

**MINUTES OF MEETING OF SANITARY AND
IMPROVEMENT DISTRICT NO. 34 OF
SARPY COUNTY, NEBRASKA**

A meeting of the Board of Trustees of Sanitary and Improvement District No. 34 of Sarpy County, Nebraska, was convened in open and public session at 7:00 p.m. on **September 16, 2013**, at 8803 South 204th Street (Hwy. 6), Gretna, Sarpy County, Nebraska, 68028. Present were: Trustees Rodney L. Oberle, Steven J. Bergman, Larry J. Cushing, Derek Aude, and Mark Nelson. Absent: None. Also present was Steven J. Olson, attorney for the District, Clifton Rockwell, Bill Hurd, Steve Norman and approximately four residents.

Notice of the meeting was given in advance thereof by publication in the *Gretna Guide and News*, Gretna, Nebraska, on September 11, 2013, a copy of the Proof of Publication being attached to these Minutes. Notice of this meeting was sent to the Gretna City Clerk, 204 North McKenna Avenue, Gretna, Nebraska, and Sarpy County Clerk, Sarpy County Courthouse, 1210 Golden Gate Drive, Papillion, Nebraska, not less than seven (7) days prior to the date of this meeting. Notice of this meeting was simultaneously given to all members of the Board of Trustees, and a copy of their Acknowledgment of Receipt of Notice is attached to these Minutes. Availability of the Agenda was communicated in the published notice and in the notice to the Trustees of this meeting. All proceedings of the Board were taken while the convened meeting was open to the attendance of the public.

The Board reviewed the minutes of September 13, 2012. After full and careful discussion, the following resolution was then duly moved and seconded, to wit:

BE IT RESOLVED that the minutes of the Board of Trustees meeting on September 13, 2012 are hereby approved.

On roll call on the foregoing motion, the following Trustees voted aye: Trustees Oberle, Bergman, Cushing, Aude and Nelson. Voting nay thereon were the following Trustees: None. The Chairman then declared said resolution to be duly carried and adopted.

The Chairman then presented for the Board's consideration the proof of publication of the "Notice of Budget Hearing and Budget Summary" and "Notice of Special Hearing to Set Final Tax Request" as published in the *Gretna Guide and News* on September 11, 2013. No owners of property in the District appeared at this public hearing to oppose the budget. After full and careful discussion, the following resolution was then duly moved and seconded, to wit:

WHEREAS, Nebraska Revised Statute §77-1601.02 provides that the property tax request for the prior year shall be the property tax request for the current year for purposes of the levy set by the County Board of Equalization unless the Board of Trustees of SID No. 34 of Sarpy County passes by a majority vote a resolution setting the tax request at a different amount; and

WHEREAS, it is in the best interests of SID No. 34 that the property tax request for the current year be for a different amount than the property tax request for the prior year.

BE IT RESOLVED that the attached Budget is hereby adopted: that the 2.5% Base Limitation Percent Increase in the Total Restricted Funds Authority from the Total Restricted Funds Authority in the budget for the last fiscal year is hereby approved; that the 2013/2014 dollar requirement totaling \$94,237.00 is hereby established based upon a rate of \$.660000 per \$100.00 of taxable valuation; \$39,979.00 to be credited to the District's general fund based upon a rate of \$.279998 per \$100.00 of taxable valuation; and, \$54,258.00 to be credited to the District's construction or bond sinking fund based upon a rate of \$.380002 per \$100.00 of taxable valuation.

BE IT FURTHER RESOLVED that the Board of Trustees for the District hereby adopts a property tax for a different amount than the tax request for the prior year.

BE IT FURTHER RESOLVED that Steven J. Olson, Attorney for the District, be and hereby is directed on behalf of the Board of Trustees to forward a certified copy of this resolution to the County Clerk of this County on or prior to October 13, 2013.

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 34 of Sarpy County, Nebraska that it hereby approves a request to waive the audit requirement for the year ended June 30, 2013 rather than having an audit performed and the Chairman is hereby authorized to execute and file such request with the State Auditor of Public Accounts.

BE IT FURTHER RESOLVED that Steven J. Olson, attorney for the District, be and hereby is directed on behalf of the Board of Trustees to certify said budget and dollar requirement to the County Board and County Clerk of this County and is further directed to file or cause the same to be filed with the State Auditor of Public Accounts on or before September 20, 2013.

On roll call on the foregoing motion, the following Trustees voted aye: Trustees Oberle, Bergman, Cushing, Aude and Nelson. Voting nay thereon were the following Trustees: None. The Chairman then declared said resolution to be duly carried and adopted.

The Board then reviewed the supplemental information regarding receipts and expenditures by the District for the fiscal year 2013/2014 prepared by the District's auditor, Infinity Group CPA, LLC. The Clerk also presented a list of warrants issued and drawn on the general fund of the District between July 1, 2012 and June 30, 2013. The Chairman directed that the supplemental information prepared by Infinity Group CPA, LLC and list of warrants issued and prepared by the Clerk of the District be attached to these minutes for identification purposes. After full and careful discussion, the following resolution was then duly moved and seconded, to

wit:

BE IT RESOLVED that the issuance of the general fund warrants as set forth on the schedule attached hereto between July 1, 2012 through June 30, 2013 in payment of the actual operating expenditures to the providers of the goods and services as identified therein is hereby ratified and approved.

On roll call on the foregoing motion, the following Trustees voted aye: Trustees Oberle, Bergman, Cushing, Aude and Nelson. Voting nay thereon were the following Trustees: None. The Chairman then declared said resolution to be duly carried and adopted.

Two property owners, Steve Norman and Bill Hurd, then each submitted a written claim to the Clerk for damages. The Chairman directed that such claims be attached to these minutes for identification purposes. Mr. Norman and Mr. Hurd each claimed that the district, as the owner and operator of a public well and water supply, was required to prevent sand from infiltrating the water lines. Mr. Norman and Mr. Hurd each claimed that for several years the district failed to prevent sand from infiltrating the water lines which served their respective properties, which caused damage to appliances, plumbing and sprinkler equipment. After full and careful discussion, the following resolution was then duly moved and seconded, to wit:

BE IT RESOLVED, that the attorney of the Board of Trustees, Steven J. Olson, is hereby directed to submit the written claims attached hereto by Steve Norman and Bill Hurd to the District's liability insurance carrier.

On roll call on the foregoing motion, the following Trustees voted aye: Trustees Oberle, Bergman, Cushing, Aude and Nelson. Voting nay thereon were the following Trustees: None. The Chairman then declared said resolution to be duly carried and adopted.

Mr. Olson advised that recent changes in the federal law and regulation regarding the issuance and underwriting of municipal debt securities will affect the relationship between the district and its fiscal agent, Kuehl Capital Corporation. Until now, Kuehl Capital as fiscal agent for the district has provided post-issuance financial advisory services in addition to underwriting bonds and warrants issued by the district. However, financial advisors are now legally required to act in the best interests of the issuer. As such, Kuehl Capital has advised that it, as a financial advisor, cannot underwrite the purchase or arrange for the placement of municipal debt securities such as sanitary and improvement district warrants and bonds.

As a result, Kuehl Capital advised that effective January 1, 2013 the services provided by it will be limited to those underwriting services that are transaction specific unless the district elects to execute a contract for financial advisor/fiscal agent services proposed by Kuehl Capital. Mr. Olson advised that going forward under the proposed contract, Kuehl Capital will charge \$2,400 annually for strategic and post-issuance services such as annual budget cash flow analysis, investment of funds, processing of warrants with the county treasurer, post-issuance tax-exempt compliance and continuing disclosure obligation under SEC rule 15c2-12. A 2.50%

fee for warrants and a 4.00% fee for bonds on transaction-related/private placement services will also be charged.

No action regarding the contract proposed by Kuehl Capital was taken by the Board.

The Board also discussed street repairs. Trustee Cushing noted that it was unlikely that any street repairs could be done by the end of this calendar year because most contractors had jobs booked for the remainder of 2013.

Trustee Aude advised that he would be willing to develop a master email contact list of residents of the District.

Thereupon the meeting was adjourned.

Rodney L. Oberle, Chairman & Trustee

Steven J. Bergman, Clerk and Trustee

Larry Cushing, Trustee

Derek Aude, Trustee

Mark Nelson, Trustee