,000	33,000

PeopleService INC.

Water & Wastewater Professionals

Contract True-Ups - Current Contract Year				
Item	Budgeted Amount	Amount Spent	% of Budget	% of Time
Maintenance Budget	\$8,193.00	\$4,784.00	58%	33%

EXHIBIT

"E"

2011 October General Fund Warrants

<u>Date</u>	<u>Num</u>	<u>Transaction</u>	<u>Payment</u>	<u>Deposit</u>	<u>Balance</u>
10/19/11		General Fund Cat: (Special) memo: Transfer to General Fund		8,479.93	36,423.95
10/19/11	5854	Nebraska Department of Revenue Cat: Sales Taxes memo: Sept	435.00		35,988.95
10/19/11	5855	Ginger Parker cat: Prof Fees: Bookkeeping/supplies memo: Sept	117.94		35,871.01
10/19/11	5856	Robert Lynn cat: Clerk Fees/memorial memo: Sept	94.35		35,776.66
10/19/11	5857	Carlson & Burnett, LLP cat: Legal memo: Sept Attorney fees/election cost recovery	1,013.34		34,763.32
10/19/11	5859	Peoples Service cat: Repair/Maint.: Contractor Fees memo: Oct	6,774.00		27,989.32
10/19/11	5860	Daily Record cat: Publication memo: # 105780	46.30		27,943.02
10/19/11	5861	Omaha Public Power District cat: split memo: Sept	2,203.21		25,739.81
10/19/11	5862	Grass Groomers cat: grounds memo: Sept #346	3,299.17		22,440.64
10/19/11	5863	Higgins Professional Lawn Care cat: Repair/Maint Grounds memo: Sept Contract labor2700/grounds	2,772.76		19,667.88
10/19/11	5864	Bill Reppert cat:lakes memo: trees	107.00		19,560.88
10/19/11	5865	Jeff Holling cat: Board Fees memo: 1st Quarter	28.30		19,532.58
10/19/11	5866	Robert Lynn cat: Board Fees memo: 1st Quarter	28.30		19,504.28
10/19/11	5867	Bill Reppert cat: Board Fees memo: 1st Quarter	28.30		19,475.98
10/19/11	5868	Mike Anderson cat: Board Fees memo: 1st Quarter	28.30		19,447.68
10/19/11	5869	Jeff Spilker cat: Board Fees memo: 1st Quarter	28.30		19,419.38
10/19/11	5870	Asphalt maintenance cat: streets memo: #43560	2,200.00		17,219.38
10/19/11	5871	Layne Christensen cat: water treatment memo: #14583	7,026.62		10,192.76
10/19/11					

**Warrant Resolutions and Resolution of Tax Exemption
(Exhibit "F" To Minutes)**

The Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska hereby:

BE IT FURTHER RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska, that both they and the District hereby find and determine and covenants, warrants 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 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 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 sell or otherwise dispose of said improvements and/or facilities, in whole or in part, prior to the last maturity of the above Warrants.

BE IT FURTHER RESOLVED that the District hereby covenants, warrants and agrees as follow: (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 (B) (i) (111) 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.

BE IT FURTHER RESOLVED, 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 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 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 Chair declared said Resolution duly passed and adopted.