

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

**AUGUST 20, 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 Aug. 20, 2008, at the D.C. West Public School Library 7th & Washington Streets, Waterloo, Nebraska.

<b>PRESENT:</b>	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 Aug. 13, 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 Jul. 23, 2008:** Following discussion of the draft of the Minutes previously furnished the Trustees, Trustee Parker moved that the Minutes be approved, and Trustee Hraban 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.

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**Agenda Item 4. PeopleService Report:** The PeopleService Report for Jul. (S.T.) was reviewed by the Board.

**Agenda Item 5. Attorney Craig Martin: Insurance claims.** Discussion tabled until the next meeting.

**Agenda Item 6. Comments from audience:** Discussion of the subject of the no-wake boating restriction was deferred to Item 7.2.

**Agenda Item 7. Reports and Business:**

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

**7.2 Lakes Management:** Trustee Reppert reported that this has been a bad year for algae in both lakes and that he has treated both lakes twice. He is attempting to get electrical power to the aerator in the Fishing Lake.

**7.2.1 Discuss No Wake Restriction:** Following an extended discussion the Board determined that the water level in the Boating Lake was now low enough to no longer present a threat of damage to the island sea walls and instructed Trustee Reppert to notify Game and Parks to withdraw the no wake restriction.

**7.3 Grounds Management:** Trustee Clark reported that he had reviewed several estimates for street repairs which had been authorized for up to \$15,000.00, and recommended that the Board accept the Proposal by Swain Construction, Inc. for \$13,895.40. After discussion the following Resolution was proposed by Trustee Hraban and seconded by Trustee Miller:

**RESOLUTION**

**RESOLVED**, that the Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska, accept the Proposal by Swain Construction, Inc. for the specified street repairs at a cost of \$13,895.40.

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.

**7.4 Legal:**

**7.4.1 Amendment to PeopleService Contract:** The contract with PeopleService for the management, operation and maintenance of the District's water and wastewater treatment facilities, dated July 21, 2004, is adjusted annually to reflect changes in the All Urban Consumers (CPI-U) index from April to April each year.

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

**RESOLUTION**

**RESOLVED**, that the Board of Trustees of Sanitary and Improvement District No. 177 of Douglas County, Nebraska, accepts the Fourth Amendment to the PeopleService O&M Agreement (S.T.), which will increase the maximum annual maintenance/repair amount from \$7,476 to \$7,768; and the monthly payment from \$6,182 to \$6,423, which increases the total annual amount to \$77,076, and authorizes the Chairman and Clerk to execute two Amendments, and directs the Attorney to return one executed copy to PeopleService.

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.

**7.4.2 Trustees's consents to representation:** Discussed with the Trustees to confirm representation for the record.

**7.4.3 Election of new Board:**

Aug. 20, 2008: Ballots mailed to owners;  
Sep. 11, 2008: 10:00 a.m. deadline to return ballots.

**7.5 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 seconded by Trustee Clark:

**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. 5270 through 5284** 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 Aug. 20, 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

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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 (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

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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.

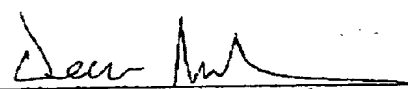
On roll call vote thereon, the following Trustees voted aye: Miller, Parker, Clark, Hraban, and Reppert; voting nay: None. The Chairman declared said Resolution duly passed and adopted by the Board.

**7.6 Budget Discussion:** Proposed budget discussed by Board.

**Agenda Item 8. Set Next Meeting Date, Location and Time:** The next Regular Meeting of the Board will be conducted on Sep. 17, 2008, at 7:30 p.m., at the D.C. West Public School Library, 7th & Washington Streets, Waterloo, Nebraska.

**Agenda Item 9. Adjourn Meeting:** There being no further business to come before the Board, the Meeting was, upon motion by Trustee Parker, seconded by Trustee Clark, 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 August General Fund Warrants**

<u>Date</u>	<u>Num</u>	<u>Transaction</u>	<u>Payment</u>	<u>Deposit</u>	<u>Balance</u>
08/20/08		General Fund Cat: (Special) memo: Transfer to General Fund		5,591.58	28,467.03
08/20/08	5270	Nebraska Department of Revenue Cat: Sales Taxes memo: June	284.21		28,182.82
08/20/08	5271	Paula Magiera cat: Prof Fees: Bookkeeping memo: July	115.44		28,067.38
08/20/08	5272	Ginger Parker cat: Clerk Fees memo: July	92.45		27,974.93
08/20/08	5273	Daily Record cat: Publication memo: Inv # 80500	21.20		27,953.73
08/20/08	5274	Don Overholt cat: Professional Fees: Legal Fees memo: July	1,347.38		26,606.35
08/20/08	5275	Peoples Service cat: Repair/Maint.: Contractor Fees memo: July	6,182.00		20,424.35
08/20/08	5276	Brian Toelle cat: Repair/Maint: Grounds memo: #804,808, 817,815,816	5,688.22		14,736.13
08/20/08	5277	Ace Hardware cat: Repair/Maint: Grounds memo: Misc. Parts	288.87		14,447.26
08/20/08	5278	Eagle Services cat: Repair/Maint: Grounds memo: Port Restrooms Inv 59638	98.44		14,348.82
08/20/08	5279	Omaha Public Power District cat: split memo: July	1,176.44		13,172.38
08/20/08	5280	Tom Sanders cat: Repair/Maint: Grounds memo: Trail Benches Eagle Proj	126.74		13,045.64

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08/20/08	5281	Douglas County Engineer cat: Repair/Maint: Grounds memo: Replace No Parking Sign	56.00	12,989.64
08/20/08	5282	Layne Christensen cat: Repair/Maint: Water Treatment memo: Well # 2 Rehab Inv #10728708	8,223.87	4,765.77
08/20/08	5283	Lamson,Dugan and Murray cat: Professional Fees Legal memo: Lawsuit fees; Stmt 217818	3,400.83	1,364.94
08/20/08	5284	Douglas County Property Tax Receipts cat: remaining 1st half tax collections memo: 2008 Property Tax Collections	\$25,000.00	26,364.94

EXHIBIT A-2