

WILLMAR CITY COUNCIL PROCEEDINGS
COUNCIL CHAMBERS
WILLMAR MUNICIPAL UTILITIES BUILDING
WILLMAR, MINNESOTA

May 21, 2018
7:00 p.m.

The regular meeting of the Willmar City Council was called to order by the Honorable Mayor Marv Calvin. Members present on a roll call were Mayor Marv Calvin, Council Members Audrey Nelsen, Ron Christianson, Kathy Schwantes, Fernando Alvarado, Julie Asmus, Shawn Mueske, Andrew Plowman and Rick Fagerlie. Present 9, Absent 0.

Also present were City Administrator Ike Holland, Police Chief Jim Felt, Finance Director Steve Okins, Planning and Development Services Director Bruce Peterson, Public Works Director Sean Christensen, Fire Chief Frank Hanson, City Clerk Judy Thompson and City Attorney Robert Scott.

Proposed additions to the agenda included: Council Member Nelsen added the Bond Sale.

Council Member Christianson moved to approve the agenda, as amended. Council Member Fagerlie seconded the motion which carried.

City Clerk Judy Thompson reviewed the consent agenda.

- A. City Council Meeting Minutes of May 7, 2018
- B. Labor Relations Meeting Minutes of May 1, 2018
- C. Willmar Municipal Utilities Board Minutes of May 14, 2018
- D. Planning Commission Minutes of May 2, 2018
- E. State Temporary Liquor Permit - Willmar Fests Beach Party
- F. Civic Center Special Event Liquor License Permit – Tour of Minnesota
- G. Application for Exempt Permit – Minnesota VFW Charitable Association
- H. **Resolution No. 18-53 to Designate Responsible Authority for the City of Willmar**
- ~~I. Consideration of Adult Enrichment/Community Center Supervisor~~
- ~~J. Resolution for Renewal of Lease with Mid-MN Development Commission~~
- K. Donation of Used Firefighting Gear to the Maynard Fire Department
- L. Human Rights Commission Minutes of April 17, 2018
- M. Police Department Statistics for April, 2018
- N. Fire Department Statistics for April, 2018
- O. Accounts Payable through May 16, 2018
- P. Consideration of Hamdi Kosar’s Application to the Human Rights Commission

Council Member Fagerlie offered a motion to approve the Consent Agenda. Council Member Schwantes asked that Item J. be removed for discussion. Council Member Mueske asked that Item I. be removed for discussion. Council Member Asmus seconded the motion to approve the consent agenda, with the removal of Items J. and K., which carried on a roll call vote of Ayes 8, Noes 0.

Council Member Schwantes stated that under Item 2 of the lease agreement with Mid-Minnesota Development Commission it allows for the Commission to provide a termination notice but no option for the City to do the same. Council Member Schwantes doesn’t anticipate the City terminating the lease, but if the City moves forward with a new City Hall, there might be some changes needed to the lease agreement and felt it might be prudent to have the option addressed. City Administrator Ike Holland stated the agreement can be approved with the condition the City Attorney makes the recommended change.

Following discussion, Council Member Schwantes offered a motion to approve Item F. and introduced **Resolution No. 18-54 Authorization to Execute Lease Agreement with Mid-Minnesota Development Commission** with the addition for the City to also have an option to terminate the lease. Council Member Mueske seconded the motion which carried on a roll call vote of Ayes 8, Noes 0.

Council Member Mueske stated due to the discussion held at the Work Session earlier this evening and the CER Agreement being in jeopardy and possible restructuring that will need to occur, he felt the job description for the Adult Enrichment/Community Center Supervisor will need to be amended to reflect the necessary changes. He acknowledged this position is needed, but necessary revisions need to be made to the description before moving forward to fill this position. Council Member Mueske offered a motion to pull Item I. from the agenda and not move forward with filling the position at this time. Council Member Fagerlie seconded the motion which carried. Council Members Schwantes and Alvarado voted “no”.

Police Chief Jim Felt and City Administrator Ike Holland recognized the retirement of Police Officer Tony Lapatka for over 29 years of service to the City of Willmar. Mr. Lapatka spoke and thanked the Mayor and Council for the opportunity to work for the City and for recognizing him with a gift of appreciation. Mayor Calvin and Council thanked Mr. Lapatka for his many years of service and wished him well in this retirement.

Willmar Fests Chairman James Miller presented a request to hold the Celebrate the Light of the World Holiday Lights display at Robbins Island. Following discussion, Council Member Mueske offered a motion to approve Mr. Miller’s request. Council Member Asmus seconded the motion which carried.

David Little, Willmar, addressed the Mayor and Council during the Open Forum. Mr. Little spoke as a member of the Airport Commission and offered his support of the proposed Oasis Aero Agreement on the agenda this evening.

Finance Director Steve Okins and Springsted Kathy Aho presented information regarding the sale of General Obligation Bonds. Ms. Aho reviewed the bid tabulations and stated the City of Willmar received a very good bond rating.

Council Member Nelsen offered a motion to accept the bid from Northland Securities, Inc. and introduced **Resolution No. 18-55 Awarding the Sale of \$2,780,000 General Obligation Bonds, Series 2018A Fixing Their Form and Specifications; Directing Their Execution and Delivery; and Providing for Their Payment.** Council Member Alvarado seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Council Member Nelsen offered a motion to accept the bid from Northland Securities, Inc. and introduced **Resolution No. 18-56 Awarding the Sale of \$2,930,000 General Obligation Improvement Bonds, Series 2018B, Providing for Their Issuance and Levying a Tax for the Payment Thereof.** Council Member Alvarado seconding the motion, which carried on a roll call vote of Ayes 8, Noes 0.

At 7:39 p.m. Mayor Calvin opened the public hearing for an ordinance to Rezone Property from LB (Limited Business) to R-2 (One and Two Family Residential). Planning and Development Services Director Bruce Peterson stated this parcel was historically zoned R-2, but in 2005 it was rezoned to LB for the original location of the Reading Therapy Center. This property currently has a purchase agreement, contingent on the approval of the zoning amendment, for residential use. Mr. Peterson was recommending Council approve the proposed ordinance.

There being no one to speak for or against said ordinance, Mayor Calvin closed the hearing at 7:40 p.m. and opened it up for discussion by the Council. Following discussion, Council Member Christianson offered a motion to adopt, assign a number and order final publication of **Ordinance No. 1419 An Ordinance Amending Municipal Ordinance No. 1060, The Willmar Zoning Ordinance.** Council Member Fagerlie seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

At 7:42 p.m. Mayor Calvin opened the public hearing for a text amendment to Zoning Ordinance 6.J relating to the Central Business District. Planning and Development Services Director Bruce Peterson stated

there has been interest in the community to allow more multi-family dwelling uses in the Central Business District. Mr. Peterson stated the Planning Commission recommends allowing this use with a conditional use permit (6.J.3), so they can have oversight of location and parking. Mr. Peterson was recommending Council approve the proposed ordinance.

There being no one to speak for or against said ordinance, Mayor Calvin closed the public hearing at 7:44 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 order final publication of **Ordinance No. 1420 An Ordinance Amending No. 1060 Known as the Willmar Zoning Ordinance by Amending Section 6.J Relating to the Central Business District**. Council Member Fagerlie seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

At 7:47 p.m. Mayor Calvin opened the public hearing for an ordinance amending regulations for temporary intoxicating liquor licenses for events at the Civic Center Arena. City Attorney Robert Scott stated currently City Code Section 3-5 includes as a requirement for issuance of a liquor license for an event(s) to be held at the Civic Center Arena that the park and recreation board first approve the individual or entity renting the arena and the liquor sales vendor. The Community Education and Recreation (CER) Board has expressed its desire to be relieved of this responsibility. Mr. Scott was recommending Council approve the proposed ordinance.

There being no one to speak for or against said ordinance, Mayor Calvin closed the public hearing at 7:48 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 order final publication of **Ordinance No. 1421 An Ordinance Amending Regulations for Temporary Intoxicating Liquor Licenses for Events at Civic Center Arena**. Council Member Nelsen seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

City Attorney Robert Scott presented a request to remove the requirement of the CER Board review and approval of liquor licenses for special events on City-owned property. The CER Board has also expressed a desire to be relieved of this responsibility. Following discussion, **Resolution No. 18-57 A Resolution by the Mayor and City Council of the City of Willmar, Minnesota Discontinuing the Community Education and Recreation Advisory Board's Review and Approval of Liquor License Applications for Events on City-Owned Property** was introduced by Council Member Asmus. Council Member Alvarado seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

City Administrator Ike Holland presented a request to approve an agreement with Oasis Aero, Inc. for Airport Operations Supervisor. In 2014 the City entered into a three-year agreement with Eric's Aviation Services, Inc. (now known as Oasis Aero, Inc.) for Airport Operations Supervisor. The agreement recently expired and staff is recommending renewal of the agreement. Following discussion, **Resolution No. 18-58 Authorization to Execute Agreement with Oasis Aero, Inc. for Airport Operation Supervisor** was introduced by Council Member Plowman. Council Member Mueske seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0. Council Member Schwantes abstained from voting.

Public Works Director Sean Christensen presented a request to revoke Industrial Drive SW from 30th Street to Willmar Avenue and adding designation of Olena Avenue SE from 9th Street to Lakeland Drive for Municipal State Aid. Following discussion, Council Member Christianson introduced **Resolution No. 18-59 A Resolution Establishing and Revoking Municipal State Streets**. Council Member Nelsen seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Public Works Director Sean Christensen and Public Works Superintendent Gary Manzer presented information determining brush site procedures. Following a lengthy discussion, Council Member Schwantes offered a motion to eliminate commercial haulers, accept no logs over 18 inches in diameter, eliminate mechanical dumping, and ask Public Works to return to Council at the end of the season to report the impact on the brush site. Council Member Mueske seconded the motion which carried.

Public Works Director Sean Christensen presented a request to award the bid for the Wastewater Treatment Maintenance Facility lot to Duinick, Inc. **Resolution No. 18-60 A Resolution Awarding the**

WWTF Maintenance Facility Lot Overlay to Duininck, Inc. in the Amount of \$38,780.00 was introduced by Council Member Christianson. Council Member Schwantes seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Public Works Director Sean Christensen presented a request to award the bid for the Industrial Park 4th Addition Storm Sewer Improvement to Land Pride Construction, LLC. **Resolution No. 18-61 A Resolution Awarding the Industrial Park 4th Addition Storm Sewer Improvements to Land Pride Construction in the Amount of \$29,888.00** was introduced by Council Member Christianson. Council Member Alvarado seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Public Works Director Sean Christensen presented a request to award the bid for the Wastewater Treatment FOG (fats, oils and grease) and Sewer Cleaning Pad Improvements to Swenson and Sons Construction. **Resolution No. 18-62 A Resolution Awarding the WWTF FOG and Sewer Cleaning Pad Improvements to Swenson and Sons Construction in the Amount of \$34,705.00** was introduced by Council Member Christianson. Council Member Fagerlie seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

City Clerk Judy Thompson presented a request to set a public hearing for 7:02 p.m. on June 4, 2018 for Oslo Meadows Special Assessments for the 2005 Street & Other Improvements against properties purchased by Mike Kompelien Custom Homes, Inc. Mr. Kompelien purchased ten (10) lots in April 2018. Council Member Christianson moved to approve staff's recommendation. Council Member Nelsen seconded the motion which carried.

City Administrator Ike Holland offered the following comments: Lion's Park Dog Statue dedication was held Saturday and there was a good turnout; latest Economic Development video is available on City's website and urged everyone to view; the tentative date for the Splash Pad opening at Rice Park is June 6th.

Council Member Schwantes congratulated everyone involved with the Highway 23 Coalition and thanked them for all their efforts.

Council Member Alvarado stated the Public Works Open House is Thursday, May 24, 2018 from 4:00 p.m. – 6:00 p.m. and urged everyone to attend; Carris Surgery Center open house was held recently and it is a very impressive facility; wished everyone an enjoyable holiday weekend.

Council Member Amus stated the grass has been laid on 16th Street SW and 17th Street SW and thanked those involved in completing this project.

Council Member Mueske stated the Governor's Fishing Opener was amazing and applauded everyone involved in the event for their efforts.

Council Member Nelsen inquired as to the timeframe for Council meetings to be broadcast live.

Mayor Calvin offered the following comments: The Lions 5K event was held last Saturday and was a great event; YMCA Bouncing Bulldogs was held last Saturday and Willmar has the opportunity to be the first city in Minnesota to have a league and gave a shout out to Bonnie Reeb for all her work; Wye Master Agreement is nearing completion; urged everyone to contact Governor Dayton to sign the bonding bill and leave the funding for Highway 23 in the bill; candidate filing opens tomorrow at 8:00 a.m. for the open seats on Council and also the Mayor's seat, cost is \$5.00 and closes on June 5th at 5:00 p.m.

At 8:47 p.m. Mayor Calvin closed this portion of the regular Council meeting.

At 10:27 p.m. the Council returned to Open Session. Council Member Mueske offered a motion to adjourn the meeting with Council Member Asmus seconding the motion which carried. The meeting adjourned at 10:28 p.m.

MAYOR

Attest:

SECRETARY TO THE COUNCIL

RESOLUTION NO. 18-53

ADOPTING A RESPONSIBLE AUTHORITY FOR THE CITY OF WILLMAR

Motion By: Fagerlie Second By: Asmus

WHEREAS, Minnesota Statutes, Section 13.02, Subd. 6, requires that the City of Willmar appoint one person as the Responsible Authority to administer the requirements for collection, storage, use and dissemination of data on individuals within the City; and

WHEREAS, the City Council of the City of Willmar shares the concern expressed by the Legislature on the responsible use of all City data and wishes to satisfy this concern by immediately appointing an administratively and technically qualified Responsible Authority as required under the Statute.

BE IT RESOLVED by the City Council of the City of Willmar Minnesota, that the City Clerk Judy Thompson be appointed as the Responsible Authority for the purpose of meeting all requirements of Minnesota Statutes, Sections 13.02-13.87, as amended, and with rules as lawfully promulgated by the Commissioner of Administration as published in the State Register.

Dated this 21st day of May, 2018.

s/s Mary Calvin
MAYOR

Attest:

s/s Judy Thompson
CITY CLERK

RESOLUTION NO. 18-54

**AUTHORIZATION TO EXECUTE LEASE AGREEMENT WITH MID-MINNESOTA
DEVELOPMENT COMMISSION**

Motion By: Schwantes Second By: Mueske

BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that the Mayor and City Administrator be authorized to enter into a lease agreement between the City of Willmar and Mid-Minnesota Development Commission for office space.

Dated this 21st day of May, 2018.

s/s Marv Calvin
MAYOR

Attest:

s/s Judy Thompson
CITY CLERK

RESOLUTION NO. 18-55

**AWARDING THE SALE OF \$2,780,000 GENERAL OBLIGATION BONDS, SERIES 2018A
FIXING THEIR FORM AND SPECIFICATIONS; DIRECTING THEIR EXECUTION AND
DELIVERY; AND PROVIDING FOR THEIR PAYMENT.**

Motion By: Nelsen

Second By: Alvarado

BE IT RESOLVED By the City Council of the City of Willmar, Minnesota (the "City") in regular meeting assembled as follows:

Section 1. Background.

1.01 The City is authorized by Minnesota Statutes, Sections 469.1812 through 469.1815 (the "Abatement Act") to utilize property tax abatements on specified parcels in order to accomplish certain public purposes, including providing public facilities and public improvements and providing access to services for residents of the City.

1.02. Pursuant to a resolution adopted by the City Council on April 16, 2018 (the "Abatement Resolution") following a duly noticed public hearing, the City Council approved a property tax abatement in a maximum amount of \$140,000 (the "Abatements") on certain property in the City (the "Abatement Parcels").

1.03. In the Abatement Resolution, the City found and determined that the maximum principal amount of the bonds to be secured by Abatements does not exceed the estimated sum of the Abatements from the Abatement Parcels for the authorized term of the Abatements.

1.04. The City finds it necessary, expedient, and desirable to the sound financial management of the affairs of the City to issue general obligation bonds of the City payable from ad valorem taxes and Abatements pursuant to the Abatement Act to finance the construction of an addition to the City's Civic Center to store its ice resurfacer (the "Abatement Project").

1.05. The City is authorized by Minnesota Statutes, Section 410.32(g) and Section 412.301 (the "Equipment Act") to finance the acquisition of items of capital equipment including replacement of an R-22 refrigerant system in the City's Civic Center (the "Equipment"), subject to certain limitations contained in the Equipment Act.

1.06 As required by the Equipment Act, (i) the expected useful life of each item of Equipment is or will be at least as long as the term of the of the Equipment Certificates (as defined below) which shall be payable in not more than 20 years; and (ii) the principal amount of the Equipment Certificates will not exceed 0.25% of the market value of taxable property in the City for taxes payable in 2018, which is the market value as last finally equalized.

Section 2. Sale of Bonds.

2.01 Authorization. It is hereby determined that it is necessary to provide financing for the Abatement Project and the Equipment and to finance those improvements and equipment through issuance of the City's \$2,780,000 General Obligation Bonds, Series 2018A (the "Bonds"). The City is authorized by Minnesota Statutes, Section 475.60, Subdivision 2(9) to negotiate the sale of the Bonds if the City has retained an independent financial advisor in connection with such sale. The City has retained Springsted Incorporated as an independent municipal advisor in connection with the sale of the Bonds.

2.02. Acceptance of Offer. The proposal of Northland Securities, Inc. in Minneapolis, Minnesota (the "Purchaser") to purchase the Bonds of the City described in the Terms of Proposal thereof is hereby found and determined to be a reasonable offer and is hereby accepted, the proposal being to purchase the Bonds at a price of \$2,783,431.55 (par amount of \$2,780,000.00, plus a net premium of \$18,603.75, and less underwriter's discount of \$15,172.20), for Bonds bearing interest as follows:

<u>Year of Maturity</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>
2020	3.00%	2029	3.00%
2021	3.00%	2030	3.10%
2022	3.00%	2031	3.20%
2023	3.00%	2032	3.25%
2024	3.00%	2033	3.30%
2025	3.00%	2034	3.375%
2026	3.00%	2035	3.40%
2027	2.75%	2036	3.45%
2028	2.85%	2038*	3.50%

*Term Bond.

2.03 Purchase Contract. Any amount over the minimum purchase price paid by the Purchaser shall be credited to the Debt Service Fund hereinafter created, or deposited in the Construction Fund hereinafter created, as determined by the City Finance Director in consultation with the City's municipal advisor. As may be requested by the Purchaser, the Mayor and City Clerk are authorized to execute a contract with the Purchaser on behalf of the City. The City Finance Director is directed to retain the good faith check of the Purchaser, on behalf of the City, pending completion of the sale and delivery of the Bonds.

2.04. Terms of Bonds. The City will forthwith issue and sell the Bonds pursuant to the Abatement Act, the Equipment Act and Minnesota Statutes, Chapter 475 (together, the "Act"), in the total principal amount of \$2,780,000, originally dated the date of delivery, the Bonds being in fully registered form and issued in the denomination of \$5,000 or any integral multiple thereof, numbered No. R-1 and upward, bearing interest as above set forth, and maturing on February 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2020	\$110,000	2029	\$145,000
2021	115,000	2030	150,000
2022	115,000	2031	150,000
2023	120,000	2032	155,000
2024	125,000	2033	160,000
2025	130,000	2034	170,000
2026	130,000	2035	175,000
2027	135,000	2036	180,000
2028	140,000	2038*	375,000

*Term Bond.

As may be requested by the Purchaser, one or more term Bonds may be issued having mandatory sinking fund redemption and final maturity amounts conforming to the foregoing principal repayment schedule, and corresponding additions may be made to the provisions of the applicable Bond(s).

\$135,000 of the Bonds (the "Abatement Bonds") maturing in the amounts and on the dates set forth below are being issued to finance the cost of the Abatement Projects:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2020	\$65,000	2021	\$70,000

\$2,645,000 of the Bonds (the "Equipment Certificates") maturing in the amounts and on the dates set forth below are being issued to finance the cost of the Equipment:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2020	\$ 45,000	2030	\$150,000
2021	45,000	2031	150,000
2022	115,000	2032	155,000
2023	120,000	2033	160,000
2024	125,000	2034	170,000
2025	130,000	2035	175,000
2026	130,000	2036	180,000
2027	135,000	2037	185,000
2028	140,000	2038	190,000
2029	145,000		

2.04. Optional Redemption. The City may elect on February 1, 2026, and on any day thereafter to prepay Bonds maturing on or after February 1, 2027. 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 will determine. If less than all Bonds of a maturity are called for redemption, the City will notify DTC (as defined in Section 7 hereof) of the particular amount of such maturity to be prepaid. 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. Prepayments will be at a price of par plus accrued interest.

2.05. Term Bond; Mandatory Redemption. The Bonds maturing on February 1, 2038 shall hereinafter be referred to collectively as the "Term Bonds." The principal amounts of the Term Bonds subject to mandatory sinking fund redemption on any date may be reduced through earlier optional redemptions, with any partial redemption of the Term Bonds credited against future mandatory sinking fund redemptions of such Term Bond in such order as the City shall determine. The Term Bonds are subject to mandatory sinking fund redemption and shall be redeemed in part by lot at par plus accrued interest on the sinking fund installment dates and in the principal amounts as follows:

<u>Sinking Fund Installment Date</u>	<u>Principal Amount</u>
<u>February 1, 2038 Term Bonds</u>	
2037	\$185,000
2038 (maturity)	190,000

Section 3. Form; Registration.

3.01. Registered Form. The Bonds will be issuable only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof will be payable by check or draft issued by the Registrar described herein.

3.02. Dates; Interest Payment Dates. Each Bond will be dated as of the last interest payment date preceding the date of authentication to which interest on the Bond has been paid or made available for payment, unless (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Bond will be dated as of the date of authentication, or (ii) the date of authentication is prior to the first interest payment date, in which case the Bond will be dated as of the date of original issue. The interest on the Bonds will be payable on February 1 and August 1 in each year, commencing February 1, 2019, to the registered owners of record as of the close of business on the 15th day of the immediately preceding month, whether or not that day is a business day.

3.03. Registration. The City will appoint a bond registrar, transfer agent, authenticating agent and paying agent (the "Registrar"). The effect of registration and the rights and duties of the City and the Registrar with respect thereto are as follows:

(a) Register. The Registrar will keep at its principal corporate trust office a bond register in which the Registrar will provide for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender for transfer of any Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar will authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the 15th day of the month preceding each interest payment date and until that interest payment date.

(c) Exchange of Bonds. Whenever any Bonds are surrendered by the registered owner for exchange the Registrar will authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity as requested by the registered owner or the registered owner's attorney in writing.

(d) Cancellation. All Bonds surrendered upon a transfer or exchange will be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When any Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the Bond until it is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar will incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name any Bond is at any time registered in the bond register as the absolute owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order will be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums to be paid.

(g) Taxes, Fees and Charges. The Registrar may impose a charge upon the owner thereof for every transfer or exchange of Bonds, sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond becomes mutilated or is destroyed, stolen or lost, the Registrar will deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the City and the Registrar will be named as obligees. All Bonds so surrendered to the Registrar will be cancelled by it and evidence of such cancellation must be given to the City. If the mutilated, destroyed, stolen or lost bond has already matured or been called for redemption in accordance with its terms it will not be necessary to issue a new Bond prior to payment.

(i) Redemption. In the event any of the Bonds are called for redemption, notice thereof identifying the Bonds to be redeemed will be given by the Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) to the registered owner of each Bond to be redeemed at the address shown on the registration books kept by the Registrar and by publishing the notice if required by law. Failure to give notice by publication or by mail to any registered owner, or any defect therein, will not affect the validity of the proceedings for the redemption of Bonds. Bonds so called for redemption will cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the place of payment at that time.

3.04. Appointment of Initial Registrar. The City hereby appoints U.S. Bank National Association, St. Paul, Minnesota, as the initial Registrar. The Mayor and the City Clerk are authorized to execute and deliver, on behalf of the City, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, the resulting corporation will be authorized to act as successor Registrar. The City agrees to pay the reasonable and customary charges of the Registrar for the services performed. The City reserves the right to remove the Registrar upon 30 days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar must deliver all cash and Bonds in its possession to the successor Registrar and must deliver the bond register to the successor Registrar. On or before each principal or interest due date, without further order of this City Council, the City Finance Director will transmit to the Registrar moneys sufficient for the payment of all principal and interest then due.

3.05. Execution, Authentication and Delivery. The Bonds will be prepared under the direction of the City Finance Director and will be executed on behalf of the City by the signatures of the Mayor and the City Clerk, provided that all signatures may be printed, engraved or lithographed facsimiles of the originals. If an officer whose signature or a facsimile of whose signature appears on the Bonds ceases to be such officer before the delivery of any Bond, that signature or facsimile will nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, no Bond will be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on a Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on each Bond will be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been so prepared, executed and authenticated, the City Clerk will deliver the same to the Purchaser thereof upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser is not obligated to see to the application of the purchase price.

3.06. Temporary Bonds. The City may elect to deliver in lieu of printed definitive Bonds one or more typewritten temporary Bonds in substantially the form set forth in **Exhibit B** with such changes as may be

necessary to reflect more than one maturity in a single temporary bond. Upon the execution and delivery of definitive Bonds the temporary Bonds will be exchanged therefor and cancelled.

3.07. Form of Bonds. The Bonds will be printed or typewritten in substantially the form attached hereto as **Exhibit B**.

3.08. Approving Legal Opinion. The City Clerk is authorized and directed to obtain a copy of the proposed approving legal opinion of Kennedy & Graven, Chartered, Minneapolis, Minnesota, which will be complete except as to dating thereof and will cause the opinion to be printed on or accompany each Bond.

Section 4. Funds and Accounts; Security; Payment.

4.01. (a) Construction Fund. There is hereby created a separate Construction Fund for the Abatement Project and Equipment. Within the Construction Fund the City shall establish and maintain an abatement account (the "Abatement Account") and an Equipment Account (the "Equipment Account"). The proceeds of (i) Abatement Bonds portion of the Bonds, less the appropriations made in paragraph (b)(i) below, together with any other funds appropriated for the Abatement Project, will be deposited in the Abatement Account of the Construction Fund to be used solely to defray expenses of the Abatement Project, (ii) the Equipment Certificates portion of Bonds, less the appropriations made in paragraph (b)(ii) below, together with any other funds appropriated for the Equipment, will be deposited in the Equipment Account of the Construction Fund to be used solely to defray expenses of the acquiring and installing Equipment.

Any balance remaining in the Construction Fund after completion of the Abatement Project and acquiring and installing Equipment and the costs thereof paid, may be used as provided in Minnesota Statutes, section 475.65. Thereafter, the Construction Fund is to be closed and any remaining balances therein are to be deposited in the Abatement Payment Account and Equipment Payment Account, respectively, of the Debt Service Fund.

(b) Debt Service Fund. The Bonds are payable from the General Obligation Bonds, Series 2018A Debt Service Fund (the "Debt Service Fund") hereby created, and (to the extent provided in Section 4.03) ad valorem taxes levied under Section 4.02 hereof, together with all other ad valorem taxes levied hereunder (the "Taxes"), are hereby pledged to the respective accounts of Debt Service Fund as further described in this Section. The City shall maintain an abatement account (the "Abatement Payment Account") and an equipment account (the "Equipment Payment Account") in the Debt Service Fund. Amounts in the Abatement Account are irrevocably pledged to the Abatement Bonds portion of the Bonds and amounts in the Equipment Account are irrevocably pledged to the Equipment Certificates portion of the Bonds.

(i) Abatement Payment Account. To the Abatement Payment Account in the Debt Service Fund there is hereby pledged and irrevocably appropriated and there will be credited: (A) the Abatements and proceeds of Taxes collected under Section 4.02(a), which ad valorem taxes are pledged to the Abatement Payment Account; (B) capitalized interest financed from Abatement Bond proceeds, if any; (C) a pro rata portion of the amount over the minimum purchase price paid by the Purchaser, to the extent designated for deposit in the Debt Service Fund in accordance with Section 2.03 hereof; and (D) all investment earnings on funds in the Abatement Payment Account; and (E) any and all other moneys which are properly available and are appropriated by the City Council to the Abatement Payment Account.

(ii) Equipment Payment Account. To the Equipment Payment Account in the Debt Service Fund there is hereby pledged and irrevocably appropriated and there will be credited: (A) proceeds of Taxes collected under Section 4.02(b), which ad valorem taxes are pledged to the Equipment Payment Account; (B) capitalized interest financed from Equipment Certificate proceeds, if any; (C) a pro rata portion of the amount over the minimum purchase price paid by the Purchaser, to the extent designated for deposit in the Debt Service Fund in accordance with

Section 2.03 hereof; and (D) all investment earnings on funds in the Equipment Payment Account; and (E) any and all other moneys which are properly available and are appropriated by the City Council to the Equipment Payment Account.

If the balance in any account established in the Debt Service Fund is at any time insufficient to pay all interest and principal then due on the respective portion of the Bonds payable therefrom, the Council covenants and agrees that it will each year levy an amount sufficient to take care of any accumulated or anticipated deficiency, which levy is not subject to any limitation as to rate or amount.

(c) The City Finance Director shall timely deposit in the Abatement Payment Account, the Abatements and all Taxes levied under Section 4.02(a) hereof. If any payment of principal or interest on the Abatement Bonds portion of the Bonds shall become due when there is not sufficient money in the Abatement Payment Account of the Debt Service Fund to pay the same, the Finance Director is directed to pay principal or interest from the general funds of the City. The general fund will be reimbursed for such advances out of proceeds of Taxes when collected.

(d) The City Finance Director shall timely deposit in the Equipment Payment Account, all Taxes levied under Section 4.02(b) hereof. If any payment of principal or interest on the Equipment Certificate portion of the Bonds shall become due when there is not sufficient money in the Equipment Payment Account of the Debt Service Fund to pay the same, the Finance Director is directed to pay principal or interest from the general funds of the City. The general fund will be reimbursed for such advances out of proceeds of Taxes when collected.

4.02. Tax Levy.

(a) For the purpose of paying the principal of and interest on the Abatement Bonds portion of the Bonds, there is hereby levied a direct annual irrevocable ad valorem tax upon all of the taxable property in the City, which will be spread upon the tax rolls and collected with and as part of other general taxes of the City. Such tax will be credited to the Abatement Payment Account of the Debt Service Fund above provided and will be in the years and amounts (year stated being year of levy for collection the following year) set forth in **Exhibit C**.

The tax levy herein provided will be irrevocable until all of the Abatement Bonds portion of Bonds are paid, provided that the City Clerk may annually, at the time the City makes its tax levies, certify to the County Auditor the amount available in the Abatement Payment Account of the Debt Service Fund to pay principal and interest due during the ensuing year on the Abatement Bonds portion of the Bonds, and the County Auditor will thereupon reduce the levy collectible during such year by the amount so certified.

(b) For the purpose of paying the principal of and interest on the Equipment Certificates portion of the Bonds, there is hereby levied a direct annual irrevocable ad valorem tax upon all of the taxable property in the City, which will be spread upon the tax rolls and collected with and as part of other general taxes of the City. Such tax will be credited to the Equipment Payment Account of the Debt Service Fund above provided and will be in the years and amounts (year stated being year of levy for collection the following year) set forth in **Exhibit D**.

The tax levy herein provided will be irrevocable until all of Equipment Certificates portion of Bonds are paid, provided that the City Clerk may annually, at the time the City makes its tax levies, certify to the County Auditor the amount available in the Equipment Payment Account of the Debt Service Fund to pay principal and interest due during the ensuing year on the Equipment Certificates portion of the Bonds, and the County Auditor will thereupon reduce the levy collectible during such year by the amount so certified.

4.03. Registration of Resolution. The City Clerk is directed to file a certified copy of this resolution with the Auditor of Kandiyohi County and to obtain the certificate required by Section 475.63 of the Act.

4.04. Debt Service Coverage. It is hereby determined that the estimated collection of the foregoing Abatements and Taxes will produce at least 5% in excess of the amount needed to pay when due, the principal and interest payments on the Abatement Bonds and Equipment Certificates portions of the Bonds.

4.05. General Obligation Pledge. For the prompt and full payment of the principal of and interest on the Bonds, as the same respectively become due, the full faith, credit and taxing powers of the City will be and are hereby irrevocably pledged. If the balance in the Debt Service Fund is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency will be promptly paid out of monies in the general fund of the City which are available for such purpose, and such general fund may be reimbursed with or without interest from the Debt Service Fund when a sufficient balance is available therein.

Section 5. Authentication of Transcript.

5.01. City Proceedings and Records. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser and to the attorneys approving the bonds, certified copies of proceedings and records of the City relating to the bonds and to the financial condition and affairs of the City, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Bonds and such instruments, including any heretofore furnished, will be deemed representations of the City as to the facts stated therein.

5.02. Certification as to Official Statement. The Mayor, City Clerk and Finance Director are hereby authorized and directed to certify that they have examined the Official Statement, prepared and circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the Official Statement is, as of the date thereof, a complete and accurate representation of the facts and representations made therein as it relates to the City and the Bonds.

Section 6. Tax Covenant.

6.01 Tax-Exempt Bonds. The City covenants and agrees with the holders from time to time of the Bonds that it will not take or permit to be taken by any of its officers, employees, or agents any action which would cause the interest on the Bonds to become subject to taxation under the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder, in effect at the time of such actions, and that it will take or cause its officers, employees or agents to take, all affirmative action within its power that may be necessary to ensure that such interest will not become subject to taxation under the Code and applicable Treasury Regulations, as presently existing or as hereafter amended and made applicable to the Bonds. To that end, the City will comply with all requirements necessary under the Code to establish and maintain the exclusion from gross income of the interest on the Bonds under Section 103 of the Code, including without limitation requirements relating to temporary periods for investments, limitations on amounts invested at a yield greater than the yield on the Bonds

6.02. Rebate. The City shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Bonds, including without limitation (1) requirements relating to temporary periods for investments, (2) limitations on amounts invested at a yield greater than the yield on the Bonds, and (3) the rebate of excess investment earnings to the United States.

6.02. Not Private Activity Bonds. The City further covenants not to use the proceeds of the Bonds or to cause or permit them or any of them or the facilities financed thereby to be used, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

6.03. No Designation of Qualified Tax-Exempt Obligations. The Bonds have not been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

6.04. Procedural Requirements. The City will use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designations made by this section.

Section 7. Book-Entry System; Limited Obligation of City.

7.01. DTC. The Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Bond for each of the maturities set forth in Section 1.03 hereof. Upon initial issuance, the ownership of each Bond will be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns (DTC). Except as provided in this section, all of the outstanding Bonds will be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC.

7.02. Participants. With respect to Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC, the City, the Bond Registrar and the Paying Agent will have no responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository (Participants) or to any other person on behalf of which a Participant holds an interest in the Bonds, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person (other than a registered owner of Bonds, as shown by the registration books kept by the Bond Registrar,) of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered owner of Bonds, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The City, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Bond Registrar as the holder and absolute owner of such Bond for the purpose of payment of principal, premium and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bonds, and for all other purposes. The Paying Agent will pay all principal of, premium, if any, and interest on the Bonds only to or on the order of the respective registered owners, as shown in the registration books kept by the Bond Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, or interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of Bonds, as shown in the registration books kept by the Bond Registrar, will receive a certificated Bond evidencing the obligation of this resolution. Upon delivery by DTC to the City Clerk of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co.," will refer to such new nominee of DTC; and upon receipt of such a notice, the City Clerk will promptly deliver a copy of the same to the Bond Registrar and Paying Agent.

7.03. Representation Letter. The City has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (Representation Letter) which shall govern payment of principal of, premium, if any, and interest on the Bonds and notices with respect to the Bonds. Any Paying Agent or Bond Registrar subsequently appointed by the City with respect to the Bonds will agree to take all action necessary for all representations of the City in the Representation Letter with respect to the Bond Registrar and Paying Agent, respectively, to be complied with at all times.

7.04. Transfers Outside Book-Entry System. In the event the City, by resolution of the City Council, determines that it is in the best interests of the persons having beneficial interests in the Bonds that they be able to obtain Bond certificates, the City will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Bond certificates. In such event the City will issue, transfer and exchange Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this Resolution. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the City will issue and the Bond Registrar will authenticate Bond certificates in accordance with this resolution and the provisions hereof will apply to the transfer, exchange and method of payment thereof.

7.05. Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as a Bond is registered in the name of Cede & Co., as nominee of DTC, payments with respect to principal of, premium, if any, and interest on the Bond and all notices with respect to the Bond will be made and given, respectively in the manner provided in DTC's Operational Arrangements, as set forth in the Representation Letter.

Section 8. Continuing Disclosure.

8.01. City Compliance with Provisions of Continuing Disclosure Certificate. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Resolution, failure of the City to comply with the Continuing Disclosure Certificate is not to be considered an event of default with respect to the Bonds; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this section.

8.02. Execution of Continuing Disclosure Certificate. "Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate executed by the Mayor and City Clerk and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

Section 9. Defeasance. When all Bonds (or all of either the Abatement Bonds or Equipment Certificates portion thereof) have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution (with respect to the Abatement Bonds or Equipment Certificates portion of the Bonds, as the case may be) to holders of the Bonds will cease, except that the pledge of the full faith and credit of the City for the prompt and full payment of the principal of and interest on the Bonds will remain in full force and effect. The City may discharge all Bonds (or all of either Abatement Bonds or Equipment Certificates portion thereof) which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full or by depositing irrevocably in escrow, with a suitable institution qualified by law as an escrow agent for this purpose, cash or securities which are backed by the full faith and credit of the United States of America, or any other security authorized under Minnesota law for such purpose, bearing interest payable at such times and at such rates and maturing on such dates and in such amounts as shall be required and sufficient, subject to sale and/or reinvestment in like securities, to pay said obligation(s), which may include any interest payment on such Bond and/or principal amount due thereon at a stated maturity (or if irrevocable provision shall have been made for permitted prior redemption of such principal amount, at such earlier redemption date). If any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

The motion for adoption of the foregoing resolution was duly seconded by Member Alvarado, and upon vote being taken thereon, the following voted in favor thereof: Council Member Audrey Nelsen, Ron Christianson, Kathy Schwantes, Fernando Alvarado, Julie Asmus, Shawn Mueske, Andrew Plowman, and Rick Fagerlie

and the following voted against the same: None

whereupon said resolution was declared duly passed and adopted this 21st day of May, 2018.

s/s Marv Calvin
MAYOR

Attest:

s/s Judy Thompson
CITY CLERK

RESOLUTION NO. 18-56

AWARDING THE SALE OF \$2,930,000 GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2018B, PROVIDING FOR THEIR ISSUANCE AND LEVYING A TAX FOR THE PAYMENT THEREOF

Motion By: Nelsen Second By: Alvarado

BE IT RESOLVED By the City Council of the City of Willmar, Kandiyohi County, Minnesota (the "City") in regular meeting assembled as follows:

Section 1. Background.

1.01 The City is authorized by Minnesota Statutes, Chapters 429 and 475 (the "Improvement Act") to provide financing for various public street improvements in the City (the "Improvements").

1.02 The City is authorized by Minnesota Statutes, Section 115.46 and Minnesota Statutes, Chapter 475, as amended (the "Disposal System Act"), to finance, by the issuance of general obligation bonds of the City payable from general ad valorem taxes, improvements to the City's disposal system including without limitation the Western Interceptor/storm sewer which is a project under the City's Municipal Separate Storm Sewer System (MS4) General Permit from the Minnesota Pollution Control Agency as a part of a system of disposing of wastes which may pollute or tend to pollute the waters of the state (the "Disposal System Improvements").

Section 2. Sale of Bonds.

2.01 Authorization. It is hereby determined that it is necessary to provide financing for the Improvements and the Disposal System Improvements and to finance those improvements through the issuance of the City's \$2,930,000 General Obligation Improvement Bonds, Series 2018B (the "Bonds"). The City is authorized by Minnesota Statutes, Section 475.60, Subdivision 2(9) to negotiate the sale of the Bonds if the City has retained an independent financial advisor in connection with such sale. The City has retained Springsted Incorporated as an independent municipal advisor in connection with the sale of the Bonds.

2.02. Acceptance of Offer. The proposal of Northland Securities, Inc. in Minneapolis, Minnesota (the "Purchaser") to purchase the Bonds of the City described in the Terms of Proposal is hereby found and determined to be a reasonable offer and is hereby accepted, the proposal being to purchase the Bonds at a price of \$2,974,862.45 (par amount of \$2,930,000.00, plus a net premium of \$52,945.80, and less underwriter's discount of \$8,083.35), for Bonds bearing interest as follows:

<u>Year of Maturity</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>
2020	3.00%	2025	3.00%
2021	3.00%	2026	3.00%
2022	3.00%	2027	2.75%
2023	3.00%	2028	2.85%
2024	3.00%	2029	3.00%

2.03. Purchase Contract. Any amount over the minimum purchase price paid by the Purchaser shall be credited to the Debt Service Fund hereinafter created, or deposited in the Construction Fund hereinafter created, as determined by the City Finance Director in consultation with the City’s municipal advisor and the City Finance Director. As may be requested by the Purchaser, the Mayor and City Clerk are authorized to execute a contract with the Purchaser on behalf of the City. The City Finance Director is directed to retain the good faith check of the Purchaser, on behalf of the City, pending completion of the sale and delivery of the Bonds.

2.04. Terms of Bonds. The City will forthwith issue and sell the Bonds pursuant to the Improvement Act and the Disposal System Act (together, the “Act”), in the total principal amount of \$2,930,000, originally dated as of the date of delivery, the Bonds being in fully registered form and issued in the denomination of \$5,000 or any integral multiple thereof, numbered No. R-1 and upward, bearing interest as above set forth, and maturing on February 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2020	\$255,000	2025	\$295,000
2021	265,000	2026	305,000
2022	270,000	2027	315,000
2023	280,000	2028	325,000
2024	290,000	2029	330,000

As may be requested by the Purchaser, one or more term Bonds may be issued having mandatory sinking fund redemption and final maturity amounts conforming to the foregoing principal repayment schedule, and corresponding additions may be made to the provisions of the applicable Bond(s).

\$1,450,000 of the Bonds (the “Improvement Bonds”) maturing in the amounts and on the dates set forth below are being issued to finance the cost of the Improvements:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2020	\$125,000	2025	\$145,000
2021	130,000	2026	150,000
2022	135,000	2027	155,000
2023	140,000	2028	160,000
2024	145,000	2029	165,000

\$1,480,000 of the Bonds (the “Disposal System Improvement Bonds”) maturing in the amounts and on the dates set forth below are being issued to finance the cost of the Disposal System Improvements:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2020	\$130,000	2025	\$150,000
2021	135,000	2026	155,000
2022	135,000	2027	160,000
2023	140,000	2028	165,000
2024	145,000	2029	165,000

2.05. Optional Redemption. The City may elect on February 1, 2026, and on any day thereafter to prepay Bonds maturing on or after February 1, 2027. 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 will determine. If less than all Bonds of a maturity are called for redemption, the City will notify DTC (as defined in Section 7 hereof) of the particular amount of such maturity to be prepaid. 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. Prepayments will be at a price of par plus accrued interest.

Section 3. Form; Registration.

3.01. Registered Form. The Bonds will be issuable only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof will be payable by check or draft issued by the Registrar described herein.

3.02. Dates; Interest Payment Dates. Each Bond will be dated as of the last interest payment date preceding the date of authentication to which interest on the Bond has been paid or made available for payment, unless (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Bond will be dated as of the date of authentication, or (ii) the date of authentication is prior to the first interest payment date, in which case the Bond will be dated as of the date of original issue. The interest on the Bonds will be payable on February 1 and August 1 in each year, commencing February 1, 2019, to the registered owners of record as of the close of business on the 15th day of the immediately preceding month, whether or not that day is a business day.

3.03. Registration. The City will appoint a bond registrar, transfer agent, authenticating agent and paying agent (the "Registrar"). The effect of registration and the rights and duties of the City and the Registrar with respect thereto are as follows:

(a) Register. The Registrar will keep at its principal corporate trust office a bond register in which the Registrar will provide for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender for transfer of any Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar will authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the 15th day of the month preceding each interest payment date and until that interest payment date.

(c) Exchange of Bonds. Whenever any Bonds are surrendered by the registered owner for exchange the Registrar will authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity as requested by the registered owner or the registered owner's attorney in writing.

(d) Cancellation. All Bonds surrendered upon a transfer or exchange will be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When any Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the Bond until it is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar will incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name any Bond is at any time registered in the bond register as the absolute owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order will be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums to be paid.

(g) Taxes, Fees and Charges. The Registrar may impose a charge upon the owner thereof for every transfer or exchange of Bonds, sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond becomes mutilated or is destroyed, stolen or lost, the Registrar will deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the City and the Registrar will be named as obligees. All Bonds so surrendered to the Registrar will be cancelled by it and evidence of such cancellation must be given to the City. If the mutilated, destroyed, stolen or lost bond has already matured or been called for redemption in accordance with its terms it will not be necessary to issue a new Bond prior to payment.

(i) Redemption. In the event any of the Bonds are called for redemption, notice thereof identifying the Bonds to be redeemed will be given by the Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) to the registered owner of each Bond to be redeemed at the address shown on the registration books kept by the Registrar and by publishing the notice if required by law. Failure to give notice by publication or by mail to any registered owner, or any defect therein, will not affect the validity of the proceedings for the redemption of Bonds. Bonds so called for redemption will cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the place of payment at that time..

3.04. Appointment of Initial Registrar. The City hereby appoints U.S. Bank National Association, St. Paul, Minnesota, as the initial Registrar. The Mayor and the City Clerk are authorized to execute and deliver, on behalf of the City, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, the resulting corporation will be authorized to act as successor Registrar. The City agrees to pay the reasonable and customary charges of the Registrar for the services performed. The City reserves the right to remove the Registrar upon 30 days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar must deliver all cash and Bonds in its possession to the successor Registrar and must deliver the bond register to the successor Registrar. On or before each principal or interest due date, without further order of this City Council, the City Finance Director will transmit to the Registrar moneys sufficient for the payment of all principal and interest then due.

3.05. Execution, Authentication and Delivery. The Bonds will be prepared under the direction of the City Finance Director and will be executed on behalf of the City by the signatures of the Mayor and the City Clerk, provided that all signatures may be printed, engraved or lithographed facsimiles of the originals. If an officer whose signature or a facsimile of whose signature appears on the Bonds ceases to be such officer before the delivery of any Bond, that signature or facsimile will nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, no Bond will be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on a Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on each Bond will be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been so prepared, executed and authenticated, the City Clerk will deliver the same to the Purchaser thereof upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser is not obligated to see to the application of the purchase price.

3.06. Temporary Bonds. The City may elect to deliver in lieu of printed definitive Bonds one or more typewritten temporary Bonds in substantially the form set forth in **Exhibit B** with such changes as may

be necessary to reflect more than one maturity in a single temporary bond. Upon the execution and delivery of definitive Bonds the temporary Bonds will be exchanged therefor and cancelled.

3.07. Form of Bonds. The Bonds will be printed or typewritten in substantially the form attached hereto as **Exhibit B**.

3.08. Approving Legal Opinion. The City Clerk is authorized and directed to obtain a copy of the proposed approving legal opinion of Kennedy & Graven, Chartered, Minneapolis, Minnesota, which will be complete except as to dating thereof and will cause the opinion to be printed on or accompany each Bond.

Section 4. Funds and Accounts; Security; Payment.

4.01. Construction Fund. The City hereby creates the General Obligation Improvement Bonds, Series 2018B Construction Fund (the "Construction Fund") to be administered and maintained by the Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The City will maintain the following accounts in the Construction Fund: the "Assessable Improvements Account" and the "Disposal System Improvements Account." Amounts in the Assessable Improvements Account will be used to construct the Improvements and amounts in the Disposal System Improvements Account will be used to construct the Disposal System Improvements.

(a) Assessable Improvements Account. Proceeds of the Improvement Bonds, less the appropriations made in Section 4.02(a) hereof, together with any other funds appropriated for the Improvements and general taxes hereafter levied (the "Taxes") and the special assessments levied against the property specially benefited by the Improvements (the "Assessments") collected during the construction of the Assessable Improvements, will be deposited in the Assessable Improvements Account of the Construction Fund to be used solely to defray expenses of the Improvements and the payment of principal of and interest on the Improvement Bonds prior to the completion and payment of all costs of the Improvements.

(b) Disposal System Improvements Account. Proceeds of the Disposal System Improvements Bonds, less the appropriations made in Section 4.02(b) hereof, will be deposited in the Disposal System Improvements Account of the Construction Fund to be used solely to defray expenses of the Disposal System Improvements. When the Disposal System Improvements are completed and the cost thereof paid, the Disposal System Improvements Account of the Construction Fund is to be closed and any funds remaining may be deposited in the Disposal System Improvements Account of the Debt Service Fund.

Any balance remaining in the Construction Fund after completion of the Improvements the Disposal System Improvements and the costs thereof paid, may be used as provided in Minnesota Statutes, section 475.65. Thereafter, the Construction Fund is to be closed and any remaining balances therein and subsequent collections of Assessments for the Improvements and any Taxes are to be deposited in the Assessable Improvements Account or the Disposal System Improvements Account of the Debt Service Fund, as applicable.

4.02. Debt Service Fund. The Bonds will be payable from the General Obligation Improvement Bonds, Series 2018B Debt Service Fund (the "Debt Service Fund") hereby created. The Debt Service Fund shall be administered and maintained by the Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The City will maintain the following accounts in the Debt Service Fund: the "Assessable Improvements Account" and the "Disposal System Improvements Account." Amounts in the Assessable Improvements Account are irrevocably pledged to the Improvement Bonds and amounts in the Disposal System Improvements Account are irrevocably pledged to the Disposal System Improvement Bonds.

(a) Assessable Improvements Account. To the Assessable Improvements Account of the Debt Service Fund hereby created, there is hereby pledged and irrevocably appropriated and there will be credited: (A) the Assessments and proceeds of Taxes collected under Section 4.03(a), which ad valorem

taxes are pledged to the Assessable Improvements Account; (B) capitalized interest financed from Improvement Bond proceeds, if any; (C) a pro rata portion of the amount over the minimum purchase price paid by the Purchaser, to the extent designated for deposit in the Debt Service Fund in accordance with Section 2.03 hereof; and (D) all investment earnings on funds in the Assessable Improvements Account; and (E) any and all other moneys which are properly available and are appropriated by the City Council to the Assessable Improvements Account.

(b) Disposal System Improvements Account. To the Disposal System Improvements Account of the Debt Service Fund hereby created, there is hereby pledged and irrevocably appropriated and there will be credited: (A) the proceeds of Taxes collected under Section 4.03(a), which ad valorem taxes are pledged to the Disposal System Improvements Account; (B) capitalized interest financed from Disposal System Improvement Bond proceeds, if any; (C) a pro rata portion of the amount over the minimum purchase price paid by the Purchaser, to the extent designated for deposit in the Debt Service Fund in accordance with Section 2.03 hereof; and (D) all investment earnings on funds in the Disposal System Improvements Account; and (E) any and all other moneys which are properly available and are appropriated by the City Council to the Disposal System Improvements Account.

4.03. Tax Levy.

(a) Improvement Bonds. For the purpose of paying the principal of and interest on the Improvement Bonds, there is hereby levied a direct annual irrevocable ad valorem tax upon all of the taxable property in the City, which will be spread upon the tax rolls and collected with and as part of other general taxes of the City. Such tax will be credited to the Assessable Improvements Account of the Debt Service Fund above provided and will be in the years and amounts (year stated being year of levy for collection the following year) set forth in **Exhibit C**.

The tax levy herein provided will be irrevocable until all of the Improvement Bonds are paid, provided that the City Clerk may annually, at the time the City makes its tax levies, certify to the County Auditor the amount available in the Assessable Improvements Account of the Debt Service Fund to pay principal and interest due during the ensuing year on the Improvement Bonds, and the County Auditor will thereupon reduce the levy collectible during such year by the amount so certified.

(b) Disposal System Improvement Bonds. For the purpose of paying the principal of and interest on the Disposal System Improvement Bonds, there is hereby levied a direct annual irrevocable ad valorem tax upon all of the taxable property in the City, which will be spread upon the tax rolls and collected with and as part of other general taxes of the City. Such tax will be credited to the Disposal System Improvements Account of the Debt Service Fund above provided and will be in the years and amounts (year stated being year of levy for collection the following year) set forth in **Exhibit D**.

The tax levy herein provided will be irrevocable until all of the Disposal System Improvement Bonds are paid, provided that the City Clerk may annually, at the time the City makes its tax levies, certify to the County Auditor the amount available in the Disposal System Improvements Account of the Debt Service Fund to pay principal and interest due during the ensuing year on the Disposal System Improvement Bonds, and the County Auditor will thereupon reduce the levy collectible during such year by the amount so certified.

4.04. City Covenants with Respect to the Improvement Bonds. It is hereby determined that the Improvements will directly and indirectly benefit abutting property, and the City hereby covenants with the holders from time to time of the Bonds as follows:

(a) The City has caused or will cause the Assessments for the Improvements to be promptly levied so that the first installment will be collectible not later than 2019 and will take all steps necessary to assure prompt collection, and the levy of the Assessments is hereby authorized. The City Council will cause to be taken with due diligence all further actions that are required for the construction of each Improvement financed wholly or partly from the proceeds of the Bonds, and will take all further actions

necessary for the final and valid levy of the Assessments and the appropriation of any other funds needed to pay the Improvement Bonds and interest thereon when due.

(b) In the event of any current or anticipated deficiency in Assessments and Taxes, the City Council will levy ad valorem taxes in the amount of the current or anticipated deficiency.

(c) The City will keep complete and accurate books and records showing: receipts and disbursements in connection with the Improvements, Assessments and Taxes levied therefor and other funds appropriated for their payment, collections thereof and disbursements therefrom, monies on hand and, the balance of unpaid Assessments.

(d) The City will cause its books and records to be audited at least annually and will furnish copies of such audit reports to any interested person upon request.

(e) At least 20% of the cost to the City of the Improvements described herein will be specially assessed against benefited properties.

4.05 Registration of Resolution. The City Clerk is directed to file a certified copy of this resolution with the Auditor of Kandiyohi County and to obtain the certificate required by Section 475.63 of the Act.

4.06. Debt Service Coverage. It is hereby determined that the estimated collection of the foregoing Taxes and Assessments will produce at least 5% in excess of the amount needed to pay when due, the principal and interest payments on the Bonds.

4.07. General Obligation Pledge. For the prompt and full payment of the principal of and interest on the Bonds, as the same respectively become due, the full faith, credit and taxing powers of the City will be and are hereby irrevocably pledged. If the balance in the Debt Service Fund is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency will be promptly paid out of monies in the general fund of the City which are available for such purpose, and such general fund may be reimbursed with or without interest from the Debt Service Fund when a sufficient balance is available therein.

Section 5. Authentication of Transcript.

5.01. City Proceedings and Records. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser and to the attorneys approving the bonds, certified copies of proceedings and records of the City relating to the bonds and to the financial condition and affairs of the City, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Bonds and such instruments, including any heretofore furnished, will be deemed representations of the City as to the facts stated therein.

5.02. Certification as to Official Statement. The Mayor, City Clerk and Finance Director are hereby authorized and directed to certify that they have examined the Official Statement, prepared and circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the Official Statement is, as of the date thereof, a complete and accurate representation of the facts and representations made therein as it relates to the City and the Bonds.

Section 6. Tax Covenant.

6.01 Tax-Exempt Bonds. The City covenants and agrees with the holders from time to time of the Bonds that it will not take or permit to be taken by any of its officers, employees, or agents any action which would cause the interest on the Bonds to become subject to taxation under the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder, in effect at the time of such actions, and that it will take or cause its officers, employees or agents to take, all affirmative action within its power that may be necessary to ensure that such interest will not become subject to taxation under the Code and applicable Treasury Regulations, as presently existing or as hereafter amended and made applicable to the Bonds. To that end, the City will comply with all requirements necessary under the Code to establish and maintain the exclusion from gross income of the interest on the Bonds under Section 103 of the Code, including without limitation requirements relating to temporary periods for investments, limitations on amounts invested at a yield greater than the yield on the Bonds.

6.02. Rebate. The City shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Bonds, including without limitation (1) requirements relating to temporary periods for investments, (2) limitations on amounts invested at a yield greater than the yield on the Bonds, and (3) the rebate of excess investment earnings to the United States.

6.03. Not Private Activity Bonds. The City further covenants not to use the proceeds of the Bonds or to cause or permit them or any of them or the facilities financed thereby to be used, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

6.04. No Designation of Qualified Tax-Exempt Obligations. The Bonds have not been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

6.05. Procedural Requirements. The City will use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designations made by this section.

Section 7. Book-Entry System; Limited Obligation of City.

7.01. DTC. The Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Bond for each of the maturities set forth in Section 1.03 hereof. Upon initial issuance, the ownership of each Bond will be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns (DTC). Except as provided in this section, all of the outstanding Bonds will be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC.

7.02. Participants. With respect to Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC, the City, the Bond Registrar and the Paying Agent will have no responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository (Participants) or to any other person on behalf of which a Participant holds an interest in the Bonds, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person (other than a registered owner of Bonds, as shown by the registration books kept by the Bond Registrar,) of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered owner of Bonds, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The City, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Bond Registrar as the holder and absolute owner of such Bond for the purpose of payment of principal, premium and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bonds, and for all other purposes. The Paying Agent will pay all principal of, premium, if any, and interest on the Bonds only to or on the order of the respective

registered owners, as shown in the registration books kept by the Bond Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, or interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of Bonds, as shown in the registration books kept by the Bond Registrar, will receive a certificated Bond evidencing the obligation of this resolution. Upon delivery by DTC to the City Clerk of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co.," will refer to such new nominee of DTC; and upon receipt of such a notice, the City Clerk will promptly deliver a copy of the same to the Bond Registrar and Paying Agent.

7.03. Representation Letter. The City has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (Representation Letter) which shall govern payment of principal of, premium, if any, and interest on the Bonds and notices with respect to the Bonds. Any Paying Agent or Bond Registrar subsequently appointed by the City with respect to the Bonds will agree to take all action necessary for all representations of the City in the Representation Letter with respect to the Bond Registrar and Paying Agent, respectively, to be complied with at all times.

7.04. Transfers Outside Book-Entry System. In the event the City, by resolution of the City Council, determines that it is in the best interests of the persons having beneficial interests in the Bonds that they be able to obtain Bond certificates, the City will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Bond certificates. In such event the City will issue, transfer and exchange Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this Resolution. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the City will issue and the Bond Registrar will authenticate Bond certificates in accordance with this resolution and the provisions hereof will apply to the transfer, exchange and method of payment thereof.

7.05. Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as a Bond is registered in the name of Cede & Co., as nominee of DTC, payments with respect to principal of, premium, if any, and interest on the Bond and all notices with respect to the Bond will be made and given, respectively in the manner provided in DTC's Operational Arrangements, as set forth in the Representation Letter.

Section 8. Continuing Disclosure.

8.01. City Compliance with Provisions of Continuing Disclosure Certificate. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Resolution, failure of the City to comply with the Continuing Disclosure Certificate is not to be considered an event of default with respect to the Bonds; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this section.

8.02. Execution of Continuing Disclosure Certificate. "Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate executed by the Mayor and City Clerk and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

Section 9. Defeasance. When all Bonds (or all of either the Improvement Bonds or Disposal System Improvement Bonds portion thereof) have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution (with respect to the Improvement Bonds or Disposal System Improvement Bonds portion of the Bonds, as the case may be) to holders of the Bonds will cease, except that the pledge of the full faith and credit of the City for the prompt and full payment of the principal of and interest on the Bonds will remain in full force and effect. The City may discharge all Bonds (or all of either the Improvement Bonds or Disposal System Improvement Bonds portion thereof) which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full or by

depositing irrevocably in escrow, with a suitable institution qualified by law as an escrow agent for this purpose, cash or securities which are backed by the full faith and credit of the United States of America, or any other security authorized under Minnesota law for such purpose, bearing interest payable at such times and at such rates and maturing on such dates and in such amounts as shall be required and sufficient, subject to sale and/or reinvestment in like securities, to pay said obligation(s), which may include any interest payment on such Bond and/or principal amount due thereon at a stated maturity (or if irrevocable provision shall have been made for permitted prior redemption of such principal amount, at such earlier redemption date). If any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

The motion for adoption of the foregoing resolution was duly seconded by Member Alvarado, and upon vote being taken thereon, the following voted in favor thereof: Council Member Audrey Nelsen, Ron Christianson, Kathy Schwantes, Fernando Alvarado, Julie Asmus, Shawn Mueske, Andrew Plowman, and Rick Fagerlie

and the following voted against the same: None

whereupon said resolution was declared duly passed and adopted this 21st day of May, 2018.

s/s Marv Calvin
MAYOR

Attest:

s/s Judy Thompson
CITY CLERK

RESOLUTION NO. 18-57

A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLMAR, MINNESOTA DISCONTINUING THE COMMUNITY EDUCATION AND RECREATION ADVISORY BOARD'S REVIEW AND APPROVAL OF LIQUOR LICENSE APPLICATIONS FOR EVENTS ON CITY-OWNED PROPERTY

Motion By: Asmus Second By: Alvarado

WHEREAS, the City of Willmar (City) is a party to a cooperative agreement with the Independent School District No. 347 of Willmar, Minnesota (District), pursuant to which the City and District formed the Community Education and Recreation Advisory Board (CER Board) to coordinate community educational and recreational programming offered by the City and School; and

WHEREAS, the City's practice for many years has been to submit liquor license applications for special events to be held on City-owned property to the CER Board for review and approval prior to final action to issue or deny such application by the city council; and

WHEREAS, City staff and the City Attorney have researched the City's charter, ordinances and policies and have determined there is no legal requirement duly adopted by the city council that would require the CER Board review and approval of liquor licenses for such special events to be held on City-owned property; and

WHEREAS, after review and consideration, the city council now desires to discontinue the practice of submitting liquor license applications for special events to be held on City-owned property to the CER Board for its review and approval.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that, effective immediately, the City shall cease submitting liquor license applications for special events to be held on City-owned property to the CER Board for its review and approval, and the city council shall act on all such licenses pursuant to the process(es) established in the City's Code of Ordinances.

Adopted by the City Council of the City of Willmar on May 21, 2018.

Approved:

s/s Marv Calvin
Mayor

Attest:

s/s Judy Thompson
City Clerk

RESOLUTION NO. 18-58

**AUTHORIZATION TO EXECUTE AGREEMENT WITH OASIS AERO, INC.
FOR AIRPORT OPERATION SUPERVISOR**

Motion By: Plowman

Second By: Mueske

BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that the Mayor and City Administrator be authorized to enter into an agreement between the City of Willmar and Oasis Aero, Inc. to provide airport operation supervisor services for the Willmar Municipal Airport.

Dated this 21st day of May, 2018.

s/s Marv Calvin
MAYOR

Attest:

s/s Judy Thompson
CITY CLERK

RESOLUTION NO. 18-59

A RESOLUTION ESTABLISHING AND REVOKING MUNICIPAL STATE STREETS

Motion By: Christianson

Second By: Nelsen

WHEREAS, it appears to the City Council of the City of Willmar that the streets hereinafter described should be designated and revoked as a Municipal State Aid Street under the provisions of Minnesota Law, as follows:

REVOKING

Industrial Drive SW from 30th Street to Willmar Avenue (0.39 non-existing miles)

ESTABLISHING

Olena Avenue SE from 9th Street to Lakeland Drive (0.51 miles)

BE IT FURTHER RESOLVED, by the City Council of the City of Willmar that said revisions is in all things approved.

Dated this 21st day of May, 2018.

s/s Marv Calvin

Mayor

Attest:

s/s Judy Thompson

City Clerk

RESOLUTION NO. 18-60

A RESOLUTION AWARDING THE WWTF MAINTENANCE FACILITY LOT OVERLAY TO DUININCK, INC. IN THE AMOUNT OF \$38,780.00.

Motion By: Christianson

Second By: Schwantes

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, that the bid of Duininck, Inc. for the WWTF Maintenance Facility Lot Overlay is accepted, and be it further resolved that the Mayor and City Administrator of the City of Willmar are hereby authorized to enter into an agreement with the bidder for the terms and consideration of the contract in the amount of \$38,780.00

Dated this 21st day of May, 2018

s/s Marv Calvin

Mayor

Attest:

s/s Judy Thompson

City Clerk

RESOLUTION NO. 18-61

A RESOLUTION AWARDING THE INDUSTRIAL PARK 4TH ADDITION STORM SEWER IMPROVEMENTS TO LAND PRIDE CONSTRUCTION IN THE AMOUNT OF \$29,888.00.

Motion By: Christianson Second By: Alvarado

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, that the bid of Land Pride Construction for the Industrial Park 4th Addition Storm Sewer Improvements is accepted, and be it further resolved that the Mayor and City Administrator of the City of Willmar are hereby authorized to enter into an agreement with the bidder for the terms and consideration of the contract in the amount of \$29,888.00

Dated this 21st day of May, 2018

s/s Marv Calvin

Mayor

Attest:

s/s Judy Thompson
City Clerk

RESOLUTION NO. 18-62

A RESOLUTION AWARDING THE WWTF FOG AND SEWER CLEANING PAD IMPROVEMENTS TO SWENSON AND SONS CONSTRUCTION IN THE AMOUNT OF \$34,705.00.

Motion By: Christianson Second By: Fagerlie

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, that the bid of Swenson and Sons Construction for the WWTF FOG and Sewer Cleaning Pad Improvements is accepted, and be it further resolved that the Mayor and City Administrator of the City of Willmar are hereby authorized to enter into an agreement with the bidder for the terms and consideration of the contract in the amount of \$34,705.00

Dated this 21st day of May, 2018

s/s Marv Calvin

Mayor

Attest:

s/s Judy Thompson
City Clerk