

PROVIDING FOR THE ISSUANCE OF AND ACCEPTING A PROPOSAL ON THE SALE OF GENERAL OBLIGATION STREET IMPROVEMENT SPECIAL ASSESSMENT BONDS, SERIES 2011B; FIXING THE FORM AND SPECIFICATIONS OF THE SERIES 2011B BONDS; PROVIDING FOR THE ISSUANCE OF THE SERIES 2011B BONDS; AND LEVYING A TAX FOR THE PAYMENT OF THE SERIES 2011B BONDS

WHEREAS, the Interim Director, Office of Financial Services, has presented to the Council proposals received for the sale of General Obligation Street Improvement Special Assessment Bonds, Series 2011B (the "Series 2011B Bonds"), of the City of Saint Paul, Minnesota (the "City"); and

WHEREAS, the proposals set forth on EXHIBIT C attached hereto were received pursuant to the Terms of Proposal at the offices of Springsted Incorporated, Financial Advisor to the City, on the date hereof; and

WHEREAS, the Interim Director, Office of Financial Services, has advised this Council that the proposal of the Purchaser (as defined herein) was found to be the most advantageous and has recommended that said proposal be accepted; and

WHEREAS, the City Council gave its preliminary approval to the issuance of the Series 2011B Bonds by adopting CF No. 11-60 on January 12, 2011; and

WHEREAS, the proceeds of the Series 2011B Bonds will finance certain street improvements to be specially assessed, for which the City is proceeding pursuant to its Charter and not Minnesota Statutes, Chapter 429, with any excess to be used for any other purpose permitted by law; and

WHEREAS, the Series 2011B Bonds are being issued by the Charter of the City and Minnesota Statutes, Chapter 475, as amended (the "Municipal Debt Act" and together with the Charter, the "Act"); and

WHEREAS, pursuant to Section 475.60, Subdivision 2(9) of the Municipal Debt Act, public sale requirements do not apply to the Series 2011B Bonds if the City retains an independent financial advisor and determines to sell the Series 2011B Bonds by private negotiation, and the City has, with the advice of the City's independent financial advisor, Springsted Incorporated, instead authorized a competitive sale without publication of notice thereof as a form of private negotiation; and

WHEREAS, proposals for the Series 2011B Bonds have been solicited by Springsted Incorporated pursuant to an Official Statement (the "Official Statement") and Terms of Proposal (the "Terms of Proposal") therein.

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

1. Acceptance of Proposal. The proposal of UBS Financial Services, Inc. (the "Purchaser"), on behalf of itself and a syndicate, to purchase the General Obligation Street Improvement Special Assessment Bonds, Series 2011B of the City (the "Series 2011B Bonds", or individually a "Series 2011B Bond"), in accordance with the Terms of Proposal for the bond sale, at the rates of interest hereinafter set forth, and to pay therefor the sum of \$12,593,240.15 (the principal amount of the Series 2011B Bonds (\$12,500,000), plus a net original issue

premium in the amount of \$224,490.15 less the Purchaser's discount of \$131,250), is hereby found, determined and declared to be the most favorable proposal received and is hereby accepted for Series 2011B Bonds and the Series 2011B Bonds are hereby awarded to the Purchaser. The City retained the right to increase or reduce the principal amount of the Series 2011B Bonds from the proposed \$12,500,000, and the City has determined to not to increase/reduce the principal amount of the Series 2011B Bonds. The amount of Series 2011B Bonds authorized to be issued is the purchase price referenced in this Section 1. The Interim Director, Office of Financial Services, or designee, is directed to retain the deposit of the Purchaser and to forthwith return to the others making proposals their good faith checks or drafts. The Interim Director, Office of Financial Services (or designee), on behalf of the City, is directed to execute a purchase agreement with the Purchaser related to the Series 2011B Bonds.

2. Title; Original Issue Date; Denominations; Maturities. The Series 2011B Bonds shall be titled "General Obligation Street Improvement Special Assessment Bonds, Series 2011B", shall be dated as of the date of original issue and shall be issued forthwith on or after such date as fully registered bonds. The Series 2011B Bonds shall be numbered from R-1 upward each shall be in the denomination of \$5,000 each or in any integral multiple thereof of a single maturity. The Series 2011B Bonds shall mature on May 1 and November 1 on the dates and in the amounts set forth in EXHIBIT B attached hereto and made a part hereof.

3. Purpose. The Series 2011B Bonds are issued pursuant to the Act. The Series 2011B Bonds shall provide funds for the construction of various street improvements (the "Improvements") in the City, cost of issuance of the Series 2011B Bonds, and any excess construction funds shall be devoted to any other purpose permitted by law. The total cost of the Improvements, which shall include all costs enumerated in Section 475.65 of the Act, is estimated to be at least equal to the amount of the Series 2011B Bonds available for this purpose. Work on the Improvements shall proceed with due diligence to completion.

4. Interest. The Series 2011B Bonds shall bear interest payable semiannually on May 1 and November 1 of each year (each, an "Interest Payment Date"), commencing November 1, 2011, calculated on the basis of a 360-day year of twelve 30-day months, at the respective rates per annum set forth opposite the maturity dates as set forth on EXHIBIT B.

5. Book-Entry System; Limited Obligation of City.

(a) DTC. The Series 2011B Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Series 2011B Bond for each of the maturities set forth on EXHIBIT B attached hereto. Upon initial issuance, the ownership of each Series 2011B Bond will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns ("DTC"). Except as provided in this section, all of the outstanding Series 2011B Bonds will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC.

(b) Participants. With respect to Series 2011B Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the City, the Registrar and the Paying Agent will have no responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Series 2011B Bonds as securities depository ("Participants") or to any other person on behalf of which a Participant holds an interest in the Series 2011B Bonds, including but not limited to any responsibility or

obligation with respect to (i) the accuracy of the records of Cede & Co., DTC or any Participant with respect to any ownership interest in the Series 2011B Bonds, (ii) the delivery to any Participant or any other person (other than a registered owner of Series 2011B Bonds, as shown by the registration books kept by the Registrar), of any notice with respect to the Series 2011B Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered owner of Series 2011B Bonds, of any amount with respect to principal of, premium, if any, or interest on the Series 2011B Bonds. The City, the Registrar and the Paying Agent may treat and consider the person in whose name each Series 2011B Bond is registered in the registration books kept by the Registrar as the holder and absolute owner of such Series 2011B Bond for the purpose of payment of principal, premium and interest with respect to such Series 2011B Bond, for the purpose of registering transfers with respect to such Series 2011B Bonds, and for all other purposes. The Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2011B Bonds only to or on the order of the respective registered owners, as shown in the registration books kept by the Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, or interest on the Series 2011B Bonds to the extent of the sum or sums so paid. No person other than a registered owner of a Series 2011B Bond, as shown in the registration books kept by the Registrar, will receive a certificated Series 2011B Bond evidencing the obligation of this Resolution. Upon delivery by DTC to the City Clerk of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co." shall refer to such new nominee of DTC; and upon receipt of such a notice, the City Clerk shall promptly deliver a copy of the same to the Registrar and Paying Agent.

(c) Representation Letter. The City has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (the "Representation Letter") which shall govern payment of principal of, premium, if any, and interest on the Series 2011B Bonds and notices with respect to the Series 2011B Bonds. Any Paying Agent or Registrar subsequently appointed by the City with respect to the Series 2011B Bonds shall agree to take all action necessary for all representations of the City in the Representation Letter with respect to the Registrar and Paying Agent, respectively, to be complied with at all times.

(d) Transfers Outside Book-Entry System. In the event the City, by resolution of the City Council, determines that it is in the best interests of the persons having beneficial interests in the Series 2011B Bonds that they be able to obtain Series 2011B Bond certificates, the City will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Series 2011B Bond certificates. In such event the City will issue, transfer and exchange Series 2011B Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this Resolution. DTC may determine to discontinue providing its services with respect to the Series 2011B Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the City shall issue and the Registrar shall authenticate Series 2011B Bond certificates in accordance with this Resolution and the provisions hereof shall apply to the transfer, exchange and method of payment thereof.

(e) Payments to DTC. Notwithstanding any other provision of this Resolution to the contrary, so long as a Series 2011B Bond is registered in the name of Cede & Co., as nominee of DTC, payments with respect to principal of, premium, if any, and interest on the Series 2011B Bond and all notices with respect to the Series 2011B Bond shall be made and given, respectively, in the manner provided in DTC's Operational Arrangements, as set forth in the Representation Letter.

6. Redemption Provisions.

(a) Optional Redemption. The City may elect on May 1, 2021, and on any day thereafter, to prepay Series 2011B Bonds. Optional redemptions may be in whole or in part and if in part at the option of the City and in such manner as the City shall determine. If less than all Series 2011B Bonds of a maturity are called for redemption, the City will notify DTC (as defined herein) of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All optional redemptions of the Series 2011B Bonds shall be at a price of par plus accrued interest to the redemption date.

(b) Scheduled Mandatory Redemption. Term Bonds maturing on (i) November 1 in the years 2018, 2019, 2021, 2024, 2026, and 2027, and (ii) May 1 in the years 2029, 2030, and 2031, are subject to redemption and prepayment at a price of par plus accrued interest, without premium, on the dates and in the amounts set forth below in EXHIBIT B hereto.

(c) Selection of Series 2011B Bonds to be Redeemed: Redemption Procedure. In the event any of the Series 2011B Bonds are called for redemption, notice thereof identifying the Series 2011B Bonds to be redeemed shall be given by the Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) to the registered owner of each Series 2011B Bonds to be redeemed at the address shown on the registration books kept by the Registrar and by publishing the notice if required by law. Failure to give notice by publication or by mail to any registered owner, or any defect therein, shall not affect the validity of the proceedings for the redemption of Series 2011B Bonds. Series 2011B Bonds so called for redemption shall cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the Registrar at that time.

(d) Notice of Redemption. The Registrar shall call Series 2011B Bonds for optional redemption and prepayment as herein provided upon receipt by the Registrar at least forty-five (45) days prior to the redemption date of a request of the City, in written form if the Registrar is other than a City officer. Such request shall specify the series and principal amount of Series 2011B Bonds to be called for redemption and the redemption date.

Mailed notice of optional redemption shall be given to the Paying Agent (if other than a City officer) and to each affected Holder. If and when the City shall call any of the Series 2011B Bonds for redemption and prepayment prior to the stated maturity thereof, the Registrar shall give written notice in the name of the City of its intention to redeem and pay such Series 2011B Bonds at the office of the Registrar. Notice of redemption shall be given by first class mail, postage prepaid, mailed not less than thirty (30) days prior to the redemption date, to each Holder of Series 2011B Bonds to be redeemed, at the address appearing in the Bond Register. All notices of optional redemption shall state: (i) the redemption date; (ii) the redemption price; (iii) if less than all outstanding Series 2011B Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Series 2011B Bonds to be redeemed; (iv) that on the optional redemption date, the redemption price will become due and payable upon each such Series 2011B Bond, and that interest thereon shall cease to accrue from and after said date; (v) the place where such Series 2011B Bonds are to be surrendered for payment of the redemption price (which shall be the office of the Registrar); and and (vi) include a statement that the redemption so noticed is conditioned on sufficient funds being held by the City on or before noon on the applicable redemption date to pay the full

redemption price, and if at such time the amount so held is not sufficient to pay all amounts required to effect the noticed redemption in full, the redemption shall be cancelled, with all Series 2011B Bonds tendered for such redemption being returned to the holders thereof and no liability on the part of the City shall arise as a result of such cancellation.

Notices to DTC or its nominee shall contain the CUSIP numbers of the Series 2011B Bonds. If there are any Holders of the Series 2011B Bonds other than DTC or its nominee, the Registrar shall use its best efforts to deliver any such notice to DTC on the business day next preceding the date of mailing of such notice to all other Holders.

7. Registrar. The City Treasurer is hereby appointed as the initial bond registrar and paying agent (the "Registrar" and the "Paying Agent") for the Series 2011B Bonds. The City Treasurer shall serve as Registrar unless and until a successor Registrar is duly appointed. A successor Registrar shall be an officer of the City or a bank or trust company eligible for designation as Registrar pursuant to the Municipal Debt Act and may be appointed pursuant to any contract the City and such successor Registrar shall execute which is consistent herewith. The Registrar shall also serve as Paying Agent unless and until a successor Paying Agent is duly appointed. Principal and interest on the Series 2011B Bonds shall be paid to the registered holder or holders of the Series 2011B Bonds (the "Holder" or "Holders") in the manner set forth in the form of the Series 2011B Bonds. The effect of registration and the rights and duties of the City and the Registrar with respect thereto are as follows:

(a) Register. The Registrar shall keep a bond register in which the Registrar provides for the registration of ownership of the Series 2011B Bonds and the registration of transfers and exchanges of the Series 2011B Bonds entitled to be registered, transferred, or exchanged.

(b) Transfer of Series 2011B Bonds. Upon surrender for transfer of a Series 2011B Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Series 2011B Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until that interest payment date.

(c) Exchange of Series 2011B Bonds. When Series 2011B Bonds are surrendered by the registered owner for exchange, the Registrar shall authenticate and deliver one or more new Series 2011B Bonds of a like aggregate principal amount and maturity as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. Series 2011B Bonds surrendered upon transfer or exchange shall be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When a Series 2011B Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the Series 2011B Bond until the Registrar is satisfied that the endorsement on the Series 2011B Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name a Series 2011B Bond is registered in the bond register as the absolute owner of the Series 2011B Bond, whether the Series 2011B Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Series 2011B Bond and for all other purposes, and payments so made to a registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability upon the Series 2011B Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees, and Charges. The Registrar may impose a charge upon the owner thereof for a transfer or exchange of Series 2011B Bond sufficient to reimburse the Registrar for any tax, fee, or other governmental charge required to be paid with respect to the transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Series 2011B Bonds. If a Series 2011B Bond becomes mutilated or is destroyed, stolen, or lost, the Registrar shall deliver a new Series 2011B Bond of like amount, number, maturity date, and tenor in exchange and substitution for and upon cancellation of the mutilated Series 2011B Bond or in lieu of and in substitution for any Series 2011B Bond destroyed, stolen, or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Series 2011B Bond destroyed, stolen, or lost, upon filing with the Registrar of evidence satisfactory to it that the Series 2011B Bond was destroyed, stolen, or lost, and of the ownership thereof, and upon furnishing to the Registrar an appropriate bond or indemnity in form, substance, and amount satisfactory to it and as provided by law, in which both the City and the Registrar must be named as obligees. Series 2011B Bonds so surrendered to the Registrar shall be cancelled by the Registrar and evidence of such cancellation shall be given to the City. If the mutilated, destroyed, stolen, or lost Series 2011B Bond has already matured or been called for redemption in accordance with its terms, it is not necessary to issue a new Series 2011B Bond prior to payment.

8. Form of Series 2011B Bonds. All of the provisions of the Series 2011B Bonds, when executed as authorized herein, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Series 2011B Bonds shall be substantially in the form attached to this Resolution as EXHIBIT A, which form is hereby approved, with such necessary and appropriate variations, omissions and insertions (including changes to the aggregate principal amount of each series of the Series 2011B Bonds, the stated maturities of the Series 2011B Bonds, the interest rates on the Series 2011B Bonds, the terms of redemption of the Series 2011B Bonds, and variation from City policies regarding methods of offering general obligation bonds) as the City Treasurer and Interim Director, Office of Financial Services, or their respective deputies, in their discretion, shall determine. The execution of the Series 2011B Bonds with the manual or facsimile signatures of the Mayor, City Clerk and Interim Director, Office of Financial Services, or their proper designee, and the delivery of the Series 2011B Bonds by the City shall be conclusive evidence of such determination.

The City Treasurer is authorized and directed to obtain a copy of the proposed approving legal opinion of Kennedy & Graven, Chartered, Saint Paul, Minnesota, which shall be complete except as to dating thereof and cause the opinion to accompany each Series 2011B Bond.

9. Execution. The Series 2011B Bonds shall be executed on behalf of the City by the signatures of its Mayor, City Clerk and Interim Director, Office of Financial Services, or their proper designee, each with the effect noted on the forms of the Series 2011B Bonds, provided, that any such signatures may be printed or photocopied facsimiles and the corporate seal may be omitted on the Series 2011B Bonds as permitted by law. In the event of disability or resignation or other absence of any such officer, the Series 2011B Bonds may be signed by the manual or facsimile signature of that officer who may act on behalf of such absent or disabled officer. In case any such officer whose signature or facsimile of whose signature shall appear on the Series 2011B Bonds shall cease to be such officer before the delivery of the Series 2011B Bonds, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery.

10. Authentication; Date of Registration. No Series 2011B 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 such Series 2011B Bond, substantially in the form set forth in EXHIBIT A, shall have been duly executed by an authorized representative of the Registrar. Certificates of Authentication on different Series 2011B Bonds need not be signed by the same person. The Registrar shall authenticate the signatures of officers of the City on each Series 2011B Bond by execution of the Certificate of Authentication on the Series 2011B Bond and by inserting as the date of registration in the space provided the date on which the Series 2011B Bond is authenticated. For purposes of delivering the original Series 2011B Bonds to the Purchaser, the Registrar shall insert as the date of registration the date of original issue.

11. Rights Upon Transfer or Exchange. Each Series 2011B Bond delivered upon transfer of or in exchange for or in lieu of any other Series 2011B Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Series 2011B Bond.

12. Registration and Payment. The Series 2011B Bonds will be issued only in fully registered form. The interest thereon and, upon surrender of each Series 2011B Bond, the principal amount thereof, is payable by check or draft issued by the Registrar described herein. Each Series 2011B Bond shall be dated as of the last interest payment date preceding the date of authentication to which interest on the Series 2011B Bonds has been paid or made available for payment, unless: (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Series 2011B Bonds will be dated as of the date of authentication; or (ii) the date of authentication is prior to the first interest payment date, in which case the Series 2011B Bonds will be dated as of the date of original issue. The Series 2011B Bonds shall bear interest at the rates per annum as set forth in EXHIBIT B attached hereto.

13. Holders; Treatment of Registered Owner; Consent of Holders.

(a) *Beneficial Owners.* For the purposes of all actions, consents, and other matters affecting Holders of the Series 2011B Bonds, other than payments, redemptions, and purchases, the City may (but shall not be obligated to) treat as the Holder of a Series 2011B Bond the beneficial owner of the Series 2011B Bond instead of the person in whose name the Series 2011B Bond is registered. For that purpose, the City may ascertain the identity of the beneficial owner of the Series 2011B Bond by such means as the Registrar, in its sole discretion, deems appropriate, including but not limited to a certificate from the person in whose name the Series 2011B Bond is registered identifying such beneficial owner.

(b) *Registered Owners.* The City and Registrar may treat the person in whose name any Series 2011B Bond is registered as the owner of such Series 2011B Bond for the purpose of receiving payment of principal of and premium, if any, and interest on such Series 2011B Bond and for all other purposes whatsoever whether or not such Series 2011B Bond shall be overdue, and neither the City nor the Registrar shall be affected by notice to the contrary.

(c) *Actions of Holders.* Any consent, request, direction, approval, objection, or other instrument to be signed and executed by the Holders may be in any number of concurrent writings of similar tenor and must be signed or executed by such Holders in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection, or other instrument, or of the writing appointing any such agent and of the ownership of Series 2011B Bonds, if made in the following manner, shall be sufficient for any of the purposes of this resolution, and shall be conclusive in favor of the City with regard to any action taken by it under such request or other instrument, namely: (i) the fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by an affidavit of any witness to such execution; and (ii) subject to the provisions of subparagraph (a) above, the fact of the ownership by any person of Series 2011B Bonds and the amounts and numbers of such Series 2011B Bonds, and the date of the holding of the same, may be proved by reference to the bond register.

14. Delivery; Application of Proceeds. The Series 2011B Bonds when so prepared and executed shall be delivered by the Interim Director, Office of Financial Services, to the Purchaser upon receipt of the purchase price, and the Purchaser shall not be obliged to see to the proper application thereof.

15. Funds. There is hereby created a special fund to be designated the "2011 Capital Projects Fund" (numbered C11, the "Capital Fund"), to be administered and maintained by the City Treasurer as a bookkeeping account separate and apart from all other accounts maintained in the official financial records of the City. There has been heretofore created and established the "General Obligation Special Assessments -- Streets Debt Service Fund" (numbered 963, the "Debt Service Fund"). The Capital Fund and Debt Service Fund shall be maintained in the manner herein specified until all of the Series 2011B Bonds and the interest thereon have been fully paid:

(a) Capital Fund. To the Capital Fund there shall be credited the proceeds of the sale of the Series 2011B Bonds, less accrued interest, if any, received on the Series 2011B Bonds, and less any amount paid for the Series 2011B Bonds in an amount at least equal to \$12,367,759.45. From the Capital Fund there shall be paid all costs and expenses of making the Improvements listed in paragraph 16, after they have been ordered in accordance with the Charter of the City, 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 (including interest on the Series 2011B Bonds payable during the construction period); and the moneys in the Capital Fund shall be used for no other purpose except as otherwise provided by law; provided that the proceeds of the Series 2011B Bonds may also be used to the extent necessary to pay interest on the Series 2011B Bonds due prior to the anticipated date of commencement of the collection of taxes or special assessments herein covenanted to be levied; and provided further that if upon completion of the Improvements there shall remain any unexpended balance in the Capital Fund, the balance may be transferred by the Council to the fund of any other improvement instituted pursuant to the City's Charter or Minnesota Statutes,

Chapter 429, or used to pay the costs of any other purpose permitted by law, or transferred to the Debt Service Fund. All earnings on the Capital Fund shall be transferred to the Debt Service Fund, or may be retained in the Capital Fund.

(b) Debt Service Fund. There is hereby pledged and there shall be credited to a special account relating to the Series 2011B Bonds in the Debt Service Fund: (a) collections of special assessments herein covenanted to be levied with respect to the Improvements; (b) all accrued interest, if any, received upon delivery of the Series 2011B Bonds; (c) any amounts necessary to pay the interest and principal due on the Series 2011B Bonds on November 1, 2011 and May 1, 2012; (d) any collections of all taxes which are levied herein, or which may hereafter be levied in the event that the special assessments herein pledged to the payment of the Series 2011B Bonds and interest thereon are insufficient therefor; (e) all funds remaining in the Capital Fund after completion of the Improvements and payment of the costs thereof, not so transferred to the account of another improvement or used to pay the costs of any other purpose permitted by law; (f) original issue premium of the Series 2011B Bonds determined by the City Treasurer to be deposited therein, and (g) all investment earnings on money held in such special account in the Debt Service Fund or (at the City's option) on moneys held in the Capital Fund. If money in the special account of the Debt Service Fund should ever be insufficient to pay debt service on the Series 2011B Bonds, the Series 2011B Bonds shall be paid from the Debt Service Fund or any other special account therein, and the Series 2011B Bonds are hereby made payable from the Debt Service Fund and any other special accounts therein for this purpose. Amounts drawn from the Debt Service Fund or any special account therein may be repaid with or without interest when money sufficient for such repayment are deposited in the special account relating to the Series 2011B Bonds in the Debt Service Fund.

The special account relating to the Series 2011B Bonds in the Debt Service Fund shall be used solely to pay the principal and interest and any premiums for redemption of the Series 2011B Bonds and any other general obligation bonds of the City heretofore or hereafter issued by the City and made payable from such special account in the Debt Service Fund as provided by law, or to pay any rebate due to the United States. No portion of the proceeds of the Series 2011B 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 Series 2011B Bonds were issued, and (2) in addition to the above in an amount not greater than five percent (5%) of the proceeds of the Series 2011B Bonds. To this effect, any sums from time to time held in the Capital Fund or in such special account in the Debt Service Fund (or any other City fund or 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 as to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. In addition, the proceeds of the Series 2011B Bonds and money in the Capital Fund or in such special account in the Debt Service 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 Series 2011B Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the federal Internal Revenue Code of 1986, as amended (the "Code").

(c) Arbitrage Restrictions. The money in the funds shall be used solely as provided herein, or to pay any rebate due to the United States. No portion of the proceeds of the Series 2011B 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 (i) for a reasonable temporary period until such proceeds are needed for the purpose for which the Series 2011B Bonds are issued, and (ii) in addition to the amounts referred to in clause (i) in an amount not greater than \$100,000. To this effect, any proceeds of the Series 2011B Bonds and any sums from time to time held in the Series 2011B Debt Service Fund allocated to the Series 2011B Bonds (or any other City account which will be used to pay principal or interest to become due on the Series 2011B Bonds) in excess of amounts which, under then applicable federal arbitrage regulations, may be invested without regard as to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. In addition, the proceeds of the Series 2011B Bonds and money allocated to the Series 2011B Bonds in the Series 2011B Debt Service Fund shall not be invested in obligations or deposits issued by, guaranteed by, or insured by the United States of America, or any agency or instrumentality thereof, if and to the extent that such investment would cause the Series 2011B Bonds to be deemed to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

(d) Allocation of Investment Earnings. Investment earnings, net of rebatable arbitrage, shall be credited to the fund or account from which the investment was made.

16. Assessments; Coverage Test. The City Council has heretofore determined, and does hereby determine, to proceed with the Improvements and special assessments with respect thereto under the provisions of the Charter of the City, rather than the provisions of Minnesota Statutes, Chapter 429.

It is hereby determined that no less than twenty percent (20%) of the cost to the City of the Improvements 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 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 and 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 this 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 this 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.

The special assessments for the Improvements have not heretofore been authorized, and accordingly, for purposes of Minnesota Statutes, Section 475.55, Subdivision 3, the special assessments are hereby authorized. Subject to such adjustments as are required by conditions in existence at the time the assessments are levied, the assessments are hereby authorized and it is hereby determined that the assessments shall be payable in equal, consecutive, annual installments, with general taxes for the years shown below and with interest on the declining balance of all such assessments at a rate per annum of 5.38% (the sum of the true interest cost of the Series 2011B Bonds of 3.63% (as determined by Springsted Incorporated) plus 1.75% for administration costs).

<u>Improvement Designation</u>	<u>Assessed Amount</u>	<u>Levy Years</u>	<u>Collection Years</u>
Page/Woodbury	\$984,882	2010-2029	2011-2030
Davern/Jefferson II	727,034	Inclusive	for all
Blair/Griggs	697,317		
Prior/Goodrich	427,184		

The special assessments for the Improvements shall be such that if collected in full they, together with estimated collections of other revenues herein pledged for the payment of the Series 2011B Bonds, will produce at least five percent (5%) in excess of the amount needed to meet when due the principal and interest payments on the Series 2011B Bonds in every year. At the time the assessments for the Improvements are in fact levied the City Council shall, based on the then-current estimated collections of the assessments, make any adjustments in the Tax (as defined below) required to be levied in order to assure that the City continues to be in compliance with Minnesota Statutes, Section 475.61, Subdivision 1.

17. Pledge of Tax Levy. For the purpose of paying the principal of and interest on the Series 2011B Bonds in excess of amounts received from special assessments, there is levied a direct annual irrepealable ad valorem tax (the "Tax") upon all of the taxable property in the City, to be spread upon the tax rolls and collected with and as part of other general taxes of the City. The Tax will be credited to the Series 2011B Debt Service Fund above provided and shall be established by officials of the City after the award of the Series 2011B Bonds and determination of the interest rates on the Series 2011B Bonds. The Tax shall be levied and collected in the years and in the amounts as follows:

<u>Levy Year</u>	<u>Collection Year</u>	<u>Amount</u>
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(See attached EXHIBIT D)

18. Appropriation. To the payment of debt service due on the Series 2011B Bonds on November 1, 2011 and May 1, 2012, there is hereby appropriated the necessary amount from the City's fund balance.

19. Tax Levy; Coverage Test. The Tax shall be irrepealable so long as any of the Series 2011B Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

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 Series 2011B Bonds, will produce at least five percent (5%) in excess of the amount needed to meet when due the principal and interest payments on the Series 2011B Bonds. The tax levies shall be irrepealable so long as any of the Series 2011B Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

20. General Obligation Pledge. For the prompt and full payment of the principal and interest on the Series 2011B 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

special account relating to the Series 2011B Bonds in the Debt Service Fund (as defined in paragraph 15 hereof) is ever insufficient to pay all principal and interest then due on the Series 2011B Bonds payable therefrom, the deficiency shall be promptly paid out of any other funds of the City which are available for such purpose, including the general fund of the City and the Debt Service Fund and the special accounts therein, and such other funds may be reimbursed with or without interest from the special account in the Debt Service Fund relating to the Series 2011B Bonds when a sufficient balance is available therein.

21. Certificate of Registration. The City Treasurer is hereby directed to file a certified copy of this Resolution with the officer of Ramsey County, Minnesota, performing the functions of the county auditor (the "County Auditor"), together with such other information as the County Auditor shall require, and to obtain the County Auditor's certificate that the Series 2011B Bonds have been entered in the County Auditor's Bond Register, and that the tax levy required by law has been made.

22. 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 Series 2011B Bonds, certified copies of all proceedings and records of the City relating to the Series 2011B 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 Series 2011B 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.

23. Negative Covenants as to Use of Proceeds and Improvements. The City hereby covenants not to use the proceeds of the Series 2011B 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 Series 2011B Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code. The City reasonably expects that no actions will be taken over the term of the Series 2011B Bonds that would cause them to be private activity bonds, and the average term of the Series 2011B Bonds is not longer than reasonably necessary for the governmental purpose of the issue. The City hereby covenants not to use the proceeds of the Series 2011B Bonds in such a manner as to cause the Series 2011B Bonds to be "hedge bonds" within the meaning of Section 149(g) of the Code.

24. Tax-Exempt Status of the Series 2011B Bonds; Rebate; Elections. 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 Series 2011B Bonds, including without limitation requirements relating to temporary periods for investments, limitations on amounts invested at a yield greater than the yield on the Series 2011B Bonds, and the rebate of excess investment earnings to the United States.

The City expects that the two-year expenditure exception to the rebate requirements may apply to the construction proceeds of the Series 2011B Bonds.

If any elections are available now or hereafter with respect to arbitrage or rebate matters relating to the Series 2011B Bonds, the Mayor, Clerk, Treasurer and Interim Director, Office of Financial Services (or their proper designees), or any of them, are hereby authorized and directed to make such elections as they deem necessary, appropriate or desirable in connection

with the Series 2011B Bonds, and all such elections shall be, and shall be deemed and treated as, elections of the City.

25. No Designation of Qualified Tax-Exempt Obligations. The Series 2011B Bonds, together with other obligations issued by the City in 2011, exceed in amount those which may be qualified as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code, and hence are not designated for such purpose.

26. Negotiated Sale. The City has retained Springsted Incorporated as an independent financial advisor, and the City has heretofore determined, and hereby determines, to sell the Series 2011B Bonds by private negotiation, all as provided by Minnesota Statutes, Section 475.60, Subdivision 2(9).

27. Official Statement. There have been submitted to this City Council the form of the Official Statement. The use and distribution of the Official Statement, and of an Addendum to the Official Statement, by the Purchaser in connection with the offer and sale of the Series 2011B Bonds is hereby approved. The Mayor, City Debt Manager, and Interim Director, Office of Financial Services (or their proper designees) are authorized and directed to certify that they have examined the Official Statement, as supplemented by the Addendum to the Official Statement, and that to the best of their knowledge and belief the Official Statement is a complete and accurate representation of the facts and representations made therein as of the date of the Official Statement and that the Official Statement does not, at the date of closing, and did not, as of its date, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

28. Continuing Disclosure. In order to satisfy the continuing disclosure requirements of Rule 15c2-12(b)(5), 17 CFR §240.15c2-12, promulgated by the Securities Exchange Commission under the Securities Exchange Act of 1934, as amended, the appropriate officials of the City are hereby authorized and directed to execute and deliver a continuing disclosure undertaking substantially in the form of the Continuing Disclosure Certificate set forth in the Official Statement (the “Continuing Disclosure Certificate”). The Continuing Disclosure Certificate is hereby approved with such changes, modifications, additions, and deletions as shall be necessary and appropriate and approved by the City Attorney and Kennedy & Graven, Chartered, as bond counsel to the City.

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.

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EXHIBIT A

FORM OF SERIES 2011B BOND

STATE OF MINNESOTA
RAMSEY COUNTY

R-_____

\$_____

CITY OF SAINT PAUL, MINNESOTA
GENERAL OBLIGATION STREET IMPROVEMENT
SPECIAL ASSESSMENT BOND
SERIES 2011B

INTEREST RATE	MATURITY DATE	DATE OF ORIGINAL ISSUE	CUSIP
_____	_____	April 4, 2011	_____

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____ DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that the City of Saint Paul, Ramsey County, Minnesota (the "Issuer" or "City"), certifies that it is indebted and for value received promises to pay to the registered owner specified above or on the certificate of registration below, or registered assigns, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, unless called for earlier redemption, and to pay interest thereon semiannually on May 1 and November 1 of each year (each, an "Interest Payment Date"), commencing November 1, 2011, 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 Series 2011B 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 Series 2011B Bond are payable in same-day funds by 2:30 p.m., Eastern time, upon presentation and surrender hereof at the principal office of the Treasurer of the City in Saint Paul, Minnesota (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer; provided, however, that upon a partial redemption of this Series 2011B Bond which results in the stated amount hereof being reduced, the Holder may in its discretion be paid without presentation of this Series 2011B Bond, which payment shall be received no later than 2:30 p.m., Eastern time, and may make a notation on the panel provided herein of such redemption, stating the amount so redeemed, or may return the Series 2011B Bond to the Series 2011B Bond Registrar in exchange for a new Series 2011B Bond in the proper principal amount. Such notation, if made by the Holder, shall be for reference only, and may not be relied upon by any other person as being in any way determinative of the principal amount of this Series 2011B Bond outstanding, unless the Bond Registrar has signed the appropriate column of the panel. Interest on this Series 2011B Bond will be paid on each Interest Payment Date in same-day funds by 2:30 p.m., Eastern time, to the person in whose name this Series 2011B 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 preceding such Interest Payment Date (the "Regular Record Date"). Interest payments shall be received by the Holder no later than 2:30 p.m., Eastern time; and principal and premium payments shall be received by the Holder no later than 2:30 p.m., Eastern time, if the Series 2011B Bond is surrendered for payment enough in advance to permit payment to be made by such time. 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 Series 2011B Bond are payable in lawful money of the United States of America.

Date of Payment Not Business Day. If the date for payment of the principal of, premium, if any, or interest on this Series 2011B Bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of New York, New York, or the city where the principal office of the Bond Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

Optional Redemption. All Series 2011B Bonds of this issue (the "Series 2011B Bonds") maturing after May 1, 2021 are subject to redemption and prepayment at the option of the Issuer on such date and on any day thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Series 2011B Bonds subject to prepayment. If redemption is in part, those Series 2011B Bonds remaining unpaid may be prepaid in such order of maturity and in such amount per maturity as the City shall determine; and if only part of the Series 2011B Bonds having a common maturity date are called for prepayment, this Series 2011B Bond may be prepaid in \$5,000 increments of principal.

Scheduled Mandatory Redemption. The Series 2011B Bonds are subject to scheduled mandatory redemption through operation of a sinking fund as provided for in the Resolution

Due Date. Series 2011B 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.

Notice of Redemption. Mailed notice of redemption shall be given to the paying agent (if other than a City officer) and to each affected Holder of the Series 2011B Bonds. In the event any of the Series 2011B Bonds are called for redemption, written notice thereof will be given by first class mail mailed not less than thirty (30) days prior to the redemption date to each Holder of Series 2011B Bonds to be redeemed. In connection with any such notice, the "CUSIP" numbers assigned to the Series 2011B Bonds shall be used.

Issuance; Purpose; General Obligation. This Series 2011B Bond is one of an issue in the total principal amount of \$12,500,000, all of like date of original issue and tenor, except as to number, maturity, interest rate, denomination and redemption privilege, which Series 2011B Bond has been issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota and the Charter of the Issuer, and pursuant to a resolution adopted by the City Council of the Issuer on March 23, 2011 (the "Resolution"), for the purpose of providing money to finance the construction of various street improvements in the City. This Series 2011B Bond is payable out of a special account relating to the Series 2011B Bonds in the

General Obligation Special Assessments – Streets Debt Service Fund of the Issuer. This Series 2011B 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: Resolution. The Series 2011B Bonds are issuable originally only as fully registered bonds in the denominations of \$5,000 and integral multiples thereof of a single maturity. Reference is hereby made to the Resolution for a description of the rights and duties of the Registrar. A copy of the Resolution is on file in the principal office of the Registrar.

Transfer. This Series 2011B Bond shall be registered in the name of the payee on the books of the Issuer by presenting this Series 2011B Bond for registration to the Registrar, who will endorse its name and note the date of registration opposite the name of the payee in the certificate of registration attached hereto. Thereafter this Series 2011B Bond may be transferred by delivery with an assignment duly executed by the Holder or its legal representatives, and the Issuer and Registrar may treat the Holder as the person exclusively entitled to exercise all the rights and powers of an owner until this Series 2011B Bond is presented with such assignment for registration of transfer, accompanied by assurance of the nature provided by law that the assignment is genuine and effective, and until such transfer is registered on said books and noted hereon by the Registrar, all subject to the terms and conditions provided in the Resolution and to reasonable regulations of the Issuer contained in any agreement with, or notice to, the Registrar. Transfer of this Series 2011B Bond may, at the direction and expense of the Issuer, be subject to certain other restrictions if required to qualify this Series 2011B Bond as being “in registered form” within the meaning of Section 149(a) of the Internal Revenue Code of 1986, as amended.

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 Series 2011B Bond and any legal or unusual costs regarding transfers and lost Series 2011B Bonds.

Treatment of Registered Owner. The Issuer and Bond Registrar may treat the person in whose name this Series 2011B Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except as otherwise provided with respect to the Record Date) and for all other purposes, whether or not this Series 2011B Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

Authentication. This Series 2011B 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.

Not Qualified Tax-Exempt Obligations. The Series 2011B Bonds have not been designated by the Issuer as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the federal Internal Revenue Code of 1986, as amended. The Series 2011B Bonds do not qualify for such designation.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota and the Charter of the Issuer to be done, to happen and to be performed, precedent to and in the issuance of this Series 2011B 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 Series 2011B Bond, together with all other debts of the Issuer outstanding on the date of original issue hereof and on the date of its issuance and delivery to the original purchaser, does not exceed any constitutional or statutory or Charter limitation of indebtedness.

IN WITNESS WHEREOF, the City of Saint Paul, Ramsey County, Minnesota, by its City Council has caused this Series 2011B Bond to be sealed with its official seal and to be executed on its behalf by the facsimile signature of its Mayor, attested by the facsimile signature of its Clerk, and countersigned by the facsimile signature of its Interim Director, Office of Financial Services.

**CITY OF SAINT PAUL,
RAMSEY COUNTY, MINNESOTA**

Mayor or Designee

Attest:

City Clerk or Designee

Countersigned:

Interim Director, Office of Financial Services or
Designee

CERTIFICATE OF AUTHENTICATION

This is one of the Series 2011B Bonds delivered pursuant to the Resolutions mentioned within.

CITY OF SAINT PAUL, MINNESOTA

By _____
City Treasurer

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Series 2011B Bond and all rights thereunder, and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Series 2011B Bond on the books kept for registration of the within Series 2011B Bond, 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 Series 2011B Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP"), the New York Stock Exchange, Inc. Medallion Signatures Program ("MSP") or other such "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

The Registrar will not effect transfer of this Series 2011B Bond unless the information concerning the assignee requested below is provided.

Name and Address: _____

(Include information for all joint owners if this Series 2011B Bond is held by joint account.)

Please insert social security or other identifying number of assignee

(The remainder of this page is intentionally left blank.)

EXHIBIT B
Saint Paul City, Minnesota
General Obligation Street Improvement Special Assessment Bonds, Series 2011B
TERMS AND CONDITIONS

True Interest Cost for the Series 2011B Bonds: 3.6341339%

The Series 2011B Bonds shall mature on the dates and in the principal amounts set forth below:

<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
May 1, 2012	\$470,000	2.000%	0.37%	101.747%
November 1, 2012	250,000	2.000	0.50	102.350
May 1, 2013	250,000	2.000	0.65	102.777
November 1, 2013	250,000	3.000	0.81	105.569
May 1, 2014	250,000	3.000	0.98	106.103
November 1, 2014	255,000	3.000	1.15	106.460
May 1, 2015	255,000	4.000	1.43	110.137
November 1, 2015	260,000	3.000	1.50	106.607
May 1, 2016	260,000	3.000	1.75	106.044
November 1, 2016	265,000	3.000	1.87	105.955
May 1, 2017	265,000	3.000	2.02	105.575
November 1, 2017	270,000	3.000	2.12	105.373
May 1, 2020	285,000	4.000	2.82	109.388
November 1, 2020	290,000	3.000	2.88	100.996
May 1, 2022	305,000	3.125	3.25	98.843
November 1, 2022	310,000	3.250	3.28	99.711
May 1, 2023**	315,000	3.500	3.40	100.845
November 1, 2023**	320,000	3.500	3.45	100.420
May 1, 2025	340,000	3.750	3.75	100.000
November 1, 2025	345,000	3.750	3.77	99.775
May 1, 2028	385,000	4.000	4.07	99.141

\$545,000 3.000% Series 2011B Term Bonds Due November 1, 2018
Price 103.920% to Yield 2.430%

<u>Payment Date</u>	<u>Principal Amount</u>
May 1, 2018	\$270,000
November 1, 2018*	275,000

*Maturity

\$565,000 4.000% Series 2011B Term Bonds Due November 1, 2019
Price 110.292% to Yield 2.650%

<u>Payment Date</u>	<u>Principal Amount</u>
May 1, 2019	\$280,000
November 1, 2019*	285,000

*Maturity

\$595,000 3.000% Series 2011B Term Bonds Due November 1, 2021
Price 99.549% to Yield 3.050%

<u>Payment Date</u>	<u>Principal Amount</u>
May 1, 2021	\$295,000
November 1, 2021*	300,000

*Maturity

\$665,000 3.500% Series 2011B Term Bonds Due November 1, 2024
Price 98.508% to Yield 3.640%

<u>Payment Date</u>	<u>Principal Amount</u>
May 1, 2024	\$330,000
November 1, 2024*	335,000

*Maturity

\$715,000 4.000% Series 2011B Term Bonds Due November 1, 2026**
Price 100.824% to Yield 3.900%

<u>Payment Date</u>	<u>Principal Amount</u>
May 1, 2026	\$355,000
November 1, 2026*	360,000

*Maturity

\$745,000 4.000% Series 2011B Term Bonds Due November 1, 2027
Price 99.757% to Yield 4.020%

<u>Payment Date</u>	<u>Principal Amount</u>
May 1, 2027	\$370,000
November 1, 2027*	375,000

*Maturity

\$790,000 4.000% Series 2011B Term Bonds Due May 1, 2029
Price 98.103% to Yield 4.150%

<u>Payment Date</u>	<u>Principal Amount</u>
November 1, 2028	\$390,000
May 1, 2029*	400,000

*Maturity

\$825,000 4.125% Series 2011B Term Bonds Due May 1, 2030
Price 98.374% to Yield 4.250%

<u>Payment Date</u>	<u>Principal Amount</u>
November 1, 2029	\$410,000
May 1, 2030*	415,000

*Maturity

\$860,000 4.250% Series 2011B Term Bonds Due May 1, 2031
Price 98.404% to Yield 4.370%

<u>Payment Date</u>	<u>Principal Amount</u>
November 1, 2030	\$425,000
May 1, 2031*	435,000

*Maturity

**Priced to the optional redemption date of May 1, 2021.

EXHIBIT C

PROPOSALS FOR THE SERIES 2011B BONDS

Listed below are proposals received during competitive bond sale prior to award to winning bidder by the City.



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

\$12,500,000*

CITY OF SAINT PAUL, MINNESOTA

GENERAL OBLIGATION STREET IMPROVEMENT SPECIAL ASSESSMENT BONDS, SERIES 2011B

(BOOK ENTRY ONLY)

AWARD:

**UBS FINANCIAL SERVICES INC.
J.P. MORGAN SECURITIES LLC
CITIGROUP GLOBAL MARKETS, INC.
AND SYNDICATE**

SALE:

March 23, 2011

**Moody's Rating: Aa1
Standard & Poor's Rating: AAA**

Bidder	Interest Rates	Price	Net Interest Cost	True Interest Rate
UBS FINANCIAL SERVICES INC.	2.00% 5/1/2012-5/1/2013	\$12,593,240.15	\$5,237,592.97	3.6341%
J.P. MORGAN SECURITIES LLC	3.00% 11/1/2013-11/1/2014			
CITIGROUP GLOBAL MARKETS, INC.	4.00% 5/1/2015			
Wiley Bros. – Aintree Capital, LLC	3.00% 11/1/2015-11/1/2018			
Protective Securities	4.00% 5/1/2019-5/1/2020			
	3.00% 11/1/2020-11/1/2021			
	3.125% 5/1/2022			
	3.25% 11/1/2022			
	3.50% 5/1/2023-11/1/2024			
	3.75% 5/1/2025-11/1/2025			
	4.00% 5/1/2026-5/1/2029			
	4.125% 11/1/2029-5/1/2030			
	4.25% 11/1/2030-5/1/2031			
WELLS FARGO BANK, NATIONAL ASSOCIATION	2.00% 5/1/2012-11/1/2014	\$12,585,326.55	\$5,294,926.26	3.6724%
	3.00% 5/1/2015-5/1/2021			
	4.00% 11/1/2021-11/1/2030			
	4.25% 5/1/2031			

(Continued)

Bidder	Interest Rates	Price	Net Interest Cost	True Interest Rate
PIPER JAFFRAY & CO.	2.00% 5/1/2012-5/1/2013	\$12,850,511.05	\$5,467,187.08	3.7171%
	3.00% 11/1/2013			
	2.00% 5/1/2014			
	3.00% 11/1/2014			
	2.00% 5/1/2015			
	3.00% 11/1/2015			
	2.25% 5/1/2016			
	3.00% 11/1/2016			
	2.50% 5/1/2017			
	3.00% 11/1/2017-11/1/2019			
	3.25% 5/1/2020			
	3.00% 11/1/2020			
	3.50% 5/1/2021			
	3.125% 11/1/2021			
	4.00% 5/1/2022-11/1/2024			
	4.25% 5/1/2025-11/1/2026			
	4.50% 5/1/2027-11/1/2028			
	4.75% 5/1/2029-5/1/2031			
ROBERT W. BAIRD & COMPANY, INCORPORATED C.L. KING & ASSOCIATES COASTAL SECURITIES L.P. KILDARE CAPITAL FIDELITY CAPITAL MARKETS SERVICES EDWARD D. JONES & COMPANY SAMCO CAPITAL MARKETS, INC. LOOP CAPITAL MARKETS, LLC CREWS & ASSOCIATES BANK OF NEW YORK MELLON CAPITAL MARKETS DAVENPORT & COMPANY LLC CRONIN & COMPANY, INC. NW CAPITAL MARKETS INC. INCAPITAL, LLC WEDBUSH MORGAN SECURITIES RBC CAPITAL MARKETS, LLC BERNARDI SECURITIES, INCORPORATED	2.00% 5/1/2012-11/1/2016	\$12,579,370.80	\$5,385,752.32	3.7266%
	3.00% 5/1/2017-11/1/2020			
	4.00% 5/1/2021-11/1/2027			
	4.125% 5/1/2028-11/1/2028			
	4.25% 5/1/2029-11/1/2030			
	4.375% 5/1/2031			
JANNEY MONTGOMERY SCOTT, LLC	2.00% 5/1/2012-5/1/2013	\$13,069,730.70	\$5,729,543.05	3.8675%
	3.00% 11/1/2013-5/1/2014			
	4.00% 11/1/2014-11/1/2026			
	5.00% 5/1/2027-5/1/2031			

(Continued)

REOFFERING SCHEDULE OF THE PURCHASER

<u>Rate</u>	<u>Year</u>	<u>Yield</u>
2.00%	5/1/2012	0.37%
2.00%	11/1/2012	0.50%
2.00%	5/1/2013	0.65%
3.00%	11/1/2013	0.81%
3.00%	5/1/2014	0.98%
3.00%	11/1/2014	1.15%
4.00%	5/1/2015	1.43%
3.00%	11/1/2015	1.50%
3.00%	5/1/2016	1.75%
3.00%	11/1/2016	1.87%
3.00%	5/1/2017	2.02%
3.00%	11/1/2017	2.12%
3.00%	5/1/2018	2.43%
3.00%	11/1/2018	2.43%
4.00%	5/1/2019	2.65%
4.00%	11/1/2019	2.65%
4.00%	5/1/2020	2.82%
3.00%	11/1/2020	2.88%
3.00%	5/1/2021	3.05%
3.00%	11/1/2021	3.05%
3.125%	5/1/2022	3.25%
3.25%	11/1/2022	3.28%
3.50%	5/1/2023	3.40%
3.50%	11/1/2023	3.45%
3.50%	5/1/2024	3.64%
3.50%	11/1/2024	3.64%
3.75%	5/1/2025	Par
3.75%	11/1/2025	3.77%
4.00%	5/1/2026	3.90%
4.00%	11/1/2026	3.90%
4.00%	5/1/2027	4.02%
4.00%	11/1/2027	4.02%
4.00%	5/1/2028	4.07%
4.00%	11/1/2028	4.15%
4.00%	5/1/2029	4.15%
4.125%	11/1/2029	4.25%
4.125%	5/1/2030	4.25%
4.25%	11/1/2030	4.37%
4.25%	5/1/2031	4.37%

BBI: 4.86%
Average Maturity: 11.375 Years

* Subsequent to bid opening, the issue size was not changed.

EXHIBIT D**TAX LEVY**

Levy Year	Collection Year	Levy Amount
2010	2011	\$985,098.84
2011	2012	969,806.25
2012	2013	957,993.75
2013	2014	952,665.00
2014	2015	944,343.75
2015	2016	938,385.00
2016	2017	932,111.25
2017	2018	930,772.50
2018	2019	924,446.25
2019	2020	917,673.75
2020	2021	920,088.75
2021	2022	921,066.56
2022	2023	924,570.94
2023	2024	926,657.81
2024	2025	926,572.50
2025	2026	928,810.31
2026	2027	929,335.31
2027	2028	928,600.31
2028	2029	931,481.25
2029	2030	931,894.69