



City of Afton

CITY OF AFTON
SPECIAL COUNCIL MEETING AGENDA
Wednesday, March 25, 2015
At 4:30 P.M.

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF AGENDA for the March 25, 2015 Special City Council Meeting.

4. CITY COUNCIL BUSINESS

- A. Award the Sale of General Obligation Temporary Improvement Bonds, Series 2015A – **Resolution 2015-29**
- B. Initial Offers to the Robbs and Knutsons for the Acquisition of Easements for Stormwater Improvements – **Resolution 2015-30**
(**The Council may close the meeting to discuss the initial property acquisition offers**)
- C. LMC Conference
- D. Planning Commission Applicant Interviews and Appointment
- E. Appointments to the Natural Resources and Groundwater Committee and the Technology and High Speed Internet Access Committee
- F. Cooperative Opportunity with the Sheriff's Department
- G. Wenck Addendum to Facility Plan Proposal

5. ADJOURN

A quorum of the City Council or Other Commissions may be present to receive information at, but not limited to, any of the following meetings: Planning Commission; the Public Works Committee; Parks Committee; Design Review and Heritage Preservation Commission; Lower St. Croix Cable Commission; LSCWMO; MSCWMO; I-94 Corridor Coalition and the 5-City Mayor's Alliance.

City of Afton
3033 St. Croix Trl, P.O. Box 219
Afton, MN 55001

Meeting Date Mar. 25, 2015

Council Action Memo

To: Mayor Bend and Members of the City Council
From: Ron Moorse, City Administrator
Date: March 19, 2015
Re: Award the Sale of General Obligation Temporary Improvement Bonds, Series 2015A –
Resolution 2015-29

Background

At its February 17, 2015 meeting, the Council approved moving forward with a bond sale to provide temporary financing for the downtown improvement projects. The bond sale will be held on March 25. The bids will be provided to the Council at the Special Council meeting, along with a recommendation regarding the low bid. A draft resolution awarding the sale of the bonds is attached. At the Special Council meeting, a resolution reflecting the low bid will be provided.

Council Action Requested

Motion regarding the adoption of a resolution awarding the sale of General Obligation Improvement Bonds, Series 2015A.

RESOLUTION 2015-29

CITY OF AFTON
WASHINGTON COUNTY, MINNESOTA

Special City Council Meeting Held: March 25, 2015

**RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF \$3,760,000
GENERAL OBLIGATION TEMPORARY IMPROVEMENT BONDS, SERIES 2015A,
PLEDGING FOR THE SECURITY THEREOF SPECIAL ASSESSMENTS AND
LEVYING A TAX FOR THE PAYMENT THEREOF**

A. WHEREAS, the City Council of the City of Afton, Minnesota (the "City") has heretofore determined and declared that it is necessary and expedient to issue \$3,760,000 General Obligation Temporary Improvement Bonds, Series 2015A (the "Bonds" or individually, a "Bond"), pursuant to Minnesota Statutes, Chapters 475 and 429 to temporarily finance various improvement projects within the City (the "Improvements"); and

B. WHEREAS, the Improvements and all the components have been ordered prior to the date hereof, after a public hearing thereon for which notice was given describing the Improvements, or all the components by general nature, estimated cost, and area to be assessed; and

C. WHEREAS, the City has retained Springsted Incorporated, in St. Paul, Minnesota ("Springsted"), as its independent municipal advisor for the sale of the Bonds and was therefore authorized to sell the Bonds by private negotiation in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9) and proposals to purchase the Bonds have been solicited by Springsted; and

D. WHEREAS, the proposals set forth on Exhibit A attached hereto were received by the Administrator, or designee, at the offices of Springsted, at 10:00 A.M. this same day pursuant to the Terms of Proposal established for the Bonds; and

E. WHEREAS, it is in the best interests of the City that the Bonds be issued in book-entry form as hereinafter provided; and

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

1. Acceptance of Proposal. The offer of _____ (the "Purchaser"), to purchase the Bonds in accordance with the terms and at the rates of interest hereinafter set forth, and to pay therefor the sum of \$ _____, plus interest accrued to settlement, is hereby accepted.

2. Bond Terms.

(a) Original Issue Date; Denominations; Maturity. The Bonds shall be dated as of the date of delivery, as the date of original issue, issued forthwith on or after such date in fully registered form, numbered R 1 in the denomination of \$5,000 each or in any integral multiple thereof of a single maturity (the "Authorized Denominations") and shall all mature on April 1, 2017, unless called for earlier redemption.

(b) Book Entry Only System. The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York or any of its successors or its successors to its functions hereunder (the "Depository") will act as securities depository for the Bonds, and to this end:

- (i) The Bonds shall be initially issued and, so long as they remain in book entry form only (the "Book Entry Only Period"), shall at all times be in the form of a separate single fully registered Bond for each maturity of the Bonds; and for purposes of complying with this requirement under paragraphs 5 and 10 Authorized Denominations for any Bond shall be deemed to be limited during the Book Entry Only Period to the outstanding principal amount of that Bond.
- (ii) Upon initial issuance, ownership of the Bonds shall be registered in a bond register maintained by the Bond Registrar (as hereinafter defined) in the name of CEDE & CO, as the nominee (it or any nominee of the existing or a successor Depository, the "Nominee").
- (iii) With respect to the Bonds neither the City nor the Bond Registrar shall have any responsibility or obligation to any broker, dealer, bank, or any other financial institution for which the Depository holds Bonds as securities depository (the "Participant") or the person for which a Participant holds an interest in the Bonds shown on the books and records of the Participant (the "Beneficial Owner"). Without limiting the immediately preceding sentence, neither the City, nor the Bond Registrar, shall have any such responsibility or obligation with respect to (A) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any ownership interest in the Bonds, or (B) the delivery to any Participant, any Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption, or (C) the payment to any Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the principal of or premium, if any, or interest on the Bonds, or (D) the consent given or other action taken by the Depository as the Registered Holder of any Bonds (the "Holder"). For purposes of securing the vote or consent of any Holder under this Resolution, the City may, however, rely upon an omnibus proxy under which the Depository assigns its consenting or voting rights to certain Participants to whose accounts the Bonds are credited on the record date identified in a listing attached to the omnibus proxy.

- (iv) The City and the Bond Registrar may treat as and deem the Depository to be the absolute owner of the Bonds for the purpose of payment of the principal of and premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to the Bonds, for the purpose of obtaining any consent or other action to be taken by Holders for the purpose of registering transfers with respect to such Bonds, and for all purpose whatsoever. The Bond Registrar, as paying agent hereunder, shall pay all principal of and premium, if any, and interest on the Bonds only to the Holder or the Holders of the Bonds as shown on the bond register, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid.
- (v) Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new Nominee in place of the existing Nominee, and subject to the transfer provisions in paragraph 10, references to the Nominee hereunder shall refer to such new Nominee.
- (vi) So long as any Bond is registered in the name of a Nominee, all payments with respect to the principal of and premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, by the Bond Registrar or City, as the case may be, to the Depository as provided in the Letter of Representations to the Depository required by the Depository as a condition to its acting as book-entry Depository for the Bonds (said Letter of Representations, together with any replacement thereof or amendment or substitute thereto, including any standard procedures or policies referenced therein or applicable thereto respecting the procedures and other matters relating to the Depository's role as book-entry Depository for the Bonds, collectively hereinafter referred to as the "Letter of Representations").
- (vii) All transfers of beneficial ownership interests in each Bond issued in book-entry form shall be limited in principal amount to Authorized Denominations and shall be effected by procedures by the Depository with the Participants for recording and transferring the ownership of beneficial interests in such Bonds.
- (viii) In connection with any notice or other communication to be provided to the Holders pursuant to this Resolution by the City or Bond Registrar with respect to any consent or other action to be taken by Holders, the Depository shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action; provided, that the City or the Bond Registrar may establish a special record date for such consent or other action. The City or the Bond Registrar shall, to the extent possible, give the Depository notice of such special record date not less than fifteen calendar days in advance of such special record date to the extent possible.

(ix) Any successor Bond Registrar in its written acceptance of its duties under this Resolution and any paying agency/bond registrar agreement, shall agree to take any actions necessary from time to time to comply with the requirements of the Letter of Representations.

(x) In the case of a partial prepayment of a Bond, the Holder may, in lieu of surrendering the Bonds for a Bond of a lesser denomination as provided in paragraph 5, make a notation of the reduction in principal amount on the panel provided on the Bond stating the amount so redeemed.

(c) Termination of Book-Entry Only System. Discontinuance of a particular Depository's services and termination of the book-entry only system may be effected as follows:

(i) The Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the City and discharging its responsibilities with respect thereto under applicable law. The City may terminate the services of the Depository with respect to the Bond if it determines that the Depository is no longer able to carry out its functions as securities depository or the continuation of the system of book-entry transfers through the Depository is not in the best interests of the City or the Beneficial Owners.

(ii) Upon termination of the services of the Depository as provided in the preceding paragraph, and if no substitute securities depository is willing to undertake the functions of the Depository hereunder can be found which, in the opinion of the City, is willing and able to assume such functions upon reasonable or customary terms, or if the City determines that it is in the best interests of the City or the Beneficial Owners of the Bond that the Beneficial Owners be able to obtain certificates for the Bonds, the Bonds shall no longer be registered as being registered in the bond register in the name of the Nominee, but may be registered in whatever name or names the Holder of the Bonds shall designate at that time, in accordance with paragraph 10. To the extent that the Beneficial Owners are designated as the transferee by the Holders, in accordance with paragraph 10, the Bonds will be delivered to the Beneficial Owners.

(iii) Nothing in this subparagraph (d) shall limit or restrict the provisions of paragraph 10.

(d) Letter of Representations. The provisions in the Letter of Representations are incorporated herein by reference and made a part of the resolution, and if and to the extent any such provisions are inconsistent with the other provisions of this resolution, the provisions in the Letter of Representations shall control.

3. Purpose. The Bonds shall provide funds to temporarily finance the Improvements. The total cost of the Improvements, which shall include all costs enumerated in Minnesota Statutes, Section 475.65, is estimated to be at least equal to the amount of the Bonds. Work on the Improvements shall proceed with due diligence to completion. The City covenants that it shall do all things and perform all acts required of it to assure that work on the

Improvements proceeds with due diligence to completion and that any and all permits and studies required under law for the Improvements are obtained.

4. Interest. The Bonds shall all bear interest payable semiannually on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2015, calculated on the basis of a 360-day year of twelve 30-day months, at the rate of _____% per annum.

5. Redemption. The Bonds shall be subject to redemption and prepayment at the option of the City on April 1, 2016, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part. If redemption is in part, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected registered holder of the Bonds.

To effect a partial redemption of Bonds, the Bond Registrar prior to giving notice of redemption shall assign to each Bond a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers so assigned to such Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the City or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the City and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the City shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

6. Bond Registrar. U.S. Bank National Association, in St. Paul, Minnesota, is appointed to act as bond registrar and transfer agent with respect to the Bonds (the "Bond Registrar"), and shall do so unless and until a successor Bond Registrar is duly appointed, all pursuant to any contract the City and Bond Registrar shall execute which is consistent herewith. The Bond Registrar shall also serve as paying agent unless and until a successor paying agent is duly appointed. Principal and interest on the Bonds shall be paid to the registered holders (or record holders) of the Bonds in the manner set forth in the form of Bond and paragraph 12.

7. Form of Bond. The Bonds, together with the Bond Registrar's Certificate of Authentication, the form of Assignment and the registration information thereon, shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MINNESOTA
WASHINGTON COUNTY
CITY OF AFTON

R- _____ \$ _____

GENERAL OBLIGATION TEMPORARY IMPROVEMENT BOND, SERIES 2015A

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	April 1, 2017	_____, 2015	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The City of Afton, Washington County, Minnesota (the "Issuer"), certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, unless called for earlier redemption, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, and to pay interest thereon semiannually on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2015, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest has been paid, from the date of original issue hereof. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the U.S. Bank National Association, in St. Paul, Minnesota (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer. Interest on this Bond will be paid on each Interest Payment Date by check or draft mailed to the person in whose name this Bond is registered (the "Holder" or "Bondholder") on the registration books of the Issuer maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder hereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given to Bondholders not less than ten days prior to the Special Record Date. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America. So long as this Bond is registered in the name of the Depository or its Nominee as provided in the Resolution hereinafter described, and as those terms are defined therein, payment of principal of, premium, if any, and interest on this Bond and notice with respect thereto shall be made as provided in the Letter of Representations, as defined in the Resolution, and surrender of this Bond shall not be required for payment of the redemption price upon a partial redemption of this Bond. Until termination of

the book-entry only system pursuant to the Resolution, Bonds may only be registered in the name of the Depository or its Nominee.

Optional Redemption. All Bonds of this issue (the "Bonds") are subject to redemption and prepayment at the option of the Issuer on April 1, 2016, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the principal amount to be redeemed shall be determined by the Issuer; and if only part of the Bonds are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected Holder of the Bonds at least thirty days prior to the date fixed for redemption.

Selection of Bonds for Redemption; Partial Redemption. To effect a partial redemption of Bonds, the Bond Registrar shall assign to each Bond a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers assigned to the Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the Issuer or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the Issuer and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the Issuer shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Issuance; Purpose; General Obligation. This Bond, in the total principal amount of \$3,760,000, has been issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota and pursuant to a resolution adopted by the City Council of the Issuer on March 25, 2015 (the "Resolution"), for the purpose of providing money to temporarily finance various improvement projects within the jurisdiction of the Issuer. This Bond is payable out of the General Obligation Temporary Improvement Bonds, Series 2015A Fund of the Issuer, to which fund there have been irrevocably pledged special assessments anticipated to be received with respect to the improvements financed by the Bonds, and into which fund there are to be paid proceeds of definitive improvement bonds or additional temporary improvement bonds which the Issuer is required by law to issue at or prior to the maturity of this Bond for the purpose of refunding the same if the special assessments theretofore received or collected or any other municipal funds which are properly available and are appropriated by the City Council for such purposes, are not sufficient for the full payment thereof. This Bond constitutes a general obligation of the Issuer, and to provide moneys for the prompt and full payment of its principal,

premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Denominations; Exchange; Resolution. The Bonds are issuable solely in fully registered form in Authorized Denominations (as defined in the Resolution) and are exchangeable for fully registered Bonds of other Authorized Denominations in equal aggregate principal amounts at the principal office of the Bond Registrar, but only in the manner and subject to the limitations provided in the Resolution. Reference is hereby made to the Resolution for a description of the rights and duties of the Bond Registrar. Copies of the Resolution are on file in the principal office of the Bond Registrar.

Transfer. This Bond is transferable by the Holder in person or the Holder's attorney duly authorized in writing at the principal office of the Bond Registrar upon presentation and surrender hereof to the Bond Registrar, all subject to the terms and conditions provided in the Resolution and to reasonable regulations of the Issuer contained in any agreement with the Bond Registrar. Thereupon the Issuer shall execute and the Bond Registrar shall authenticate and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee (but not registered in blank or to "bearer" or similar designation), of an Authorized Denomination or Denominations, in aggregate principal amount equal to the principal amount of this Bond, of the same maturity and bearing interest at the same rate.

Fees upon Transfer or Loss. The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Bond and any legal or unusual costs regarding transfers and lost Bonds.

Treatment of Registered Owners. The Issuer and Bond Registrar may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except as otherwise provided herein with respect to the Record Date) and for all other purposes, whether or not this Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Authentication hereon shall have been executed by the Bond Registrar.

Qualified Tax-Exempt Obligations. The Bonds have been designated by the Issuer as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law, and that this Bond, together with all other debts of the Issuer outstanding on the date of original issue hereof and the date of its issuance and delivery to the original purchaser, does not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of Afton, Washington County, Minnesota, by its City Council has caused this Bond to be executed on its behalf by the facsimile signatures of its Mayor and its Administrator, the corporate seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration:

Registrable by: U.S. BANK NATIONAL
ASSOCIATION

Payable at: U.S. BANK NATIONAL
ASSOCIATION

BOND REGISTRAR'S
CERTIFICATE OF
AUTHENTICATION

CITY OF AFTON,
WASHINGTON COUNTY, MINNESOTA

This Bond is one of the
Bonds described in the
Resolution mentioned
within.

/s/ Facsimile
Mayor

U.S. BANK NATIONAL
ASSOCIATION, St. Paul,
Minnesota
Bond Registrar

/s/ Facsimile
Administrator

By: _____
Authorized Signature

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with right of survivorship and not as tenants in common

UTMA - _____ as custodian for _____ under the _____ Uniform
(Cust) (Minor) (State)

Transfers to Minors Act

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____ attorney to transfer the Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges or any other "Eligible Guarantor Institution" as defined in 17 CFR 240.17 Ad-15(a)(2).

The Bond Registrar will not effect transfer of this Bond unless the information concerning the transferee requested below is provided.

Name and Address: _____

(Include information for all joint owners if the Bond is held by joint account.)

PREPAYMENT SCHEDULE

This Bond has been prepaid in part on the date(s) and in the amount(s) as follows:

<u>DATE</u>	<u>AMOUNT</u>	<u>AUTHORIZED SIGNATURE OF HOLDER</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

8. Execution; Temporary Bonds. The Bonds shall be printed (or, at the request of the Purchaser, typewritten) and shall be executed on behalf of the City by the signatures of its Mayor and Administrator and be sealed with the seal of the City; provided, however, that the seal of the City may be a printed (or, at the request of the Purchaser, photocopied) facsimile; and provided further that both of such signatures may be printed (or, at the request of the Purchaser, photocopied) facsimiles and the corporate seal may be omitted on the Bonds as permitted by law. In the event of disability or resignation or other absence of either officer, the Bonds may be signed by the manual or facsimile signature of that officer who may act on behalf of the absent or disabled officer. In case either officer whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. The City may elect to deliver, in lieu of printed definitive bonds, one or more typewritten temporary bonds in substantially the form set forth above, with such changes as may be necessary to reflect more than one maturity in a single temporary bond. Such temporary bonds may be executed with photocopied facsimile signatures of the Mayor and Administrator. Such temporary bonds shall, upon the printing of the definitive bonds and the execution thereof, be exchanged therefor and canceled.

9. Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless a Certificate of Authentication on the Bond, substantially in the form hereinabove set forth, shall have been duly executed by an authorized representative of the Bond Registrar. Certificates of Authentication on different Bonds need not be signed by the same person. The Bond Registrar shall authenticate the signatures of officers of the City on each Bond by execution of the Certificate of Authentication on the Bond and by inserting as the date of registration in the space provided the date on which the Bond is authenticated, except that for purposes of delivering the original Bonds to the Purchaser, the Bond Registrar shall insert as a date of registration the date of original issue, which date is the date of delivery. The Certificate of Authentication so executed on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution.

10. Registration; Transfer; Exchange. The City will cause to be kept at the principal office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the Bond Registrar shall provide for the registration of Bonds and the registration of transfers of Bonds entitled to be registered or transferred as herein provided.

Upon surrender for transfer of any Bond at the principal office of the Bond Registrar, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration (as provided in paragraph 9) of, and deliver, in the name of the designated transferee or transferees, one or more new Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount, having the same stated maturity and interest rate, as requested by the transferor; provided, however, that no Bond may be registered in blank or in the name of "bearer" or similar designation.

At the option of the Holder, Bonds may be exchanged for Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount and stated maturity, upon surrender of the Bonds to be exchanged at the principal office of the Bond Registrar. Whenever

any Bonds are so surrendered for exchange, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration of, and deliver the Bonds which the Holder making the exchange is entitled to receive.

All Bonds surrendered upon any exchange or transfer provided for in this resolution shall be promptly canceled by the Bond Registrar and thereafter disposed of as directed by the City.

All Bonds delivered in exchange for or upon transfer of Bonds shall be valid general obligations of the City evidencing the same debt, and entitled to the same benefits under this resolution, as the Bonds surrendered for such exchange or transfer.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Bond Registrar, duly executed by the Holder thereof or his, her or its attorney duly authorized in writing

The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of any Bond and any legal or unusual costs regarding transfers and lost Bonds.

Transfers shall also be subject to reasonable regulations of the City contained in any agreement with the Bond Registrar, including regulations which permit the Bond Registrar to close its transfer books between record dates and payment dates. The Administrator is hereby authorized to negotiate and execute the terms of said agreement.

11. Rights Upon Transfer or Exchange. Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

12. Interest Payment; Record Date. Interest on any Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond is registered (the "Holder") on the registration books of the City maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid shall cease to be payable to the person who is the Holder thereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given by the Bond Registrar to the Holders not less than ten days prior to the Special Record Date.

13. Treatment of Registered Owner. The City and Bond Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of and premium, if any, and interest (subject to the payment provisions in paragraph 12) on, such Bond and for all other purposes whatsoever whether or not such Bond shall be overdue, and neither the City nor the Bond Registrar shall be affected by notice to the contrary.

14. Delivery; Application of Proceeds. The Bonds when so prepared and executed shall be delivered by the Administrator to the Purchaser upon receipt of the purchase price, and the Purchaser shall not be obliged to see to the proper application thereof.

15. Fund and Accounts. There is hereby created a special fund to be designated the "General Obligation Temporary Improvement Bonds, Series 2015A Fund" (the "Fund") to be administered and maintained by the Administrator as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Fund shall be maintained in the manner herein specified until all of the Bonds and the interest thereon have been fully paid. There shall be maintained in the Fund the "Construction Account" and "Debt Service Account":

(a) Construction Account. To the Construction Account shall be credited the proceeds of the sale of the Bonds, less any accrued and capitalized interest, and less any amount paid for the Bonds in excess of the minimum bid, plus any special assessments levied with respect to the Improvements and collected prior to completion of the Improvements and payment of the costs thereof. From the Construction Account there shall be paid all costs and expenses of making the Improvements listed in paragraph 16, including the cost of any construction contracts heretofore let and all other costs incurred and to be incurred of the kind authorized in Minnesota Statutes, Section 475.65; and the moneys in the Construction Account shall be used for no other purpose except as otherwise provided by law; provided that the proceeds of the Bonds may also be used to the extent necessary to pay interest on the Bonds due prior to the anticipated date of commencement of the receipt of the collection of taxes or special assessments herein levied or covenanted to be levied; and provided further that if upon completion of the Improvements there shall remain any unexpended balance in the Construction Account, the balance (other than any special assessments) may be transferred by the Council to the Debt Service Account or the fund of any other improvement instituted pursuant to Minnesota Statutes, Chapter 429, and provided further that any special assessments credited to the Construction Account shall only be applied towards payment of the costs of the Improvements upon adoption of a resolution by the City Council determining that the application of the special assessments for such purpose will not cause the City to no longer be in compliance with Minnesota Statutes, Section 475.61, Subdivision 1.

(b) Debt Service Account. There are hereby irrevocably appropriated and pledged to, and there shall be credited to, the Debt Service Account: (i) all collections of special assessments herein covenanted to be levied with respect to the Improvements and either initially credited to the Construction Account and not already spent a permitted above and required to pay any principal and interest due on the Bonds or collected subsequent to the completion of the Improvements and payment of the costs thereof; (ii) all accrued interest received upon delivery of the Bonds; (iii) capitalized interest in the amount of \$ _____ (together with interest earnings thereon and subject to such other adjustments as are appropriate to provide sufficient funds to pay interest due on the Bonds on or before _____); (iv) all collections of taxes levied for the payment of the Bonds; (v) all funds remaining in the Construction Account after completion of the Improvements and payment of the costs thereof; (vi) the proceeds of the definitive improvement bonds in an amount, together with other moneys then on hand irrevocably appropriated to said account, as is necessary to pay the principal of, and interest on, the Bonds; (vii) all investment earnings on funds held in the Debt Service Account;

and (viii) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Debt Service Account. The Debt Service Account shall be used solely to pay the principal and interest and any premiums for redemption of the Bonds and any other general obligation bonds of the City hereafter issued by the City and made payable from the account as provided by law.

No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (1) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds were issued and (2) in addition to the above in an amount not greater than the lesser of five percent of the proceeds of the Bonds or \$100,000. To this effect, any proceeds of the Bonds and any sums from time to time held in the Construction Account or the Debt Service Account (or any other City account which will be used to pay principal or interest to become due on the bonds payable therefrom) in excess of amounts which under then applicable federal arbitrage regulations may be invested without regard to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by the arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. Money in the Fund shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

16. Pledge of Proceeds of Definitive Improvement Bonds, Special Assessments; Coverage Test. To provide moneys for the prompt and full payment of principal and interest on the Bonds, the City shall issue and sell the definitive improvement bonds for delivery and payment at or prior to the maturity date of the Bonds. The proceeds of the definitive improvement bonds, together with estimated special assessments and the tax levy for the Improvements to be received before the maturity date of the Bonds, are hereby found, determined and declared to be sufficient in amount to pay when due one hundred five percent of the principal of and interest on the Bonds.

17. Conditions Prior to Issuance of Definitive Improvement Bonds. It is hereby found, determined and declared that all conditions precedent to the offering of definitive improvement bonds of the City to refund the Bonds to the extent necessary within the meaning of Minnesota Statutes, Section 475.61, Subdivision 5, have been met and exist.

18. Assessments. It is hereby determined that no less than twenty percent of the cost to the City of each Improvement financed hereunder within the meaning of Minnesota Statutes, Section 475.58, Subdivision 1(3), shall be paid by special assessments to be levied against every assessable lot, piece and parcel of land benefited by any of the Improvements. The City hereby covenants and agrees that it will let all construction contracts not heretofore let within one year after ordering each Improvement financed hereunder unless the resolution ordering the Improvement specifies a different time limit for the letting of construction contracts. The City hereby further covenants and agrees that it will do and perform as soon as they may be done all acts and things necessary for the final and valid levy of such special assessments, and in the event that any such assessment be at any time held invalid with respect to any lot, piece or parcel

of land due to any error, defect, or irregularity in any action or proceedings taken or to be taken by the City or the City Council or any of the City officers or employees, either in the making of the assessments or in the performance of any condition precedent thereto, the City and the City Council will forthwith do all further acts and take all further proceedings as may be required by law to make the assessments a valid and binding lien upon such property.

19. Bondholder Covenant. The provisions of this resolution constitute a covenant with the Holder of the Bonds and the definitive improvement bonds to be issued to refund the Bonds and, with respect to the payment of funds to the Debt Service Account, a pledge of those funds for the benefit of the holder of the Bonds payable therefrom.

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

21. Defeasance. When all Bonds have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the registered holders of the Bonds shall, to the extent permitted by law, cease. The City may discharge its obligations with respect to any Bonds which are due on any date by irrevocably depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full; or if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Bond Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full, provided that notice of redemption thereof has been duly given. The City may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a suitable banking institution qualified by law as an escrow agent for this purpose, cash or securities described in Minnesota Statutes, Section 475.67, Subdivision 8, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without regard to sale and/or reinvestment, to pay all amounts to become due thereon to maturity or, if notice of redemption as herein required has been duly provided for, to such earlier redemption date.

22. Compliance With Reimbursement Bond Regulations. The provisions of this paragraph are intended to establish and provide for the City's compliance with United States Treasury Regulations Section 1.150-2 (the "Reimbursement Regulations") applicable to the "reimbursement proceeds" of the Bonds, being those portions thereof which will be used by the City to reimburse itself for any expenditure which the City paid or will have paid prior to the Closing Date (a "Reimbursement Expenditure").

The City hereby certifies and/or covenants as follows:

(a) Not later than 60 days after the date of payment of a Reimbursement Expenditure, the City (or person designated to do so on behalf of the City) has made or will have made a written declaration of the City's official intent (a "Declaration") which effectively (i) states the City's reasonable expectation to reimburse itself for the payment of the Reimbursement Expenditure out of the proceeds of a subsequent borrowing; (ii) gives a general and functional description of the property, project or program to which the Declaration relates and for which the Reimbursement Expenditure is paid, or identifies a specific fund or account of the City and the general functional purpose thereof from which the Reimbursement Expenditure was to be paid (collectively the "Project"); and (iii) states the maximum principal amount of debt expected to be issued by the City for the purpose of financing the Project; provided, however, that no such Declaration shall necessarily have been made with respect to: (i) "preliminary expenditures" for the Project, defined in the Reimbursement Regulations to include engineering or architectural, surveying and soil testing expenses and similar prefatory costs, which in the aggregate do not exceed twenty percent of the "issue price" of the Bonds, and (ii) a *de minimis* amount of Reimbursement Expenditures not in excess of the lesser of \$100,000 or five percent of the proceeds of the Bonds.

(b) Each Reimbursement Expenditure is a capital expenditure or a cost of issuance of the Bonds or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Reimbursement Regulations.

(c) The "reimbursement allocation" described in the Reimbursement Regulations for each Reimbursement Expenditure shall and will be made forthwith following (but not prior to) the issuance of the Bonds and in all events within the period ending on the date which is the later of three years after payment of the Reimbursement Expenditure or one year after the date on which the Project to which the Reimbursement Expenditure relates is first placed in service.

(d) Each such reimbursement allocation will be made in a writing that evidences the City's use of Bond proceeds to reimburse the Reimbursement Expenditure and, if made within 30 days after the Bonds are issued, shall be treated as made on the day the Bonds are issued.

Provided, however, that the City may take action contrary to any of the foregoing covenants in this paragraph upon receipt of an opinion of its Bond Counsel for the Bonds stating in effect that such action will not impair the tax-exempt status of the Bonds.

23. Continuing Disclosure. The City is the sole obligated person with respect to the Bonds. The City hereby agrees, in accordance with the provisions of Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended, and a Continuing Disclosure Undertaking (the "Undertaking") hereinafter described:

(a) to provide or cause to be provided to the Municipal Securities Rulemaking Board, by filing at www.emma.msrb.org, (i) at least annually, its audited financial statements for the most recent fiscal year, and (ii) notice of the occurrence of certain events with respect to the Bonds in not more than ten (10) business days after the occurrence of such event, in accordance

with the Undertaking; and

(b) its covenants pursuant to the Rule set forth in this paragraph and in the Undertaking is intended to be for the benefit of the Holders of the Bonds and shall be enforceable on behalf of such Holders; provided that the right to enforce the provisions of these covenants shall be limited to a right to obtain specific enforcement of the City's obligations under the covenants.

The Mayor and Administrator or any other officer of the City authorized to act in their place (the "Officers") are hereby authorized and directed to execute on behalf of the City the Undertaking in substantially the form presented to the City Council subject to such modifications thereof or additions thereto as are (i) consistent with the requirements under the Rule, (ii) required by the Purchaser of the Bonds, and (iii) acceptable to the Officers.

24. Certificate of Registration. The Administrator is hereby directed to file a certified copy of this resolution with the County Auditor of Washington County, Minnesota, together with such other information as the Auditor shall require, and to obtain the County Auditor's certificate that the Bonds have been entered in the County Auditor's Bond Register and that the tax levy required by law has been made.

25. Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser, and to the attorneys approving the legality of the issuance of the Bonds, certified copies of all proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the Bonds as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

26. Negative Covenant as to Use of Bond Proceeds and Improvements. The City hereby covenants not to use the proceeds of the Bonds or to use the Improvements, or to cause or permit them to be used, or to enter into any deferred payment arrangements for the cost of the Improvements, 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.

27. Tax-Exempt Status of the Bonds; 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 (i) requirements relating to temporary periods for investments, (ii) limitations on amounts invested at a yield greater than the yield on the Bonds, and (iii) the rebate of excess investment earnings to the United States if the Bonds (together with other obligations reasonably expected to be issued and outstanding at one time in this calendar year) exceed the small issuer exception amount of \$5,000,000.

For purposes of qualifying for the small issuer exception to the federal arbitrage rebate requirements for governmental units issuing \$5,000,000 or less of bonds, the City hereby finds, determines and declares that (i) the Bonds are issued by a governmental unit with general taxing

powers; (ii) no Bond is a private activity bond; (iii) ninety five percent or more of the net proceeds of the Bonds are to be used for local governmental activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City); and (iv) the aggregate face amount of all tax exempt bonds (other than private activity bonds) issued by the City (and all entities subordinate to, or treated as one issuer with the City) during the calendar year in which the Bonds are issued and outstanding at one time is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code.

28. Designation of Qualified Tax-Exempt Obligations. In order to qualify the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the City hereby makes the following factual statements and representations:

- (a) the Bonds are issued after August 7, 1986;
- (b) the Bonds are not "private activity bonds" as defined in Section 141 of the Code;
- (c) the City hereby designates the Bonds as "qualified tax exempt obligations" for purposes of Section 265(b)(3) of the Code;
- (d) the reasonably anticipated amount of tax exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the City (and all entities treated as one issuer with the City, and all subordinate entities whose obligations are treated as issued by the City) during this calendar year 2015 will not exceed \$10,000,000;
- (e) not more than \$10,000,000 of obligations issued by the City during this calendar year 2015 have been designated for purposes of Section 265(b)(3) of the Code; and
- (f) the aggregate face amount of the Bonds does not exceed \$10,000,000.

The City shall use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designation made by this paragraph.

29. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

30. Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF AFTON THIS 25TH DAY OF MARCH, 2015.

SIGNED:

Richard Bend, Mayor

ATTEST:

Ronald J. Moorse, City Administrator

Motion by: _____
Second by: _____
Palmquist: _____
Richter: _____
Ross: _____
Nelson: _____
Bend: _____

City of Afton
3033 St. Croix Trl, P.O. Box 219
Afton, MN 55001

Meeting Date Mar. 25, 2015

Council Action Memo

To: Mayor Bend and Members of the City Council
From: Ron Moorese, City Administrator
Date: March 19, 2015
Re: Initial Offers to the Robbs and Knutsons for the Acquisition of Easements for Stormwater Improvements – **Resolution 2015-30**

Background

The easement acquisition process for the north stormwater pond was begun later than the acquisition processes for the other easements needed for the downtown improvement projects. One of the initial steps was to obtain an appraisal of the properties to determine the value of the easements as the basis for the City's initial offers. The appraisal has now been completed and the initial offers have been determined. Materials related to the initial property acquisition offers are being provided under separate cover. The resolution authorizing the presentation of the initial offers is attached for the Council's consideration. The Council may close the meeting to discuss the initial offers.

Council Action Requested

Motion regarding the adoption of a resolution authorizing the presentation of offers to the Robbs and Knutsons for the acquisition of easements for the stormwater improvements.

RESOLUTION 2015-30

CITY OF AFTON
WASHINGTON COUNTY, MINNESOTA

RESOLUTION AUTHORIZING THE PRESENTATION OF OFFERS TO PROPERTY OWNERS AND TO ACQUIRE THE PROPERTY AREAS NEEDED EITHER BY NEGOTIATION OR CONDEMNATION FOR THE AFTON DOWNTOWN IMPROVEMENT PROJECT

- WHEREAS,** the City of Afton has initiated the Public Improvement Project to downtown Afton, to construct sanitary sewer, storm sewer, levee, and appurtenant work; and
- WHEREAS,** the construction schedule for the Project contemplates that the Project will start during 2015; and
- WHEREAS,** it is necessary that the City obtain title and possession, either by negotiation or condemnation, to the necessary easements for the Project before construction may begin; and;
- WHEREAS,** the City should commence negotiation in good faith in order to facilitate the acquisition by negotiation and to allow the timely acquisition by condemnation of the necessary easements for the Project; and
- WHEREAS,** market value appraisals of the easements required for the Project have been commissioned by the City and completed by McKinzie Metro Appraisal; and
- WHEREAS,** the City wishes to make offers to property owners of Parcel 100 (PID #1402820330005) and Parcel 101 (PID #1402820330003) based on the completed market value appraisals completed by the McKinzie Metro Appraisal.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Afton hereby authorizes the presentation of offers for the easement interests required for the Project in the amount of the appraised market value and hereby authorizes to enter into condemnation if negotiations are not reached.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF AFTON THIS 25th DAY OF MARCH, 2015.

SIGNED:

Richard Bend, Mayor

ATTEST:

Ronald J. Moore, City Administrator

Motion by:
Second by:
Palmquist:
Richter:
Ross:
Nelson:
Bend:

City of Afton
3033 St. Croix Trl, P.O. Box 219
Afton, MN 55001

Meeting Date Mar. 25, 2015

Council Action Memo

To: Mayor Bend and Members of the City Council
From: Ron Moorse, City Administrator
Date: March 19, 2015
Re: League of Minnesota Cities Conference

Attached is the program and cost information regarding the League of Minnesota Cities Conference. Mayor Bend has indicated an interest in attending, based on several workshops that would be beneficial. Other Council members may be interested in attending. Council member Ross may particularly be interested, as a newly elected official workshop is being held as a pre-conference workshop. The Council has also encouraged the City Administrator to attend the conference in past years. The program includes a number of beneficial workshops from both an overall City perspective and a staff perspective. These include Long Range Planning, Getting to Yes: Citizen Engagement, Sustainable Infrastructure, Problem Solving, and Saying "No" when "No" Is Hard.

Council Action Requested

Motion regarding the attendance of Council members and the City Administrator at the League of Minnesota Cities Conference.

2015 Annual Conference Concurrent Sessions

Thursday, June 25

CONCURRENT SESSIONS #1 (10:45-11:45 a.m.)

Planning and Community Development Track

Seeking Solutions to the Workforce Housing Challenge

Many outstate cities are experiencing a workforce housing crisis. With low vacancy rates, job growth, and large numbers of commuting workers, these cities need tools that can help build housing for workers whose pay falls outside traditional low-income limits. Hear from two cities about what they're doing to address these issues and find out what businesses and developers are looking for in order to meet this workforce housing shortage in greater Minnesota.

Planning + Community Development/Business Leadership Council Tracks

Long-Range Planning Begets Happy Citizenry: An Infrastructure Case Study

Now more than ever, cities need to plan for their future infrastructure needs to help ensure they achieve their goals, secure funding, and pursue other projects that complement their long-range plan. Using Thief River Falls as a case study, Widseth, Smith, Nolting will address the steps taken over the course of several years that culminated in the City's ability to construct a new river crossing to serve citizens and local businesses.

Governing + Managing Track

Closing the Rural Health Care Gap: How Community Paramedics Can Help

For those living in rural parts of the state, health care needs outnumber health care options and people often travel great distances to receive care. Minnesota has been a leader in the community paramedic field. Find out how a community paramedic program can bridge gaps in health care—keeping patients in their homes and reducing overall costs. Hear from experts about how these programs work and the many benefits to communities, health care providers and patients.

Governing + Managing/Business Leadership Council Tracks

Your Staff is Leaving: Who Will Take Their Place?

The sharing of critical knowledge is key to moving your organization forward and operating efficiently. Join this session, led by Hamline University, to get ahead of the game by exploring ways to evaluate current and imminent gaps in your workforce, plus knowledge transfer tools and techniques that can address those gaps. Hear what others

have learned from their successes and their challenges—and share your own!

Improving Civility/Business Leadership Council Tracks

Getting to "Yes" Through Citizen Engagement

How can your city avoid political decision-making grid-lock and stalled projects? Find out how to be responsive to the conflicting demands of stakeholders without compromising your city's goals and needs. Hear from engineering experts at Bolton & Menk about how to develop and build informed consent, design a public involvement process that fits your project, and use emerging technologies such as mobile GPS/GIS and audience polling techniques to enhance the overall public participation process.

Communication + Community Engagement Track

Sharing Your City Story to Move People and Issues

Telling a compelling story can raise awareness, change minds, influence decisions, and create emotional connections. Develop your natural ability to tell good stories—both your own and those of your community—to move your audiences from apathy to understanding, and even action!

Communication + Community Engagement/Business Leadership Council Tracks

The Pitfalls and Rewards of Public Sector Social Media

While social media is a powerful tool for sharing information, generating ideas, and engaging the public, cities should evaluate how they use social networking platforms to communicate with their constituents. Explore social media do's and don'ts in this interactive session with a legal expert from Kennedy and Graven, and get practical tips to avoid common pitfalls and legal landmines.

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CONCURRENT SESSIONS #2 (2:30-3:30 p.m.)

GreenStep Cities Track

How Can My City Get Involved with Community Solar Gardens?

Renewable energy development is a cornerstone of Minnesota's long term energy plan, and in 2013, the state adopted new legislation promoting solar energy development. Learn more about what community solar gardens are, how municipalities can benefit from these opportunities, and what to expect when solar development comes into your city. Finally, find out about resources and tools that will help cities get involved in these

clean energy projects.

Planning + Community Development/GreenStep Cities Tracks

Sustainable Infrastructure + Complete Streets

Learn how your city can benefit from a unified approach to the cluster of issues around street repair and quality, stormwater management, urban trees, sewer/water/fiber optics, and growing bicycle and pedestrian activity. Find out how different cities are using a Complete Streets approach to meet local needs, provide safe, convenient travel, and improve access to destinations. Finally, learn about the Envision rating system, a planning and design approach that can save your city money and deliver a better street project!

Governing + Managing Track

Smart + Secure Technology Options for Cities

Technology is often looked to as a way to help cities more efficiently and effectively run their operations and deliver services. However, technology solutions come with a price tag—and a host of other issues, like security, usability, maintenance and support, to name a few! Learn about different options for meeting your city's technology needs, including in-house technology staff, external consultants, various platforms, and "the cloud." Discuss how different approaches can help your city meet the needs and expectations of city employees, those that do business with the city, and the general public.

Governing + Managing/Business Leadership Council Tracks

Smarter & Safer Approach to Telecom Agreements

The rapid advance in technology translates into more construction activity on your water tower and an ever-increasing need to develop consistent lease language and equipment installation guidelines. A well-drafted lease allows cities to maintain control of their site and retain a third party to review and inspect its wireless projects. Hear from experts from SEH, Inc. about how to get the most out of your telecom lease agreements and make sure your city towers are safe and well-maintained.

Improving Civility Track

Saying "No" When "No" is Hard

Is your city dealing with a tough issue or decision where saying "no" won't be easy—or popular? Whether you are an elected official or staff member, find out how to position yourself and the issues to be heard and respected, learn ways to say "no" effectively, and get tips and resources to help encourage a civil and constructive dialogue in challenging situations.

Governing + Managing/Planning + Community Development Tracks

Attracting and Retaining the Next Generation in Your Community

Who are your city's next generation of leaders, workers and residents? With their unique aspirations and traits, the next generation looks at cities, public service and civic engagement through a different lens. Gain helpful insights about how to attract young, talented citizens—and cultivate and harness the ideas and energy they bring to the community. Hear what drives their decisions about where to live and work, how they view the role of government, and how to engage the next generation in a variety of ways that can benefit your community.

Communication + Community Engagement Track

Using Social Media to Engage the Public

While using new media to connect with your audiences can seem overwhelming, time-consuming, and risky—these tools are a powerful way to engage residents, businesses, and others in the city's work. Learn how to build strong communities through social media by providing relevant, consistent information and creating meaningful conversations with those living and working in your community. Explore tools to create a social media plan and carry it out—even if you're a smaller city with limited staff and resources!

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CONCURRENT SESSIONS #3 (3:45-4:30 p.m.)

GreenStep Cities Track

Manage Risk & Increase Sustainability Through Climate Resilience

The changing climate in Minnesota presents new risks for cities now and into the future. Find out what the latest data shows about these risks and hear directly from some Minnesota cities about early efforts to increase the resilience of their communities. Learn about key actions and information resources for city climate resilience, and how these will be integrated into the Minnesota GreenStep Cities program.

Planning + Community Development/GreenStep Cities Tracks

Sustainable Infrastructure + Complete Streets (cont.)

Governing + Managing

City of Excellence Case Study

Every day, city officials throughout Minnesota do outstanding work that promotes quality of life in our communities. The League of Minnesota Cities highlights this work through the annual City of Excellence Awards. These awards are given in three different

population categories, plus one special topic, which is different each year. Hear from the winner of the 2015 Topical Category about their city's parks and recreation program, how it's benefited the community, and how other cities can replicate their success.

Attracting & Retaining the Next Generation in Your Community (cont)

Governing + Managing/Hot Topic Tracks

Does Your City Need a Security Make-Over?

While a lot of city business—and related data—is public, state law requires cities to protect private and confidential data from those who do not require access for a job-related purpose. Discuss potential threats, particularly ways city staff may be enticed to share information that could compromise your network. Hear about an assessment tool to help smaller cities identify risks, discover best practices for securing your city computer network, and learn how to train staff to follow security protocols.

Improving Civility Track

Incivility in Mosquito Heights

Take a trip to the fictional community of Mosquito Heights where a new group has taken over City Hall and things have gotten downright ugly. A popular session at the 2014 Regional Meetings; come watch what happens in Mosquito Heights and discuss issues raised in the video with your peers. Hear updates on LMC's civility initiative and learn about resources to help your community.

Communication + Community Engagement Track

Using Social Media to Engage the Public (cont.)

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Friday, June 26

CONCURRENT SESSIONS #4 (9:45-11 a.m.)

Planning + Community Development/Business Leadership Council Tracks

Design-Build as a Procurement Option for Cities

Learn about the benefits of leading transportation infrastructure improvement projects using the design-build process, including more certainty with respect to project schedules and costs. Hear from WSB & Associates, a leader in design-build project delivery, about how this process differs from the traditional design-bid-build process

and examples of projects that have been successfully completed using this approach.

How Do Developers Think?

Even when a city and a developer share a vision for a site, their motivations may differ. Cities base their decisions on making positive impacts on the community and need time to allow for public input. Developers, meanwhile, base their decision on rates of return and the marketability of the project to tenants and investors—and for them, time is money. Learn from experts at Ehlers about how to bridge this gap between the public and private sectors. Learn to think like a developer to attract them to your city and to know how best to work with them once they propose a project.

Governing + Managing Track

Special Interest Roundtables

Is there something missing from this year's program that you REALLY want to discuss with other city officials? This is your chance! Share your ideas and vote on timely, relevant topics to explore during these roundtable conversations with your peers.

Improving Civility/Business Leadership Council

Problem-Solving Skills for City Leaders

Learn ways to engage in contentious, and not so contentious, topics in a productive way. Discussions with multiple stakeholders can quickly turn towards incivility. Come hear from a professional mediator how to shift your approach towards problem-solving.

Communication + Community Engagement Track

Identifying and Engaging Your City's Co-Creators

In his visit to the Duluth area in the spring of 2001, Robert Putnam, author of *Bowling Alone*, noted that the area is above the national average when it comes to civic participation by its citizens. Hear how Duluth has earned this reputation and what the city is doing to nurture it. Then, talk with your peers to discover new ways to motivate and empower your citizens to enhance your own community.

Communication + Community Engagement/Governing + Managing/Hot Topics Tracks

Brave Leadership Required: Effective Police—Community Relations

Ferguson and other high-profile shootings nationwide have left many wondering, "could our city be next?" A Minnesota police chief and a civil rights activist talk about their work together to help law enforcement agencies decrease the likelihood that they could become the next one in the headlines.

- See more at: <http://www.lmc.org/page/1/AC2015-ConcurrentSessions.jsp#session1>

2015 Registration Options and Fees

Lodging is not included in the fees below.

[REGISTER NOW!](#)

Annual Conference

The registration fees below include admission to all conference sessions, networking, and meal events. Pre-conference workshops are not included in these fees.

Regular Attendee

Fee: \$325

Registration after May 1: \$375

First-Time Attendee

Fee: \$125

Registration after May 1: \$375

Cities with Populations Under 1,000

Fee: \$195

Registration after May 1: \$375

Company Representative

Fee: \$550

(For company representatives who are not participating in the exhibitor program.)

Pre-Conference Events

Pre-Conference Workshop: Advanced Training for Newly Elected Officials

Tues., June 23, 2-5 p.m.-Wed., June 24, 9 a.m.-2:30 p.m.

Fee: \$50

Registration after May 1: \$100

Mobile Session

Wed., June 24, 10 a.m.-1:30 p.m.

Fee: \$25

Guests/Spouses

Registration—Guests/spouses must register through a participating city official.

Events—Guests/spouses are welcome to attend the meal and networking functions and other conference events; tickets must be purchased for the Exhibit Hall event and any meals for the following fees:

—Thursday LMC Luncheon & Annual Meeting: \$30

—Thursday Exhibit Hall Event: \$30 per adult

—Friday Hot Breakfast: \$20

—Friday Closing Luncheon: \$30

- See more at: <http://www.lmc.org/page/1/AC2015-Pricing.jsp#sthash.A66yCt2r.dpuf>

Hotel Information

LMC 2015 Annual Conference

June 24-26—Duluth Entertainment Convention Center, Duluth

Lodging is not included in the conference fee.

Please contact the hotels directly to make your room reservations. To receive the special room rate, make your reservations by **May 23**—and be sure to ask for the “League of Minnesota Cities” group block.

Holiday Inn Duluth Downtown

200 W. First St.

Duluth, MN 55802 [view map](#)

Phone: (218) 722-1202

Rate: Standard Room—\$109/night

King Suite or 2-Bedroom Suite—\$159/night

[Visit website](#)

Radisson Hotel Duluth Harborview

505 W. Superior St.

Duluth, MN 55802 [view map](#)

Phone: (218) 727-8981

Rate: Standard Room—\$109/night

[Visit website](#)

Edgewater Resort & Waterpark

2400 London Rd.

Duluth, MN 55812 [view map](#)

Phone: (800) 777-7925

Rate: Variety of Room Types—\$139-\$179/night

[Visit website](#)

Inn on Lake Superior

350 Canal Park Dr.

Duluth, MN 55802 [view map](#)

Phone: (888) 668-4352

Rate Standard Room—\$145/night

[Visit website](#)

Comfort Suites Canal Park

408 Canal Park Dr.

Duluth, MN 55802 [view map](#)

Phone: (218) 727-1378

Rate: City View—\$164/night

Lake View—\$184/night

[Visit website](#)

Hampton Inn Canal Park

310 Canal Park Dr.

Duluth, MN 55802 [view map](#)

Phone: (218) 720-3000

Rate: City View—\$159/night

[Visit website](#)

Canal Park Lodge

250 Canal Park Dr.

Duluth, MN 55802 [view map](#)

Phone: (800) 777-8560

Rate: Standard Room—\$159/night

[Visit website](#)

- See more at: <http://www.lmc.org/page/1/ac2015-hotel.jsp#sthash.p1wWiaBr.dpuf>

City of Afton
3033 St. Croix Trl, P.O. Box 219
Afton, MN 55001

Meeting Date Mar. 25, 2015

Council Action Memo

To: Mayor Bend and Members of the City Council
From: Ron Moorse, City Administrator
Date: March 19, 2015
Re: Planning Commission Applicant Interviews and Appointment

Attached are the two applications received for one vacant position on the Planning Commission. The applicants have been contacted regarding attending the Special Council meeting so that the Council can have an opportunity to interview them prior to making a decision regarding filling the vacant position.

Council Action Requested

Motion regarding the appointment of one person to fill the vacant position on the Planning Commission.

City of Afton
3033 St. Croix Trl, P.O. Box 219
Afton, MN 55001

Meeting Date Mar. 25, 2015

Council Action Memo

To: Mayor Bend and Members of the City Council
From: Ron Moorse, City Administrator
Date: March 19, 2015
Re: Appointments to the Natural Resources and Groundwater Committee and to the Technology and High Speed Internet Access Committee

Attached are the applications received for the Natural Resources and Groundwater Committee and the Technology and High Speed Internet Access Committee. At its March 17 meeting, the Council agreed that it would accept the recommendations of Mayor Bend regarding the appointment of the applicants to the Natural Resources and Groundwater Committee and the recommendations of Council member Ross regarding the appointment of applicants to the Technology and High Speed Internet Access Committee. The Council may, at this time, make the appointments.

Council Action Requested

Motion regarding the appointments to the Natural Resources and Groundwater Committee and to the Technology and High Speed Internet Access Committee

City of Afton
3033 St. Croix Trl, P.O. Box 219
Afton, MN 55001

Meeting Date Mar. 25, 2015

Council Action Memo

To: Mayor Bend and Members of the City Council
From: Ron Moorse, City Administrator
Date: March 19, 2015
Re: Cooperative Opportunity with the Sheriff's Department

The Sheriff's Department has been exploring options for a location to house the deputies that serve the lower St. Croix Valley, including garage space for the patrol cars. As a follow-up to the discussion at the March 17 Council meeting regarding the option of a garage at the City Hall site, staff contacted the Sheriff's department regarding their interest on exploring the possibility of cooperating with the City on a joint facility on the City Hall site. The Sheriff's Department indicated they would be interested in exploring a joint facility. A joint facility, constructed as an addition to the existing City Hall building, may be able to meet the needs of both the City and the Sheriff's Department at a cost that would be acceptable to both parties. Staff would like direction from the Council regarding moving forward with discussions with the Sheriff's Department regarding the feasibility of a joint facility.

Council Action Requested

Motion regarding moving forward with discussions with the Sheriff's Department regarding the feasibility of a joint facility that would meet the needs of the City and the Sheriff's Department.

City of Afton
3033 St. Croix Trl, P.O. Box 219
Afton, MN 55001

Meeting Date Mar. 25, 2015

Council Action Memo

To: Mayor Bend and Members of the City Council
From: Ron Moorse, City Administrator
Date: March 19, 2015
Re: Wenck Addendum to Facility Plan Proposal

Background

The scope and cost of the proposal from Wenck Associates for the design of the Watewater Treatment Facility includes work related to the Facility Plan permit approval process. However, the proposal did not anticipate the extent of the MPCA's permit review process, which has included an Environmental Assessment Worksheet which will involve a meeting of the MPCA's Citizens' Board. In recent weeks, Wenck has advised staff that an addendum would be needed to reflect the additional scope and costs related to the permit review process. The addendum is attached. The total additional costs are estimated at \$18,050.

Council Action Requested

Motion regarding the addendum to the Wenck Associates Facility Plan proposal to reflect the additional scope and costs related to the permit review process, in an amount not to exceed \$18,050.



Responsive partner.
Exceptional outcomes.

March 19, 2015

Mr. Ron Moore

Afton City Administrator
3033 Saint Croix Trail South
P.O. Box 219
Afton, MN 55001

RE: Addendum #1: Environmental Assessment Worksheet (EAW)
City of Afton Proposed Wastewater Collection and Treatment System

Dear Mr. Moore,

On behalf of Wenck Associates, Inc. (Wenck) we thank you for the opportunity to provide you with this addendum to assist the City of Afton with tasks related to the Environmental Assessment Worksheet (EAW). The following scope of services is anticipated to continue to progress the project to MPCA approval.

1. Afton Wastewater Treatment Site Visit

Wenck will attend a treatment system site visit with Minnesota Pollution Control Agency (MPCA) and City of Afton representatives as requested by MPCA. The goal of the site visit is to tour the site for MPCA staff to become acquainted, discuss the proposed wastewater project, and answer questions related to the EAW and proposed wastewater treatment system.

2. MPCA Open House

Wenck will provide assistance to the City of Afton and MPCA and attend the upcoming March 16th public open house. Preparation of limited presentation materials (maps and schematics) will be prepared by Wenck.

3. Response to Comments

From the date of publication in the EQB Monitor, there is a 30 day public comment period. The number and nature of public comments can vary considerably, thus the extent of effort to address comments can vary significantly. Based on the nature of this proposed project comments may be numerous.

4. Citizens' Board Meeting

Wenck will provide assistance to the City of Afton and MPCA, if requested, and attend a Citizens' Board Meeting held at MPCA's St. Paul office related to the proposed project. Potential exists for multiple coordination calls/meetings with the City of Afton, WSB, and MPCA. Wenck would prepare presentation material as requested.

5. Monitoring Well Sampling

Wenck will provide a field hydrogeologist to collect a groundwater sample from each of the four (4) existing monitoring wells on the proposed wastewater treatment site. The groundwater samples will be tested for Nitrate/Nitrite-Nitrogen. In addition, the depth to groundwater will be recorded. Wenck would be responsible for laboratory coordination and associated testing fees.

Mr. Ron Moorse
City Administrator
City of Afton, MN
March 19, 2015



Cost Estimate:

Wenck proposes to perform the Scope of Work stated above for the following costs. These are good faith estimates and Afton would only be charged for time and expenses incurred. Wenck would not exceed the total fee amount without prior authorization from the City of Afton. In the event that additional project tasks are identified beyond those described in this proposal, Wenck will provide a scope and budget for additional tasks if requested.

<u>Task</u>	<u>Estimated Fee</u>
Afton Wastewater Treatment Site Visit	\$ 900
MPCA Open House	\$2,550
Response to Comments	\$6,750
Citizens' Board Meeting	\$6,600
Monitoring Well Sampling	\$1,250
<hr/>	
Total Fee Estimate:	\$18,050

Thank you for this opportunity to continue to assist the City of Afton work with project. If you have any questions or need additional information, please contact me at your convenience at (763)479-5121 or at pmiller@wenck.com.

Sincerely,

Wenck Associates, Inc.

Handwritten signature of Peter G. Miller in black ink.

Peter G. Miller, PSS
Principal

Handwritten signature of Eric M. Blasing in black ink.

Eric M. Blasing, PE
Civil Engineer

For Client

Date

SUPPLEMENTAL PACKET



Springsted Incorporated
380 Jackson Street, Suite 300
Saint Paul, MN 55101-2887

Tel: 651-223-3000
Fax: 651-223-3002
Email: advisors@springsted.com
www.springsted.com

\$3,760,000^(a)

CITY OF AFTON, MINNESOTA

GENERAL OBLIGATION TEMPORARY IMPROVEMENT BONDS, SERIES 2015A

(BOOK ENTRY ONLY)

AWARD: PIPER JAFFRAY & CO.

SALE: March 25, 2015 Standard & Poor's Rating: SP-1+

Bidder	Interest Rates	Price	Net Interest Cost	True Interest Rate
PIPER JAFFRAY & CO.	0.75% April 1, 2017	\$3,749,359.20 ^(b)	\$65,865.80 ^(b)	0.8961% ^(b)
UNITED BANKERS' BANK	0.80% April 1, 2017	\$3,747,780.00	\$71,126.67	0.9679%
NORTHLAND SECURITIES, INC.	1.00% April 1, 2017	\$3,759,699.20	\$73,934.13	1.0041%
BOSC, INC., A SUBSIDIARY OF, BOK FINANCIAL CORP.	1.25% April 1, 2017	\$3,776,694.40	\$75,347.27	1.0204%
OPPENHEIMER & CO. INC.	1.00% April 1, 2017	\$3,754,548.00	\$79,085.33	1.0750%

REOFFERING SCHEDULE OF THE PURCHASER

<u>Rate</u>	<u>Year</u>	<u>Yield</u>
0.75%	2017	0.70%

BBI: 3.52%
Average Maturity: 1.958 Years

^(a) Subsequent to bid opening, the issue size decreased from \$3,760,000 to \$3,755,000.

^(b) Subsequent to bid opening, the price, net interest cost, and true interest rate have changed to \$3,744,373.35, \$65,778.21, and 0.8961%, respectively.

Piper Jaffray - Minneapolis, MN's Bid



**City of Afton, Minnesota
~~\$3,760,000~~ \$3,755,000 General Obligation Temporary Improvement
 Bonds, Series 2015A**

For the aggregate principal amount of ~~\$3,760,000.00~~ \$3,755,000.00, we will pay you ~~\$3,740,350.20~~ \$3,744,373.35, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate:

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price	Bond Insurance
04/01/2017	3,760M 3,755M	0.7500	0.7000	100.047	

Total Interest Cost:	\$55,225.00	\$55,151.56
Discount:	\$10,640.80	\$10,626.65
Net Interest Cost:	\$65,865.80	\$65,778.21
TIC:	0.896139%	0.8961388%
Total Insurance Premium:		\$0.00

Time Last Bid Received On: 03/25/2015 9:58:19 CDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: Piper Jaffray, Minneapolis, MN
 Contact: Chris Coleman
 Telephone: 612-303-2051

Issuer Name: City of Afton, MN

Company Name: Piper Jaffray

Accepted By: _____

Accepted By: 

Date: March 25, 2015

Date: March 25, 2015

\$3,755,000

City of Afton, Minnesota
 General Obligation Temporary Improvement Bonds, Series 2015A

Sources & Uses

Dated 04/16/2015 | Delivered 04/16/2015

Sources Of Funds

Par Amount of Bonds.....	\$3,755,000.00
Reoffering Premium.....	1,764.85
Total Sources.....	\$3,756,764.85

Uses Of Funds

Deposit to Construction Account.....	\$3,700,000.00
Costs of Issuance.....	44,373.35
Total Underwriter's Discount (0.330%).....	12,391.50
Total Uses.....	\$3,756,764.85

\$3,755,000

City of Afton, Minnesota
General Obligation Temporary Improvement Bonds, Series 2015A

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	YTM	Call Date	Call Price	Dollar Price
04/01/2017	Serial Coupon	0.750%	0.700%	3,755,000.00	100.047% c	0.726%	04/01/2016	100.000%	3,756,764.85
Total		-	-	-	\$3,755,000.00	-	-	-	\$3,756,764.85

Bid Information

Par Amount of Bonds.....	\$3,755,000.00
Reoffering Premium or (Discount).....	1,764.85
Gross Production.....	\$3,756,764.85
Total Underwriter's Discount (0.330%).....	\$(12,391.50)
Bid (99.717%).....	3,744,373.35
Total Purchase Price.....	\$3,744,373.35
Bond Year Dollars.....	\$7,353.54
Average Life.....	1.958 Years
Average Coupon.....	0.7500000%
Net Interest Cost (NIC).....	0.8945106%
True Interest Cost (TIC).....	0.8961388%

\$3,755,000

City of Afton, Minnesota

General Obligation Temporary Improvement Bonds, Series 2015A

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
10/01/2015	-	-	12,907.81	12,907.81
04/01/2016	-	-	14,081.25	14,081.25
10/01/2016	-	-	14,081.25	14,081.25
04/01/2017	3,755,000.00	0.750%	14,081.25	3,769,081.25
Total	\$3,755,000.00	-	\$55,151.56	\$3,810,151.56

SIGNIFICANT DATES

Dated Date.....	4/16/2015
Delivery Date.....	4/16/2015
First Coupon Date.....	10/01/2015

Yield Statistics

Bond Year Dollars.....	\$7,353.54
Average Life.....	1.958 Years
Average Coupon.....	0.7500000%
Net Interest Cost (NIC).....	0.8945106%
True Interest Cost (TIC).....	0.8961388%
Bond Yield for Arbitrage Purposes.....	0.7007582%
All Inclusive Cost (AIC).....	1.4504914%

IRS Form 8038

Net Interest Cost.....	0.7256589%
Weighted Average Maturity.....	1.958 Years

\$3,755,000**City of Afton, Minnesota****General Obligation Temporary Improvement Bonds, Series 2015A****Post-Sale Tax Levies**

Payment Date	Principal	Coupon	Interest	Total P+I	105% Overlevy	Levy Amount	Levy/Collect Year
04/01/2016	-	-	26,989.06	26,989.06	28,338.52	28,338.52 *	2014/2015
04/01/2017	3,755,000.00	0.750%	28,162.50	3,783,162.50	3,972,320.63	3,972,320.63 *	2015/2016
Total	\$3,755,000.00	-	\$55,151.56	\$3,810,151.56	\$4,000,659.14	\$4,000,659.14	-

* Available City funds will be used to pay the interest due on the Bonds. On or before April 1, 2017, the City expects to redeem the outstanding principal of and accrued interest on the Bonds.

\$3,755,000

City of Afton, Minnesota
General Obligation Temporary Improvement Bonds, Series 2015A

Settlement Report

Dated 04/16/2015 | Delivered 04/16/2015

Price.....	\$3,744,373.35
Total Purchase Price.....	\$3,744,373.35
Good Faith Deposit.....	(37,600.00)
Due at Closing.....	\$3,706,773.35

\$3,755,000

City of Afton, Minnesota
General Obligation Temporary Improvement Bonds, Series 2015A

Proof Of Bond Yield @ 0.7007582%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
04/16/2015	-	1.0000000x	-	-
10/01/2015	12,907.81	0.9967989x	12,866.49	12,866.49
04/01/2016	3,769,081.25	0.9933186x	3,743,898.36	3,756,764.85
Total	\$3,781,989.06	-	\$3,756,764.85	-

Derivation Of Target Amount

Par Amount of Bonds.....	\$3,755,000.00
Reoffering Premium or (Discount).....	1,764.85
Original Issue Proceeds.....	\$3,756,764.85

\$3,755,000

City of Afton, Minnesota
General Obligation Temporary Improvement Bonds, Series 2015A

Derivation Of Form 8038 Yield Statistics

Maturity	Issuance Value	Price	Issuance Price	Exponent	Bond Years
04/16/2015	-	-	-	-	-
04/01/2017	3,755,000.00	100.047%	3,756,764.85	1.9583333x	7,356,997.83
Total	\$3,755,000.00	-	\$3,756,764.85	-	\$7,356,997.83

IRS Form 8038

Weighted Average Maturity = Bond Years/Issue Price.....	1.958 Years
Total Interest from Debt Service.....	55,151.56
Reoffering (Premium) or Discount.....	(1,764.85)
Total Interest.....	53,386.71
NIC = Interest / (Issue Price * Average Maturity).....	0.7256589%
Bond Yield for Arbitrage Purposes.....	0.7007582%

\$3,755,000**City of Afton, Minnesota****General Obligation Temporary Improvement Bonds, Series 2015A**

Proof of Premium/5Yr Call Bond Selection of Call Dates/Prices

Maturity	Call Date	Call Price	PV at Bond Yield	Lowest?
04/01/2017	-	-	3,758,591.92	No
04/01/2017	04/01/2016	100.000%	3,756,764.85	Yes

\$3,755,000

City of Afton, Minnesota
General Obligation Temporary Improvement Bonds, Series 2015A

Proof of D/S for Arbitrage Purposes

Date	Principal	Interest	Total
04/16/2015	-	-	-
10/01/2015	-	12,907.81	12,907.81
04/01/2016	3,755,000.00	14,081.25	3,769,081.25
Total	\$3,755,000.00	\$26,989.06	\$3,781,989.06

\$3,755,000**City of Afton, Minnesota****General Obligation Temporary Improvement Bonds, Series 2015A****Bond Balance Report**

Date	Principal	Coupon	Interest	Total P+I	Bond Balance
10/01/2015	-	-	12,907.81	12,907.81	3,755,000.00
04/01/2016	-	-	14,081.25	14,081.25	3,755,000.00
10/01/2016	-	-	14,081.25	14,081.25	3,755,000.00
04/01/2017	3,755,000.00	0.750%	14,081.25	3,769,081.25	-
Total	\$3,755,000.00	-	\$55,151.56	\$3,810,151.56	-

RESOLUTION 2015-29

CITY OF AFTON
WASHINGTON COUNTY, MINNESOTA

Special City Council Meeting Held: March 25, 2015

**RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF \$3,755,000
GENERAL OBLIGATION TEMPORARY IMPROVEMENT BONDS, SERIES 2015A,
PLEDGING FOR THE SECURITY THEREOF SPECIAL ASSESSMENTS AND
LEVYING A TAX FOR THE PAYMENT THEREOF**

A. WHEREAS, the City Council of the City of Afton, Minnesota (the "City") has heretofore determined and declared that it is necessary and expedient to issue \$3,755,000 General Obligation Temporary Improvement Bonds, Series 2015A (the "Bonds" or individually, a "Bond"), pursuant to Minnesota Statutes, Chapters 475 and 429 to temporarily finance various improvement projects within the City (the "Improvements"); and

B. WHEREAS, the Improvements and all the components have been ordered prior to the date hereof, after a public hearing thereon for which notice was given describing the Improvements, or all the components by general nature, estimated cost, and area to be assessed; and

C. WHEREAS, the City has retained Springsted Incorporated, in St. Paul, Minnesota ("Springsted"), as its independent municipal advisor for the sale of the Bonds and was therefore authorized to sell the Bonds by private negotiation in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9) and proposals to purchase the Bonds have been solicited by Springsted; and

D. WHEREAS, the proposals set forth on Exhibit A attached hereto were received by the Administrator, or designee, at the offices of Springsted, at 10:00 A.M. this same day pursuant to the Terms of Proposal established for the Bonds; and

E. WHEREAS, it is in the best interests of the City that the Bonds be issued in book-entry form as hereinafter provided; and

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

1. Acceptance of Proposal. The offer of Piper Jaffray in Minneapolis, Minnesota (the "Purchaser"), to purchase the Bonds in accordance with the terms and at the rates of interest hereinafter set forth, and to pay therefor the sum of \$3,744,373.35, plus interest accrued to settlement, is hereby accepted.

2. Bond Terms.

(a) Original Issue Date; Denominations; Maturity. The Bonds shall be dated as of the date of delivery, as the date of original issue, issued forthwith on or after such date in fully registered form, numbered R 1 in the denomination of \$5,000 each or in any integral multiple thereof of a single maturity (the "Authorized Denominations") and shall all mature on April 1, 2017, unless called for earlier redemption.

(b) Book Entry Only System. The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York or any of its successors or its successors to its functions hereunder (the "Depository") will act as securities depository for the Bonds, and to this end:

- (i) The Bonds shall be initially issued and, so long as they remain in book entry form only (the "Book Entry Only Period"), shall at all times be in the form of a separate single fully registered Bond for each maturity of the Bonds; and for purposes of complying with this requirement under paragraphs 5 and 10 Authorized Denominations for any Bond shall be deemed to be limited during the Book Entry Only Period to the outstanding principal amount of that Bond.
- (ii) Upon initial issuance, ownership of the Bonds shall be registered in a bond register maintained by the Bond Registrar (as hereinafter defined) in the name of CEDE & CO, as the nominee (it or any nominee of the existing or a successor Depository, the "Nominee").
- (iii) With respect to the Bonds neither the City nor the Bond Registrar shall have any responsibility or obligation to any broker, dealer, bank, or any other financial institution for which the Depository holds Bonds as securities depository (the "Participant") or the person for which a Participant holds an interest in the Bonds shown on the books and records of the Participant (the "Beneficial Owner"). Without limiting the immediately preceding sentence, neither the City, nor the Bond Registrar, shall have any such responsibility or obligation with respect to (A) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any ownership interest in the Bonds, or (B) the delivery to any Participant, any Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption, or (C) the payment to any Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the principal of or premium, if any, or interest on the Bonds, or (D) the consent given or other action taken by the Depository as the Registered Holder of any Bonds (the "Holder"). For purposes of securing the vote or consent of any Holder under this Resolution, the City may, however, rely upon an omnibus proxy under which the Depository assigns its consenting or voting rights to certain Participants to whose accounts the Bonds are credited on the record date identified in a listing attached to the omnibus proxy.

- (iv) The City and the Bond Registrar may treat as and deem the Depository to be the absolute owner of the Bonds for the purpose of payment of the principal of and premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to the Bonds, for the purpose of obtaining any consent or other action to be taken by Holders for the purpose of registering transfers with respect to such Bonds, and for all purpose whatsoever. The Bond Registrar, as paying agent hereunder, shall pay all principal of and premium, if any, and interest on the Bonds only to the Holder or the Holders of the Bonds as shown on the bond register, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid.
- (v) Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new Nominee in place of the existing Nominee, and subject to the transfer provisions in paragraph 10, references to the Nominee hereunder shall refer to such new Nominee.
- (vi) So long as any Bond is registered in the name of a Nominee, all payments with respect to the principal of and premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, by the Bond Registrar or City, as the case may be, to the Depository as provided in the Letter of Representations to the Depository required by the Depository as a condition to its acting as book-entry Depository for the Bonds (said Letter of Representations, together with any replacement thereof or amendment or substitute thereto, including any standard procedures or policies referenced therein or applicable thereto respecting the procedures and other matters relating to the Depository's role as book-entry Depository for the Bonds, collectively hereinafter referred to as the "Letter of Representations").
- (vii) All transfers of beneficial ownership interests in each Bond issued in book-entry form shall be limited in principal amount to Authorized Denominations and shall be effected by procedures by the Depository with the Participants for recording and transferring the ownership of beneficial interests in such Bonds.
- (viii) In connection with any notice or other communication to be provided to the Holders pursuant to this Resolution by the City or Bond Registrar with respect to any consent or other action to be taken by Holders, the Depository shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action; provided, that the City or the Bond Registrar may establish a special record date for such consent or other action. The City or the Bond Registrar shall, to the extent possible, give the Depository notice of such special record date not less than fifteen calendar days in advance of such special record date to the extent possible.

- (ix) Any successor Bond Registrar in its written acceptance of its duties under this Resolution and any paying agency/bond registrar agreement, shall agree to take any actions necessary from time to time to comply with the requirements of the Letter of Representations.
- (x) In the case of a partial prepayment of a Bond, the Holder may, in lieu of surrendering the Bonds for a Bond of a lesser denomination as provided in paragraph 5, make a notation of the reduction in principal amount on the panel provided on the Bond stating the amount so redeemed.
- (c) Termination of Book-Entry Only System. Discontinuance of a particular Depository's services and termination of the book-entry only system may be effected as follows:
 - (i) The Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the City and discharging its responsibilities with respect thereto under applicable law. The City may terminate the services of the Depository with respect to the Bond if it determines that the Depository is no longer able to carry out its functions as securities depository or the continuation of the system of book-entry transfers through the Depository is not in the best interests of the City or the Beneficial Owners.
 - (ii) Upon termination of the services of the Depository as provided in the preceding paragraph, and if no substitute securities depository is willing to undertake the functions of the Depository hereunder can be found which, in the opinion of the City, is willing and able to assume such functions upon reasonable or customary terms, or if the City determines that it is in the best interests of the City or the Beneficial Owners of the Bond that the Beneficial Owners be able to obtain certificates for the Bonds, the Bonds shall no longer be registered as being registered in the bond register in the name of the Nominee, but may be registered in whatever name or names the Holder of the Bonds shall designate at that time, in accordance with paragraph 10. To the extent that the Beneficial Owners are designated as the transferee by the Holders, in accordance with paragraph 10, the Bonds will be delivered to the Beneficial Owners.
 - (iii) Nothing in this subparagraph (d) shall limit or restrict the provisions of paragraph 10.
- (d) Letter of Representations. The provisions in the Letter of Representations are incorporated herein by reference and made a part of the resolution, and if and to the extent any such provisions are inconsistent with the other provisions of this resolution, the provisions in the Letter of Representations shall control.

3. Purpose. The Bonds shall provide funds to temporarily finance the Improvements. The total cost of the Improvements, which shall include all costs enumerated in Minnesota Statutes, Section 475.65, is estimated to be at least equal to the amount of the Bonds. Work on the Improvements shall proceed with due diligence to completion. The City covenants that it shall do all things and perform all acts required of it to assure that work on the

Improvements proceeds with due diligence to completion and that any and all permits and studies required under law for the Improvements are obtained.

4. Interest. The Bonds shall all bear interest payable semiannually on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2015, calculated on the basis of a 360-day year of twelve 30-day months, at the rate of 0.75% per annum.

5. Redemption. The Bonds shall be subject to redemption and prepayment at the option of the City on April 1, 2016, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part. If redemption is in part, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected registered holder of the Bonds.

To effect a partial redemption of Bonds, the Bond Registrar prior to giving notice of redemption shall assign to each Bond a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers so assigned to such Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the City or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the City and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the City shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

6. Bond Registrar. U.S. Bank National Association, in St. Paul, Minnesota, is appointed to act as bond registrar and transfer agent with respect to the Bonds (the "Bond Registrar"), and shall do so unless and until a successor Bond Registrar is duly appointed, all pursuant to any contract the City and Bond Registrar shall execute which is consistent herewith. The Bond Registrar shall also serve as paying agent unless and until a successor paying agent is duly appointed. Principal and interest on the Bonds shall be paid to the registered holders (or record holders) of the Bonds in the manner set forth in the form of Bond and paragraph 12.

7. Form of Bond. The Bonds, together with the Bond Registrar's Certificate of Authentication, the form of Assignment and the registration information thereon, shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MINNESOTA
WASHINGTON COUNTY
CITY OF AFTON

R- _____ \$ _____

GENERAL OBLIGATION TEMPORARY IMPROVEMENT BOND, SERIES 2015A

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	April 1, 2017	_____, 2015	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The City of Afton, Washington County, Minnesota (the "Issuer"), certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, unless called for earlier redemption, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, and to pay interest thereon semiannually on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2015, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest has been paid, from the date of original issue hereof. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the U.S. Bank National Association, in St. Paul, Minnesota (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer. Interest on this Bond will be paid on each Interest Payment Date by check or draft mailed to the person in whose name this Bond is registered (the "Holder" or "Bondholder") on the registration books of the Issuer maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder hereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given to Bondholders not less than ten days prior to the Special Record Date. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America. So long as this Bond is registered in the name of the Depository or its Nominee as provided in the Resolution hereinafter described, and as those terms are defined therein, payment of principal of, premium, if any, and interest on this Bond and notice with respect thereto shall be made as provided in the Letter of Representations, as defined in the Resolution, and surrender of this Bond shall not be required for payment of the redemption price upon a partial redemption of this Bond. Until termination of

the book-entry only system pursuant to the Resolution, Bonds may only be registered in the name of the Depository or its Nominee.

Optional Redemption. All Bonds of this issue (the "Bonds") are subject to redemption and prepayment at the option of the Issuer on April 1, 2016, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the principal amount to be redeemed shall be determined by the Issuer; and if only part of the Bonds are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected Holder of the Bonds at least thirty days prior to the date fixed for redemption.

Selection of Bonds for Redemption; Partial Redemption. To effect a partial redemption of Bonds, the Bond Registrar shall assign to each Bond a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers assigned to the Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the Issuer or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the Issuer and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the Issuer shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Issuance; Purpose; General Obligation. This Bond, in the total principal amount of \$3,755,000, has been issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota and pursuant to a resolution adopted by the City Council of the Issuer on March 25, 2015 (the "Resolution"), for the purpose of providing money to temporarily finance various improvement projects within the jurisdiction of the Issuer. This Bond is payable out of the General Obligation Temporary Improvement Bonds, Series 2015A Fund of the Issuer, to which fund there have been irrevocably pledged special assessments anticipated to be received with respect to the improvements financed by the Bonds, and into which fund there are to be paid proceeds of definitive improvement bonds or additional temporary improvement bonds which the Issuer is required by law to issue at or prior to the maturity of this Bond for the purpose of refunding the same if the special assessments theretofore received or collected or any other municipal funds which are properly available and are appropriated by the City Council for such purposes, are not sufficient for the full payment thereof. This Bond constitutes a general obligation of the Issuer, and to provide moneys for the prompt and full payment of its principal,

premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Denominations; Exchange; Resolution. The Bonds are issuable solely in fully registered form in Authorized Denominations (as defined in the Resolution) and are exchangeable for fully registered Bonds of other Authorized Denominations in equal aggregate principal amounts at the principal office of the Bond Registrar, but only in the manner and subject to the limitations provided in the Resolution. Reference is hereby made to the Resolution for a description of the rights and duties of the Bond Registrar. Copies of the Resolution are on file in the principal office of the Bond Registrar.

Transfer. This Bond is transferable by the Holder in person or the Holder's attorney duly authorized in writing at the principal office of the Bond Registrar upon presentation and surrender hereof to the Bond Registrar, all subject to the terms and conditions provided in the Resolution and to reasonable regulations of the Issuer contained in any agreement with the Bond Registrar. Thereupon the Issuer shall execute and the Bond Registrar shall authenticate and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee (but not registered in blank or to "bearer" or similar designation), of an Authorized Denomination or Denominations, in aggregate principal amount equal to the principal amount of this Bond, of the same maturity and bearing interest at the same rate.

Fees upon Transfer or Loss. The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Bond and any legal or unusual costs regarding transfers and lost Bonds.

Treatment of Registered Owners. The Issuer and Bond Registrar may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except as otherwise provided herein with respect to the Record Date) and for all other purposes, whether or not this Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Authentication hereon shall have been executed by the Bond Registrar.

Qualified Tax-Exempt Obligations. The Bonds have been designated by the Issuer as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law, and that this Bond, together with all other debts of the Issuer outstanding on the date of original issue hereof and the date of its issuance and delivery to the original purchaser, does not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of Afton, Washington County, Minnesota, by its City Council has caused this Bond to be executed on its behalf by the facsimile signatures of its Mayor and its Administrator, the corporate seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration:

Registrable by: U.S. BANK NATIONAL
ASSOCIATION

Payable at: U.S. BANK NATIONAL
ASSOCIATION

BOND REGISTRAR'S
CERTIFICATE OF
AUTHENTICATION

CITY OF AFTON,
WASHINGTON COUNTY, MINNESOTA

This Bond is one of the
Bonds described in the
Resolution mentioned
within.

/s/ Facsimile
Mayor

U.S. BANK NATIONAL
ASSOCIATION, St. Paul, Minnesota
Bond Registrar

/s/ Facsimile
Administrator

By: _____
Authorized Signature

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with right of survivorship and not as tenants in common

UTMA - _____ as custodian for _____ under the _____ Uniform
(Cust) (Minor) (State)
Transfers to Minors Act

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____ attorney to transfer the Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges or any other "Eligible Guarantor Institution" as defined in 17 CFR 240.17 Ad-15(a)(2).

The Bond Registrar will not effect transfer of this Bond unless the information concerning the transferee requested below is provided.

Name and Address: _____

(Include information for all joint owners if the Bond is held by joint account.)

PREPAYMENT SCHEDULE

This Bond has been prepaid in part on the date(s) and in the amount(s) as follows:

<u>DATE</u>	<u>AMOUNT</u>	<u>AUTHORIZED SIGNATURE OF HOLDER</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

8. Execution; Temporary Bonds. The Bonds shall be printed (or, at the request of the Purchaser, typewritten) and shall be executed on behalf of the City by the signatures of its Mayor and Administrator and be sealed with the seal of the City; provided, however, that the seal of the City may be a printed (or, at the request of the Purchaser, photocopied) facsimile; and provided further that both of such signatures may be printed (or, at the request of the Purchaser, photocopied) facsimiles and the corporate seal may be omitted on the Bonds as permitted by law. In the event of disability or resignation or other absence of either officer, the Bonds may be signed by the manual or facsimile signature of that officer who may act on behalf of the absent or disabled officer. In case either officer whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. The City may elect to deliver, in lieu of printed definitive bonds, one or more typewritten temporary bonds in substantially the form set forth above, with such changes as may be necessary to reflect more than one maturity in a single temporary bond. Such temporary bonds may be executed with photocopied facsimile signatures of the Mayor and Administrator. Such temporary bonds shall, upon the printing of the definitive bonds and the execution thereof, be exchanged therefor and canceled.

9. Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless a Certificate of Authentication on the Bond, substantially in the form hereinabove set forth, shall have been duly executed by an authorized representative of the Bond Registrar. Certificates of Authentication on different Bonds need not be signed by the same person. The Bond Registrar shall authenticate the signatures of officers of the City on each Bond by execution of the Certificate of Authentication on the Bond and by inserting as the date of registration in the space provided the date on which the Bond is authenticated, except that for purposes of delivering the original Bonds to the Purchaser, the Bond Registrar shall insert as a date of registration the date of original issue, which date is the date of delivery. The Certificate of Authentication so executed on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution.

10. Registration; Transfer; Exchange. The City will cause to be kept at the principal office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the Bond Registrar shall provide for the registration of Bonds and the registration of transfers of Bonds entitled to be registered or transferred as herein provided.

Upon surrender for transfer of any Bond at the principal office of the Bond Registrar, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration (as provided in paragraph 9) of, and deliver, in the name of the designated transferee or transferees, one or more new Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount, having the same stated maturity and interest rate, as requested by the transferor; provided, however, that no Bond may be registered in blank or in the name of "bearer" or similar designation.

At the option of the Holder, Bonds may be exchanged for Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount and stated maturity, upon surrender of the Bonds to be exchanged at the principal office of the Bond Registrar. Whenever

any Bonds are so surrendered for exchange, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration of, and deliver the Bonds which the Holder making the exchange is entitled to receive.

All Bonds surrendered upon any exchange or transfer provided for in this resolution shall be promptly canceled by the Bond Registrar and thereafter disposed of as directed by the City.

All Bonds delivered in exchange for or upon transfer of Bonds shall be valid general obligations of the City evidencing the same debt, and entitled to the same benefits under this resolution, as the Bonds surrendered for such exchange or transfer.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Bond Registrar, duly executed by the Holder thereof or his, her or its attorney duly authorized in writing

The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of any Bond and any legal or unusual costs regarding transfers and lost Bonds.

Transfers shall also be subject to reasonable regulations of the City contained in any agreement with the Bond Registrar, including regulations which permit the Bond Registrar to close its transfer books between record dates and payment dates. The Administrator is hereby authorized to negotiate and execute the terms of said agreement.

11. Rights Upon Transfer or Exchange. Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

12. Interest Payment; Record Date. Interest on any Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond is registered (the "Holder") on the registration books of the City maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid shall cease to be payable to the person who is the Holder thereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given by the Bond Registrar to the Holders not less than ten days prior to the Special Record Date.

13. Treatment of Registered Owner. The City and Bond Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of and premium, if any, and interest (subject to the payment provisions in paragraph 12) on, such Bond and for all other purposes whatsoever whether or not such Bond shall be overdue, and neither the City nor the Bond Registrar shall be affected by notice to the contrary.

14. Delivery; Application of Proceeds. The Bonds when so prepared and executed shall be delivered by the Administrator to the Purchaser upon receipt of the purchase price, and the Purchaser shall not be obliged to see to the proper application thereof.

15. Fund and Accounts. There is hereby created a special fund to be designated the "General Obligation Temporary Improvement Bonds, Series 2015A Fund" (the "Fund") to be administered and maintained by the Administrator as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Fund shall be maintained in the manner herein specified until all of the Bonds and the interest thereon have been fully paid. There shall be maintained in the Fund the "Construction Account" and "Debt Service Account":

(a) Construction Account. To the Construction Account shall be credited the proceeds of the sale of the Bonds, less any accrued and capitalized interest, and less any amount paid for the Bonds in excess of the minimum bid, plus any special assessments levied with respect to the Improvements and collected prior to completion of the Improvements and payment of the costs thereof. From the Construction Account there shall be paid all costs and expenses of making the Improvements listed in paragraph 16, including the cost of any construction contracts heretofore let and all other costs incurred and to be incurred of the kind authorized in Minnesota Statutes, Section 475.65; and the moneys in the Construction Account shall be used for no other purpose except as otherwise provided by law; provided that the proceeds of the Bonds may also be used to the extent necessary to pay interest on the Bonds due prior to the anticipated date of commencement of the receipt of the collection of taxes or special assessments herein levied or covenanted to be levied; and provided further that if upon completion of the Improvements there shall remain any unexpended balance in the Construction Account, the balance (other than any special assessments) may be transferred by the Council to the Debt Service Account or the fund of any other improvement instituted pursuant to Minnesota Statutes, Chapter 429, and provided further that any special assessments credited to the Construction Account shall only be applied towards payment of the costs of the Improvements upon adoption of a resolution by the City Council determining that the application of the special assessments for such purpose will not cause the City to no longer be in compliance with Minnesota Statutes, Section 475.61, Subdivision 1.

(b) Debt Service Account. There are hereby irrevocably appropriated and pledged to, and there shall be credited to, the Debt Service Account: (i) all collections of special assessments herein covenanted to be levied with respect to the Improvements and either initially credited to the Construction Account and not already spent a permitted above and required to pay any principal and interest due on the Bonds or collected subsequent to the completion of the Improvements and payment of the costs thereof; (ii) all accrued interest received upon delivery of the Bonds; (iii) available funds of the Issuer sufficient to pay interest due on the Bonds on or before October 1, 2015 and April 1, 2016; (iv) all collections of taxes levied for the payment of the Bonds; (v) all funds remaining in the Construction Account after completion of the Improvements and payment of the costs thereof; (vi) the proceeds of the definitive improvement bonds in an amount, together with other moneys then on hand irrevocably appropriated to said account, as is necessary to pay the principal of, and interest on, the Bonds; (vii) all investment earnings on funds held in the Debt Service Account; and (viii) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Debt Service

Account. The Debt Service Account shall be used solely to pay the principal and interest and any premiums for redemption of the Bonds and any other general obligation bonds of the City hereafter issued by the City and made payable from the account as provided by law.

No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (1) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds were issued and (2) in addition to the above in an amount not greater than the lesser of five percent of the proceeds of the Bonds or \$100,000. To this effect, any proceeds of the Bonds and any sums from time to time held in the Construction Account or the Debt Service Account (or any other City account which will be used to pay principal or interest to become due on the bonds payable therefrom) in excess of amounts which under then applicable federal arbitrage regulations may be invested without regard to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by the arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. Money in the Fund shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

16. Pledge of Proceeds of Definitive Improvement Bonds, Special Assessments; Coverage Test. To provide moneys for the prompt and full payment of principal and interest on the Bonds, the City shall issue and sell the definitive improvement bonds for delivery and payment at or prior to the maturity date of the Bonds. The proceeds of the definitive improvement bonds, together with estimated special assessments and the tax levy for the Improvements to be received before the maturity date of the Bonds, are hereby found, determined and declared to be sufficient in amount to pay when due one hundred five percent of the principal of and interest on the Bonds.

17. Conditions Prior to Issuance of Definitive Improvement Bonds. It is hereby found, determined and declared that all conditions precedent to the offering of definitive improvement bonds of the City to refund the Bonds to the extent necessary within the meaning of Minnesota Statutes, Section 475.61, Subdivision 5, have been met and exist.

18. Assessments. It is hereby determined that no less than twenty percent of the cost to the City of each Improvement financed hereunder within the meaning of Minnesota Statutes, Section 475.58, Subdivision 1(3), shall be paid by special assessments to be levied against every assessable lot, piece and parcel of land benefited by any of the Improvements. The City hereby covenants and agrees that it will let all construction contracts not heretofore let within one year after ordering each Improvement financed hereunder unless the resolution ordering the Improvement specifies a different time limit for the letting of construction contracts. The City hereby further covenants and agrees that it will do and perform as soon as they may be done all acts and things necessary for the final and valid levy of such special assessments, and in the event that any such assessment be at any time held invalid with respect to any lot, piece or parcel of land due to any error, defect, or irregularity in any action or proceedings taken or to be taken by the City or the City Council or any of the City officers or employees, either in the making of

the assessments or in the performance of any condition precedent thereto, the City and the City Council will forthwith do all further acts and take all further proceedings as may be required by law to make the assessments a valid and binding lien upon such property.

19. Tax Levy; Coverage Test. To provide moneys for payment of the principal and interest on the Bonds for the interest payment dates of October 1, 2016 and April 1, 2017 there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

<u>Levy Years</u>	<u>Collection Years</u>	<u>Amount</u>
2014-2015	2015-2016	See attached schedule

The tax levies are such that if collected in full they, together with estimated collections of special assessments and other revenues herein pledged for the payment of the Bonds, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Bonds. The tax levies shall be irrevocable so long as any of the Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the tax levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

20. Bondholder Covenant. The provisions of this resolution constitute a covenant with the Holder of the Bonds and the definitive improvement bonds to be issued to refund the Bonds and, with respect to the payment of funds to the Debt Service Account, a pledge of those funds for the benefit of the holder of the Bonds payable therefrom.

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

22. Defeasance. When all Bonds have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the registered holders of the Bonds shall, to the extent permitted by law, cease. The City may discharge its obligations with respect to any Bonds which are due on any date by irrevocably depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full; or if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Bond Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full, provided that notice of redemption thereof has been duly given. The City may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or

hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a suitable banking institution qualified by law as an escrow agent for this purpose, cash or securities described in Minnesota Statutes, Section 475.67, Subdivision 8, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without regard to sale and/or reinvestment, to pay all amounts to become due thereon to maturity or, if notice of redemption as herein required has been duly provided for, to such earlier redemption date.

23. Compliance With Reimbursement Bond Regulations. The provisions of this paragraph are intended to establish and provide for the City's compliance with United States Treasury Regulations Section 1.150-2 (the "Reimbursement Regulations") applicable to the "reimbursement proceeds" of the Bonds, being those portions thereof which will be used by the City to reimburse itself for any expenditure which the City paid or will have paid prior to the Closing Date (a "Reimbursement Expenditure").

The City hereby certifies and/or covenants as follows:

(a) Not later than 60 days after the date of payment of a Reimbursement Expenditure, the City (or person designated to do so on behalf of the City) has made or will have made a written declaration of the City's official intent (a "Declaration") which effectively (i) states the City's reasonable expectation to reimburse itself for the payment of the Reimbursement Expenditure out of the proceeds of a subsequent borrowing; (ii) gives a general and functional description of the property, project or program to which the Declaration relates and for which the Reimbursement Expenditure is paid, or identifies a specific fund or account of the City and the general functional purpose thereof from which the Reimbursement Expenditure was to be paid (collectively the "Project"); and (iii) states the maximum principal amount of debt expected to be issued by the City for the purpose of financing the Project; provided, however, that no such Declaration shall necessarily have been made with respect to: (i) "preliminary expenditures" for the Project, defined in the Reimbursement Regulations to include engineering or architectural, surveying and soil testing expenses and similar prefatory costs, which in the aggregate do not exceed twenty percent of the "issue price" of the Bonds, and (ii) a *de minimis* amount of Reimbursement Expenditures not in excess of the lesser of \$100,000 or five percent of the proceeds of the Bonds.

(b) Each Reimbursement Expenditure is a capital expenditure or a cost of issuance of the Bonds or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Reimbursement Regulations.

(c) The "reimbursement allocation" described in the Reimbursement Regulations for each Reimbursement Expenditure shall and will be made forthwith following (but not prior to) the issuance of the Bonds and in all events within the period ending on the date which is the later of three years after payment of the Reimbursement Expenditure or one year after the date on which the Project to which the Reimbursement Expenditure relates is first placed in service.

(d) Each such reimbursement allocation will be made in a writing that evidences the City's use of Bond proceeds to reimburse the Reimbursement Expenditure and, if made within 30 days after the Bonds are issued, shall be treated as made on the day the Bonds are issued.

Provided, however, that the City may take action contrary to any of the foregoing covenants in this paragraph upon receipt of an opinion of its Bond Counsel for the Bonds stating in effect that such action will not impair the tax-exempt status of the Bonds.

24. Continuing Disclosure. The City is the sole obligated person with respect to the Bonds. The City hereby agrees, in accordance with the provisions of Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended, and a Continuing Disclosure Undertaking (the "Undertaking") hereinafter described:

(a) to provide or cause to be provided to the Municipal Securities Rulemaking Board, by filing at www.emma.msrb.org, (i) at least annually, its audited financial statements for the most recent fiscal year, and (ii) notice of the occurrence of certain events with respect to the Bonds in not more than ten (10) business days after the occurrence of such event, in accordance with the Undertaking; and

(b) its covenants pursuant to the Rule set forth in this paragraph and in the Undertaking is intended to be for the benefit of the Holders of the Bonds and shall be enforceable on behalf of such Holders; provided that the right to enforce the provisions of these covenants shall be limited to a right to obtain specific enforcement of the City's obligations under the covenants.

The Mayor and Administrator or any other officer of the City authorized to act in their place (the "Officers") are hereby authorized and directed to execute on behalf of the City the Undertaking in substantially the form presented to the City Council subject to such modifications thereof or additions thereto as are (i) consistent with the requirements under the Rule, (ii) required by the Purchaser of the Bonds, and (iii) acceptable to the Officers.

25. Certificate of Registration. The Administrator is hereby directed to file a certified copy of this resolution with the County Auditor of Washington County, Minnesota, together with such other information as the Auditor shall require, and to obtain the County Auditor's certificate that the Bonds have been entered in the County Auditor's Bond Register and that the tax levy required by law has been made.

26. Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser, and to the attorneys approving the legality of the issuance of the Bonds, certified copies of all proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the Bonds as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

27. Negative Covenant as to Use of Bond Proceeds and Improvements. The City hereby covenants not to use the proceeds of the Bonds or to use the Improvements, or to cause or permit them to be used, or to enter into any deferred payment arrangements for the cost of the Improvements, 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.

28. Tax-Exempt Status of the Bonds; 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 (i) requirements relating to temporary periods for investments, (ii) limitations on amounts invested at a yield greater than the yield on the Bonds, and (iii) the rebate of excess investment earnings to the United States if the Bonds (together with other obligations reasonably expected to be issued and outstanding at one time in this calendar year) exceed the small issuer exception amount of \$5,000,000.

For purposes of qualifying for the small issuer exception to the federal arbitrage rebate requirements for governmental units issuing \$5,000,000 or less of bonds, the City hereby finds, determines and declares that (i) the Bonds are issued by a governmental unit with general taxing powers; (ii) no Bond is a private activity bond; (iii) ninety five percent or more of the net proceeds of the Bonds are to be used for local governmental activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City); and (iv) the aggregate face amount of all tax exempt bonds (other than private activity bonds) issued by the City (and all entities subordinate to, or treated as one issuer with the City) during the calendar year in which the Bonds are issued and outstanding at one time is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code.

29. Designation of Qualified Tax-Exempt Obligations. In order to qualify the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the City hereby makes the following factual statements and representations:

- (a) the Bonds are issued after August 7, 1986;
- (b) the Bonds are not "private activity bonds" as defined in Section 141 of the Code;
- (c) the City hereby designates the Bonds as "qualified tax exempt obligations" for purposes of Section 265(b)(3) of the Code;
- (d) the reasonably anticipated amount of tax exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the City (and all entities treated as one issuer with the City, and all subordinate entities whose obligations are treated as issued by the City) during this calendar year 2015 will not exceed \$10,000,000;

(e) not more than \$10,000,000 of obligations issued by the City during this calendar year 2015 have been designated for purposes of Section 265(b)(3) of the Code; and

(f) the aggregate face amount of the Bonds does not exceed \$10,000,000.

The City shall use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designation made by this paragraph.

30. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

31. Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF AFTON THIS 25TH DAY OF MARCH, 2015.

SIGNED:

Richard Bend, Mayor

ATTEST:

Ronald J. Moore, City Administrator

Motion by: _____
Second by: _____
Palmquist: _____
Richter: _____
Ross: _____
Nelson: _____
Bend: _____

EXHIBIT A



Springsted Incorporated
 380 Jackson Street, Suite 300
 Saint Paul, MN 55101-2887
 Tel: 651-223-3000
 Fax: 651-223-3002
 Email: advisors@springsted.com
 www.springsted.com

\$3,760,000^(a)

CITY OF AFTON, MINNESOTA
 GENERAL OBLIGATION TEMPORARY IMPROVEMENT BONDS, SERIES 2015A
 (BOOK ENTRY ONLY)

AWARD: PIPER JAFFRAY & CO.

SALE: March 25, 2015 Standard & Poor's Rating: SP-1+

Bidder	Interest Rates	Price	Net Interest Cost	True Interest Rate
PIPER JAFFRAY & CO.	0.75% April 1, 2017	\$3,749,359.20 ^(b)	\$65,865.80 ^(b)	0.8961% ^(b)
UNITED BANKERS' BANK	0.80% April 1, 2017	\$3,747,780.00	\$71,126.67	0.9679%
NORTHLAND SECURITIES, INC.	1.00% April 1, 2017	\$3,759,699.20	\$73,934.13	1.0041%
BOSC, INC., A SUBSIDIARY OF, BOK FINANCIAL CORP.	1.25% April 1, 2017	\$3,776,694.40	\$75,347.27	1.0204%
OPPENHEIMER & CO. INC.	1.00% April 1, 2017	\$3,754,548.00	\$79,085.33	1.0750%

REOFFERING SCHEDULE OF THE PURCHASER

Rate	Year	Yield
0.75%	2017	0.70%

BBI: 3.52%
 Average Maturity: 1.958 Years

^(a) Subsequent to bid opening, the issue size decreased from \$3,760,000 to \$3,755,000.

^(b) Subsequent to bid opening, the price, net interest cost, and true interest rate have changed to \$3,744,373.35, \$65,778.21, and 0.8961%, respectively.

\$3,755,000

City of Afton, Minnesota
General Obligation Temporary Improvement Bonds, Series 2015A

Post-Sale Tax Levies

Payment Date	Principal	Coupon	Interest	Total P+I	105% Overlevy	Levy Amount	Levy/Collect Year
04/01/2016	-	-	26,989.06	26,989.06	28,338.52	28,338.52 *	2014/2015
04/01/2017	3,755,000.00	0.750%	28,162.50	3,783,162.50	3,972,320.63	3,972,320.63 *	2015/2016
Total	\$3,755,000.00	-	\$55,151.56	\$3,810,151.56	\$4,000,659.14	\$4,000,659.14	-

* Available City funds will be used to pay the interest due on the Bonds. On or before April 1, 2017, the City expects to redeem the outstanding principal of and accrued interest on the Bonds.

Technology and High Speed Internet Access Committee Applicants

Marc Porupsky

Joel Hampton

Roger Larson

Van Fayler

Yung Yip

Natural Resources and Groundwater Committee Applicants

Mark Have

Jill Chezik

Christa Bren

Susan Winsor

Perry Eggers

Sondra Larson (see back of page)

RECEIVED

MAR 24 2015

CITY OF AFTON
APPLICATION FOR APPOINTMENT TO A CITY
COMMITTEE OR COMMISSION

CITY OF AFTON

DATE 3/23/15 PLEASE CHECK ONE: New Application Reappointment

NAME Sondra Larson

ADDRESS PO Box 184 AFTON, MN 55001
(Provide P O Box if applicable)

HOME PHONE _____ CELL 651-491-8354 WORK _____

EMAIL ADDRESS sondralars@gmail.com

YEARS AS AFTON RESIDENT 1.5 WARD # 1

1. COMMITTEE OR COMMISSION YOU ARE APPLYING FOR?

Natural Resources and Groundwater Committee

2. CURRENT OR PREVIOUS PARTICIPATION ON AFTON CITY OR CIVIC
COMMITTEES, COMMISSIONS, PROJECTS: none

3. OTHER CITIZEN, PROFESSIONAL OR POLITICAL EXPERIENCE YOU FEEL IS
RELEVANT TO SERVING ON THIS COMMITTEE/COMMISSION:

3. I am a student at the University of Minnesota studying Environmental Science, Policy and Management, specifically Conservation Resource Management. I have completed a number of environmental science courses covering a wide range of topics such as pollution prevention, contaminant hydrology and local and national environmental policies. I recently completed my Senior Capstone project where we worked with the City of White Bear Lake to design a comparative analysis of water conservation policy options for the city to consider for the future that consisted of a written report and a presentation to the city council. We researched current policy, analyzed our data and findings and made recommendations for improved policy.

4. WHAT DO YOU SEE AS THE CRITICAL OBLIGATION FOR A MEMBER OF THIS
COMMITTEE/COMMISSION? See attached

4. I believe that as a member of Afton's Natural Resources and Groundwater Committee one has the obligation to bring whatever knowledge and passion one has gained from study or experience to collaborate with other committee members in upholding the city of Afton's comprehensive plan with respect to the city's natural resources and groundwater. On a personal level, I would love to be involved with this committee to learn more about how local city government works, how I can apply what I have learned in my studies to the real world and to directly have an impact on preserving the natural environment of the city in which I live.

*** Please submit your application to ***

City of Afton
3033 St. Croix Trail South
PO Box 219
Afton, MN 55001
Or email: deputyclerk@ci.afton.mn.us or fax: (651) 436-1453