MINUTES OF MEETING

OF

SANITARY AND IMPROVEMENT DISTRICT NO. 240
OF SARPY COUNTY, NEBRASKA

RECEIVED
OCT 7 2014
DEBRA J. HOUGHTALING
SARPY COUNTY CLERK

A meeting of the Board of Trustees of Sanitary and Improvement District No. 240 of Sarpy County, Nebraska, was convened in open and public session at 5:00 p.m. on the 29th day of September, 2014, at 10250 Regency Circle, Suite 300, Omaha, Nebraska.

Present were: Mike Palmisano, Michael E. Freestone, Michael F. Rogers, Timothy A. Reick, and Bob Mitchell. Also present was Rich Harman, of Ameritas Investment Corp. and Terry Atkins of Lamp, Rynearson & Associates, Inc.

Absent: None.

Notice of the meeting was given in advance thereof by publication in Gretna Breeze on September 24, 2014 a copy of the proof of publication being attached to these minutes. 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 agenda was at all times available at the office for the District at 10250 Regency Circle, Suite 300, Omaha, Nebraska 68114.

The meeting was called to order. Upon roll call, all of the above referenced Trustees were present.

It was first publicly stated to all in attendance that a current copy of the Nebraska Open Meetings Act was available for review and indicated the location of such copy in the room where the meeting was being held.

There were next presented miscellaneous bills, invoices, statements, and recommendations for the Board's consideration.

There was next presented a statement from One Call Concepts, Inc., for line locates within the District, Invoice #4060572, in the amount of Seven and 10/100 Dollars ($7.10). The Board next directed advance payment to be made in the amount of One Hundred and no/100 Dollars ($100.00).

There was next presented a statement from Omaha Public Power District, for lighting at the location 11205 Morgan Circle, from August 6, 2014, through September 5, 2013, in the amount of Seventeen and 44/100 Dollars ($17.44).

There was next presented a statement from Omaha Public Power District, for lift station and street lights, for Account #4672971253, from August 6, 2014, through September 5, 2014, in the amount of One Thousand Two Hundred Fifty-Eight and 03/100 Dollars ($1,258.03).

The Clerk next directed the attention of the Board of Trustees to the fact that Ameritas Investment Corp. will purchase One Thousand Three Hundred Seventy-Five and 47/100 Dollars ($1,375.47) in general fund warrants at this time and that the contracted charge for such purchase of warrants is five percent (5%) or Sixty-Eight and 77/100 Dollars ($68.77) in accordance with the financing agreement previously adopted by the Board. The Clerk recommended issuance of a warrant in such amount to Ameritas Investment Corp.

The previously described bills, invoices, recommendations and statements having been presented for the Board's consideration and after review and discussion of such items, the following resolution was duly moved and passed:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 240 of Sarpy County, Nebraska, that the Chairman and Clerk be and they hereby authorized and directed to execute and deliver Warrant Nos. 1952 through 1955 of the District, dated the date of this meeting, to the following payees and in the following amounts, said Warrants to be drawn on the General Fund of the District and to draw interest at the rate of seven percent (7%) per annum and to be redeemed no later than September 29, 2017, subject to extension of said maturity date by order of the District Court of Sarpy County, Nebraska, after notice is given as required by law, to-wit:

Warrant No. 1952, for the amount of One Hundred and no/100 Dollars ($100.00), payable to One Call Concepts, Inc.

Warrant No. 1953, for the amount of Seventeen and 44/10 Dollars ($17.44), payable to Omaha Public Power District, Account #8891923592.

Warrant No. 1954, for the amount of One Thousand Two Hundred Fifty-Eight and 03/100 Dollars ($1,258.03), payable to Omaha Public Power District, Account #4672971253.

Warrant No. 1955, for the amount of Sixty-Eight and 77/100 Dollars ($68.77), payable to Ameritas Investment Corp.

FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 240 of Sarpy 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 said 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, are 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 No. 240 of Sarpy 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; 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)(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 $10,000,000 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 No. 240 of Sarpy 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 Sarpy 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 its Bond Fund reasonably attributable to the above Warrants 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.

There was next presented a receipt from the Sarpy County Treasurer's office representing deposit to the District's Bond Fund of a connection fee from SID 278 in accordance with the Second Amendment to

Interlocal Cooperation Agreement between SID 240, 255, 260 and 278, in the amount of Seven Thousand Two Hundred Sixty-One and 73/100 Dollars ($7,261.73).

The Board undertook an extensive discussion with both its fiscal agent, Rich Harman of Ameritas Investment Corp., as well as Terry Atkins of Lamp, Rynearson & Associates, Inc., engineers for the District, regarding the potential upgrades to its lift station and Interlocal agreement to accomplish such. Mr. Harman indicated to the Board that its financial standing had improved dramatically because of the increased building in the development; however, due to the number of years where there had been no activity, the District's finances required close monitoring and judicious review of its expenditures. The Board, at the conclusion of such discussion, determined that it would not spend funds, at this point, on an upgrade of its lift station, but would wait until further valuation increases improve the financial standing of the District. The Board unanimously elected not to proceed with upgrades to the lift station or entering into an Interlocal agreement to increase its capacity in order to avoid the expenses associated with such.

The Board also discussed the possibility of a third and fourth phase. It was indicated by Mr. Harman that, in all likelihood, the third and fourth phase may well be done out of a new sanitary and improvement district, as opposed to out of SID 240. This would be reviewed once the approval process had begun for the next phases.

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The Clerk next reviewed the Agenda which had been available for public inspection in accordance with the law prior to this meeting of the Board of Trustees and reported that all matters considered by the Board at this meeting appeared on the Agenda.

Michael E. Freestone, as Clerk for Sanitary and Improvement District No. 240 of Sarpy County, Nebraska (the "District") does hereby certify that the above proceedings are a true and accurate statement of the proceedings had by the District at its September 29, 2014, meeting.

Michael E. Freestone, Clerk