

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

JULY 23, 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 Jul. 23, 2008, at the D.C. West Public School Library 7th & Washington Streets, Waterloo, Nebraska.

PRESENT:	Dean Miller	Chairman
	Ginger Parker	Clerk
	Steve Clark	Trustee
	Jerry Hraban	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 Jul. 14, 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, Chairman 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 the pamphlet containing the Act, would be on display at each meeting of the Trustees.

Agenda Item 3. Approve Minutes of Meeting held on Jun. 18, 2008: Following discussion of the draft of the Minutes previously furnished the Trustees, Trustee Hraban moved that the Minutes be approved, and Trustee Reppert seconded the motion. On roll call vote thereon, the following Trustees voted aye: Miller, Parker, Clark, Hraban and Reppert; voting nay: None. The Chairman, declared said Resolution duly passed and adopted.

MINUTES of S.I.D. 177 MEETING of TRUSTEES

Jul. 23, 2008

Agenda Item 4. PeopleService Report: The PeopleService Report for Jun. (S.T.) was reviewed by the Board. Most of the chemicals noted by the State Inspector have been removed from the Water Treatment Plant. Approximately 500 lbs. of hydrathol, which had been stored in the attic for many years, still need to be disposed of. Estimates are being obtained for the black-flow device required by the Inspector.

5. Comments from audience: Questions regarding the condition of the islands in the boating lake, particularly the third island, were raised. Trustee Reppert reported that the plan is to burn off the weeds in the fall. In the meantime, he is soliciting volunteers to help spray the islands for weeds as has been done in the fishing lake.

6. Reports and Business:

6.1 Water and Waste-water Plants: Covered by PeopleService Report.

6.2 Lakes Management: In response to questions from the audience, Trustee Reppert summarized the Board's efforts to lower the water level in the boating lake, including securing expert opinions on the problems created by the excessive rain fall and high water table. Attempts to pump water using two pumps with the capacity to pump 525 g.p.m. (150g.p.m. in excess of the inoperative electric motor), made when it appeared that the water table was low enough to permit successful pumping, failed to reduce the water level. Approximately 8 to 10 million gallons of water were pumped without lowering the water level at a cost of \$50 to \$100 per day.

Trustee Hraban advised that the residents he has talked to did not favor further pumping under these conditions. He indicated that he would favor pumping if enough residents wanted to spend the money. Three members of the audience voted to resume pumping when asked by Trustee Hraban.

Trustee Reppert also reported on his efforts to repair the aerator in the fishing lake and the treatments for algae in both lakes.

6.3 Grounds Management: Bids for the repair of street are being obtained. Swain has submitted a bid below the estimate (\$15,500), however the Board would like to obtain more than one bid. In response to a question from the audience, the reason for the metal posts in the vicinity of the boat ramp was given (temporary effort to protect the area which had been re-seeded. The reason for, and the cost of, installing the fence west of Waterloo Drive was explained. McCormick Tree Service completed the clean up following the recent storm.

MINUTES of S.I.D. 177 MEETING of TRUSTEES

Jul. 23, 2008

6.4 Legal:**6.4.1 Election of new Board:**

Aug. 20, 2008: Ballots mailed to owners;

Sep. 11, 2008: 10:00 a.m. deadline to return ballots.

6.4.2 Ratify selection of insurance carriers: During the Jun. 18th meeting the Board adopted a Resolution authorizing the Board to accept the insurance carriers, coverages and policies which they believe to be most beneficial for the District by majority, verbal vote of the Trustees, with a record of the votes being included in the Minutes of the next meeting of the Board.

After discussion the following Resolution was proposed by Trustee Parker and seconded by Trustee Hraban:

RESOLUTION

RESOLVED, that the Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska, ratifies the acceptance of the insurance policies listed on the Supplemental Transcript (S.T.), incorporated herein by this reference.

On roll call vote thereon, the following Trustees voted aye: Miller, Parker, Clark, Hraban, and Reppert; voting nay: None. The Chairman declared said Resolution duly passed and adopted by the Board.

6.4.3 Execute Engagement Letter - Dutton & Assoc.: The Attorney presented an audit and budget engagement letter submitted by Dutton & Associates, the District's accountants, for acceptance by the District.

After discussion the following Resolution was proposed by Trustee Miller and seconded by Trustee Parker:

RESOLUTION

RESOLVED, that the Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska, accept the audit and budget engagement letter submitted by Dutton & Associates ((S.T.)), and that one executed copy be returned to Dutton & Associates.

On roll call vote thereon, the following Trustees voted aye: Miller, Parker, Clark, Hraban, and Reppert; voting nay: None. The Chairman declared said Resolution duly passed and adopted by the Board.

6.5 Payment of Bills: Trustee Parker presented the current bills for discussion. After reviewing the bills the following Resolution was proposed for adoption by Trustee Miller and second ed ed by Trustee Hraban:

MINUTES of S.I.D. 177 MEETING of TRUSTEES

Jul. 23, 2008

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. 5247 through 5269** 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 Jul. 23, 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) 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

MINUTES of S.I.D. 177 MEETING of TRUSTEES**Jul. 23, 2008**

(B)(i)(111) 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: Miller, Parker, Clark, Hraban, and Reppert; voting nay: None. The Chairman declared said Resolution duly passed and adopted by the Board.

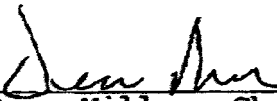
Agenda Item 7. Set Next Meeting Date, Location and Time: The next Regular Meeting of the Board will be conducted on Aug. 20, 2008, at 7:30 p.m., at the D.C. West Public School Library, 7th & Washington Streets, Waterloo, Nebraska.

MINUTES of S.I.D. 177 MEETING of TRUSTEES

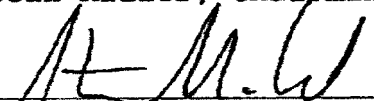
Jul. 23, 2008

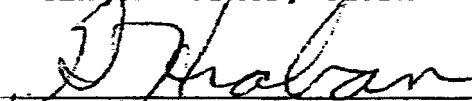
Agenda Item 8. Adjourn Meeting: There being no further business to come before the Board, the Meeting was, upon motion by Trustee Miller, seconded by Trustee Parker, with the following Trustees voting aye: Miller, Parker, Clark, Hraban, and Reppert; voting nay: None, the Meeting was adjourned at 9:00 p.m.

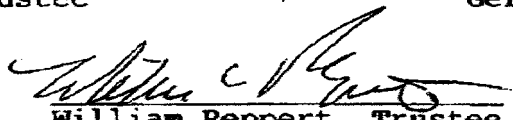
SANITARY AND IMPROVEMENT DISTRICT NO. 177
DOUGLAS COUNTY NEBRASKA


Dean Miller, Chairman


Ginger Parker, Clerk


Steve Clark, Trustee


Gerald Hraban, Trustee


William Reppert, Trustee

2008 July General Fund Warrants

<u>Date</u>	<u>Num</u>	<u>Transaction</u>	<u>Payment</u>	<u>Deposit</u>	<u>Balance</u>
07/23/08		General Fund Cat: (Special) memo: Transfer to General Fund		9,453.60	58,358.75
07/03/08	5247	Davidson-Babcock cat: Insurance memo: Pub Officials Liab	5,025.00		53,333.75
07/03/08	5248	Columbia Insurance Co. cat: Insurance memo: Property & Inland Marine	3,864.00		49,469.75
07/23/08	5249	Nebraska Department of Revenue Cat: Sales Taxes memo: June	480.54		48,989.21
07/23/08	5250	Paula Magiera cat: Prof Fees: Bookkeeping memo: June	115.44		48,873.77
07/23/08	5251	Ginger Parker cat: Clerk Fees memo: June	92.45		48,781.32
07/23/08	5252	Daily Record cat: Publication memo: Inv # 79817	21.20		48,760.12
07/23/08	5253	Don Overholt cat: Professional Fees: Legal Fees memo: June	1,200.00		47,560.12
07/23/08	5254	Peoples Service cat: Repair/Maint.: Contractor Fees memo: June	6,182.00		41,378.12
07/23/08	5255	Brian Toelle cat: Repair/Maint: Grounds memo: #804,810,812,814,815,816	6,910.03		34,468.09
07/23/08	5256	Ace Hardware cat: Repair/Maint: Grounds memo: Misc. Parts	20.85		34,447.24
07/23/08	5257	Eagle Services cat: Repair/Maint: Grounds memo: Port Restrooms Inv 59115	77.04		34,370.20

EXHIBIT A-1

07/23/08	5258	Stan & Sons cat: Repair/Maint: Grounds memo: trash removal, Apr-June	71.75	34,298.45
07/23/08	5259	Omaha Public Power District cat: split memo: June	1038.78	33,259.67
07/23/08	5260	Farmers National DBA Natural Habitat cat: lakes memo: treatment of lakes #3139, 3142	1,500.00	31,759.67
07/23/08	5261	Inspro Insurance cat: Insurance memo: Comm Gen Liability Scottsdale	6,813.48	24,946.19
07/23/08	5262	Inspro Insurance cat: Insurance memo: Excess Liability Scottsdale	1,133.00	23,813.19
07/23/08	5263	Bill Reppert cat: Repair/Maint: Lakes memo: Pump & Chemical supplies	79.94	23,733.25
07/23/08	5264	Ginger Parker cat: Board Fees memo: 4th Qtr	41.56	23,691.69
07/23/08	5265	Dean Miller cat: Board Fees memo: 4th Qtr	41.56	23,650.13
07/23/08	5266	Bill Reppert cat: Board Fees memo: 4th Qtr	41.56	23,608.57
07/23/08	5267	Steve Clark cat: Board Fees memo: 4th Qtr	41.56	23,567.01
07/23/08	5268	Jerry Hraban cat: Board Fees memo: 4th Qtr	41.56	23,525.45
07/23/08	5269	McCormick Tree Service cat: Repair/Maint: Grounds memo: Tree trim/stump removal	650.00	22,875.45

EXHIBIT A-2