

WILLMAR CITY COUNCIL PROCEEDINGS
BOARD ROOM
HEALTH AND HUMAN SERVICES BUILDING
WILLMAR, MINNESOTA

June 20, 2022
6:30 p.m.

The regular meeting of the Willmar City Council was called to order by the Mayor Marv Calvin. Members present on a roll call were Mayor Marv Calvin, Council Members Rick Fagerlie, Thomas Butterfield, Justin Ask, Vicki Davis, Andrew Plowman, and Audrey Nelsen. Present 8, Absent 1. Council Member Julie Asmus was excused from the meeting.

Also present were City Administrator Leslie Valiant, City Operations Director Kyle Box, Police Sergeant Chad Oakleaf, Finance Director Steve Okins, Planning and Development Services Director Justice Walker, City Clerk Judy Thompson, and City Attorney Robert Scott.

There were no additions or deletions to the agenda.

Council Member Fagerlie moved to approve the agenda as presented. Council Member Nelsen seconded the motion, which carried unanimously.

City Clerk Judy Thompson reviewed the consent agenda.

- A. City Council Minutes of June 6, 2022
- B. Willmar Municipal Utilities Commission Minutes of June 13, 2022
- C. Accounts Payable Report for May 28 – June 10, 2022
- D. Community Festival Special Event On-Sale Liquor License Permit – Spurs
- E. **Resolution No. 2022-100 Award Proposal for Relocation of Automated Weather Observation Station**
- F. **Resolution No. 2022-101 Approve Final Plat for Rockstep Second Addition**
- G. Building Report for the Month of May, 2022

Council Member Fagerlie offered a motion to approve the consent agenda. Council Member Nelsen seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

There was no one present to address the Council during Open Forum.

Mayor Calvin recognized Willmar Fests Chair James Miller who thanked the City Council and staff for their help and support and extended invitations to events scheduled for the upcoming annual community celebration. This year, coffee with the candidates at Goodness Coffee House will kick off Willmar Fests at 9:00 a.m. on Wednesday, June 22nd. He acknowledged the many great sponsors who make this celebration happen. He touched on the numerous events of the festival to include the Block Party on Thursday, June 23rd at 4:30 p.m., the Grand Day Parade on Saturday, June 25th at 10:30 a.m., coronation at 3:00 p.m. followed by the Little Crow Ski Show at 7:30 p.m., the Beach Party Concert at 8:30 p.m., and the “Works Over Water” Fireworks Show at 10:00 p.m.

Mr. Miller then introduced the current Willmar Fests Royalty: Queen of Festivals Sarah Carlson, Aqua Princess Kacy Knofczynski, and International Princess Jacky Diaz. The royalty thanked the Mayor and Council for their past support and gave a presentation of some events they had attended as representatives of Willmar. Mayor Calvin thanked them for their commitment as Ambassadors for the City and for their attendance at numerous parades and city celebrations.

Renee Nolting gave a presentation to the Mayor and Council on the changes made to the Meals on Wheels Program. Mayor Calvin thanked Ms. Nolting for the information.

At 6:52 p.m., Mayor Calvin opened the public hearing for authorizing issuance of General Improvement Bonds, Series 2022A of up to \$5,600,000 on July 18, 2022. Baker Tilly Representative Doug Green presented the pertinent information to the Mayor and Council.

There being no one to speak for or against the proposed issuance of bonds, Mayor Calvin closed the public hearing at 7:02 p.m. and opened it up for discussion by the Council. Following discussion, Council Member Plowman offered a motion to adopt, assign a number, and publish **Ordinance No. 1476 An Ordinance Authorizing the Issuance of Up to \$5,600,000 General Obligation Improvement Bonds, Series 2022A and the Levying of Taxes to Secure Payment Therefor.** Council Member Ask seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Council Member Fagerlie introduced **Resolution No. 2022-102 Providing for the Competitive Negotiated Sale of \$5,560,000 General Obligation Improvement Bonds, Series 2022A.** Council Member Plowman seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

At 7:05 p.m., Mayor Calvin opened the public hearing for amending the zoning ordinance to allow brewpubs in three zoning districts. City Planner Kayode Adiatu presented the pertinent information to the Mayor and Council. It was noted the Planning Commission has approved the amendment.

There being no one to speak for or against the proposed ordinance amendment, Mayor Calvin closed the public hearing at 7:09 p.m. and opened it up for discussion by the Council. Following discussion, Council Member Fagerlie offered a motion to adopt, assign a number, and publish **Ordinance No. 1477 Amending Willmar Ordinance 1060, Known as the Willmar Zoning Ordinance by Allowing Brew Pubs as a Permitted or Conditional Use in Three Zoning Districts.** Council Member O'Brien seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Due to the length and cost of publishing entire ordinance, Council Member Fagerlie offered a motion to publish the Ordinance Amending Willmar Ordinance 1060, known as the Willmar Zoning Ordinance, by allowing brewpubs as a permitted or conditional use in three districts, by summary. Council Member Plowman seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

At 7:15 p.m., Mayor Calvin opened the public hearing for amending the zoning ordinance by changing permitted uses allowed in the Industrial Districts I-1 and I-2. Planning and Development Services Director Walker presented the pertinent information. It was noted the Planning Commission has approved the amendment.

There being no one to speak for or against the proposed ordinance amendment, Mayor Calvin closed the public hearing at 7:15 p.m. and opened it up for discussion by the Council. Following discussion, Council Member Plowman offered a motion to adopt, assign a number, and publish **Ordinance No. 1478 Amending Willmar Ordinance 1060, Known as the Willmar Zoning Ordinance by Amending Permitted Uses and Conditional Uses For I-1 Limited Industry District and I-2 General Industrial District.** Council Member Davis seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Due to the length and cost of publishing entire ordinance, Council Member Fagerlie offered a motion to publish the Ordinance Amending Willmar Ordinance 1060, Known as the Willmar Zoning Ordinance by Amending Permitted Uses and Conditional Uses for I-1 Limited Industry District and I-2 General Industrial District, by summary. Council Member O'Brien seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Planning and Development Services Director Walker presented a request to schedule a public hearing on an ordinance amending the zoning ordinance to allow Columbaria as an accessory use in limited circumstances, and set a public hearing for July 5, 2022.

Council Member Plowman offered a motion to **introduce an ordinance to amend Willmar Ordinance 1060, known as the Willmar Zoning Ordinance, by allowing Columbaria as Accessory Uses in Limited Circumstances,** and set a public hearing for July 5, 2022. Council Member Nelsen seconded the motion, which carried unanimously.

Due to the length and cost of publishing entire ordinance, Council Member Plowman offered a motion to publish the Ordinance Amending Willmar Ordinance 1060, known as the Willmar Zoning Ordinance, By Allowing Columbaria as Accessory Uses in Limited Circumstances, by summary. Council Member Davis seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Planning and Development Services Director Walker and Rental Inspector Ryan Tillemans presented an update on code enforcement and rental housing inspections performed in their department. This item was for information only.

City Clerk Thompson presented a request to schedule a public hearing on July 5, 2022, to consider taxi rate increases. Central Minnesota Taxicab has requested changes as rates were last updated in 2008 and 2002.

Following discussion, Council Member Fagerlie offered a motion to approve staff's recommendation of scheduling a public hearing for July 5, 2022. Council Member Nelsen seconded the motion, which carried unanimously.

City Attorney Scott presented a request to introduce an ordinance amending Willmar Municipal Code, Chapter 3, Alcoholic Beverages and set a public hearing for July 5, 2022. This request is being made to reflect recent legislative changes.

Council Member Fagerlie offered a motion to **introduce an ordinance amending Willmar Municipal Code, Chapter 3, Alcoholic Beverages**, and set the public hearing for July 5, 2022. Council Member Nelsen seconded the motion, which carried unanimously.

Due to the length and cost of publishing the entire ordinance, Council Member Fagerlie offered a motion to publish the ordinance amending Willmar Municipal Code, Chapter 3, Alcoholic Beverages, by summary. Council Member O'Brien seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

City Administrator Valiant presented a brief recap of the Council work session held on June 14, 2022 in reference to the City's available ARPA funds. Ms. Valiant requested Council approve two specific items: 1) direct staff to contact professional grant writing services for proposals to write Fire Department grants, and; 2) appropriate funds to EpiTopix Sanitary Sewer Extension Project.

Following discussion, Council Member Ask offered a motion to approve staff contacting professional grant writing services for proposals to write Fire Department turnout gear and mobile/portable radio systems grants. Council Member Plowman seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Following further discussion, Council Member Fagerlie offered a motion to authorize the appropriation of \$263,877 of ARPA funds for the balance of installation cost related to EpiTopix Sanitary Sewer Extension Project Number OW1.123963 awarded June 6, 2022 for water main infrastructure. Council Member Ask seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

City Administrator Valiant opened discussion on several items proposed for possible funding with the ARPA funds. It was noted this is a fluid document and is subject to change.

Council Member O'Brien offered the following comments: thanked the City rental inspector for assisting an individual with concerns.

Mayor Calvin offered the following comment: Willmar Fests is happening this week and urged everyone to enjoy the many events planned.

Council Member Fagerlie offered a motion to adjourn the meeting with Council Member Ask seconding the motion, which carried. The meeting adjourned at 8:17 p.m.

/s/ Marv Calvin
MAYOR

Attest:

/s/ Judy Thompson
SECRETARY TO THE COUNCIL

RESOLUTION NO. 2022-100

**AUTHORIZATION TO EXECUTE PROPOSAL WITH NEO ELECTRICAL SOLUTIONS FOR
AIRPORT AUTOMATED WEATHER OBSERVATION STATION ELECTRICAL QUOTE**

Motion By: Fagerlie Second By: Nelsen

BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that the City Administrator be authorized to accept the proposal between the City of Willmar and NEO Electrical Solutions for the Airport Automated Weather Observation Station Installation for the City's cost share of \$17,397.00.

Dated this 20th day of June, 2022

/s/ Marv Calvin
Mayor

Attest:

/s/ Judy Thompson
City Clerk

RESOLUTION NO. 2022-101

ROCKSTEP PLAZA SECOND ADDITION FINAL PLAT

Motion By: Fagerlie Second By: Nelsen

BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that the Rockstep Plaza Second Addition be approved with the following conditions:

- A. Easements as required by the City code shall be included on the final plat
- B. Lots 1 and 6 shall not be permitted to access 5th Street SE
- C. Applicant must submit a Plan Review application for the proposed Slim Chicken Restaurant (Lot 4) to the Planning Commission.
- D. Re-development within the plat shall comply with MPCA and the City of Willmar Stormwater requirements.
- E. All required access and parking easement documents shall be provided to the City for its files.
- F. All Fire Chief/Marshall, Engineering/Public Works, and MUC comments shall be met, adhered to, and additional information supplied as requested.
- G. The use shall meet all applicable local, state, and federal rules/regulations at all times.

Dated this 20th day of June, 2022

/s/ Marv Calvin
MAYOR

Attest:

/s/ Judy Thompson
CITY CLERK

RESOLUTION NO. 2022-102

**RESOLUTION PROVIDING FOR THE COMPETITIVE NEGOTIATED SALE OF \$5,560,000
GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2022A**

Motion By: Fagerlie Second By: Plowman

A. WHEREAS, the City Council of the City of Willmar, Minnesota, has heretofore determined that it is necessary and expedient to issue its \$5,560,000 General Obligation Improvement Bonds, Series 2022A (the "Bonds") to finance various public improvement projects in the City, including without limitation street and related public improvement projects included in the 2022 Improvement Projects; and

B. WHEREAS, the City has retained Baker Tilly Municipal Advisors, LLC ("Baker Tilly MA"), as its independent municipal advisor and is therefore authorized to sell these obligations by a competitive negotiated sale in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9); and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, as follows:

1. Authorization; Findings. The City Council hereby authorizes Baker Tilly MA to solicit bids for the competitive negotiated sale of the Bonds.
2. Meeting; Bid Opening. This City Council shall meet at the time and place specified in the Terms of Proposal attached hereto as **Exhibit A** for the purpose of considering sealed bids for, and awarding the sale of, the Bonds. The Clerk, or designee, shall open bids at the time and place specified in such Terms of Proposal.
3. Terms of Proposal. The terms and conditions of the Bonds and the negotiation thereof are fully set forth in the "Terms of Proposal" attached hereto as **Exhibit A** and hereby approved and made a part hereof.
4. Official Statement. In connection with said competitive negotiated sale, the Clerk and other officers or employees of the City are hereby authorized to cooperate with Baker Tilly MA and participate in the preparation of an official statement for the Bonds, and to execute and deliver it on behalf of the City upon its completion.

The motion for the adoption of the foregoing resolution was duly seconded by member Ask and, after full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof: Council Members Rick Fagerlie, Thomas Butterfield, Michael O'Brien, Justin Ask, Vicki Davis, Andrew Plowman, and Audrey Nelsen

and the following voted against the same: None

Whereupon said resolution was declared duly passed and adopted this 20th day of June, 2022.

/s/ Marv Calvin
MAYOR

ATTEST:

/s/ Judy Thompson
CITY CLERK

EXHIBIT A

THE CITY HAS AUTHORIZED BAKER TILLY MUNICIPAL ADVISORS, LLC TO NEGOTIATE THIS ISSUE ON ITS BEHALF. PROPOSALS WILL BE RECEIVED ON THE FOLLOWING BASIS:

**TERMS OF PROPOSAL
\$5,560,000***

**CITY OF WILLMAR, MINNESOTA
GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2022A
(BOOK ENTRY ONLY)**

Proposals for the above-referenced obligations (the “Bonds”) will be received by the City of Willmar, Minnesota (the “City”) on Monday, July 18, 2022 (the “Sale Date”) until 10:00 A.M., Central Time (the “Sale Time”) at the offices of Baker Tilly Municipal Advisors, LLC (“Baker Tilly MA”), 30 East 7th Street, Suite 3025, Saint Paul, MN 55101, after which time proposals will be opened and tabulated. Consideration for award of the Bonds will be by the City Council at its meeting commencing at 6:30 P.M., Central Time, of the same day.

SUBMISSION OF PROPOSALS

Baker Tilly MA will assume no liability for the inability of a bidder or its proposal to reach Baker Tilly MA prior to the Sale Time, and neither the City nor Baker Tilly MA shall be responsible for any failure, misdirection or error in the means of transmission selected by any bidder. All bidders are advised that each proposal shall be deemed to constitute a contract between the bidder and the City to purchase the Bonds regardless of the manner in which the proposal is submitted.

(a) **Sealed Bidding.** Completed, signed proposals may be submitted to Baker Tilly MA by email to bondservice@bakertilly.com or by fax (651) 223-3046, and must be received prior to the Sale Time.

OR

(b) **Electronic Bidding.** Proposals may also be received via PARITY[®]. For purposes of the electronic bidding process, the time as maintained by PARITY[®] shall constitute the official time with respect to all proposals submitted to PARITY[®]. *Each bidder shall be solely responsible for making necessary arrangements to access PARITY[®] for purposes of submitting its electronic proposal in a timely manner and in compliance with the requirements of the Terms of Proposal.* Neither the City, its agents, nor PARITY[®] shall have any duty or obligation to undertake

registration to bid for any prospective bidder or to provide or ensure electronic access to any qualified prospective bidder, and neither the City, its agents, nor PARITY® shall be responsible for a bidder's failure to register to bid or for any failure in the proper operation of, or have any liability for any delays or interruptions of or any damages caused by the services of PARITY®. The City is using the services of PARITY® solely as a communication mechanism to conduct the electronic bidding for the Bonds, and PARITY® is not an agent of the City.

If any provisions of this Terms of Proposal conflict with information provided by PARITY®, this Terms of Proposal shall control. Further information about PARITY®, including any fee charged, may be obtained from:

PARITY®, 1359 Broadway, 2nd Floor, New York, New York 10018
Customer Support: (212) 849-5000

DETAILS OF THE BONDS

The Bonds will be dated as of the date of delivery and will bear interest payable on February 1 and August 1 of each year, commencing August 1, 2023. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Bonds will mature February 1 in the years and amounts* as follows:

2024	\$210,000
2025	\$305,000
2026	\$315,000
2027	\$325,000
2028	\$335,000
2029	\$345,000
2030	\$360,000
2031	\$370,000
2032	\$385,000
2033	\$400,000
2034	\$410,000
2035	\$425,000
2036	\$440,000
2037	\$460,000
2038	\$475,000

* *The City reserves the right, after proposals are opened and prior to award, to increase or reduce the principal amount of the Bonds or the amount of any maturity or maturities in multiples of \$5,000. In the event the amount of any maturity is modified, the aggregate purchase price will be adjusted to result in the same gross spread per \$1,000 of Bonds as that of the original proposal. Gross spread for this purpose is the differential between the price paid to the City for the new issue and the prices at which the proposal indicates the securities will be initially offered to the investing public.*

Proposals for the Bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds. All term bonds shall be subject to mandatory sinking fund redemption at a price of par plus accrued interest to the date of redemption scheduled to conform to the maturity schedule set forth above. In order to designate term bonds, the proposal must specify “Years of Term Maturities” in the spaces provided on the proposal form.

BOOK ENTRY SYSTEM

The Bonds will be issued by means of a book entry system with no physical distribution of Bonds made to the public. The Bonds will be issued in fully registered form and one Bond, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company (“DTC”), New York, New York, which will act as securities depository for the Bonds. Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the registrar to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The lowest bidder (the “Purchaser”), as a condition of delivery of the Bonds, will be required to deposit the Bonds with DTC.

REGISTRAR

The City will name the registrar which shall be subject to applicable regulations of the Securities and Exchange Commission. The City will pay for the services of the registrar.

OPTIONAL REDEMPTION

The City may elect on February 1, 2031, and on any day thereafter, to redeem Bonds due on or after February 1, 2032. Redemption may be in whole or in part and if in part at the option of the City and in such manner as the City shall determine. If less than all Bonds of a maturity are called for redemption, the City will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All redemptions shall be at a price of par plus accrued interest.

SECURITY AND PURPOSE

The Bonds will be general obligations of the City for which the City will pledge its full faith and credit and power to levy direct general ad valorem taxes. In addition, the City will pledge special assessments from benefited properties for repayment of a portion of the Bonds. The proceeds of the Bonds will be used to finance various improvements within the City.

BANK QUALIFIED TAX-EXEMPT OBLIGATIONS

The City will designate the Bonds as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

BIDDING PARAMETERS

Proposals shall be for not less than \$5,476,600 plus accrued interest, if any, on the total principal amount of the Bonds. No proposal can be withdrawn or amended after the time set for receiving proposals on the Sale Date unless the meeting of the City scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made. Rates shall be in integral multiples of 1/100 or 1/8 of 1%. The initial price to the public for each maturity as stated on the proposal must be 98.0% or greater. Bonds of the same maturity shall bear a single rate from the date of the Bonds to the date of maturity. No conditional proposals will be accepted.

ESTABLISHMENT OF ISSUE PRICE

In order to provide the City with information necessary for compliance with Section 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder (collectively, the "Code"), the Purchaser will be required to assist the City in establishing the issue price of the Bonds and shall complete, execute, and deliver to the City prior to the closing date, a written certification in a form acceptable to the Purchaser, the City, and Bond Counsel (the "Issue Price Certificate") containing the following for each maturity of the Bonds (and, if different interest rates apply within a maturity, to each separate CUSIP number within that maturity): (i) the interest rate; (ii) the reasonably expected initial offering price to the "public" (as said term is defined in Treasury Regulation Section 1.148-1(f) (the "Regulation")) or the sale price; and (iii) pricing wires or equivalent communications supporting such offering or sale price. Any action to be taken or documentation to be received by the City pursuant hereto may be taken or received on behalf of the City by Baker Tilly MA.

The City intends that the sale of the Bonds pursuant to this Terms of Proposal shall constitute a "competitive sale" as defined in the Regulation based on the following:

- (i) the City shall cause this Terms of Proposal to be disseminated to potential bidders in a manner that is reasonably designed to reach potential bidders;
- (ii) all bidders shall have an equal opportunity to submit a bid;
- (iii) the City reasonably expects that it will receive bids from at least three bidders that have established industry reputations for underwriting municipal bonds such as the Bonds; and
- (iv) the City anticipates awarding the sale of the Bonds to the bidder who provides a proposal with the lowest true interest cost, as set forth in this Terms of

Proposal (See “AWARD” herein).

Any bid submitted pursuant to this Terms of Proposal shall be considered a firm offer for the purchase of the Bonds, as specified in the proposal. The Purchaser shall constitute an “underwriter” as said term is defined in the Regulation. By submitting its proposal, the Purchaser confirms that it shall require any agreement among underwriters, a selling group agreement, or other agreement to which it is a party relating to the initial sale of the Bonds, to include provisions requiring compliance with the provisions of the Code and the Regulation regarding the initial sale of the Bonds.

If all of the requirements of a “competitive sale” are not satisfied, the City shall advise the Purchaser of such fact prior to the time of award of the sale of the Bonds to the Purchaser. **In such event, any proposal submitted will not be subject to cancellation or withdrawal.** Within twenty-four (24) hours of the notice of award of the sale of the Bonds, the Purchaser shall advise the City and Baker Tilly MA if 10% of any maturity of the Bonds (and, if different interest rates apply within a maturity, to each separate CUSIP number within that maturity) has been sold to the public and the price at which it was sold. The City will treat such sale price as the “issue price” for such maturity, applied on a maturity-by-maturity basis. The City will not require the Purchaser to comply with that portion of the Regulation commonly described as the “hold-the-offering-price” requirement for the remaining maturities, but the Purchaser may elect such option. If the Purchaser exercises such option, the City will apply the initial offering price to the public provided in the proposal as the issue price for such maturities. If the Purchaser does not exercise that option, it shall thereafter promptly provide the City and Baker Tilly MA the prices at which 10% of such maturities are sold to the public; provided such determination shall be made and the City and Baker Tilly MA notified of such prices whether or not the closing date has occurred, until the 10% test has been satisfied as to each maturity of the Bonds or until all of the Bonds of a maturity have been sold.

GOOD FAITH DEPOSIT

To have its proposal considered for award, the Purchaser is required to submit a good faith deposit via wire transfer to the City in the amount of \$55,600 (the “Deposit”) no later than 1:00 P.M., Central Time on the Sale Date. The Purchaser shall be solely responsible for the timely delivery of its Deposit, and neither the City nor Baker Tilly MA have any liability for delays in the receipt of the Deposit. If the Deposit is not received by the specified time, the City may, at its sole discretion, reject the proposal of the lowest bidder, direct the second lowest bidder to submit a Deposit, and thereafter award the sale to such bidder.

A Deposit will be considered timely delivered to the City upon submission of a federal wire reference number by the specified time. Wire transfer instructions will be available from Baker Tilly MA following the receipt and tabulation of proposals. The successful bidder must send an e-mail including the following information: (i) the federal reference number and time released; (ii) the amount of the wire transfer; and (iii) the issue to which it applies.

Once an award has been made, the Deposit received from the Purchaser will be retained by the City and no interest will accrue to the Purchaser. The amount of the Deposit will be deducted at settlement from the purchase price. In the event the Purchaser fails to comply with the accepted proposal, said amount will be retained by the City.

AWARD

The Bonds will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis calculated on the proposal prior to any adjustment made by the City. The City's computation of the interest rate of each proposal, in accordance with customary practice, will be controlling.

The City will reserve the right to: (i) waive non-substantive informalities of any proposal or of matters relating to the receipt of proposals and award of the Bonds, (ii) reject all proposals without cause, and (iii) reject any proposal that the City determines to have failed to comply with the terms herein.

BOND INSURANCE AT PURCHASER'S OPTION

The City has **not** applied for or pre-approved a commitment for any policy of municipal bond insurance with respect to the Bonds. If the Bonds qualify for municipal bond insurance and a bidder desires to purchase a policy, such indication, the maturities to be insured, and the name of the desired insurer must be set forth on the bidder's proposal. The City specifically reserves the right to reject any bid specifying municipal bond insurance, even though such bid may result in the lowest TIC to the City. All costs associated with the issuance and administration of such policy and associated ratings and expenses (other than any independent rating requested by the City) shall be paid by the successful bidder. Failure of the municipal bond insurer to issue the policy after the award of the Bonds shall not constitute cause for failure or refusal by the successful bidder to accept delivery of the Bonds.

CUSIP NUMBERS

If the Bonds qualify for the assignment of CUSIP numbers such numbers will be printed on the Bonds; however, neither the failure to print such numbers on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the Purchaser to accept delivery of the Bonds. Baker Tilly MA will apply for CUSIP numbers pursuant to Rule G-34 implemented by the Municipal Securities Rulemaking Board. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the Purchaser.

SETTLEMENT

On or about August 17, 2022, the Bonds will be delivered without cost to the Purchaser through DTC in New York, New York. Delivery will be subject to receipt by the Purchaser of an approving legal opinion of Kennedy & Graven, Chartered of Minneapolis, Minnesota, and of customary closing papers, including a no-litigation certificate. On the date of settlement, payment for the Bonds shall be made in federal, or equivalent, funds that shall be received at the offices of the City or its designee not later than 12:00 Noon, Central Time. Unless compliance with the terms of payment for the Bonds has been made impossible by action of the City, or its agents, the Purchaser shall be liable to the City for any loss suffered by the City by reason of the Purchaser's non-compliance with said terms for payment.

CONTINUING DISCLOSURE

In accordance with SEC Rule 15c2-12(b)(5), the City will undertake, pursuant to the resolution awarding sale of the Bonds, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Official Statement. The Purchaser's obligation to purchase the Bonds will be conditioned upon receiving evidence of this undertaking at or prior to delivery of the Bonds.

OFFICIAL STATEMENT

The City has authorized the preparation of a Preliminary Official Statement containing pertinent information relative to the Bonds, and said Preliminary Official Statement has been deemed final by the City as of the date thereof within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. For an electronic copy of the Preliminary Official Statement or for any additional information prior to sale, any prospective purchaser is referred to the Municipal Advisor to the City, Baker Tilly Municipal Advisors, LLC, by telephone (651) 223-3000, or by email bondservice@bakertilly.com. The Preliminary Official Statement will also be made available at <https://connect.bakertilly.com/bond-sales-calendar>.

A Final Official Statement (as that term is defined in Rule 15c2-12) will be prepared, specifying the maturity dates, principal amounts, and interest rates of the Bonds, together with any other information required by law. By awarding the Bonds to the Purchaser, the City agrees that, no more than seven business days after the date of such award, it shall provide to the Purchaser an electronic copy of the Final Official Statement. The City designates the Purchaser as its agent for purposes of distributing the Final Official Statement to each syndicate member, if applicable. The Purchaser agrees that if its proposal is accepted by the City, (i) it shall accept designation and (ii) it shall enter into a contractual relationship with its syndicate members for purposes of assuring the receipt of the Final Official Statement by each such syndicate member.

Dated June 20, 2022

BY ORDER OF THE CITY COUNCIL

/s/ Leslie Valiant
City Administrator