

MINUTES OF THE MEETING OF
THE BOARD OF TRUSTEES OF
SANITARY AND IMPROVEMENT DISTRICT NO. 177
DOUGLAS COUNTY NEBRASKA
March 26, 2014

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 March 26, 2014, at 7:30 p.m. at D.C. West Public School Library 7th & Washington Streets, Waterloo, Nebraska.

	<u>Present</u>	<u>Absent</u>
Tony Staup Chairman	X	
Robert W. Lynn Clerk	X	
Mike Anderson Trustee	X	
Keith Heinrich Trustee	X	
Larry Rasmussen 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.

The Chairman Tony Staup 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 March 14, 2014. 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 Notice of Meeting furnished to 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 February 26, 2014: Following discussion of the Minutes previously circulated, Trustee Heinrich moved that the Minutes of the February 26, 2014 meeting be approved and Trustee Lynn 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 February 26, 2014, as completed and filed with the Omaha City Clerk.

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

People Service Report: The next matter discussed was the written People Service Report presented by Bob McLaughlin. The full written report for February is attached to these Minutes as Exhibit "D" and incorporated herein. The waste water treatment plant inspection has been slid back by the State of Nebraska.

Grounds Management: Trustee Anderson reported that he has assembled a committee to get input, concepts and bids on options for a video surveillance system. The committee has met with four vendors and will report back next month with recommendations and bid results.

Trustee Anderson reported that the grass over-seed with seed drill of approximately half of the grass areas of the District have been completed. The District is hoping for some rain as it is long overdue. The goal is to attempt to get a better stand of grass to choke out the sandburs. The information that has been researched and provided by residents confirms that this is the best option but some rain this spring would help.

Trustee Anderson reported that vehicles have been driving down into the treed areas on the northeast corner of the District's property. These vehicles have been driving down through the grass areas. The fence in the area may need to be extended to deal with this situation. Mike will continue to monitor and discuss with the property owners in that area. He also reported that street sweeping will occur around April 15th throughout the District.

Trustee Anderson reported that the dust off of the road at 228th and Harney has been treated periodically in the past and a request from residents that it be done again this year. The calcium carbonate application is approximately \$1,700 and that will cover about 1700 feet of road on South 228th and some on Harney. After discussing the situation, a motion was made by Trustee Anderson and seconded by Trustee Staup in the following form:

BE IT RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska, that Trustee Anderson is authorized to proceed with hiring a vendor to treat the road at 228th and Harney streets with calcium carbonate for dust control at a cost to not exceed \$1,900.

Upon roll call thereon, the Trustees unanimously voted for the resolution. The Chairman declared said Resolution passed and adopted.

A resident reported that the seats on the park swings are very worn and need prompt replacement. In addition, concerns were raised that some residents were walking or letting their pets run in the playground and not picking up their pet's waste. The Board discussed getting the area cleaned up and alerting residents that this cannot continue.

Lake Matters: Chairman Staup reported on several lake items. He had received questions from residents that he had sent on to the engineers and reported back with answers to the questions to such residents who inquired. He and Jeff Spilker had met with John Holz of FYRA Engineering to discuss the potential benefits, cost and success for an alum injection system in the District. Mr. Holz suggested that the cost of an injection system to remove the

phosphorous would probably run \$60,000 per station. FYRA is in the process of preparing a detailed report and forwarding it to Chairman Staup for his consideration.

It was discussed that many of the lakes in Nebraska and the Midwest are trying to keep out of the news their phosphorous problems for fear it will hurt their home values. In Nebraska, although the problem is widespread, only three lakes (including Riverside Lakes) are taking on the problem and working to develop a comprehensive solution to the phosphorous problem. From very preliminary data, Chairman Staup voiced his doubt whether the lake levels can be “materially” increased by turning on the pumps. Nevertheless, the engineering study is ongoing to determine what impact the District can have (aside from the negative phosphorous effects) in pumping water into the lakes. Several residents in attendance voiced their opposition to not immediately turning on the pumps. Several long time residents also voiced their belief that turning on the pumps has historically raised the lake levels.

Chairman Staup reported that Aaron Klushmire has made an application to attempt to reduce the muck in the fishing lake. The applications will be done every two weeks for about 4 weeks before the District can accurately assess the success of the applications. After the 4 applications the effectiveness will be evaluated to determine whether the enzymes being applied are actually eating away at the muck. Chairman Staup stated that John Holz and Harry Gibbons are not sold on the chemical treatment for reducing muck.

Trustee Rasmussen reported an update on SCS Aquaterra’s water study. The drilling of ten (10) monitoring wells has been completed and the piezometers installed. The engineering firm of SCS Aquaterra is continuing to monitor and take readings from the piezometers. At this stage SCS is compiling some “baseline” data to be used in the analysis. SCS will likely have a very preliminary report for the District next month. To further test and collect data on lake water flow and lake water levels, SCS Aquaterra had the District turn on the pumps for a period of time to monitor its impact on the water flows and lake levels. Two of the data points reveal that the piezometers went up about 5 feet when the river level increased about 3.39 feet. The pumps were on for the boating lake for approximately 28 days and the lake level increased about 9 inches.

Several residents voiced concerns that they did not want to wait for the full engineering study to be completed but would rather we turned on the pumps immediately regardless of the potential effects from the phosphorous loading. Chairman Staup suggested that the Board could have another meeting to address the situation in a couple weeks after receiving additional data and after receiving the analysis/suggestions from FYRA. A resident suggested that the wells be retested for contaminants again this year and the Board agreed that it would be appropriate.

A resident asked if the District was not running the deep well to the south of the District near the Elkhorn River because of phosphorous. The answer was no—the wells are currently off so that the engineering study can proceed to determine the impact and flows of water on the lakes. Trustee Rasmussen offered to talk to John Holz and see what additional data or information he requires so that the District can move the process forward as quickly as reasonably possible.

Chairman Staup asked whether a hatchery study should be conducted prior to adding any additional fish to the lakes. The consensus was to not undertake a study at this time. There was

considerable discussion of what types of fish to re-stock the lakes with at this time. In short, because of the timing and numerous projects that are going on in the District, it was agreed to not do a study this year. Several suggestions were made that included—use blue catfish, use black crappie, use hybrid blue gills and that minnows need to be added for food. After discussing the situation, a motion was made by Chairman Staup and seconded by Trustee Heinrich in the following form:

BE IT RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska, that Chairman Staup is authorized to proceed with the selection and restocking of the lakes in an amount not to exceed to not exceed \$4,000.

Upon roll call thereon, the Trustees unanimously voted for the resolution. The Chairman declared said Resolution passed and adopted.

Payment of Bills. Trustee Lynn 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 Clerk Lynn and seconded by Chairman Staup in 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. 6320 through 6329**, 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 (6.0%) 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.

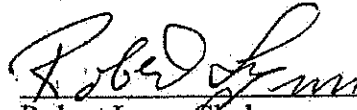
BE IT FURTHER RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska hereby adopts the Warrant Resolutions, Tax Exemption Resolutions and the Policy & Procedure for Federal Tax Law and Disclosure Requirements for Outstanding Bonds and Warrants all set forth in detail 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.

New Business: There was no new business for the Board to report.

Next meeting Date, Location and Time: The next Regular Meeting will be conducted on Wednesday, April 30, 2014, 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 at 9:10 p.m.



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 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