

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

NOVEMBER 19, 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 Nov. 19, 2008, at the D.C. West Public School Library 7th & Washington Streets, Waterloo, Nebraska.

PRESENT:	Eric Nelson	Chairman
	Ginger Parker	Clerk
	Paul Cawthon	Trustee
	Jeff Holling	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 Nov. 12, 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, the Chair called the Meeting to order at 7:32 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: a poster containing the Act would be posted during each meeting of the Trustees; that a pamphlet containing the Act was available during the meeting; and that comments from the audience would be permitted during the discussion of each Agenda item.

Agenda Item 3. Approve Minutes of Meeting held on Oct. 22, 2008: Following discussion of the draft of the Minutes previously furnished the Trustees, Trustee Parker moved that the Minutes be approved, and Trustee Reppert seconded the motion. On roll call vote

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thereon, the following Trustees voted aye: Nelson, Parker, Cawthon, Holling and Reppert; voting nay: none. The Chair declared said Resolution duly passed and adopted.

Agenda Item 4. PeopleService Report: The PeopleService Report for Oct. (S.T.) was reviewed by the Board. The back-flow equipment, the last item on the State's list, will be installed in the near future.

Agenda Item 5. Reports and Business:

5.1 Water and Waste-water Plants - Trustee Cawthon discussed his suggestions for the repair of the water treatment facility. It needs a new roof, which can be put off until next spring; new windows on the street side, and painting of the trim. He suggested the installation of two large windows (\$345.00) and one small window (\$127.87). Brian had priced three windows (\$144.00 each). After extended discussion, including the previous approval to spend up to \$2,000.00 for the repair of the building, the Board decided to follow Trustee Cawthon's suggestions, and to investigate the possibility of recovery under the District's insurance coverage for the roof (\$2,500 deductible).

The Board approved the sale of four surplus pumps, and Brian will obtain estimates of sale prices.

In answer to questions PeopleService reported that the filter media, which is washed weekly, is good for several more years; that the generator, which is tested weekly, is in excellent condition; and that the water pressure ranges from 55 to 60 pounds of pressure.

5.2 Lakes Management - Trustee Reppert reported that the electrical work has been completed on the Fishing Lake and is under construction on the Boating Lake. In response to complaints from residents about the height of the power poles, Brian requested that O.P.D. lower their height if possible.

5.3 Grounds Management - Trustee Holling suggested that the Trustees review Brian's list of proposed projects for discussion at the next meeting.

The drain problem on the Traynor lot was discussed in some detail. The President of the Riverside Lakes Cooperative Association is of the opinion that the Association cannot enforce the covenants. The Attorney believes that they can be enforced, and that if a suit is required, it could be brought in the name of any homeowner. At the direction of the Board, the Attorney will attempt to work out a solution the damaged drain. If no agreement can be reached, he will put the owner on notice that the covenants

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require that each lot maintain at least one operable drain, and that the District, as the owner of a lot, can enforce the covenants.

A resident commented that the crew performing the street repairs blocked a school bus and failed to designate an alternate route for traffic during repairs, resulting in damage to the common grounds and private lots. He suggested the installation of stakes along the edge of the street to keep vehicles on the pavement.

5.4 Legal: The Attorney reported that Craig Martin attended the depositions of Troy Nick, Robert Ulrich, Dean Miller and Bill Reppert. The Plaintiff is sending two attorneys to each deposition at considerable expense. The depositions will be available following their preparation by the reporter.

The District's claims for coverage under the Darwin and Scottsdale policies in the Cooper case have now been rejected by counsel retained by the carriers. The District is on record with both carriers in pointing out the District's disagreement with several conclusions contained in the denials of coverage.

5.5 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 Holling:

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. 5317 through 5327** 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 Nov. 19, 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 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

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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 (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 than \$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 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

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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: Nelson, Parker, Cawthon, Holling and Reppert; voting nay: None. The Chair declared said Resolution duly passed and adopted.

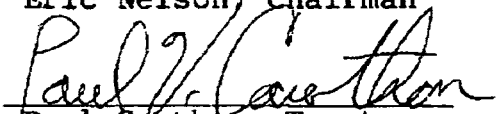
Agenda Item 6. Set Next Meeting Date, Location and Time: The next Regular Meeting of the Board will be conducted on Dec. 16th, 2008, at 7:30 p.m., at the D.C. West Public School Library, 7th & Washington Streets, Waterloo, Nebraska.

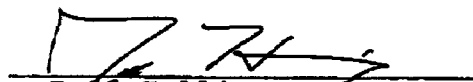
Agenda Item 7. Adjourn Meeting: There being no further business to come before the Board, the Meeting was, upon motion by Trustee Parker, seconded by Trustee Cawthon, with the following Trustees voting aye: Nelson, Parker, Cawthon, Holling, and Reppert; voting nay: none; adjourned at 9:00 p.m.


SANITARY AND IMPROVEMENT DISTRICT NO. 177
DOUGLAS COUNTY NEBRASKA


Eric Nelson, Chairman


Ginger Parker, Clerk


Paul Cawthon, Trustee


Jeff Holling, Trustee


William Reppert, Trustee

2008 November General Fund Warrants

<u>Date</u>	<u>Num</u>	<u>Transaction</u>	<u>Payment</u>	<u>Deposit</u>	<u>Balance</u>
11/19/08		General Fund Cat: (Special) memo: Transfer to General Fund		\$9,785.87	\$5,439.65
11/19/08	5317	Nebraska Department of Revenue Cat: Sales Taxes memo: September	\$497.43		\$4,942.22
11/19/08	5318	Paula Magiera cat: Prof Fees: Bookkeeping memo: October	\$115.44		\$4,826.78
11/19/08	5319	Ginger Parker cat: Clerk Fees memo: October	\$92.45		\$4,734.33
11/19/08	5320	Daily Record cat: Publication memo: Inv # 82672	\$21.20		\$4,713.13
11/19/08	5321	Don Overholt cat: Professional Fees: Legal Fees memo: October	\$1,200.00		\$3,513.13
11/19/08	5322	Peoples Service cat:Repair/Maint.: Contractor Fees memo: November	\$6,423.00		-\$2,909.87
11/19/08	5323	Brian Toelle cat: Repair/Maint: Grounds memo: #804.806,814,820.	\$5,490.08		-\$8,399.95
11/19/08	5324	Omaha Public Power District cat: split memo: October	\$1,208.74		-\$9,608.69
11/19/08	5325	Inspro Insurance cat: Insurance, Pub Official Bds memo: Clerk Bd #525796	\$100.00		-\$9,708.69
11/19/08	5326	Dutton & Assoc PC cat: Professional Fees memo: Acctg Fees #19156	\$5,935.00		-\$15,643.69
11/19/08	5327	Barton Solvents, Inc cat: Repair/Maint: Grounds memo: Chemical Disposal	\$897.20		-\$16,540.89
11/19/08		Douglas County Prop Tax Receipts cat: Partial 2nd half tax collection memo: 2008 Tax Collection		\$70,000.00	\$53,459.11

EXHIBIT "A"