

**MINUTES OF THE MEETING OF
SANITARY AND IMPROVEMENT DISTRICT NO. 5,
CASS COUNTY, NEBRASKA**

Meeting convened at 6:00 p.m. on July 18, 2023 at First State Bank Nebraska, second floor community room, 446 Main Street, Plattsmouth Nebraska. Attached hereto are: the agenda for the meeting; the Affidavit of Printer verifying that notice of the meeting, stating the availability of the Agenda, was published in the *Omaha World-Herald*, a newspaper of general circulation in Cass County, Nebraska; advance notice of the meeting as provided to the County Clerk of Cass County and all Trustees; and the Trustees' acknowledgment of receipt of said notice and agenda. All proceedings were taken while convened with attendance open to the public.

ITEM 1

Meeting called to order at 6:14 p.m.

ITEM 2

The Chair announced the locations of the Open Meetings Act and documents related to the agenda.

ITEM 3

Roll Call: Present: Christine Gibson, James Grotrian, David L. Martin and Robert Karr. Absent: Kurt W. Meisinger.

Motion by Martin, seconded by Karr to authorize Trustee Grotrian to sign the warrants in the absence of Trustee Meisinger. On roll call those voting aye: Grotrian, Martin, Gibson and Karr. Voting nay: none. Absent: Meisinger. Abstaining: none. Trustee Martin declared the resolution adopted.

ITEM 4

Mr. Johnson advised that he had not received a return call from Mr. Wolcott who had requested time to find a less costly firm to inspect the installation of equipment on the water tower by Country Mile Wireless, Inc. Trustee Martin laid over considering a contract with Viking Industrial Painting.

ITEM 5

Trustee Martin laid over consideration of issuing a request for proposals for a single trash hauler to serve the District.

ITEM 6a

Having not heard from Mr. Billesbach, Trustee Martin laid over a discuss concerning the probable

cost to remodel Well House No. 1 to create an office for the District's utility operator and a central monitoring station for the water and wastewater systems.

ITEM 6b

Item 6a having been laid over, Trustee Martin laid over consideration of requesting, if necessary, an amendment to the State Revolving Fund loan to include that portion of the cost for remodeling the well attributable to wastewater system in the remodeling of Well House No. 1 to create an office for the District's utility operator and a central monitoring station for the water and wastewater systems.

ITEM 6c

For a Water and Wastewater Committee report, Trustee Martin advised that watering violations were down.

ITEM 6d

Trustee Martin advised that Mr. Messer was out of town so there would not be a report from PeopleService.

ITEM 6e

After noting that there was no new information concerning a possible connection to a water main the City of Plattsmouth may construct to connect to Metropolitan Utilities District, Trustee Martin laid the matter over.

ITEM 6f1

Trustee Martin advised that JEO engineers has appointed a new field engineer for observing plant improvements construction and that JEO would be preparing a technical memo by the end of the week to discuss the plant improvements design with the Committee and that a punch list of final work to complete and correct soon would be put together for the completion of work by Building Crafts, Inc.

ITEM 6f2

The response from the site visit is attached, with no further comment from the Nebraska Department of Environment and Energy staff.

ITEM 6f3

Trustee Martin advised that he had received no updates regarding any of the following items: (1) UV pit drainage and on using influent to estimate effluent, the District will be permitted to use

influent readings to estimate effluent readings; (2) the drain for the UV pit must be corrected which will permit the District to bypass the UV unit in the winter months; and (3) the UV sterilization likely should be a larger UV unit and/or an additional of a holding tank should be constructed.

ITEM 6f4

HOA Solutions and Fluidyne Corporation have been working on programming the wastewater treatment plant operational controls.

ITEM 6f5

Mr. Johnson advised that Pay Application No. 12 for Building Crafts, Inc. had not been received.

ITEM 6g

Trustee Martin laid over consideration of purchasing a laptop computer or similar device for use by the District's operator to monitor and manage the District's water and waste water systems.

ITEM 7

Trustee Karr advised that another sink hole developed on Ewel Ct; Omni Engineering would not be on site for street repairs until the middle of September; correction of the mailbox clusters would not be until Thursday.

ITEM 7a1

Trustee Karr advised that repairs to storm water runoff that created a washout at the curb inlet on Davy Jones Dr. have been repaired.

ITEM 7a2

Trustee Karr advised that repairs to the curb at Buccaneer Blvd and Fairway Dr. were yet to be done.

ITEM 7b

In the absence of Trustee Meisinger, Trustee Martin laid over discussion of a comprehensive 2024 Street Reconstruction project and its impact on the levy.

ITEM 7c

Trustee Martin laid over consideration of engaging an engineer to prepare final plans, together with an engineer's estimate of probable cost, for District wide street reconstruction as needed.

ITEM 8a

Trustee Grotrian reported that Topple Tree Service this week would be starting the tree trimming authorized at the June meeting.

ITEM 8a1

Trustee Grotrian reported that the cluster mail boxes remained out of order and that finish up work remained to be done.

ITEM 9a

Trustee Martin presented the July finance report and the June utility revenue report, both of which are attached.

ITEM 9b

Trustee Martin presented the Treasurer's Reports for the months ended May 31 and June 30, 2023.

ITEM 9c

Motion by Martin, seconded by Grotrian to approve and execute a Letter of Engagement with Lengemann & Associates to conduct the audit of the financial records for fiscal year July 1, 2022 thru June 30, 2023. On roll call those voting aye: Grotrian, Martin, Gibson and Karr. Voting nay: none. Absent: Meisinger. Abstaining: none. Trustee Martin declared the resolution adopted.

ITEM 9d

In the absence of Trustee Meisinger, Trustee Martin laid over discussion of budget for fiscal year July 1, 2023 until June 30, 2024.

ITEM 10

Motion by Grotrian, seconded by Martin to approve the Consent Agenda:

Be It Resolved by the Board of Trustees of Sanitary and Improvement District No. 5 of Cass County, Nebraska to approve the consent agenda:

- a Approve the meeting minutes for June 20, 2023 including an adjustment to Warrant No. 18351 from \$1,494.00 to \$1,353.00;
- b Approve payment of the claims and invoices; and
- c Transfer \$4,378.34 from the Service Fee Fund to General Fund (water/wastewater

electric systems usage).

Be It Further Resolved by the Board of Trustees of Sanitary and Improvement District No. 5 of Cass County, Nebraska that the following bills, statements and invoices be, and hereby are, approved and that the Chair and Clerk be, and hereby are, authorized to execute and deliver warrants for the payment of the same, all dated July 18, 2023, to be drawn on the General Fund, and which are redeemable upon presentation to the Cass County Treasurer.

GENERAL FUND WARRANTS
CONSENT AGENDA, ITEM 11b
(Due July 18, 2023)

<u>Amount</u>	<u>Warrant</u>	<u>Service Provider</u>	<u>Purpose</u>
\$ 727.00	18394	Frankel Zacharia	Inv. Nos. 4124 (Tech) and 133461 (finance and related report)
\$ 1,402.00	18395	Wojo's Outdoors & Custom Waterfronts, LLC	Inv. No. 1074 (mow & trim)
\$ 7,831.01	18396	Ehrhart Griffin	Inv. No. B8964 (pavement reconstruction & emergency repairs)
\$ 7,140.04	18397	Roger K. Johnson	Inv. No. 450 (attorney fees & costs)
\$ 16,986.00	18398	Dodge Partners Insurance	Inv. No. 122559 (auto, general liability & property)
\$ 18,066.11	18399	SMA Construction, LLC	Inv. dated 6/3/23 (emergency street repairs)
\$ 4,722.28	18400	OPPD	Inv. (service dates 6/6/23 - 7/5/23)

Be It Further Resolved by the Board of Trustees of Sanitary and Improvement District No. 5 of Cass County, Nebraska that the following bills, statements and invoices be, and hereby are, approved and that the Chair and Clerk be, and hereby are, authorized to execute and deliver warrants for the payment of the same, all dated July 18, 2023 to be drawn on the Service Fee Fund, and which are redeemable upon presentation to the Cass County Treasurer:

SERVICE FEE FUND WARRANTS
CONSENT AGENDA, ITEM 11b
(Due July 18, 2023)

<u>Amount</u>	<u>Warrant</u>	<u>Service Provider</u>	<u>Purpose</u>
\$ 9,250.50	18362	PeopleService, Inc.	Inv. No. 43374 (\$5,577.00 Aug ops; \$2,258.36 June bills; \$286.73 labs; \$1,023.41 backup floats Becker Ct lift station; \$105.00 labor costs)
\$ 67.73	18363	Windstream	Inv. dated 6/15/23 (well phone)
\$ 1,440.00	18364	Roger K. Johnson	Inv. No. 451 (attorney fees & costs)
\$ 85.41	18365	Papillion Sanitation	Inv. No. 6645875T050 (WWTP trash removal)
\$ 19,255.00	18366	Kerns Excavating Co.	Inv. No. 17505 (PRV & reroute sewer lines)

Be It Further Resolved by the Board of Trustees of Sanitary and Improvement District No. 5 of Cass County, Nebraska that the following bills, statements and invoices be, and hereby are, approved and that the Chair and Clerk be, and hereby are, authorized to execute and deliver warrants for the payment of the same, all dated July 18, 2023, with the warrants to be drawn on the Construction Fund account and if registered to draw interest at 7.00% per year and to be redeemed no later than June 18, 2023:

CONSTRUCTION FUND WARRANTS
CONSENT AGENDA, ITEM 11b
(Due July 18, 2023)

\$ 11,557.50	18206	JEO Consulting Group, Inc.	Inv. No. 142304/Pay App No. 21 (WWTP expansion)
\$ 577.88	18207	Roger K. Johnson	Inv. No. 16 (attorney fee WWTP)
\$ 825.00	18208	UMB Bank	Inv. No. 949488 (admin fees bonds)

Be It Further Resolved by the Board of Trustees of Sanitary and Improvement District No. 5 of Cass County, Nebraska that both the Board and the District find and determine, and covenant and warrant, and agree that (a) the facilities for which the above Warrants are issued are for essential governmental functions and are designed

to serve members of the general public on an equal basis; (b) there are no persons with rights to use said facilities other than as members of the general public; © ownership and operation of said facilities is with the District or another political subdivision; (d) none of the proceeds of the Warrants will be loaned to any person and to the extent that special assessments have been or are to be levied for any said facilities, such special assessments have been or are to be levied under Nebraska law as a matter of general application to all property specially benefitted by such facilities in the District; (e) the development of the land in the District is for residential or commercial use; (f) the development of the land in the District for sale and occupation by the general public is proceeding with reasonable speed and (g) the District hereby authorizes and directs the Chair or Clerk to file, when due, an Information Reporting Form pursuant to Section 149(e) of the Internal Revenue Code of 1986 pertaining to the above Warrants.

Be It Further Resolved by the Board of Trustees of Sanitary and Improvement District No. 5 of Cass County, Nebraska that the District 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; and (b) to the extent that it may lawfully do so, the District hereby designates the above Warrants as its “qualified tax exempt obligations” under Section 265(b)(3)(B)(ii) 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 \$10,000,000 during the calendar year in which the above Warrants are to be issued.

Be It Further Resolved by the Board of Trustees of Sanitary and Improvement District No. 5 of Cass County, Nebraska that this and the preceding Resolutions are adopted as the Certificate with Respect to Arbitrage of the District pertaining to the above Warrants and the District and Chair and Clerk of the District hereby further certify, as of the date of the registration of the above Warrants with the County Treasurer of Cass County, Nebraska, as follows:

1. No separate reserve or replacement fund has been or will be established with respect to the above Warrants. This District reasonably anticipates that moneys in its Bond Fund reasonably attributable to the above Warrants in excess of the lesser of: (a) 10% of the net principal proceeds of the above Warrants, (b) the maximum annual debt service due on the above Warrants, or © 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 13 months after receipt of such moneys. 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 13 months after receipt of

such moneys, 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 those voting aye: Grotrian, Martin, Gibson and Karr. Voting nay: none. Absent: Meisinger. Abstaining: none. Trustee Martin declared the resolution adopted.

ITEM 11

Trustee Martin advised that the next several meetings would be held at First State Bank Nebraska, second floor community room, 446 Main Street, Plattsmouth Nebraska on August 22; September 19; October 17; November 14; and December 19, 2023.

ITEM 13

Motion by Martin, seconded by Karr to enter closed session to protect the public interest for the purpose of discussing contract negotiations with PeopleService, Inc. for a water and sanitary sewer operator services and billing. On roll call those voting aye: Grotrian, Martin, Gibson and Karr. Voting nay: none. Absent: Meisinger. Abstaining: none. Trustee Martin declared the resolution adopted.

The Chairman restated that the Board of Trustees would enter closed session at 6:48 p.m. for the protection of the public interest to discuss contract negotiations with PeopleService, Inc. for water and sanitary sewer operator services and billing.

After allowing the public access to the meeting, motion by Grotrian, seconded by Karr to reconvene in open session at 7:05 p.m. On roll call those voting aye: Grotrian, Martin, Gibson and Karr. Voting nay: none. Absent: Meisinger. Abstaining: none. Trustee Martin declared the resolution adopted.

ITEM 14

The agenda having been completed, the Chair recognized the motion by Grotrian to adjourn at approximately 7:06.

Christine Gibson, Trustee

Kurt W. Meisinger, Trustee

David L. Martin, Trustee

Robert Karr, Trustee

Recorded by:

James Grotrian, Trustee

Roger K. Johnson, Attorney for the District