

EXTRACT OF MINUTES OF A MEETING
OF THE CITY COUNCIL
CITY OF WAITE PARK, MINNESOTA

HELD: October 1, 2018

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Waite Park, Stearns County, Minnesota, was duly held at the City Hall in said City on October 1, 2018, at 6:30 P.M. for the purpose in part of authorizing the competitive negotiated sale of the \$5,120,000 Taxable General Obligation Tax Abatement Bonds, Series 2018A.

The following members were present: Mayor Miller, Members Theisen, Schulz, Linquist, Schneider

and the following were absent: None

Member Linquist introduced the following resolution and moved its adoption:

RESOLUTION NO. 100118-04

RESOLUTION PROVIDING FOR THE COMPETITIVE
NEGOTIATED SALE OF \$5,120,000 TAXABLE GENERAL
OBLIGATION TAX ABATEMENT BONDS, SERIES 2018A

A. WHEREAS, the City Council of the City of Waite Park, Minnesota (the "City"), has heretofore determined that it is necessary and expedient to issue its \$5,120,000 Taxable General Obligation Tax Abatement Bonds, Series 2018A (the "Bonds") to finance improvements to the Waite Park Amphitheater to be located in the City; and

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

C. WHEREAS, the City has retained Briggs and Morgan, P.A. in Minneapolis, Minnesota as its bond counsel for purposes of this financing.

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

1. Authorization. The City Council hereby authorizes Northland to solicit proposals for the competitive negotiated sale of the Bonds.

2. Meeting; Proposal Opening. This City Council shall meet at the time and place specified in the Notice of Sale, in substantially the form attached hereto as Exhibit A, for the purpose of considering sealed proposals for, and awarding the sale of, the Bonds. The City Administrator-Clerk-Treasurer, or designee, shall open proposals at the time and place specified in the Notice of Sale.

3. Notice of Sale. The terms and conditions of the Bonds and the negotiation thereof are in substantially in the form set forth in the Notice of Sale attached hereto as Exhibit A and hereby approved and made a part hereof.

4. Official Statement. In connection with said competitive negotiated sale, the City Administrator-Clerk-Treasurer and other officers or employees of the City are hereby authorized to cooperate with Northland and participate in the preparation of an official statement for the Bonds, and to execute and deliver it on behalf of the City upon its completion.

The motion for the adoption of the foregoing resolution was duly seconded by member Theisen and, after full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof: Mayor Miller, Members Schulz, Theisen, Linqvist, Schneider

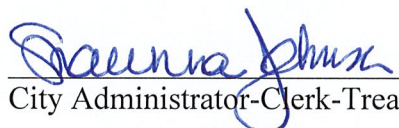
and the following voted against the same: None

Whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA
COUNTY OF STEARNS
CITY OF WAITE PARK

I, the undersigned, being the duly qualified and acting City Administrator-Clerk-Treasurer of the City of Waite Park, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council of said City, duly called and held on the date therein indicated, insofar as such minutes relate to the City's \$5,120,000 Taxable General Obligation Tax Abatement Bonds, Series 2018A.

WITNESS my hand on October 1, 2018.



City Administrator-Clerk-Treasurer

EXHIBIT A
NOTICE OF SALE

\$5,120,000*

TAXABLE GENERAL OBLIGATION TAX ABATEMENT BONDS, SERIES 2018A

CITY OF WAITE PARK, MINNESOTA
(Book-Entry Only)

NOTICE IS HEREBY GIVEN that these Bonds will be offered for sale according to the following terms:

TIME AND PLACE:

Proposals (also referred to herein as “bids”) will be opened by the City’s Finance Director, or designee, on Tuesday, November 13, at 10:00 A.M., CT, at the offices of Northland Securities, Inc. (the City’s “Municipal Advisor”), 150 South 5th Street, Suite 3300, Minneapolis, Minnesota 55402. Consideration of the Proposals for award of the sale will be by the City Council at its meeting at the City Offices beginning Tuesday, November 13, 2018 at 4:30 P.M., CT.

SUBMISSION OF PROPOSALS

Proposals may be:

- a) submitted to the office of Northland Securities, Inc.,
- b) faxed to Northland Securities, Inc. at 612-851-5918,
- c) for proposals submitted prior to the sale, the final price and coupon rates may be submitted to Northland Securities, Inc. by telephone at 612-851-5900 or 612-851-4945, or
- d) submitted electronically.

Notice is hereby given that electronic proposals will be received via PARITY™, or its successor, in the manner described below, until 10:00 A.M., CT, on Tuesday, November 13, 2018. Proposals may be submitted electronically via PARITY™ or its successor, pursuant to this Notice until 10:00 A.M., CT, but no Proposal will be received after the time for receiving Proposals specified above. To the extent any instructions or directions set forth in PARITY™, or its successor, conflict with this Notice, the terms of this Notice shall control. For further information about PARITY™, or its successor, potential bidders may contact Northland Securities, Inc. or i-Deal® at 1359 Broadway, 2nd floor, New York, NY 10018, telephone 212-849-5021.

Neither the City nor Northland Securities, Inc. assumes any liability if there is a malfunction of PARITY™ or its successor. All bidders are advised that each Proposal shall be deemed to constitute a contract between the bidder and the City to purchase the Bonds regardless of the manner in which the Proposal is submitted.

BOOK-ENTRY SYSTEM

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in fully registered form and one bond certificate, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of Depository Trust Company (“DTC”), New York, New York, which will act as securities depository of the Bonds.

* The City reserves the right to increase or decrease the principal amount of the Bonds. Any such increase or decrease will be made in multiples of \$5,000 and may be made in any maturity. If any maturity is adjusted, the purchase price will also be adjusted to maintain the same gross spread.

Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the City through Northland Trust Services, Inc. Minneapolis, Minnesota (the “Paying Agent/Registrar”), to DTC, or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The successful bidder, as a condition of delivery of the Bonds, will be required to deposit the bond certificates with DTC. The City will pay reasonable and customary charges for the services of the Paying Agent/Registrar.

DATE OF ORIGINAL ISSUE OF BONDS

Date of Delivery (Estimated to be December 6, 2018)

AUTHORITY/PURPOSE/SECURITY

The Bonds are being issued pursuant to Minnesota Statutes, Chapter 475 and Sections 469.1812 through 469.1815. Proceeds will be used to finance the construction of an amphitheater and to pay costs associated with the issuance of the Bonds. The Bonds are payable from annual tax abatement levies and additionally secured by ad valorem taxes on all taxable property within the City. The full faith and credit of the City is pledged to their payment and the City has validly obligated itself to levy ad valorem taxes in the event of any deficiency in the debt service account established for this issue.

INTEREST PAYMENTS

Interest is due semiannually on each June 15 and December 15, commencing June 15, 2019, to registered owners of the Bonds appearing of record in the Bond Register as of the close of business on the first day (whether or not a business day) of the month of such interest payment date.

MATURITIES

Principal is due annually on December 15, inclusive, in each of the years and amounts as follows:

| <u>Year</u> | <u>Amount</u> | <u>Year</u> | <u>Amount</u> | <u>Year</u> | <u>Amount</u> |
|-------------|---------------|-------------|---------------|-------------|---------------|
| 2019 | \$260,000 | 2024 | \$315,000 | 2029 | \$375,000 |
| 2020 | 275,000 | 2025 | 325,000 | 2030 | 390,000 |
| 2021 | 285,000 | 2026 | 335,000 | 2031 | 405,000 |
| 2022 | 290,000 | 2027 | 350,000 | 2032 | 420,000 |
| 2023 | 300,000 | 2028 | 360,000 | 2033 | 435,000 |

Proposals for the Bonds may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above.

INTEREST RATES

All rates must be in integral multiples of 1/20th or 1/8th of 1%. *Rates must be in level or ascending order.* All Bonds of the same maturity must bear a single uniform rate from date of issue to maturity.

ADJUSTMENTS TO PRINCIPAL AMOUNT AFTER PROPOSALS

The City reserves the right to increase or decrease the principal amount of the Bonds. Any such increase or decrease will be made in multiples of \$5,000 and may be made in any maturity. If any maturity is adjusted, the purchase price will also be adjusted to maintain the same gross spread. Such adjustments shall be made promptly after the sale and prior to the award of Proposals by the City and shall be at the sole discretion of the City. The successful bidder may not withdraw or modify its Proposal once submitted to the City for any reason, including post-sale adjustment. Any adjustment shall be conclusive and shall be binding upon the successful bidder.

OPTIONAL REDEMPTION

Bonds maturing on December 15, 2026 through 2033 are subject to redemption and prepayment at the option of the City on December 15, 2025 and any date thereafter, at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and principal amounts within each maturity to be redeemed shall be determined by the City and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar.

CUSIP NUMBERS

If the Bonds qualify for assignment of CUSIP numbers such numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder thereof to accept delivery of and pay for the Bonds in accordance with terms of the purchase contract. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the successful bidder.

DELIVERY

Delivery of the Bonds will be within forty days after award, subject to an approving legal opinion by Briggs and Morgan, Professional Association, Bond Counsel. The legal opinion will be paid by the City and delivery will be anywhere in the continental United States without cost to the successful bidder at DTC.

TYPE OF PROPOSAL

Proposals of not less than \$5,063,680 (98.90%) and accrued interest on the principal sum of \$5,120,000 must be filed with the undersigned prior to the time of sale. Proposals must be unconditional except as to legality. Proposals for the Bonds should be delivered to Northland Securities, Inc. and addressed to:

Keith Lindberg, Finance Director
Waite Park City Hall
P.O. Box 339
19 13th Avenue N.
Waite Park, Minnesota 56387

A good faith deposit (the "Deposit") in the amount of \$102,400 in the form of a federal wire transfer (payable to the order of the City) is only required from the apparent winning bidder, and must be received within two hours after the time stated for the receipt of Proposals. The apparent winning bidder will receive notification of the wire instructions from the Municipal Advisor promptly after the sale. If the Deposit is not received from the apparent winning bidder in the time allotted, the City may choose to reject their Proposal and then proceed to offer the Bonds to the next lowest bidder based on the terms of their original proposal, so long as said bidder wires funds for the Deposit amount within two hours of said offer.

The City will retain the Deposit of the successful bidder, the amount of which will be deducted at settlement and no interest will accrue to the successful bidder. In the event the successful bidder fails to comply with the accepted Proposal, said amount will be retained by the City. No Proposal can be withdrawn after the time set for receiving Proposals unless the meeting of the City scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made.

AWARD

The Bonds will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis. The City's computation of the interest rate of each Proposal, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Bonds will be awarded by lot. The City will reserve the right to: (i) waive non-substantive informalities of any Proposal or of matters relating to the receipt of Proposals and award of the Bonds, (ii) reject all Proposals without cause, and (iii) reject any Proposal which the City determines to have failed to comply with the terms herein.

INFORMATION FROM SUCCESSFUL BIDDER

The successful bidder will be required to provide, in a timely manner, certain information relating to the initial offering price of the Bonds necessary to compute the yield on the Bonds pursuant to the provisions of the Internal Revenue Code of 1986, as amended.

OFFICIAL STATEMENT

By awarding the Bonds to any underwriter or underwriting syndicate submitting a Proposal therefor, the City agrees that, no more than seven business days after the date of such award, it shall provide to the senior managing underwriter of the syndicate to which the Bonds are awarded, the Final Official Statement in an electronic format as prescribed by the Municipal Securities Rulemaking Board (MSRB).

FULL CONTINUING DISCLOSURE UNDERTAKING

The City will covenant in the resolution awarding the sale of the Bonds and in a Continuing Disclosure Undertaking to provide, or cause to be provided, annual financial information, including audited financial statements of the City, and notices of certain material events, as required by SEC Rule 15c2-12.

NOT BANK QUALIFIED

The City will not designate the Bonds as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

BOND INSURANCE AT UNDERWRITER'S OPTION

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the successful bidder, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the successful bidder of the Bonds. Any increase in the costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the successful bidder, except that, if the City has requested and received a rating on the Bonds from a rating agency, the City will pay that rating fee. Any other rating agency fees shall be the responsibility of the successful bidder. Failure of the municipal bond insurer to issue the policy after the Bonds have been awarded to the successful bidder shall not constitute cause for failure or refusal by the successful bidder to accept delivery on the Bonds.

The City reserves the right to reject any and all Proposals, to waive informalities and to adjourn the sale.

Dated: October 1, 2018

BY ORDER OF THE WAITE PARK CITY COUNCIL

/s/ Keith Lindberg
Finance Director

Additional information may be obtained from:
Northland Securities, Inc.
150 South 5th Street, Suite 3300
Minneapolis, Minnesota 55402
Telephone No.: 612-851-5900