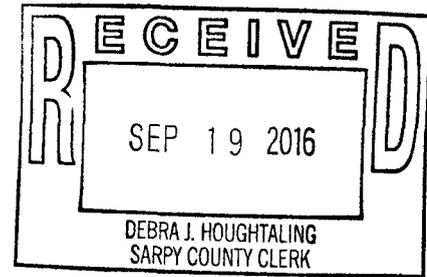


MINUTES OF MEETING
OF
SANITARY AND IMPROVEMENT DISTRICT NO. 240
OF SARPY COUNTY, NEBRASKA



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 5:35 p.m. on the 12th day of September, 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. Also in attendance was Bruce Lefler of Ameritas Investment Corp.

Absent: None.

Notice of the meeting was given in advance thereof by publication in the Gretna Breeze on August 31, 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.

The Clerk first reported in accordance with the provisions of Neb. R.R.S. Section 13-501 through 13-513, the District's certified public accountants were directed to prepare a proposed budget and further that the Clerk attended to the required publication of notice with regard to the budgetary hearing to be held by the Board of Trustees. The Clerk had been directed to give the appropriate notices in accordance with the Nebraska Budget Act and that a budgetary hearing for the District be held on the 12th day of September, 2016, at 10250 Regency Circle, Suite 300, Omaha, Nebraska.

The Clerk next presented the publication of this budgetary hearing as presented in the Gretna Breeze. The Clerk next reported that such notice of the budgetary hearing along with a budget summary had been published in accordance with law. The Clerk further reported that it appeared that no person had appeared at the meeting in response to such notice of the budgetary hearing and the Clerk was directed to attach a copy of such notice to the minutes of these proceedings.

After a lengthy discussion and upon a motion duly made 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" with the following resolution being thereby adopted and approved:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 240 of Sarpy County, Nebraska, that the budget and tax levy as tentatively set forth be adopted as the final budget and levy in accordance with Exhibit "A" attached hereto and by this reference made a part hereof. Further that the Clerk of the District be directed to file a copy of the adopted budget with the levying board of the State Auditor's office as well as

certifying the levy to the Sarpy County officials as well as attaching a proof of publication to such adopted budget.

With the budget for the District having been adopted, the Chairman then stated that it would be appropriate at this time to levy the tax in accordance with the budget statement. After a full and complete discussion and upon a motion duly made and seconded, and upon the following 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, that Sanitary and Improvement District No. 240 of Sarpy County, Nebraska, levy and collect for the year 2016-2017 a tax of \$0.850000 per One Hundred and no/100 Dollars (\$100.00) actual valuation of taxable property in the District, except intangible property, said tax to be credited to the appropriate fund as indicated below:

\$0.320000 on each One Hundred and no/100 Dollars (\$100.00) actual valuation to be credited to the General Fund of the District and thereby collect \$116,180.83 in taxes to be credited to this fund; and

\$0.530000 on each One Hundred and no/100 Dollars (\$100.00) actual valuation to be credited to the Construction (Bond) Fund of the District and thereby collect \$192,424.49 in taxes to be credited to this fund.

FURTHER RESOLVED, that the Clerk of this District be and hereby is directed to deliver and file with the County Clerk of Sarpy County, Nebraska and the Auditor of Public Accounts, a copy of this resolution.

There was next presented correspondence from Ameritas Investment Corp, the District's fiscal agent, indicating that Morgan Stanley Smith LLC needs the amount on the original Warrant broken down into two amounts and issue two new warrants in the aggregate amount of Two Thousand Eight Hundred and no/100 Dollars (\$2,800.00). Upon discussion of this matter, the following resolution was duly made and seconded, whereupon a roll call vote was taken during which the Trustees, Michael E. Freestone, Mike Palmisano, Michael F. Rogers and Timothy A. Reick, voted "Aye," with none voting "Nay," thereby approving the following resolution:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 240 of Sarpy County, Nebraska, that Construction Fund Warrant No. 2064 assigned to, be hereby is canceled.

FURTHER RESOLVED, that the Clerk of the District be and hereby is authorized to notify the Sarpy County Treasurer of such cancellation so that such warrant may be reflected on his records as well as noting such cancellation on the records of the District.

FURTHER RESOLVED, Construction Fund Warrant No. 2080, for the amount of One Thousand Sixty-Three and 06/100 Dollars (\$1,063.06), and Construction Fund Warrant No. 2081, for the amount of One Thousand Seven Hundred Thirty-Six and 94/100 Dollars (\$1,736.94), be hereby issued to Pershing LLC.

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

There was next presented a statement from Charleston Homes, LLC, for work performed on silt basins, Invoice #122, in the amount of Eleven Thousand and no/100 Dollars (\$11,000.00).

There was next presented correspondence from Lamp, Rynearson & Associates, Inc., engineers for the District, presenting and recommending payment in favor of Skyline Sign Company, for regulatory sign installation within the District, Invoice dated September 8, 2014, in the amount of Six Hundred Thirty and 87/100 Dollars (\$630.87).

There were next presented statements from HTM Sales Inc., for lift station maintenance and repairs, as follows: (i) Invoice #16-33085-8, in the amount of Three Hundred Thirty-Three and 27/100 Dollars (\$333.27), and (ii) Invoice #16-33085-9, in the amount of One Thousand Fifty and no/100 Dollars (\$1,050.00); said statements being in the aggregate amount of One Thousand Three Hundred Eighty-Three and 27/100 Dollars (\$1,383.27).

There were next presented statements from One Call Concepts, Inc., for line locates within the District, as follows: (i) Invoice #6060582, in the amount of Thirty-Two and 76/100 Dollars (\$32.76), (ii) Invoice #6070583, in the amount of Twenty-Nine and 37/100 Dollars (\$29.37), and (iii) Invoice #6080580, in the amount of Forty-Four and 82/100 Dollars (\$44.82); said statements being in the aggregate amount of One Hundred Six and 95/100 Dollars (\$106.95). **The Board next directed advance payment to be made in the amount of Two Hundred and no/100 Dollars (\$200.00).**

There were next presented statements from Lamp, Rynearson & Associates, Inc., engineers for the District, for services rendered in miscellaneous District maintenance matters through August 13, 2016, as follow: (i) Invoice dated June 24, 2016, in the amount of Six Hundred Eighty-Five and 52/100 Dollars (\$685.52), (ii) Invoice dated July 28, 2016, it the amount of One Thousand Ninety-Seven and 86/100 Dollars (\$1,097.86), and (iii) Invoice dated August 26, 2016, in the amount of One Thousand Three and 44/100 Dollars (\$1,003.44); said statements being in the aggregate amount of Two Thousand Seven Hundred Eighty-Six and 82/100 Dollars (\$2,786.82).

There was next presented a statement from Tim's Lawn Care LLC, for services rendered in miscellaneous District landscaping maintenance and mowing, Invoice #2, in the amount of One Thousand Seven Hundred Fifty and no/100 Dollars (\$1,750.00).

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 August 31, 2016, in the amount of Eight Thousand Six Hundred Eight-Nine and 50/100 Dollars (\$8,689.50), and costs advanced in the amount of Four Hundred Ninety-One and 96/100 Dollars (\$491.96); said statement being in the aggregate amount of Nine Thousand One Hundred Eighty-One and 46/100 Dollars (\$9,181.46).

There were next presented statements from Omaha Public Power District, for lighting at the location 11205 Morgan Circle, from May 4, 2015, through August 4, 2016, in the aggregate amount of Fifty-Six and 51/100 Dollars (\$56.51).

There were next presented statements from Omaha Public Power District, for lift station and street lights, for Account #4672971253, from May 4, 2015, through August 4, 2016, in the aggregate amount of Three Thousand Nine Hundred Eighty-Three and 20/100 Dollars (\$3,983.20).

The Clerk next directed the attention of the Board of Trustees to the fact that Ameritas Investment Corp. will purchase Thirty Thousand Nine Hundred Seventy-Two and 13/100 Dollars (\$30,972.13) in general fund warrants at this time and that the contracted charge for such purchase of warrants is five percent (5%) or One Thousand Five Hundred Forty-Nine and 10/100 Dollars (\$1,549.10) 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. 2080 and 2081 of the District, dated June 13, 2016, to the following payee and in the following amounts, said Warrants 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. 2080, for the amount of One Thousand Sixty-Three and 06/100 Dollars (\$1,063.06), payable to Morgan Stanley Smith Barney LLC.

Warrant No. 2081, for the amount of One Thousand Sven Hundred Thirty-Six and 94/100 Dollars (\$1,736.94), payable to Morgan Stanley Smith Barney LLC.

FURHTER 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. 2082 through 2094 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 12, 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 Nos. 2082 and 2083, each for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 2084, for the amount of One Thousand and no/100 Dollars (\$1,000.00), payable to Charleston Homes, LLC.

Warrant No. 2085, for the amount of Six Hundred Thirty and 87/100 Dollars (\$630.87), payable to Skyline Sign Company.

Warrant No. 2086, for the amount of One Thousand Three Hundred Eighty-Three and 27/100 Dollars (\$1,383.27), payable to HTM Sales Inc.

Warrant No. 2087, for the amount of Two Hundred and no/100 Dollars (\$200.00), payable to One Call Concepts, Inc.

Warrant No. 2088, for the amount of Two Thousand Seven Hundred Eighty-Six and 82/100 Dollars (\$2,786.82), payable to Lamp, Rynearson & Associates, Inc.

Warrant No. 2089, for the amount of One Thousand Seven Hundred Fifty and no/100 Dollars (\$1,750.00), payable to Tim's Lawn Care LLC.

Warrant No. 2090, for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 2091, for the amount of Four Thousand One Hundred Eighty-One and 46/100 Dollars (\$4,191.46), payable to Pansing Hogan Ernst & Bachman LLP.

Warrant No. 2092, for the amount of Fifty-Six and 51/100 Dollars (\$56.51), payable to Omaha Public Power District, Account #8891923592.

Warrant No. 2093, for the amount of Three Thousand Nine Hundred Eighty-Three and 20/100 Dollars (\$3,983.20), payable to Omaha Public Power District, Account #4672971253.

Warrant No. 2094, for the amount of One Thousand Five Hundred Forty-Nine and 10/100 Dollars (\$1,549.10), 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.

Bruce Lefler and Jennifer Kobza of Ameritas Investment Corp., the District's underwriter, appeared to discuss the District's current financial situation. This was a continuation of previous discussions relative to the retirement of the District's outstanding Construction Fund warrants. The Board went through certain scenarios regarding the District's valuation and outstanding Construction Fund warrants. Certain possibilities for reorganization of the District's Construction Fund debt, including potential amortization schedules were discussed. At the conclusion of the extensive discussion, the Board unanimously adopted the following resolution:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 240 of Sarpy County, Nebraska, that counsel for the District and Ameritas Investment Corp. review reorganization plans in connection with

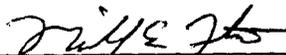
the District's Construction Fund debt to be presented to the Board in approximately thirty (30) to forty-five (45) days for action.

The Board next discussed the possibility of "No Parking" signs being placed throughout the subdivision on non-water hydrant sides of the streets. Discussion was had regarding what impact this would have upon construction-related activities; the Board thought that perhaps this might be a greater harm than the situation being addressed by the "No Parking" signs. At the conclusion of the discussion, the Board decided to further investigate the location of "No Parking" signage, the cost associated therewith, and a timetable. In general, the Board thought that the placement of such signage in approximately 9-12 months would work better for the overall traffic flow within the District.

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SIGNATURES APPEAR ON THE FOLLOWING PAGE]**

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 12, 2016, meeting.



Michael E. Freestone, Clerk