

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

DECEMBER 16, 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 Dec. 16, 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 Dec. 9, 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 7:35 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.

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AGENDA ITEM 3. Approve Minutes of Meeting held on Nov. 19, 2008: Following discussion of the draft of the Minutes previously furnished the Trustees, Trustee Parker moved that the Minutes be approved, and Trustee Holling seconded the motion. 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 4. PeopleService Report: The PeopleService Report for Nov. (S.T.) was reviewed by the Board. The attempt to install the back-flow equipment required by the State was unsuccessful and will be installed by December 31st. The 10 residents receiving shut off notices will be contacted before their water is actually shut off.

AGENDA ITEM 5. Reports and Business:

5.1 Water and Waste-water Plants - Trustee Cawthon complimented PeopleService on the water leak repair and Brian reported that the windows for the Water Treatment Plant have arrived and will be installed in the near future.

A resident asked if the lake wells were being drawn down as suggested by Layne-Western, and the Board instructed Brian to perform this service occasionally to insure that they will operate when needed.

5.2 Lakes Management - Trustee Reppert had no report.

5.3 Grounds Management - Trustee Holling and the other Trustees reviewed Brian's 2009 Project List (S.T.) at length and discussed the implementation of the projects. He reported that he had applied for a grant from O.P.P.D. for \$2,500 to purchase 25-6' trees. He plan to apply for a grant from Tree Nebraska next year.

5.4 Legal: The Attorney reported that he has received Second Sets of Interrogatories and Requests for Production in the Cooper case and that he will be responding. Judge Polk has scheduled a Planning Conference Hearing for Jan. 12, 2009. The District's Attorney suggested that one or more Trustees be prepared to attend the Hearing in light of the Judge's order that the parties be prepared to discuss settlement.

Because the District's claims for coverage under the Darwin and Scottsdale policies in the Cooper case were rejected by the law firms retained by the carriers following the request by trial counsel that they be reconsidered, The Attorney drafted a response to the denials pointing out the District's disagreement with several conclusions contained in the denials of coverage, and Faxed copies to both carriers, their agents, the Nebraska Department of Insurance and the Trustees on Dec. 15, 2008, in order to preserve the District's rights to proceed to attempt to recover its costs in defending the case.

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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 Reppert and seconded by Trustee Cawthon:

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. 5328 through 5339** 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 Dec. 16, 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 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)

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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 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.

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AGENDA ITEM 6. New Business:

6.1 Request from RLHA to share publication costs. After discussion the following resolution was proposed by Trustee Reppert and seconded by Trustee Parker:

RESOLUTION

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska, that the District make an annual contribution of \$450.00 to the Riverside lakes Homeowners Association to defray the cost of publishing the "Waves" newsletter, and that the Trustees contribute articles of general interest to the residents for publication.

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.

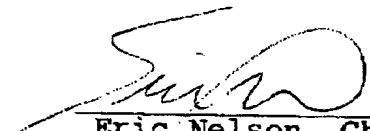
6.2 Architecture Committee Participation. Tabled.

6.3 Traynor property issue. The Attorney reported that he had discussed the possible drain problem with the Traynors and that they agreed to repair the inlets to the two drains on their lot before the spring rains.

AGENDA ITEM 7. Set Next Meeting Date, Location and Time: The next Regular Meeting of the Board will be conducted on Jan. 21, 2009, at 7:30 p.m., at the D.C. West Public School Library, 7th & Washington Streets, Waterloo, Nebraska.

AGENDA ITEM 6. Adjourn Meeting: There being no further business to come before the Board, the Meeting was, upon motion by Trustee Parker, seconded by Trustee Reppert, with the following Trustees voting aye: Nelson, Parker, Cawthon, Holling, and Reppert; voting nay: none; adjourned at 9:15 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 December General Fund Warrants

<u>Date</u>	<u>Num</u>	<u>Transaction</u>	<u>Payment</u>	<u>Deposit</u>	<u>Balance</u>
12/16/08		General Fund Cat: (Special) memo: Transfer to General Fund		\$7,195.80	\$60,654.91
12/16/08	5328	Nebraska Department of Revenue Cat: Sales Taxes memo: November	\$365.77		\$60,289.14
12/16/08	5329	Paula Magiera cat: Prof Fees: Bookkeeping memo: November	\$115.44		\$60,173.70
12/16/08	5330	Ginger Parker cat: Clerk Fees memo: November	\$92.45		\$60,081.25
12/16/08	5331	Daily Record cat: Publication memo: Inv # 83194	\$21.20		\$60,060.05
12/16/08	5332	Don Overholt cat: Professional Fees: Legal Fees memo: November	\$1,200.00		\$58,860.05
12/16/08	5333	Peoples Service cat:Repair/Maint.: Contractor Fees memo: December	\$6,423.00		\$52,437.05
12/16/08	5334	Brian Toelle cat: Repair/Maint: Grounds/Wat Trt Plt memo: December #819, #820	\$5,798.53		\$46,638.52
12/16/08	5335	Omaha Public Power District cat: split memo: November	\$1,143.60		\$45,494.92
12/16/08	5336	Metro Electric cat: Reppair/Maint: Lakes memo: Electricity Pumps #80129	\$4,317.00		\$41,177.92
12/16/08	5337	Joseph Elliott cat: Professional Fees Legal memo: Expert witness	\$900.00		\$40,277.92
12/16/08	5338	Douglas County Election Com cat: Election Fees memo: Trustee Election #15472	\$237.70		\$40,040.22
12/16/08	5339	Lamson, Dugan & Murray, LLP cat: Professional Fees-Legal memo: Coop Lawsuit #225248	\$4,519.40		\$35,520.82

EXHIBIT "A"