

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

August 22, 2016

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 August 22, 2016, at 7:30 p.m. at D.C. West Public School Library 7th & Washington Streets, Waterloo, Nebraska.

		<u>Present</u>	<u>Absent</u>
Keith Heinrich	Chairman	X	
Robert W. Lynn	Clerk	X	
Chris Perchal	Trustee	X	
Tony Staup	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 Keith Heinrich 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 August 11, 2016. 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 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 July 18, 2016: Following discussion of the Minutes previously circulated, Trustee Staup moved that the Minutes of the July 18, 2016, 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 July 18, 2016, as completed and filed with the Omaha City Clerk.

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

People Service Report: Robert McLaughlin of People Service Report was not in attendance at the meeting but had passed on information to the Chairman Keith Heinrich. Chairman Heinrich reported that the reports would be forwarded to the Board members and that all of the systems, tests and services were operating normally and no special attention is required at this time. Chairman Heinrich also reported that Trustee Lynn attended a meeting to review possible upgrades in the waste water treatment at the plant this past month. No other information or handouts were provided by People Service at the meeting.

The next matter discussed was the introduction by Trustee Staup of James J. Olmsted, an engineer with Olmsted & Perry Consulting Engineers. Mr. Olmsted had been referred to the District by Thompson, Dreessen and Dorner to consult with and oversee reconstruction recommendations, improvements or repairs to the waste water treatment plant. Olmsted & Perry Engineers have an expertise in this area. After a brief introduction by Trustee Staup, Mr. Olmsted reported that he had inspected the waste treatment plant one time prior in November of 2014 and prepared a report at that time. Now, a recent inspection was done by Olmsted & Perry. He made the inspection with Trustee Staup, two representatives from People Service and a representative from NDEQ. Mr. Olmsted is confident that the plant can be upgraded and fixed by replacement of the carbon steel liner that is located between the two concrete walls. Replacement of this part is a major replacement that will significantly extend the life of the entire plant probably as much as 20 to 30 years. There will be a few other minor upgrades such as communication and warning electronics that will be upgraded at the time. He is in the process of working with vendors on obtaining bids for the repair. This will be a substantial cost and improvement that will be financed with either construction warrants or construction bonds. The anticipation is that Mr. Olmsted will return to either the September or October meeting with a more detailed cost breakout depending on the bids that he is obtaining.

Preliminary Budget Matters: The next matter discussed was the need to plan and schedule for the budget meeting in September. The Board discussed some preliminary budget numbers based on budget to actual numbers for 2015-16. The accountant for the District, Pat Lavelle, will prepare the official budget for next year which will be presented at the September 12th meeting.

Grounds Management: Trustee Staup reported that there were no major new or different items to report. However, by way of follow up, he reported that the repairs to the guard shack have been completed. In addition, he informed the Board that the islands will be mowed before the Labor Day weekend. In addition, a new 90-gallon container has been purchased and located in the park along with the 2-yard dumpster.

Lake Management: Trustee Perchal reported they had experienced one algae bloom outbreak approximately a week ago that was treated by Chuck Higgins. Trustee Perchal, Chuck and others are monitoring the situation closely.

The Board discussed in detail that the boating lake has three potential hazards that have still not been removed. The residents have been notified repeatedly and have not yet removed the items. At one location, four poles are submerged and have been left in place for some period of time. At another location, a boat lift is sticking up slightly above the water level. At a third location, a jet ski lift is out into the lake at an unsafe distance. All three of these obstacles present hazards to the residents and guests of boats or jet skis on the boating lake. The owners of the boat lift have stated that they cannot remove the boat lift during the high water times. However, the high water has subsided and the boat lift still has not been removed. With the level of boat activity and jet skis and these items submerged or are not clearly visible, dangerous conditions exist. The Board discussed that it is very difficult for them to enforce items out on the lake as that is typically left up to the State. However, an opportunity to remove these items potentially exist as a construction company will be doing work on the seawalls around the island with a barge and equipment. After considerable discussion of a need to rectify this very unsafe condition, a motion was made by Trustee Staup and seconded by Trustee Perchal in the following form:

BE IT RESOLVED, that Sanitary and Improvement District No. 177 of Douglas County, Nebraska, Board of Trustees will negotiate with Outback Construction of Fremont, Nebraska when it comes on premise to do the repairs to the seawall to attempt to have them remove these three dangerous obstacles (four poles, boat lift, and jet ski lift) with a change order for the work in an amount not to exceed \$6,000.

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

The Board also thought it would be appropriate and neighborly if a letter or a discussion could occur with each of the homeowners to let them know that we intend to remove these items from the lake and permanently disposed of them. In addition, the cost for these removals will be assessed back against each of the homeowners for the removal and disposal of their respective items.

The next matter discussed was the attorney hired by the Board, Mike Linder, has informed the Board that the State is inclined to permit the alum applications on the lakes to proceed with a "variance." The good news is a variance comes from the State and does avoid the need for the lengthy federal process. Mr. Linder is proceeding to obtain this variance so the District can hopefully proceed in a not-too-distant future with an alum application.

Trustee Perchal informed the Board that when the island seawall repairs occur, the District may need to post "no wake" boating so that the construction equipment and barge used for the seawall repair will not be unduly hampered. It was also discussed that there had been numerous complaints received over the weekend by nearly all the Board members complaining of excessive waves caused by wakeboarding boats used on the boating lake. The wakeboarding boats cause a lot larger wake than other standard boats used on the lake. The Board discussed the District has a set mark that they have worked off of for years to denote when the high water level is reached, and the District should go to "no wake" boating on the lake. There was discussion that there may be a need for two different standards, one for wakeboard boats and one for other water vessels.

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 "D" and incorporated herein. The Board also discussed the need to pay ongoing expenditures of the District between meetings. To facilitate the payment of standard and recurring expenses for the District, the Trustees concurred that the adoption of an ongoing resolution authorizing these payments is and would be appropriate. After reviewing the bills, a motion was made by Trustee Staup and seconded by Trustee Rasmussen 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. 6779 through 6792**, of the District, to the payees and in the amounts listed on the attached Exhibit "D", 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, that the Board hereby authorizes and approves that the Chairman and Clerk to pay the bills between meetings, to execute and sign warrants on behalf of the District, to pay the regular and recurring bills that may come due between meetings. That authorization is to continue from and after the date of this meeting through the fiscal year end.

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 "E" 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.

Other Matters: Chairman Heinrich reported that Friday would be an inspection of the water treatment plant where he will attend, along with People Service, NDEQ and James Olmsted of Olmsted & Perry Consulting Engineers. James Olmsted will report at later meetings on the status of the inspection of the water treatment plant.

Next Regular Meeting Date, Location and Time: The next regular meeting, which will be the formal budget adoption meeting will be conducted on Monday, September 12, 2016, 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 a motion made by Trustee Staup and seconded by Trustee Perchal, 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 Notice of Meeting
Exhibit "C"	Agenda for Meeting
Exhibit "D"	General Fund Warrants
Exhibit "E"	Warrant Resolutions and Tax Exemption Resolutions