Legislation Details (With Text)

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		In control:	City Council
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Title:	Providing for the issuance of and accepting a proposal on the sale of General Obligation Street Improvement Special Assessment Refunding Bonds, Series 2020B; and levying a tax for the payment of the Series 2020B Bonds.		
Sponsors:	Amy Brendmoen		
Indexes:	Bond Sale		
Code sections:			
Attachments:	1. Exhibit A Final, 2. Exhibit B Final, 3. Exhibit C Final, 4. Exhibit D Final		

Date	Ver.	Action By	Action	Result
2/18/2020	1	Mayor's Office	Signed	
2/12/2020	1	City Council	Adopted As Amended	Pass

Providing for the issuance of and accepting a proposal on the sale of General Obligation Street Improvement Special Assessment Refunding Bonds, Series 2020B; and levying a tax for the payment of the Series 2020B 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 Refunding Bonds, Series 2020B (the “Series 2020B 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 Baker Tilly Municipal Advisors, LLC (“Baker Tilly MA”), Municipal 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 2020B Bonds by adopting RES 20-62 on January 15, 2020; and

WHEREAS, the City will issue the Series 2020B Bonds pursuant to the Charter of the City (the “City Charter”) and Minnesota Statutes, Chapter 475, as amended (the “Municipal Debt Act” or “Act”); and

WHEREAS, on April 2, 2012, the City previously issued its General Obligation Street Improvement Special Assessment Bonds, Series 2012B (the “Series 2012B Bonds”) in the original aggregate principal amount of $9,290,000 in order to fund (i) certain street improvement projects within the City (the “2012 Street Projects”) as identified in City Resolution 12-542 (the “Series 2012B Bond Resolution”) adopted on March 21, 2012; and (ii) certain costs of issuance relating to the Series 2012B Bonds; and

WHEREAS, the Series 2012B Bonds are callable for redemption by the City on the first business day of each month and the City currently intends to redeem the Series 2012B Bond on May 1, 2020 (the “Series

2012B Redemption Date") at a price of par plus accrued interest to the date of redemption; and

WHEREAS, the proceeds of the Series 2020B Bonds will refinance certain street improvements a portion of the cost of which was specially assessed against the properties specially benefitted by such improvements, 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 proceeds derived from the sale of the Series 2020B Bonds will be used by the City, along with other certain funds of the City, to: (i) refund on a current basis the Series 2012B Bonds on the Series 2012B Redemption Date; and (ii) pay costs of issuance relating to the Series 2020B Bonds; and

WHEREAS, pursuant to Section 475.60, Subdivision 2(9) of the Municipal Debt Act, public sale requirements do not apply to the Series 2020B Bonds if the City retains an independent municipal advisor and determines to sell the Series 2020B Bonds by private negotiation, and the City has, with the advice of the City's independent municipal advisor, Baker Tilly MA, instead authorized a competitive sale without publication of notice thereof as a form of private negotiation; and

WHEREAS, proposals for the Series 2020B Bonds have been solicited by Baker Tilly MA pursuant to a Preliminary Official Statement (the "Preliminary Official Statement") and Terms of Proposal (the "Terms of Proposal") therein; and

WHEREAS, under the provisions of Section 475.58, Subdivision 1(2), no election is required for issuance of the Series 2020B Bonds since they are refunding bonds.

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

1. Acceptance of Proposal. The proposal of Robert W. Baird & Co. Incorporated, on behalf of itself and a syndicate (the "Purchaser"), to purchase the General Obligation Street Improvement Special Assessment Refunding Bonds, Series 2020B of the City (the "Series 2020B Bonds", or individually a "Series 2020B 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 $6,031,307.15 (the principal amount of the Series 2020B Bonds ($5,215,000.00), plus original issue premium in the amount of $838,053.70, less the Purchaser's discount of $21,746.55), is hereby found, determined and declared to be the most favorable proposal received and is hereby accepted for Series 2020B Bonds and the Series 2020B Bonds are hereby awarded to the Purchaser. The City retained the right to increase or reduce the principal amount of the Series 2020B Bonds from the proposed $5,360,000, and the City has determined to reduce the principal amount of the Series 2020B Bonds to $5,215,000.00. The amount of Series 2020B Bonds authorized to be issued includes the original issue premium of $838,053.70.

The Interim Director, Office of Financial Services, or designee, is directed to obtain the good faith deposit of the Purchaser. The Interim Director, Office of Financial Services, or designee, on behalf of the City, is directed to execute a purchase agreement/bid form with the Purchaser related to the Series 2020B Bonds.

2. Title; Original Issue Date; Denominations; Maturities. The Series 2020B Bonds shall be titled "General Obligation Street Improvement Special Assessment Refunding Bonds, Series 2020B," 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 2020B 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 2020B Bonds shall mature on May 1 on the dates and in the amounts set forth in EXHIBIT B attached hereto and made a part hereof.

3. Purpose. Proceeds derived from the sale of the Series 2020B Bonds along with other certain funds of the City, will be used to: (i) refund on a current basis the outstanding Series 2012B Bonds on the Series 2012B Redemption Date; and (ii) pay costs of issuance relating to the Series 2020B Bonds.

4. Interest. The Series 2020B Bonds shall bear interest payable semiannually on May 1 and November 1 of each year (each, an "Interest Payment Date"), commencing November 1, 2020, 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 2020B Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Series 2020B Bond for each of the maturities set forth on EXHIBIT B attached hereto. Upon initial issuance, the ownership of each Series 2020B 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 2020B 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 2020B 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 2020B Bonds as securities depository ("Participants") or to any other person on behalf of which a Participant holds an interest in the Series 2020B 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 2020B Bonds, (ii) the delivery to any Participant or any other person (other than a registered owner of Series 2020B Bonds, as shown by the registration books kept by the Registrar), of any notice with respect to the Series 2020B Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered owner of Series 2020B Bonds, of any amount with respect to principal of, premium, if any, or interest on the Series 2020B Bonds. The City, the Registrar and the Paying Agent may treat and consider the person in whose name each Series 2020B Bond is registered in the registration books kept by the Registrar as the holder and absolute owner of such Series 2020B Bond for the purpose of payment of principal, premium and interest with respect to such Series 2020B Bond, for the purpose of registering transfers with respect to such Series 2020B Bonds, and for all other purposes. The Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2020B 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 2020B Bonds to the extent of the sum or sums so paid. No person other than a registered owner of a Series 2020B Bond, as shown in the registration books kept by the Registrar, will receive a certificated Series 2020B 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 2020B Bonds and notices with respect to the Series 2020B Bonds. Any Paying Agent or Registrar subsequently appointed by the City with respect to the Series 2020B 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 2020B Bonds that they be able to obtain Series 2020B Bond certificates, the City will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Series 2020B Bond certificates. In such event the City will

issue, transfer and exchange Series 2020B 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 2020B 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 2020B 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 2020B 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 2020B Bond and all notices with respect to the Series 2020B 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, 2028, and on any day thereafter, to redeem Series 2020B Bonds due on or after May 1, 2029. Optional redemptions of the Series 2020B Bonds 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 2020B 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 2020B Bonds shall be at a price of par plus accrued interest to the redemption date.

(b) No Scheduled Mandatory Redemption. There are no term bonds which are subject to mandatory redemption and prepayment on scheduled dates.

(c) Selection of Series 2020B Bonds to be Redeemed: Redemption Procedure. In the event any of the Series 2020B Bonds are called for redemption, notice thereof identifying the Series 2020B 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 2020B 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 2020B Bonds. Series 2020B 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 2020B 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 2020B 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 2020B 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 2020B 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 2020B 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) the CUSIP numbers of the Series 2020B Bonds to be redeemed; (iv) if less than all outstanding Series 2020B Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of

the Series 2020B Bonds to be redeemed; (v) that on the optional redemption date, the redemption price will become due and payable upon each such Series 2020B Bond, and that interest thereon shall cease to accrue from and after said date or, if the notice of redemption is a conditional notice of redemption, that on the optional redemption date, the redemption price will become due and payable upon each such Series 2020B Bond if adequate funds are available on or before such date and, in such case, that interest thereon shall cease to accrue from and after said date; and (vi) the place where such Series 2020B Bonds are to be surrendered for payment of the redemption price (which shall be the office of the Registrar).

Notices to DTC or its nominee shall contain the CUSIP numbers of the Series 2020B Bonds. If there are any Holders of the Series 2020B 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 2020B 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 2020B Bonds shall be paid to the registered holder or holders of the Series 2020B Bonds (the "Holder" or "Holders") in the manner set forth in the form of the Series 2020B 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 2020B Bonds and the registration of transfers and exchanges of the Series 2020B Bonds entitled to be registered, transferred, or exchanged.

(b) Transfer of Series 2020B Bonds. Upon surrender for transfer of a Series 2020B 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 2020B 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 2020B Bonds. When Series 2020B Bonds are surrendered by the registered owner for exchange, the Registrar shall authenticate and deliver one or more new Series 2020B 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 2020B 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 2020B Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the Series 2020B Bond until the Registrar is satisfied that the endorsement on the Series 2020B 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 2020B Bond is registered in the bond register as the absolute owner of the Series 2020B Bond,

whether the Series 2020B Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Series 2020B 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 2020B 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 2020B 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 2020B Bonds. If a Series 2020B Bond becomes mutilated or is destroyed, stolen, or lost, the Registrar shall deliver a new Series 2020B Bond of like amount, number, maturity date, and tenor in exchange and substitution for and upon cancellation of the mutilated Series 2020B Bond or in lieu of and in substitution for any Series 2020B 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 2020B Bond destroyed, stolen, or lost, upon filing with the Registrar of evidence satisfactory to it that the Series 2020B 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 2020B 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 2020B Bond has already matured or been called for redemption in accordance with its terms, it is not necessary to issue a new Series 2020B Bond prior to payment.

8. Form of Series 2020B Bonds. All of the provisions of the Series 2020B 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 2020B 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 2020B Bonds, the stated maturities of the Series 2020B Bonds, the interest rates on the Series 2020B Bonds, the terms of redemption of the Series 2020B 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 2020B 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 2020B 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 Ballard Spahr LLP, as bond counsel to the City, which shall be complete except as to dating thereof and cause the opinion to accompany each Series 2020B Bond.

9. Execution. The Series 2020B 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 designees, each with the effect noted on the forms of the Series 2020B Bonds, provided, that any such signatures may be printed or photocopied facsimiles of the originals. In the event of disability or resignation or other absence of any such officer, the Series 2020B 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 2020B Bonds shall cease to be such officer before the delivery of the Series 2020B 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 2020B 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 2020B 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 2020B Bonds need not be signed by the same person. The Registrar shall authenticate the signatures of officers of the City on each Series 2020B Bond by execution of the Certificate of Authentication on the Series 2020B Bond and by inserting as the date of registration in the space provided the date on which the Series 2020B Bond is authenticated. For purposes of delivering the original Series 2020B 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 2020B Bond delivered upon transfer of or in exchange for or in lieu of any other Series 2020B Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Series 2020B Bond.

12. Registration and Payment. The Series 2020B Bonds will be issued only in fully registered form. The interest thereon and, upon surrender of each Series 2020B Bond, the principal amount thereof, is payable by check or draft issued by the Registrar described herein. Each Series 2020B Bond shall be dated as of the last interest payment date preceding the date of authentication to which interest on the Series 2020B 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 2020B 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 2020B Bonds will be dated as of the date of original issue. The Series 2020B 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 2020B Bonds, other than payments, redemptions, and purchases, the City may (but shall not be obligated to) treat as the Holder of a Series 2020B Bond the beneficial owner of the Series 2020B Bond instead of the person in whose name the Series 2020B Bond is registered. For that purpose, the City may ascertain the identity of the beneficial owner of the Series 2020B 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 2020B Bond is registered identifying such beneficial owner.

(b) *Registered Owners*. The City and Registrar may treat the person in whose name any Series 2020B Bond is registered as the owner of such Series 2020B Bond for the purpose of receiving payment of principal of and premium, if any, and interest on such Series 2020B Bond and for all other purposes whatsoever whether or not such Series 2020B 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 2020B 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 2020B Bonds and the amounts and numbers of such Series 2020B 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 2020B 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 has been heretofore created and established the "General Obligation Special Assessments -- Streets Debt Service Fund" (the "Debt Service Fund"). The Debt Service Fund shall be maintained in the manner herein specified until all of the Series 2020B Bonds and the interest thereon have been fully paid:

(a) Series 2020B Debt Service Account. There is hereby pledged and there shall be credited to a special account relating to the Series 2020B Bonds (the "Series 2020B Debt Service Account") in the Debt Service Fund: (a) collections of special assessments levied with respect to the street projects that are refinanced with proceeds of the Series 2020B Bonds; (b) all accrued interest, if any, received upon delivery of the Series 2020B Bonds; (c) 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 2020B Bonds and interest thereon are insufficient therefor; (d) all funds remaining in the Capital Fund after payment of costs of issuance relating to the Series 2020B Bonds, any amounts that the Interim Director, Office of Financial Services or designee determines should be transferred to the Debt Service Fund, 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; (e) original issue premium of the Series 2020B Bonds determined by the City Treasurer to be deposited therein, and (f) all investment earnings on money held in such special account in the Debt Service Fund or (at the City's option) on money held in the Capital Fund. If money in the Series 2020B Debt Service Account of the Debt Service Fund should ever be insufficient to pay debt service on the Series 2020B Bonds, the Series 2020B Bonds shall be paid from the Debt Service Fund or any other special account therein, and the Series 2020B 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 Series 2020B Debt Service Account in the Debt Service Fund.

The Series 2020B Debt Service Account in the Debt Service Fund shall be used solely to pay the principal and interest of the Series 2020B Bonds or to pay any rebate due to the United States. No portion of the proceeds of the Series 2020B 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 2020B Bonds were issued, and (2) in addition to the above in an amount not greater than $100,000 of the proceeds of the Series 2020B 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 2020B Bonds or amounts in the Series 2020B Debt Service Account in the Debt Service Fund (other than amounts in the Escrow Accounts hereinafter described) 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 2020B Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the federal Internal Revenue Code of 1986, as amended (the "Code").

(b) Refunding Fund. There is hereby pledged and there shall be credited to a special account relating to the Series 2012B Bonds (the "Series 2012B Refunding Account") in the Refunding Fund: The City will deposit proceeds of the Series 2020B Bonds, in amounts to sufficient to redeem and prepay the Series 2012B Bonds, to the Series 2012B Refunding Account. The City Treasurer, as paying agent, will use the funds in the Series 2012B Refunding Account to current refund the Series 2012B Bonds on the Series 2012B Redemption Date.

(c) Other Accounts and Subaccounts. The City Treasurer is hereby authorized to create such accounts or subaccounts within the Debt Service Fund (and accounts and subaccounts therein) to properly administer such funds and accounts and to assure compliance with the preceding paragraphs, and paragraph (c) below. Specifically, the City Treasurer may create separate accounts and subaccounts to hold and apply the proceeds of the Series 2020B Bonds and revenues for the payment thereof.

(d) 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 2020B 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 2020B 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 2020B Bonds and any sums from time to time held in the Series 2020B Debt Service Account for the Series 2020B Bonds (or any other City account which will be used to pay principal or interest to become due on the Series 2020B 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 2020B Bonds and money allocated to the Series 2020B Bonds in the Series 2020B 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 2020B Bonds to be deemed to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

(e) 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. It is hereby determined that no less than twenty percent (20%) of the cost to the City of the 2012 Street Projects financed by the Series 2012B Bonds was intended and estimated to be paid by special assessments that were levied against every assessable lot, piece and parcel of land benefited by the 2012 Street Projects. The City hereby represents that the City previously let all construction contracts not heretofore let within one year after ordering the Series 2012 Street Projects, unless the resolution ordering the specific 2012 Street Projects specified a different time limit for the letting of construction contracts and did perform 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 shall be such that if collected in full they, together with estimated collections of other revenues herein pledged for the payment of the Series 2020B Bonds (including the Tax (as defined below)), 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 2020B Bonds in every year. At the time of levy each year, the City Council shall, based on the then-current estimated collections of the special 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 Section 475.61, Subdivision 1 of the Municipal Debt Act.

17. Pledge of Tax Levy. For the purpose of paying the principal of and interest on the Series 2020B 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

2020B Debt Service Fund above provided and shall be established by officials of the City after the award of the Series 2020B Bonds and determination of the interest rates on the Series 2020B Bonds. The Tax shall be levied and collected in the years and in the amounts as follows:

Levy Year	Collection Year	Amount

(See attached EXHIBIT D)

18. Tax Levy; Coverage Test. The Tax shall be irrepealable so long as any of the Series 2020B 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 Section 475.61, Subdivision 3 of the Municipal Debt Act.

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 2020B 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 2020B Bonds. The tax levies shall be irrepealable so long as any of the Series 2020B 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 Section 475.61, Subdivision 3 of the Municipal Debt Act.

19. General Obligation Pledge. For the prompt and full payment of the principal and interest on the Series 2020B 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 2020B 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 2020B 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 2020B Bonds when a sufficient balance is available therein.

20. 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 2020B Bonds have been entered in the County Auditor's Bond Register, and that the tax levy required by law has been made.

21. 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 2020B Bonds, certified copies of all proceedings and records of the City relating to the Series 2020B 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 2020B 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.

22. Negative Covenants as to Use of Proceeds. The City hereby covenants not to use the proceeds of the Series 2020B Bonds, or to cause or permit them to be used, in such a manner as to cause the Series 2020B 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 2020B Bonds that would cause them to be private activity bonds, and the average term of the Series 2020B 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 2020B Bonds in such a manner as to cause the Series 2020B Bonds to be "hedge bonds" within the meaning of Section 149(g) of the Code.

23. Tax-Exempt Status of the Series 2020B 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 2020B 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 2020B Bonds, and the rebate of excess investment earnings to the United States.

If any elections are available now or hereafter with respect to arbitrage or rebate matters relating to the Series 2020B Bonds, the Mayor 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 2020B Bonds, and all such elections shall be, and shall be deemed and treated as, elections of the City.

24. No Designation of Qualified Tax-Exempt Obligations. The Series 2020B Bonds, together with other obligations issued by the City in 2020, 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.

25. Official Statement. There have been submitted to this City Council the form of the Preliminary Official Statement. The use and distribution of the Preliminary Official Statement and of a final Official Statement (collectively, the "Official Statement") by the Purchaser in connection with the offer and sale of the Series 2020B Bonds is hereby approved. The Mayor, Interim Director, Office of Financial Services, and Debt Manager (or their proper designees) are authorized and directed to certify that they have examined 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.

26. 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 Ballard Spahr LLP, as bond counsel to the City.

27. Cancellation of Prior Tax Levies. Upon the redemption and prepayment of the Series 2012B Bonds on the Series 2012B Bonds Redemption Date, the tax levy with respect to the Series 2012B Bonds shall be cancelled.

28. 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.

29. 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.