

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

November 8, 2017

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 8, 2017, at 7:30 p.m. at Agnes Robinson Waterloo Public Library, 23704 Cedar Drive, 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	
Jeff Spilker	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 District.

The Chairman Keith Heinrich called the meeting to order at 7:30 p.m. The Clerk 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 October 30, 2017. The “Proof of Publication” is attached to these Minutes as Exhibit “A” and is incorporated herein.

Advance notice of this meeting was given to all Board members. The Acknowledgement of Receipt of Notice of Meeting is attached to these Minutes as Exhibit “B” and incorporated herein. The Certificate of the Clerk is attached hereto as Exhibit “C” and incorporated herein certifying the availability of the Agenda was communicated in the published Notice and in the Notices to the City and Trustees. The Certificate of the Clerk is attached hereto as Exhibit “D” and incorporated herein certifying that Notice of Meeting was sent to the City of Omaha, Nebraska more than seven (7) days prior to the meeting. Notice of this meeting was given to the Clerk of the City of Omaha, Nebraska; as the municipality having zoning jurisdiction over the District, at least seven days prior to the meeting.

All proceedings of the Board of Trustees were taken while the convened Meeting was open to the attendance of the public. The Chairman held up a copy of the **Nebraska Open Meetings Act** and informed the public that it was available for the public both posted on the wall and a copy was placed at the front table for review.

Approve Minutes of Meeting held on October 18, 2017: Following discussion of the Minutes previously circulated, Trustee Heinrich moved that the Minutes of the October 18, 2017, meeting be approved and Trustee Staup 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, 2017, as completed and filed with the Omaha City Clerk.

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

People Service Report: Chairman Heinrich introduced Matthew Wilson from People Service. Matthew presented the monthly People Service report that is attached to these Minutes as Exhibit "E" and incorporated herein by this reference. He reported that the changeover to the new tanks was complete. These new filters are now in service.

Water & Sewer Rates: In attendance was a representative of People Service, Duane, who has met with Trustees Staup and Heinrich along with counsel Carlson to evaluate an appropriate update to the water and sewer rates. It was discussed that two major items are driving the analysis of where to set the rates. First, the water and sewer systems are getting older and will need more upgrades as the systems are nearly 50 years old. The need to establish a reserve fund to be in a financial position to undertake repairs and upgrades is essential. Second, the current fees are not only insufficient to fund the day-to-day operations of these services; but is not sufficient to create a sinking fund. Attached to these minutes is a copy of the rates charged by other municipalities in the area. Riverside Lakes currently has the lowest rates by a significant margin. Currently, the average usage by homes in Riverside Lakes is 4,636 gallons per month. The current cost was \$4.00/1,000 gallons over the base amount. The new proposal is for \$2.00/1,000 gallons with the base set at 8,000 gallons. This base is recommended because it is significantly above the average usage of 4,636 per house. The Board discussed the methods and timing of the rate increase and felt that March 1, 2018, was an appropriate target to allow ample time for the District and People Service to give notice to residents of the changes and to permit adjustments to the ACH charges. Following discussion, Trustee Heinrich moved that the following rate changes be approved effective March 1, 2018, and Trustee Staup seconded the motion in the following form:

RESOLVED that starting on March 1, 2018 the base rate for water & sewer use will be adjusted to a fixed rate of sixty-five dollars (\$65) for quantities up to 8,000 gallons for potable water and sewer use; and each additional 1,000 gallons of water will be billed at a rate of two dollars (\$2).

FURTHER RESOLVED that the base rate will be increased on an annual basis on January 1st of each year by two percent (2%) rounded off to the nearest cent until further adjustment by this Board;

FURTHER RESOLVED that the initial adjustment and annual adjustments thereafter are intended, in part, to establish a "Water and Sewer Reserve Fund" to provide solely for necessary maintenance, repairs, improvements and upgrades that are necessary to continue to provide quality potable water and sewer service as the District maintains its aging water and sewer infrastructures.

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

Grounds Management: Trustee Staup and Chuck reported the fall maintenance is on track. Tree trimming is progressing. No questions were raised. Several slats on the boat ramp were replaced. Trustee Perchal is looking into the cost to replace the dock in 2018.

Lake Management: The Board discussed briefly that Trustee Spilker has been in communication with Fyra Engineering, Matthew Sotak, and the dredging in 2018 of the Fishing Lake is on track. Following discussion, Trustee Staup moved that the following resolutions be adopted and Trustee Spilker seconded the motion in the following form:

RESOLVED that Fyra Engineering should proceed with the preparation of the Notice to Contractors so that the Public Bidding of the Dredging Contract can be published by the attorney for the District.

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

Payment of Bills and Ratification of Warrants: Trustee Lynn presented the July and August bills and construction matters for review and discussion. A listing of all the vendors, amount of payment, description of transaction and General Fund Warrant numbers is attached to these Minutes as Exhibit "F" and incorporated herein. Trustee Lynn also presented a listing of all the vendors, amount of payment, description of transaction and Bond Fund Warrants attached to these Minutes as Exhibit "G" 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 Perchal 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. 6977 through 6986**, of the District, to the payees and in the amounts listed on the attached Exhibit "F", said Warrants to be drawn on the General Fund of the District and to draw interest at the rate of six and one-half (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 or the District Court of Douglas County, Nebraska, after notice is given as required by law.

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 **BOND FUND Warrants Nos. A6987 through A6990**, of the District, to the payees and in the amounts listed on the attached Exhibit "G", said Warrants to be drawn on the General Fund of the District and to draw interest at the rate of six and one-half (6.5%) per annum and to be redeemed no later than five years after issuance, subject to the extension of the said maturity date by order or the District Court of Douglas County, Nebraska, after notice is given as required by law.

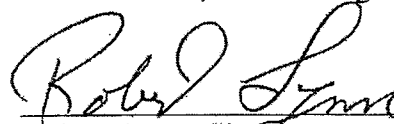
BE IT FURTHER RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska, that the Board hereby authorizes and approves that the Chairman and Clerk to pay the bills between meetings, to execute and sign warrants on behalf of the District, to pay the regular 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 "H" 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 Regular Meeting Date, Location and Time: The next regular meeting will be conducted on Wednesday, January 24, 2018 at 7:30 p.m., at the Agnes Robinson, Waterloo Public Library, 23704 Cedar Drive, 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"	Certificate of Clerk and Agenda for Meeting
Exhibit "D"	Certificates of Clerk: Notice of Meeting sent to City/Certificate of Minutes Availability/Agenda Available for Inspection/
Exhibit "E"	People Service Report
Exhibit "F"	General Fund Warrants
Exhibit "G"	Bond Fund Warrants
Exhibit "H"	Warrant Resolutions and Tax Exemption Resolutions