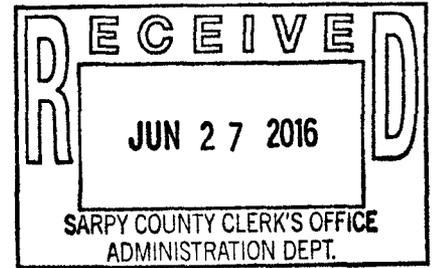


MINUTES OF MEETING  
OF  
SANITARY AND IMPROVEMENT DISTRICT NO. 240  
OF SARPY COUNTY, NEBRASKA



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 4:30 p.m. on the 13th day of June, 2016, at 10250 Regency Circle, Suite 300, Omaha, Nebraska.

Present were: Mike Palmisano, Michael E. Freestone, Bob Mitchell, Timothy A. Reick and Marc D. Stodola.

Absent: None.

Notice of the meeting was given in advance thereof by publication in the Gretna Breeze on June 8, 2016, 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 correspondence from Ameritas Investment Corp. requesting the District to issue warrants payable to the various payees listed herein, in the total amount of Six Hundred Eighty Thousand Two Hundred Eighty-Nine and 58/100 Dollars (\$680,289.58). After a full and complete discussion and upon a motion duly made and seconded, and upon a roll call vote, the Trustees, Michael A. Palmisano, Michael E. Freestone, Bob Mitchell, Timothy A. Reick and Marc D. Stodola, voted "Aye" with none voting "Nay" with the following resolution being thereby adopted and approved:

RESOLVED, that the Board of Trustees of Sanitary and Improvement District No. 240 of Sarpy County, Nebraska, find and determine that on August 1, 2016, there will be due and payable interest on the construction fund warrants for the District in the amount of Six Hundred Eighty Thousand Two Hundred Eighty-Nine and 58/100 Dollars (\$680,289.58) and that to pay such interest it is advisable to authorize the issuance of warrants to be drawn from the District's construction fund payable to the various payees listed herein.

FURTHER RESOLVED, that the following warrants, to be drawn on the construction fund of the District, draw interest at the rate of seven percent (7%) from the date of presentation until paid; such interest to be payable on August 1st of each year and such warrants shall be due and payable on June 13, 2021 (unless redeemed prior to such date), subject to extension

of such maturity date by order of the District Court of Sarpy County, Nebraska, after notice as required by law, to be issued as follows:

WARRANT NO.	PAYEE	AMOUNT
2061	Pershing LLC	\$562.02
2062	William D. Orr Family Trust	\$1,124.05
2063	Douglas B. Henkle	\$2,507.18
2064	Morgan Stanley Smith Barney LLC	\$2,800.00
2065	First Clearing LLC	\$2,810.13
2066	Lamp, Rynearson & Associates, Inc.	\$3,422.84
2067	William E. Henkle Family Trust FBO Judith L. Bartlett	\$3,008.04
2068	Robert W. Baird & Co.	\$4,549.80
2069	RBC Capital Markets LLC	\$8,430.36
2070	Hare & Co.	\$11,240.47
2071	National Financial Services, LLC	\$639,834.69

FURTHER RESOLVED, that the County Treasurer of Sarpy County, Nebraska, the ex officio Treasurer of the District is hereby directed and authorized on August 1, 2016, to pay the interest due on the construction warrants of the District and is hereby directed that such proceeds of the above warrants hereby are authorized and may only be used for the payment of such specified interest.

FURTHER RESOLVED, that the Chairman and Clerk be, and they hereby are authorized and directed to execute such warrants on behalf of the District and deliver the same, along with a copy of this and the preceding resolutions to the County Treasurer of Sarpy County, Nebraska, the ex officio Treasurer of the District.

There was next presented a statement from Bankers Trust, for flat fee, disclosure fee, Invoice #26012, in the amount of Two Hundred Fifty and no/100 Dollars (\$250.00).

There was next presented a statement from HSMC - Orizon, accountants for the District, for review of Interlocal Agreement for SID #240's lift station and related invoices, Invoice #162985, in the amount of Two Hundred Ninety and no/100 Dollars (\$290.00).

There were next presented statements from HTM Sales Inc., for lift station maintenance and repairs, as follows: (i) Invoice #16-33085-3, in the amount of Five Hundred Thirty-Eight and 77/100 Dollars (\$538.77), (ii) Invoice #16-33085-4, in the amount of One Hundred Sixty-Seven and 60/100 Dollars (\$167.60), (iii) Invoice #16-33085-5, in the amount of Two Hundred Seventy-One and 40/100 Dollars (\$271.40), (iv) Invoice #16-33085-6, in the amount of Sixty-Nine and 30/100 Dollars (\$69.30), and (v) Invoice #16-33085-7, in the amount of Nine Hundred Thirty-Three and 40/100 Dollars (\$933.40); said statements being in the aggregate amount of One Thousand Nine Hundred Eighty and 47/100 Dollars (\$1,980.47).

There were next presented statements from One Call Concepts, Inc., for line locates within the District, as follows: (i) Invoice #6040573, in the amount of Thirty-Four and 23/100 Dollars (\$34.23), and (ii) Invoice #6050581, in the amount of Twenty-Nine and 31/100 Dollars (\$29.31); said statements being in the aggregate amount of Sixty-Three and 54/100 Dollars (\$63.54). **The Board was next reminded that advance payment in the amount of One Hundred Fifty and no/100 Dollars (\$150.00) was made at the April 11, 2016 meeting.**

There were next presented statements from Lamp, Rynearson & Associates, Inc., engineers for the District, for services rendered in miscellaneous District maintenance matters through May 14, 2016, as follows: (i) Invoice dated March 2, 2016, in the amount of Eight Hundred Ninety and 85/100 Dollars (\$890.85), (ii) Invoice dated May 5, 2016, in the amount of Six Hundred Eighty-Three and 72/100 Dollars (\$683.72), and (iii) Invoice dated May 26, 2016, in the amount of Five Hundred Seventy-Five and 30/100 Dollars (\$575.30); said statements being in the aggregate amount of Two Thousand One Hundred Forty-Nine and 87/100 Dollars (\$2,149.87).

There was next presented a statement from Pansing Hogan Ernst & Bachman LLP, attorneys for the District, for legal services performed in miscellaneous District matters through May 31, 2016, in the amount of Four Thousand Four Hundred Forty-Three and no/100 Dollars (\$4,443.00), and costs advanced in the amount of Sixty-Five and 86/100 Dollars (\$65.86); said statement being in the aggregate amount of Four Thousand Five Hundred Eight and 86/100 Dollars (\$4,508.86).

There were next presented statements from Omaha Public Power District, for lighting at the location 11205 Morgan Circle, from March 7, 2015, through May 4, 2016, in the aggregate amount of Thirty-Six and 84/100 Dollars (\$36.84).

There were next presented statements from Omaha Public Power District, for lift station and street lights, for Account #4672971253, from March 7, 2015, through May 4, 2016, in the aggregate amount of Two Thousand Seven Hundred One and 56/100 Dollars (\$2,701.56).

The Clerk next directed the attention of the Board of Trustees to the fact that Ameritas Investment Corp. will purchase Eleven Thousand Nine Hundred Seventeen and 60/100 Dollars (\$11,917.60) in general fund warrants at this time and that the contracted charge for such purchase of warrants is five percent (5%) or Five Hundred Ninety-Five and 88/100 Dollars (\$595.88) 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. 2061 through 2071 of the District, dated the date of this meeting, to the following payee and in the following amount, said Warrant to be drawn on the Construction Fund of the District and to draw interest at the rate of seven percent (7%) per annum (interest to be payable on August 1st of each year) and to be redeemed no later than June 13, 2021, 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. 2061, for the amount of Five Hundred Sixty-Two and 02/100 Dollars (\$562.02), payable to Pershing LLC.

Warrant No. 2062, for the amount of One Thousand One Hundred Twenty-Four and 05/100 Dollars (\$1,124.05), payable to William D. Orr Family Trust.

Warrant No. 2063, for the amount of Two Thousand Five Hundred Seven and 18/100 Dollars (\$2,507.18), payable to Douglas B. Henkle.

Warrant No. 2064, for the amount of Two Thousand Eight Hundred and no/100 Dollars (\$2,800.00), payable to Morgan Stanley Smith Barney LLC.

Warrant No. 2065, for the amount of Two Thousand Eight Hundred Ten and 13/100 Dollars (\$2,810.13), payable to First Clearing LLC.

Warrant No. 2066, for the amount of Three Thousand Four Twenty-Two and 84/100 Dollars (\$3,422.84), payable to Lamp, Rynearson & Associates, Inc.

Warrant No. 2067, for the amount of Three Thousand Eight and 04/100 Dollars (\$3,008.04), payable to William E. Henkle Family Trust FBO Judith L. Bartlett.

Warrant No. 2068, for the amount of Four Thousand Five Hundred Forty-Nine and 80/100 Dollars (\$4,549.80), payable to Robert W. Baird & Co.

Warrant No. 2069, for the amount of Eight Thousand Four Hundred Thirty and 36/100 Dollars (\$8,430.36), payable to RBC Capital Markets LLC.

Warrant No. 2070, for the amount of Eleven Thousand Two Hundred Forty and 47/100 Dollars (\$11,240.47), payable to Hare & Co.

Warrant No. 2071, for the amount of Six Hundred Thirty-Nine Thousand Eight Hundred Thirty-Four and 69/100 Dollars (\$639,834.69), payable to National Financial Services, LLC.

FURTHER 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. 2072 through 2079 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 June 13, 2019, 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. 2072, for the amount of Two Hundred Fifty and no/100 Dollars (\$250.00), payable to Bankers Trust.

Warrant No. 2073, for the amount of Two Hundred Ninety and no/100 Dollars (\$290.00), payable to HSMC – Orizon.

Warrant No. 2074, for the amount of One Thousand Nine Hundred Eighty and 47/100 Dollars (\$1,980.47), payable to HTM Sales Inc.

Warrant No. 2075, for the amount of Two Thousand One Hundred Forty-Nine and 87/100 Dollars (\$2,149.87), payable to Lamp, Rynearson & Associates, Inc.

Warrant No. 2076, for the amount of Four Thousand Five Hundred Eight and 86/100 Dollars (\$4,508.86), payable to Pansing Hogan Ernst & Bachman LLP.

Warrant No. 2077, for the amount of Thirty-Six and 84/100 Dollars (\$36.84), payable to Omaha Public Power District, Account #8891923592.

Warrant No. 2078, for the amount of Two Thousand Seven Hundred One and 56/100 Dollars (\$2,701.56), payable to Omaha Public Power District, Account #4672971253.

Warrant No. 2079, for the amount of Five Hundred Ninety-Five and 88/100 Dollars (\$595.88), 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 and 278, in the amount of Six Thousand Sixty-Six and no/100 Dollars (\$6,066.00).

There were next presented receipts from the Douglas County Treasurer's office representing deposits to the District's Bond Fund of various sewer connection fees from September 3, 2015, through Mach 15, 2016, in the aggregate amount of Twenty Thousand Five Hundred Forty-Six and no/100 Dollars (\$20,546.00).

There was then presented for the consideration of the Trustees the Second Addendum to Interlocal Cooperation Agreement between **Sanitary and Improvement District No. 278 of Sarpy County, Nebraska (Tiburón Ridge)** (hereinafter "SID 278") and **Sanitary and Improvement District No. 240 of Sarpy County, Nebraska (Pebblebrooke)** (hereinafter SID 240") to allow the connection of the outfall sanitary sewer line of SID 278 into the sanitary sewer system of SID 240 and transmit sewage from the lots within SID 278 (**the Addendum allows 133 residential lots and the commercial lot of 3.42 acres due to the revised plat of SID 278**). The Clerk was directed to attach a copy of the Second Addendum to the minutes of these proceedings. After discussion of the Board, the following resolution was duly moved and seconded and upon a roll call vote the Trustees, Mike Palmisano, Michael E. Freestone, Bob Mitchell, Timothy A. Reick

and Marc D. Stodola voted "Aye" with none voting "Nay" thereby passing and adopting the following resolution:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 240 of Sarpy County, Nebraska, that the Second Addendum to Interlocal Cooperation Agreement between ***Sanitary and Improvement District No. 278 of Sarpy County, Nebraska (Tiburon Ridge)*** and ***Sanitary and Improvement District No. 240 of Sarpy County, Nebraska (Pebblebrooke)*** to allow the connection of the outfall sanitary sewer line of SID 278 into the sanitary sewer system of SID 240 and transmit sewage from the lots within SID 278 (***the Addendum allows 133 residential lots and the commercial lot of 3.42 acres due to the revised plat of SID 278***), be ratified and approved.

FURTHER RESOLVED, that the Chairman and Clerk be, and hereby are, authorized and directed to take such steps as are necessary to implement this resolution, including the execution of such Addendum, for and on behalf of the District.

Discussion was next had concerning a proposed warrant extension to be prepared by the District's Counsel in conjunction with the District's underwriter, Ameritas Investment Corp. A full and complete discussion was had of the advantages and disadvantages of the warrant extension by the District at this time. Correspondence submitted by Bruce Lefler of Ameritas Investment Corp., as to the financial details of such warrant extension and his firm's recommendation for such warrant extension as being to the advantage of the District. The full and complete listing of warrants to be extended is attached to these minutes as Exhibit "A" and, for ease of reference, the warrants for extension shall be hereinafter referred to as "Construction Fund Warrant Nos. 86 through 1916" and by this reference made a part hereof as if fully incorporated and set forth herein. Therefore the following resolution was duly moved for adoption which motion was thereafter seconded. Upon a roll call vote taken on such resolution the following Trustees, Mike Palmisano, Michael E. Freestone, Bob Mitchell, Timothy A. Reick and Marc D. Stodola voted "Aye" with none voting "Nay" thereby adopting the following resolution:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 240 of Sarpy County, Nebraska, that the District extend Construction Fund Warrant Nos. 86 through 1916, inclusive such warrant extension to be in the aggregate amount of \$7,414,137.79, through its underwriter, Ameritas Investment Corp., in accordance with the terms of its financing agreement with such fiscal agent and in accordance with Nebraska law.

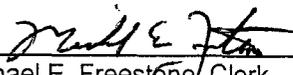
FURTHER RESOLVED, that the full and complete listing of warrants to be extended referred to herein as "Construction Fund Warrant Nos. 86 through 1916" is attached hereto as Exhibit "A" and incorporated herein by reference as if fully set forth.

FURTHER RESOLVED, that the Chairman, Clerk and Trustees be, and hereby are authorized and directed to execute such documents and take such steps as are necessary to implement this resolution.

FURTHER RESOLVED, that counsel for the District is directed to take appropriate steps as are necessary to place the question of the warrant extension before the District Court of Sarpy County, Nebraska for its approval.

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 June 13, 2016, meeting.

  
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Michael E. Freestone, Clerk