

AGENDA
MAPLE PLAIN CITY COUNCIL – REGULAR MEETING
MAPLE PLAIN CITY HALL
JUNE 27, 2016
5:30 P.M.

1. **WELCOME**
2. **CALL TO ORDER**
3. **PLEDGE OF ALLEGIANCE**
4. **ADOPT AGENDA**
5. **CONSENT AGENDA**
 - A. Accounts Payable
 - B. June 13, 2016, City Council Workshop Minutes
 - C. Authorize Position Posting for Assistant to the City Administrator
6. **ADMINISTRATIVE REPORTS**
7. **OLD BUSINESS**
 - A. Receive an Update from Downtown Developers
8. **NEW BUSINESS**
 - A. Discuss Hennepin County Assessment Service Agreement
 - B. Sale of 2016 Series A Bonds Resolution 16-0627-01
 - C. Employment Agreement with City Administrator
9. **COUNCIL REPORTS & OTHER BUSINESS**
 - A. Attitude of Gratitude
10. **VISITORS TO BE HEARD**

Note: This is a courtesy extended to persons wishing to address the council who are not on the agenda. A completed public comment form should be presented to the city administrator prior to the meeting; presentations will be limited to 3 minutes. This session will be limited to 15 minutes.
11. **ADJOURNMENT**

CITY OF MAPLE PLAIN

06/24/16 10:37 AM

Page 1

Payments

Current Period: June 2016

Batch Name	062416C1	User Dollar Amt	\$139,157.12		
Payments		Computer Dollar Amt	\$139,157.12		
			\$0.00	In Balance	
Refer	0 BOND TRUST SERVICES	-			
Cash Payment	E 352-47120-611 Bond Interest				\$10,333.75
Invoice	30489 6/15/2016				
Cash Payment	E 603-49455-611 Bond Interest				\$41,565.64
Invoice	30489 6/15/2016				
Cash Payment	E 351-47110-611 Bond Interest				\$13,910.00
Invoice	30489 6/15/2016				
Cash Payment	E 352-47120-611 Bond Interest				\$450.00
Invoice	30489 6/15/2016				
Transaction Date	6/24/2016	Bank of Maple Plain	10100	Total	\$66,259.39
Refer	0 ENGEL WATER TESTING, INC	-			
Cash Payment	E 601-49400-311 Contract Service				\$75.00
Invoice	16-16283 6/10/2016				
Transaction Date	6/24/2016	Bank of Maple Plain	10100	Total	\$75.00
Refer	0 FRONTIER	-			
Cash Payment	E 101-41500-321 Telephone				\$162.71
Invoice					
Cash Payment	E 101-43000-321 Telephone				\$139.64
Invoice					
Cash Payment	E 601-49400-321 Telephone				\$114.14
Invoice					
Transaction Date	6/24/2016	Bank of Maple Plain	10100	Total	\$416.49
Refer	0 CITY OF INDEPENDENCE	-			
Cash Payment	G 101-21707 Dental Insurance		JULY PREMIUM		\$376.15
Invoice					
Transaction Date	6/24/2016	Bank of Maple Plain	10100	Total	\$376.15
Refer	0 DAVES MULCH STORE	-			
Cash Payment	E 101-45200-225 Landscaping Materials				\$115.00
Invoice					
Transaction Date	6/24/2016	Bank of Maple Plain	10100	Total	\$115.00
Refer	0 HENNEPIN COUNTY	-			
Cash Payment	E 101-43000-419 General Rentals				\$74.32
Invoice	1000077569 6/3/2016				
Transaction Date	6/24/2016	Bank of Maple Plain	10100	Total	\$74.32
Refer	0 INTERSTATE POWER SYSTEM IN	-			
Cash Payment	E 601-49400-311 Contract Service				\$1,065.00
Invoice	R001113344:01 6/13/2016				
Transaction Date	6/24/2016	Bank of Maple Plain	10100	Total	\$1,065.00
Refer	0 MAPLE PLAIN/INDEPENDENCE FIR	-			
Cash Payment	E 101-42290-307 Fire Administration		July Payment		\$14,839.67
Invoice					
Transaction Date	6/24/2016	Bank of Maple Plain	10100	Total	\$14,839.67

CITY OF MAPLE PLAIN

06/24/16 10:37 AM

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Payments

Current Period: June 2016

Refer	0	<u>ORONO ISD #278</u>	-		
Cash Payment	E 101-41940-387	Office Lease	FEB,MAR, APR RENT 2016		\$8,021.04
Invoice	145	4/26/2016			
Cash Payment	E 101-41940-387	Office Lease	MAY RENT 2016		\$2,673.68
Invoice	145	4/26/2016			
Cash Payment	E 101-41940-387	Office Lease	JUNE RENT 2016		\$2,673.68
Invoice	145	4/26/2016			
Transaction Date	6/24/2016		Bank of Maple Plain	10100	Total \$13,368.40
Refer	0	<u>ANN RIEFF GARDEN DESIGN</u>	-		
Cash Payment	E 101-41410-437	Miscellaneous			\$288.90
Invoice	149468	6/17/2016			
Transaction Date	6/24/2016		Bank of Maple Plain	10100	Total \$288.90
Refer	0	<u>MEDIACOM</u>	-		
Cash Payment	E 101-41500-309	EDP, Software and Desi			\$109.95
Invoice					
Transaction Date	6/24/2016		Bank of Maple Plain	10100	Total \$109.95
Refer	0	<u>STANDARD INSURANCE CO</u>	-		
Cash Payment	G 101-21708	Life Insurance			\$17.25
Invoice					
Transaction Date	6/24/2016		Bank of Maple Plain	10100	Total \$17.25
Refer	0	<u>TOSHIBA</u>	-		
Cash Payment	E 101-41500-413	Office Equipment Rental			\$215.94
Invoice	30645224	6/6/2016			
Cash Payment	E 101-41500-202	Duplicating & Copying S			\$239.75
Invoice	30645224	6/6/2016			
Transaction Date	6/24/2016		Bank of Maple Plain	10100	Total \$455.69
Refer	0	<u>MN DEPT TRANSPORTATION</u>	-		
Cash Payment	E 101-42110-437	Miscellaneous			\$0.00
Invoice	00000310926	6/15/2016			
Cash Payment	E 101-42110-437	Miscellaneous			\$137.00
Invoice	00000310926	6/15/2016			
Transaction Date	6/24/2016		Bank of Maple Plain	10100	Total \$137.00
Refer	0	<u>VERIZON</u>	-		
Cash Payment	E 601-49400-321	Telephone			\$143.27
Invoice					
Transaction Date	6/24/2016		Bank of Maple Plain	10100	Total \$143.27
Refer	0	<u>VESSCO, INC</u>	-		
Cash Payment	E 601-49400-227	Utility Maintenance Supp			\$474.38
Invoice	66439	6/2/2016			
Transaction Date	6/24/2016		Bank of Maple Plain	10100	Total \$474.38
Refer	0	<u>XCEL ENERGY</u>	-		
Cash Payment	E 101-43160-381	Electric Utilities	TRAFFIC SIGNALS		\$37.17
Invoice					
Cash Payment	E 101-43160-381	Electric Utilities	PARK		\$30.58
Invoice					

Payments

Current Period: June 2016

Cash Payment Invoice	E 101-43160-381 Electric Utilities	GARAGE		\$12.64
Cash Payment Invoice	E 101-43160-381 Electric Utilities	PARK		\$173.10
Cash Payment Invoice	E 601-49400-381 Electric Utilities	WATER ACCOUNT		\$74.22
Cash Payment Invoice	E 601-49400-381 Electric Utilities	SEWER		\$261.98
Cash Payment Invoice	E 101-43160-381 Electric Utilities	TRAFFIC		\$26.90
Cash Payment Invoice	E 101-43160-381 Electric Utilities			\$3,992.90
Transaction Date	6/24/2016	Bank of Maple Plain	10100	Total \$4,609.49
Refer	0 MAAS-KUSSKE, JULIE			
Cash Payment Invoice	E 101-41110-331 Training & Travel			\$14.00
Transaction Date	6/24/2016	Bank of Maple Plain	10100	Total \$14.00
Refer	0 WEST HENNEPIN PUBLIC SAFETY			
Cash Payment Invoice	E 101-42110-306 Police Administration	JULY PAYMENT		\$36,317.77
Transaction Date	6/24/2016	Bank of Maple Plain	10100	Total \$36,317.77

Fund Summary

	10100 Bank of Maple Plain	
101 GENERAL FUND		\$70,689.74
351 DEBT SERVICE (CAPITAL PRJTS)		\$13,910.00
352 2013A GO Bonds		\$10,783.75
601 WATER FUND		\$2,207.99
603 STORM WATER FUND		\$41,565.64
		<u>\$139,157.12</u>

Pre-Written Checks	\$0.00
Checks to be Generated by the Computer	\$139,157.12
Total	<u>\$139,157.12</u>

MINUTES
MAPLE PLAIN CITY COUNCIL – REGULAR MEETING
MAPLE PLAIN CITY HALL
June 13, 2016
6:30 PM

1. WELCOME

Mayor Young called the May 23, 2016 City Council meeting to order at 6:33 P.M.

2. CALL TO ORDER

Present: Councilmembers Justin McCoy, Julie Maas-Kusske, Mike DeLuca, and Mayor, Jerry Young. Also present Interim City Administrator, Robert Schoen, City Engineer, Dan Boyum, and City Attorney, Jeff Carson.

3. PLEDGE OF ALLEGIANCE

4. ADOPT AGENDA

5. CONSENT AGENDA

Jeff Carson, City Attorney asked to add the authorization to hire Robert Schoen as City Administrator, with a formal employee agreement to be brought back to City Council at the June 27th City Council meeting.

Interim City Administrator, Robert Schoen shared that the City received an invoice for property taxes for the property of 5249 U.S. Hwy No. 12. Cities are usually tax exempt from property taxes, but because the property was purchased by the City after July 1, 2015, the City is then responsible for the 2016 first half property taxes. Paying these property taxes are mandated through Minnesota State Statute.

- A. Accounts Payable
- B. May 23, 2016, City Council Meeting Minutes
- C. Authorization to Hire Robert Schoen as City Administrator

Motion by Councilmember McCoy to approve the consent agenda. Seconded by Councilmember DeLuca. Motion passed 4 to 0.

6. ADMINISTRATIVE REPORTS

7. NEW BUSINESS

- A. MS4 Presentation (Storm Water Pollution Prevention Program)

City Engineer, Dan Boyum explained that MS4 is a process of steps that must be taken to keep erosion from water runoff to minimum. The MS4 permit originated from the 1972 Clean Water Act. City Engineer, Dan Boyum shared different measures that the City has in place to prevent water runoff and pollution. Currently, the City of Maple Plain is compliant with all mandated measures. Some sources of Storm Water Pollution include grass clippings in the street, construction runoff, illicit discharges from the sanitary sewer.

Councilmember McCoy moved to approve the MS4 Storm Water Pollution Prevention Program Presentation. Seconded by Councilmember DeLuca. Motion passed 4 to 0.

B. MS4 Public Hearing. (Storm Water Pollution Prevention Program)

Mayor Young opened the MS4 Public Hearing at 6:43 P.M.

No residents or visitors were in the audience to participate for the hearing.

Mayor Young asked for a motion to close the MS4 Public Hearing at 6:44 P.M. Motion by Councilmember Maas-Kusske to close the MST Public Hearing. Seconded by Councilmember DeLuca. Motion passed 4 to 0.

C. Well NO 4 – Authorization to Prepare Plans & Specifications

City Engineer, Dan Boyum shared that previously the City Council shared concerns over well number 2 and the possibility of well number 4. There are two phases of the project. The first is the drilling of the well and the second phase is the installation of the pump into the well. City Engineer, Dan Boyum shared the different methods of drilling the well and the costs associated with those methods. City Engineer, Dan Boyum shared that he would like City Council direction to prepare the plans and specifications for Well number 4. Justin McCoy asked if the Well placement would have any effect on a future Fire Department expansion given the close proximity to the Fire Department. City Engineer, Dan Boyum shared that he will double check that information.

Motion by Councilmember McCoy to approve Authorization to Prepare Plans and Specification for Well number 4. Seconded by Councilmember DeLuca. Motion passed 4 to 0.

8. COUNCIL REPORTS & OTHER BUSINESS

Councilmember McCoy, shared that the State of Minnesota just passed a law allowing Granny Pod's. Which allows a family member that is ill or having trouble living on their own to live on a temporary attached building on the family members property. The State has permitted this use, but Cities may not allow this use through City Ordinance. Councilmember McCoy shared that the bonding bill did not pass at the State level due to some language in the bill and that more opportunities for Highway 12 Funding may result in a special session.

Councilmember Maas-Kusske shared that MnDOT did come through with some funding and a concrete center median will be implemented along the Super 2 portion of Highway 12. Councilmember DeLuca shared that the Lake Sarah Pioneer Creek Watershed will have a community dinner June 29th at Independence City Hall. Maple Plain Days is coming up on August 19th and 20th all volunteers are welcomed.

9. VISITORS TO BE HEARD

Note: This is a courtesy extended to persons wishing to address the council who are not on the agenda. A completed public comment form should be presented to the city administrator prior to the meeting; presentations will be limited to 3 minutes. This session will be limited to 15 minutes.

10. ADJOURNMENT

Motion by Councilmember DeLuca to adjourn the June 13th City Council meeting at 6:55 P.M. Seconded y Councilmember McCoy. Motion passed 4 to 0.



Agenda Information Memorandum
June 27, 2016 - Maple Plain City Council

5. CONSENT AGENDA
C. AUTHORIZATION FOR POSTING OF ASSISTANT TO THE CITY ADMINISTRATOR POSITION.

ACTION TO BE CONSIDERED

To approve the posting for the Assistant to the City Administrator position in various media outlets to solicit the best candidate pool.

BACKGROUND

The position summary is listed below, but may be subject to minor changes.

Provides administrative support to the City Administrator, City Council, Public Works staff, and City consultants. Serves as City staff liaison to citizen commissions and City representative to outside organizations. Assists with budget management, accounting and bookkeeping practices, elections, grant writing and other administrative-level tasks. Maintains personnel files; permits; contracts; resolutions, ordinances and City Code; and oversees records retention. Administers projects under oversight of the City Administrator.

Staff would be happy to answer any questions you may have.

ATTACHMENTS



Agenda Information Memorandum
June 27, 2016 - Maple Plain City Council

7. OLD BUSINESS
A. MEET WITH DOWNTOWN DEVELOPERS

ACTION TO BE CONSIDERED

To approve a six month due diligence extension to Inland Development Partners, LLC. This extension would expire on December 31, 2016.

ATTACHMENTS

Written letter asking for the six month extension.
Development Agreement.
Marketing Flyer on the Downtown Development Site.



3340 Republic Avenue, Suite 50
Saint Louis Park, MN 55426
952.495.6240 InlandDP.com

June 22, 2016

via Email

Mayor Jerry Young
Maple Plain Councilmembers
City of Maple Plain
5050 Independence Street
Maple Plain, MN 55359

RE: REQUEST FOR EXTENSION OF PRELIMINARY DEVELOPMENT AGREEMENT

Dear Mayor Young and City Councilmembers,

Inland Development Partners (IDP) would like to request a six (6) month extension of our Preliminary Development Agreement. We are continuing to market the project with Tom Palmquist of Colliers International and are optimistic that we will be able to secure an anchor tenant in the near future. (Please see the attached brochure and the link to Collier's website.)

Tom and I will provide a marketing update to you in late September.

If you have any questions or concerns, please contact me at 952-495-6243.

Sincerely,

A handwritten signature in black ink, appearing to read "Kent M. Carlson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Kent M. Carlson
Managing Partner

Attachment via email

DEVELOPMENT AGREEMENT

This Agreement, dated _____, 2015, is entered into between the City of Maple Plain, a Minnesota Municipal corporation ("City") and Inland Development Partners, LLC, a Minnesota limited liability company ("Developer")

RECITALS

WHEREAS, City is the owner of the following real property located within the City of Maple Plain:

- a) 5230 Main Street (PID No. 24-118-24-34-007).
- b) 5220 Main Street (PID No. 24-118-24-34-0031).
- c) 1620 Maple Avenue (PID No.: 24-118-24-34-0028); and

WHEREAS, Developer has presented City with a development proposal for a commercial development; said development to include the above-described property as further identified in this Agreement; ("Project") and

WHEREAS, City intends to sell the above lots to a Developer at market value and to assist Developer with its planned development by creating a Tax Increment District for the project; and

WHEREAS, it is the intent that the project will create increment that can be used to repay Developer for the cost of the land; and

WHEREAS, it is intended that the City would have to approve all plans for the Project proposed by Developer before any part of the Project could go forward; and

WHEREAS, this Agreement permits Developer to move forward with its due diligence, inspections, pre-leasing and financing with assurance that, subject to the conditions of this Agreement, the Project can go forward.

NOW, THEREFORE, in consideration of the terms and conditions of this Agreement,

the Developer and the City agree as follows:

1. **Sale of Property**. Subject to the terms and conditions of this Agreement, the City agrees to deed and sell to Developer the following property:
 - a) 5230 Main Street (PID No. 24-118-24-34-007).
 - b) 5220 Main Street (PID No. 24-118-24-34-0031).
 - c) 1620 Maple Avenue (PID No.: 24-118-24-34-0028).

2. **Consideration**. Developer shall pay the City \$160,000 for the above identified lots; said payment shall be made in cash at closing in accordance with the terms of this Agreement.

3. **Due Diligence**. Following execution of this Agreement, Developer will have a period of time to perform its due diligence, to inspect the property, to pre-lease its Project, to arrange financing and to enter into the additional Development Agreement described in Section 4 below, all to be satisfactory to Developer for the Project; that Developer shall have until June 30, 2016 to perform this due diligence and to determine that the Project will move forward. **If Developer is pursuing its due diligence with good faith, diligent efforts, Developer may, at its option, by written notice to the City no later than June 30, 2016, extend the due diligence period to December 31, 2016.** During this period of due diligence the Developer shall have access to the property for any inspections needed; Developer agrees to return the property as nearly as possible to its pre-inspection condition and Developer shall pay for and be responsible for any damages to the property during this due diligence period and found to be caused or by and act of the buyer in performance of their due diligence. During the Due Diligence Period, the City shall negotiate exclusively with Developer for development of the Project.

Following the Due Diligence period, Developer agrees to accept the property **as is** and Developer will, thereafter, be responsible for any expenses involving subject Property unless otherwise agreed, in writing, with the City.

4. **Additional Development Agreement**. The City and Developer shall enter into a second Development Contract prior to closing, including terms relating to tax increment financing, said additional Development Contract will outline the parties' rights and obligations, to include:
 - a) Developer's obligation to construct and complete its commercial development on or before an agreed upon time certain.
 - b) Tax Increment Financing provided to Developer to pay for qualified costs; the nature and amount of the TIF to be negotiated between the parties.

5. **Incorporation of Olson Parcel.** Upon successful closing of the Purchase Agreement between the City of Maple Plain and ML&G, Inc., (Olson parcel) the Olson parcel will be incorporated in the Project of Developer with no additional consideration except that provided in paragraph 2 above.
6. **Purposed Project Schedule.** The proposed schedule for the Project as estimated by Developer is as follows:
 - a) Execution of Purchase Agreement: August, 2015
 - b) Due diligence period by Developer: December, 2016
 - c) Closing between City and Developer: (To Be Determined)
 - d) Project to commence: 2015-2016
 - e) Project completion: 2016-2017.
7. **Closing.** Closing of this transaction and transfer of the property will not occur until Developer has completed the following:
 - a) Completed its due diligence process.
 - b) Provided the City with plans and specifications that have been approved by the City.
 - c) Enter into a second Development Agreement and provide the City with financial assurances, guaranteeing completion of the project; the financial assurances must be approved by the City.
8. **Ownership of Property.** Prior to closing, the above-described property will remain in the ownership of the City until Developer:
 - a) Determines the Project is feasible.
 - b) Enters into a second Development Agreement pursuant to paragraph 6 above and provides the City with financial assurances outlined in this Agreement.
 - c) Presents final plans and specifications to the City and City has approved the same.
 - d) The closing date is achieved.
9. **City Obligations.** The City agrees, assuming this Project is feasible and goes forward, to do the following:
 - a) Transfer the above-described properties on the terms and conditions of this Agreement to Developer.
 - b) Provide a title commitment, at City expense, for a standard owner's policy of title insurance to Developer, including standard searches, all satisfactory to Developer.
 - c) Defer SAC and WAC charges; to be addressed in the second Development Agreement required for closing.
 - d) Waive park dedication charges.

- e) Cap the well if the City determines that the well will not remain where it is currently located.
10. **Developer Obligations.** Developer agrees and understands that the following are obligations of Developer, to pay:
- a) Metropolitan Council imposed SAC charges.
 - b) Usual and customary building permit fees.
 - c) For capping of existing well on 1620 Maple Avenue (if necessary). Capping of the well obligation by the Developer will exist only during the purchase closing period of this Agreement. In the event that City decides to abandon the well after the closing date the cost of abandonment will become the obligation of the City.
 - d) Usual and customary application fees of City.
 - e) Pay for all environmental phase 1 survey costs associated with development of the Project prior to closing.
 - f) Pay deferred SAC and WAC charges pursuant to a Development Agreement entered into by Developer and the City.
11. **Well Located on 1620 Maple Avenue.** Developer agrees to incorporate well number 2 into the project if the City determines that the well should remain at its current location. The decision to leave the well at its current location is the City's sole decision. If the well remains in place, the second Development Agreement will provide that the City will always repair and maintain it. If City elects not to keep any use said well, Developer agrees to pay for capping the well at a cost not to exceed \$5,000, with the remaining cost to be paid by the City.
12. **Public Hearings.** Prior to execution of this Agreement, the City and EDA shall conduct public hearings required under Minn. Stat. §432.356 and 469.105. The transfer of Subject Property to Developer may not occur until the requirements contained in the above-referenced statutes have been completed.
13. **Plans and Specifications.** Prior to closing, Developer agrees to prepare plans and specifications for the Project, using the City adopted Development Guidelines; that Developer understands that final plans and specification must be approved by the City, through its Planning Commission and City Council process.
14. **Financing.** Prior to the transfer of title from City to Developer, Developer shall enter into a second Development Agreement with the City and provide financial assurances, acceptable to the City, to guarantee completion of the Project. The financial assurances shall be in the form of a Letter of Credit from a federally insured institution, approved by the City, or other financial assurances approved by the City. In addition, Developer shall deposit an escrow amount, to be determined by the City, in an amount estimated to cover City expenditures in negotiating, reviewing and processing applications and construction inspection of

the Project to its conclusion, including administrative, legal, engineering and inspections.

15. **Default-Reversion.** If, after transfer of the above property by City to Developer, the Project goes into default, or is not completed for any reason and such default or failure continues after a reasonably acceptable notice and cure period, the Developer agrees the property above-identified shall revert back to the City; that Developer agrees to take all responsible and necessary steps to assist with any such transfer back to the City.
16. **Miscellaneous - Indemnification.** Developer agrees to defend and indemnify the City against any and all claims, causes of action, damages, whatsoever, arising out of Developer's Project or any of the obligations of Developer contained within this Agreement; that this shall include payment to the City of any reasonable legal expenses incurred by the City.
17. **Insurance.** Developer agrees to carry builder's risk and general liability insurance in the amount of at least two million and no/100 dollars (\$2,000,000); that Developer shall provide copies of this insurance to the City.
18. **Assignment.** This Agreement may not be assigned by Developer to another entity without approval of the City, which approval will not be unreasonably withheld, except that Developer may assign it to another entity controlled by or under common control with Developer without the City's consent.
19. **Signs.** Developer will be allowed to place signs advertising its Development following execution of this Agreement; the sign and number of signs to be negotiated with the City.
20. **Survey.** If required, Developer shall be responsible to pay for and provide any surveys required throughout the Project.
21. **Warranties of Seller.** Seller hereby represents, warrants and covenants to Buyer as follows:
 - a) Seller is fee-owner of the above properties with full authority to sell and transfer the property to buyer.
 - b) To the best of Seller's knowledge, the property is in full compliance with all applicable laws, statutes, ordinances, codes, rules, including, any regulations relating to environmental protect, pollution, safety, health, building, fire and zoning. Seller has no knowledge of any proposed or pending proceeding to change or redefine the current zoning classification of all or any part of the property.
 - c) There is no action or proceeding pending against Seller, or any part of the property, that if determined adversely to Seller, would have a material adverse affect to title or the use of enjoyment or value of property, or that

would interfere with the consummation of the transaction contemplated by this Agreement.

- d) Seller has no knowledge of any hazardous materials (as defined under any federal, state or local law or ordinance) that has been stored, released removed, or placed, held, located or disposed of on, under, or at the property or any part thereof and, to the best of Seller's knowledge, no part of the property has ever been used as a treatment, storage or disposal site for any such hazardous material.
- e) To the best of Seller's knowledge, there are no unrecorded contracts, leases, easements, or any other agreements, or claim of any third party, affecting the use, title, occupancy or development of the property.
- f) Each and every undertaking and obligation of Seller under this Agreement shall be performed by Seller timely when do.
- g) To the best of Seller's knowledge, Seller has made proper disclosure to Buyer, as required by law, as to all well, private sewer systems and above ground or under ground storage tanks located on the property.
- h) Taxes and Assessments. Seller warrants that there are no special assessments or taxes encumbering the property to be transferred.

22. **Closing Costs.** Buyer shall be responsible for all premiums required for the insurance of the title policy or policies, mortgage registration tax, recording fees and one-half of the closing fees charged by the title insurer. Seller shall be responsible for payment of State Deed Tax, cost of issuing the title insurance commitment and one-half of the closing fees charged by the title insurer.

23. **Notices.** Any notices required of this Agreement shall be made in writing and shall be hand-delivered or sent by United States Certified Mail, postage prepaid, and shall be effective when hand-delivered or deposited as aforesaid and addressed to the respective parties at the addresses below:

Seller: City of Maple Plain
1620 Maple Avenue
P.O. Box 97
Maple Plain, MN 55359

Copy to: Jeffrey A. Carson
Maple Plain City Attorney
6300 Shingle Creek Parkway
Suite 305
Minneapolis, MN 55430

Buyer: Inland Development Partners, LLC
4220 Park Glen Road
St. Louis Park, MN 55416
Attn: Kent Carlson

Copy to: Steve Schwanke
7699 Anagram Drive
Eden Prairie, MN 55344

Copy to: Fredrikson & Byron, P.A.
200 S. 6th Street, Suite 4000
Minneapolis, MN 55402
Attn: Mary S. Ranum, Esq.

- 24. **Binding Effect.** All of the provisions of this Agreement are hereby made binding upon personal representatives, heirs, successors and assigns of all parties hereto.
- 25. **Governing Law.** This Agreement shall be construed under and in accordance with the laws of the State of Minnesota.
- 26. **Entire Agreement.** That this Agreement constitutes the entire Agreement between Seller and Buyer and there are no other covenants, agreements, promises, terms, provisions, conditions, undertakings or understanding, either oral or written, between then concerning the property, other than those herein and set forth. No subsequent shall be binding upon Seller or Buyer unless in writing and signed by both Seller and Buyer.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and first year written above.

SELLER:

CITY OF MAPLE PLAIN

By: _____
Its Mayor

By: _____
Its Clerk

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledge before me this _____ day of _____, 2015, by _____, the Mayor and _____, the Clerk of the City of Maple Plain, a municipal corporation under the laws of Minnesota, on behalf of said municipal corporation.

Notary Public

BUYER:

**INLAND DEVELOPMENT
PARTNERS, LLC**

By: _____

Its: _____

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this _____ day of _____, 2015, _____ the _____ of Inland Development Partners, LLC, on behalf of the limited liability company.

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

Jeffrey A. Carson, Esq.
CARSON, CLELLAND & SCHREDER
6300 Shingle Creek Parkway, Suite 305
Minneapolis, MN 55430
763-561-2800

56068941_3.doc



Agenda Information Memorandum
June 27, 2016 - Maple Plain City Council

8. NEW BUSINESS
A. DISCUSS HENNEPIN COUNTY ASSESSMENT SERVICE AGREEMENT

ACTION TO BE CONSIDERED

To approve of a 4 year Assessing service agreement with the Hennepin County Assessor Department.

BACKGROUND

The City of Maple Plain signed a 1 year agreement starting in July of 2015 with the Hennepin County Assessing Department to provide assessing services for the community. Staff has received positive reviews regarding the sensitive work that is provided at a professional level. In 2015 the City of Maple Plain paid Hennepin County \$14,000.00 for assessing services. The proposed contract is asking the City to pay Hennepin County \$16,000.00. Some of the services provided include an evaluation of all properties that have filed for building permit and an evaluation of 20 percent of current homes without improvement changes.

Staff would be happy to answer any questions you may have.

ATTACHMENTS

Written letter with overview of the contract.
Proposed Contract Agreement

.



Hennepin County Assessor Department

A-2103 Government Center
300 South Sixth Street
Minneapolis, Minnesota 55487-0213

www.co.hennepin.mn.us

Tessia Melvin
Administrator
City of Maple Plain
5050 Independence St.
Maple Plain, MN 55359

RE: Assessment Services Agreement

Dear Tessia Melvin,

Enclosed for your review and City Council approval is our Assessment Service Agreement (plus three copies) between the City of Maple Plain and Hennepin County. The approval of this agreement will continue our relationship as your City Assessor for the next four (4) years.

In the first year of the agreement we are estimating the cost to complete your 2017 assessment at \$16,000.00. This estimate includes the costs to deliver all of the services listed in Exhibit A of the agreement.

I want to assure you that we are making every effort to keep our costs to a minimum while still providing the best possible customer service to your taxpayers in setting and preserving your assessed values.

After City Council approval please return all three (3) signed original agreements by July 11, 2016, to:

James Atchison
c/o Hennepin County Assessor
A – 2103 Government Center MC 213
Minneapolis, MN 55487-0213

I have also enclosed the "Hennepin County Assessor's Office: At a Glance" document as a reminder of the assessment credentials and professional profile that the Hennepin County Assessor's Office brings to our collaborative relationship.

If you have any questions, or would like to further discuss any of these items, please contact me at James.Atchison@Hennepin.us or (612)348-4567.

Sincerely,

A handwritten signature in black ink that reads 'James R. Atchison'. The signature is fluid and cursive, with the first name 'James' being particularly prominent.

James R. Atchison

Hennepin County Assessor

Enc



HENNEPIN COUNTY

ASSESSOR'S OFFICE

Experience & Expertise

Our team consists of 50 plus staff that collectively has hundreds of years of service and experience in the assessing profession. This does not include additional years of fee appraisal, construction, property management and other real estate experience. In addition, all of our staff receive professional education and continuing assessment training. We have 38 team members with assessment designations through the Minnesota State Board of Assessors, 19 of which are Senior Accredited Minnesota Assessors, the highest level of accreditation given by the State Board of Assessors.

Our staff:

- Includes experts specializing in homesteads, exemptions, Veteran's Exclusions, Open Space, Green Acres, Local Board of Appeal and Equalization and tax court appeals
- Is qualified to appraise all property in Hennepin County
- Is specialized in dealing with executive homes, lakeshore and agricultural properties
- Has valuation modeling & statistical analysis experts
- Has direct access to IT/technical experts, legal experts, real estate tax experts, project managers, trainers and business analysts

Professional Staff

Our team consists of well-networked, well educated staff who have connections and resources with colleagues not only in the profession of assessing, but also with other county resources such as IT, project management, training and education. In addition:

- Many of our staff members are active in professional organizations, giving them better access to education and training resources, networking and a larger influence in guiding related state wide policies.
- You can have confidence and trust in staff that undergo background checks, driver's license validations and data security training.
- We engage our staff by offering fair compensation, good benefits, opportunities for growth and an inviting culture.
- We ensure stability and continuity of staff through mentoring and knowledge transfer.
- We do not use sub-contractors for appraisal staff.



HENNEPIN COUNTY

ASSESSORS OFFICE

June 1, 2016

At a Glance

Learn why the Hennepin County Assessor's Office should be your choice for your assessing needs.

Our mission is to value and classify property, uniformly and accurately.

Why Hennepin County?

- Customer Service
- Uniformity & Accuracy
- Trust & Transparency
- Resources & Tools
- Experience & Expertise
- Professional Staff

Customer Service

Customer service is an important core value of Hennepin County and is an integral part of the Hennepin County Assessor's practical vision and office values.

- We are committed to having professional employees that are equipped with the training and skills needed to effectively educate and serve our stakeholders.
- We strive for open communication with stakeholders for an effective partnership.
- We engage and respond to customers with care in all situations.
- We achieve excellence in valuation and classification at a reasonable cost.

Assessment Uniformity and Accuracy

Our informed staff are knowledgeable of regional and local markets, rather than just one city.

Trust and Transparency

We are committed to establishing a culture of trust and transparency by enforcing:

- Clear expectations for measurable success
- High level of assessment standards and professional conduct
- Required IT security training
- A commitment by staff to the function of valuing and classifying property for Hennepin County

Resources and Tools

- Our staff has access to tools such as Pictometry, Marshall & Swift, RecordEase, GIS and licensed valuation publications.
- We use Open Book resources and options including a 'regional' Open Book with multiple locations and times.
- Our data is digitized and secure.
- We have direct access to legal counsel.

AGREEMENT

THIS AGREEMENT, Made and entered into by and between the COUNTY OF HENNEPIN, a political subdivision of the State of Minnesota, hereinafter referred to as the "COUNTY", and the CITY OF MAPLE PLAIN, a political subdivision of the State of Minnesota, hereinafter referred to as "CITY";

WHEREAS, said CITY lies wholly within the COUNTY OF HENNEPIN and constitutes a separate assessment district; and

WHEREAS, under such circumstances, the provisions of Minnesota Statutes, Section 273.072 and Minnesota Statutes, Section 471.59 permit the County Assessor to provide for the assessment of property; and

WHEREAS, said CITY desires the COUNTY to perform certain assessments on behalf of said CITY; and

WHEREAS, the COUNTY is willing to cooperate with said CITY by completing the assessment in a proper manner;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, it is agreed as follows:

1. The COUNTY shall perform the 2017, 2018, 2019, and 2020 property assessment for the CITY OF MAPLE PLAIN in accordance with property assessment procedures and practices established and observed by the COUNTY, the validity and reasonableness of which are hereby acknowledged and approved by the CITY. Any such practices and procedures may be changed from time to time, by the COUNTY in its sole judgment, when good and efficient assessment procedures so require. The property assessment by the COUNTY shall be composed of those assessment services

which are set forth in Exhibit A, attached hereto and made a part hereof by this reference, provided that the time frames set forth therein shall be considered to be approximate only.

2. All information, records, data, reports, etc. necessary to allow the COUNTY to carry out its herein responsibilities shall be furnished to the COUNTY without charge by the CITY, and the CITY agrees to cooperate in good faith with the COUNTY in carrying out the work under this Agreement.

3. The CITY agrees to furnish, without charge, secured office space needed by the COUNTY at appropriate places in the CITY's offices. The keys thereto shall be provided to the COUNTY. Such office space shall be sufficient in size to accommodate reasonably one (1) appraiser and any furniture placed therein. The office space shall be available for the COUNTY's use at any and all times during typical business hours, and during all such hours the COUNTY shall be provided with levels of heat, air conditioning and ventilation as are appropriate for the seasons.

4. The CITY also agrees to provide appropriate desk and office furniture as necessary, clerical and secretarial support necessary and reasonable for the carrying out of the work herein, necessary office supplies and equipment, copying machines and fax machines and their respective supplies, and telephone and internet service to the COUNTY, all without charge to the COUNTY.

5. It shall be the responsibility of the CITY to have available at the CITY's offices a person who has the knowledge and skill to be able to answer routine questions pertaining to homesteads and property assessment matters and to receive, evaluate and organize homestead applications. The CITY shall store all homestead applications and homestead data in secure storage meeting the requirements set by the COUNTY.

It shall also be the responsibility of the CITY to promptly refer any homestead application which needs investigation to the COUNTY.

6. In accordance with Hennepin County Affirmative Action Policy and the County Commissioners' policies against discrimination, no person shall be excluded from full employment rights or participation in or the benefits of any program, service or activity on the grounds of race, color, creed, religion, age, sex, disability, marital status, sexual orientation, public assistance status, ex-offender status or national origin; and no person who is protected by applicable Federal or State laws, rules and regulations against discrimination shall be otherwise subjected to discrimination.

7. It is agreed that nothing herein contained is intended or should be construed in any manner as creating or establishing the relationship of joint venturers or co-partners between the parties hereto or as constituting the CITY as the agent, representative or employee of the COUNTY for any purpose or in any manner whatsoever. Any and all personnel of CITY or other persons, while engaged in the performance of any activity under this Agreement, shall have no contractual relationship with the COUNTY and shall not be considered employees of the COUNTY and any and all claims that may or might arise under the Workers' Compensation Act of the State of Minnesota on behalf of said personnel or other persons while so engaged, and any and all claims whatsoever on behalf of any such person or personnel arising out of employment or alleged employment including, without limitation, claims of discrimination against the CITY, its officers, agents, CITY or employees shall in no way be the responsibility of the COUNTY, and CITY shall defend, indemnify and hold the COUNTY, its officials, officers, agents, employees and duly authorized volunteers harmless from any and all such claims regardless of any determination of any pertinent tribunal,

agency, board, commission or court. Such personnel or other persons shall not require nor be entitled to any compensation, rights or benefits of any kind whatsoever from the COUNTY, including, without limitation, tenure rights, medical and hospital care, sick and vacation leave, Workers' Compensation, Re-employment Compensation, disability, severance pay and retirement benefits.

8. CITY agrees that it will defend, indemnify and hold the COUNTY, its elected officials, officers, agents, employees and duly authorized volunteers harmless from any and all liability (statutory or otherwise) claims, suits, damages, judgments, interest, costs or expenses (including reasonable attorney's fees, witness fees and disbursements incurred in the defense thereof) resulting from or caused by the negligent or intentional acts or omissions of the CITY, its officers, agents, contractors, employees or duly authorized volunteers in the performance of the responsibilities provided by this Agreement. The CITY's liability shall be governed by Minn. Stat. Chapter 466 and other applicable law, rule and regulation, including common law.

9. COUNTY agrees that it will defend, indemnify and hold the CITY, its elected officials, officers, agents, employees and duly authorized volunteers harmless from any and all liability (statutory or otherwise) claims, suits, damages, judgments, interest, costs or expenses (including reasonable attorney's fees, witness fees and disbursements incurred in the defense thereof) resulting from or caused by the negligent or intentional acts or omissions of the COUNTY, its officers, agents, contractors, employees or duly authorized volunteers in the performance of the responsibilities provided by this Agreement. The COUNTY's liability shall be governed by Minn. Stat. Chapter 466 and other applicable law, rule and regulation, including common law.

10. The COUNTY shall endeavor to perform all services called for herein in an efficient manner. The sole and exclusive remedy for any breach of this Agreement by the COUNTY and for COUNTY's liability of any kind whatsoever, including but not limited to liability arising out of, resulting from or in any manner related to contract, tort, warranty, statute or otherwise, shall be limited to correcting diligently any deficiency in ~~said services as is reasonably possible under the pertinent circumstances.~~

11. Neither party hereto shall be deemed to be in default of any provision of this Agreement, or for delay or failure in performance, resulting from causes beyond the reasonable control of such party, which causes shall include, but are not limited to, acts of God, labor disputes, acts of civil or military authority, fire, civil disturbance, changes in laws, ordinances or regulations which materially affect the provisions hereof, or any other causes beyond the parties' reasonable control.

12. This Agreement shall commence on August 1, 2016, and shall terminate on July 31, 2020. Either party may initiate an extension of this Agreement for a term of four (4) years by giving the other written notice of its intent to so extend prior to March 1, 2020. If the party who receives said notice of intent to extend gives written notice to the other party of its desire not to extend prior to, April 15, 2020 this Agreement shall terminate on July 31, 2020.

Nothing herein shall preclude the parties, prior to the end of this Agreement, from agreeing to extend this contract for a term of four (4) years. Any extended term hereof shall be on the same terms and conditions set forth herein and shall commence on August 1, 2020. Either party may terminate this Agreement for "just cause" as determined by the Commissioner of Revenue after hearing for such a determination is held by the Commissioner of Revenue and which has been attended by representatives of COUNTY and CITY or which said

representatives had a reasonable opportunity to attend, provided that after such determination, any party desiring to cancel this Agreement may do so by giving the other party no less than 120 days' written notice. If the CITY should cancel this Agreement, as above provided, before the completion of the then current property assessment by the COUNTY, the CITY agrees to defend and hold the COUNTY, its officials, officers, agents, employees and duly authorized volunteers harmless from any liability that might ensue as a result of the non-completion of a property tax assessment.

For the purpose of this Agreement, the term "just cause" shall mean the failure of any party hereto reasonably to perform a material responsibility arising hereunder.

13.A. In consideration of said assessment services, the CITY agrees to pay the COUNTY the sum of Sixteen Thousand Dollars (\$16,000) for each assessment, provided that any payment for the current year's assessment may be increased or decreased by that amount which exceeds or is less than the COUNTY's estimated cost of appraising new construction and new parcels for the current year's assessment. The amount of any increase or decrease shall be specified in the billing for the current year's assessment.

13.B. Regarding each assessment, in addition to being subject to adjustment in the above manner, said assessment cost of \$16,000 may also be increased by the COUNTY if:

- (1) The COUNTY determines that any cost to the COUNTY in carrying out any aspect of this Agreement has increased, including but not limited to the following types of costs: **new construction and new parcel appraisals, mileage, postage, supplies, labor (including fringe benefits) and other types of costs, whether similar or dissimilar; and/or**
- 2) The COUNTY reasonably determines that other costs should be included in the costs of assessment work.

If the COUNTY desires to increase the assessment cost pursuant to this paragraph 13(B), it shall give written notice thereof by June 15 of any year and such increase shall apply to the assessment for the calendar year next following the current calendar year. Any such notification shall specifically set forth the amount of any new construction and new parcel appraisal charges. Notwithstanding any provisions herein to the contrary, if any such increase, exclusive of any charge for the estimated costs of new construction and new parcel appraisals, exceeds seven and one half percent (7.5%) of the amount charged for the assessment for the then current calendar year, exclusive of any charge for the estimated costs of new construction and new parcel appraisals, the CITY may cancel this Agreement by giving to the COUNTY written notice thereof, provided that said cancellation notice must be received by the COUNTY not later than July 24 of the then current calendar year and said cancellation shall be effective no earlier than five (5) days after the receipt of said notice by the COUNTY and not later than July 31 of said next calendar year. Supportive records of the cost increase will be open to inspection by the CITY at such times as are mutually agreed upon by the COUNTY and CITY.

Failure of the COUNTY to give the CITY a price-change notice by June 15 shall not preclude the COUNTY from giving CITY such notice after said date but prior to September 1 of any year, provided that if such price increase exceeds said ten (10%) - all as above set forth - the CITY may cancel this Agreement if the COUNTY receives notice thereof not later than thirty-nine (39) days from the date of receipt by the CITY of any said late price-change notice, provided further that any such cancellation shall be effective not earlier than five (5) days after COUNTY's receipt of said cancellation notice and not later than forty-six (46) days after the CITY's receipt of any said price-increase notice.

Payment for each assessment shall be made in the following manner:

Approximately one-half (1/2) of the cost of an assessment (the amount payable being set forth in a bill sent by the COUNTY to the CITY) shall be paid by the CITY no later than the fifteenth (15th) day of the December which precedes the pertinent assessment year; and the remaining portion of said cost (the amount payable being set forth in a bill sent by the COUNTY to the CITY) shall be paid by the CITY no later than July 15 of the pertinent year.

The COUNTY may bill the CITY after the aforesaid dates and in each such case, the CITY shall pay such bill within thirty (30) days after receipt thereof.

14. Any notice or demand, which may or must be given or made by a party hereto, under the terms of this Agreement or any statute or ordinance, shall be in writing and shall be sent registered or certified mail to the other party addressed as follows:

TO CITY: Mayor, City of Maple Plain
5050 Independence Street
Maple Plain, MN 55359

TO COUNTY: Hennepin County Administrator
2300A Government Center
Minneapolis, MN 55487

copies to: County Assessor
Hennepin County
2103A Government Center
Minneapolis, MN 55487

copies to: Assistant County Assessor
Hennepin County
2103A Government Center
Minneapolis, MN 55487

Any party may designate a different addressee or address at any time by giving written notice thereof as above provided. Any notice, if mailed, properly addressed, postage prepaid, registered or certified mail, shall be deemed dispatched on the registered date or that stamped on the certified mail receipt and shall be deemed received within the second business day thereafter or when it is actually received, whichever is sooner. Any notice delivered by hand shall be deemed received upon actual delivery.

15. It is expressly understood that the obligations of the CITY under Paragraphs 7, 8, 12, and 13 hereof and the obligations of the CITY which, by their sense and context, are intended to survive the performance thereof by the CITY, shall so survive the completion of performance, termination or cancellation of this Agreement.

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EXHIBIT A
CITY OF MAPLE PLAIN

During the contract term, the County shall:

1. Physically inspect and revalue 20% of the real property, as required by law.
2. Physically inspect and value all new construction, additions and renovation.
3. Adjust estimated market values on those properties not physically inspected as deemed necessary per sales ratio analysis.
4. Prepare the initial assessment roll.
5. Print and mail valuation notices.
6. Respond to taxpayers regarding assessment or appraisal problems or inquiries.
7. Conduct valuation reviews prior to Board of Review or Open Book Meetings, as determined by the City – approximate dates: March through May 15.
8. Attend Board of Review or conduct Open Book Meeting. Prepare all necessary review appraisals. Approximate dates: April 1 – May 31.
9. Maintain an updated property file – current values, classification data and characteristic data.
10. Prepare divisions and combinations as required.
11. Administer the abatement process pursuant to Minn. Stat. §375.192.
12. Prepare appraisals; defend and/or negotiate all Tax Court cases.
13. Provide all computer hardware and software applications necessary to complete contracted services.
14. Process all homestead and special program applications.

Extract of Minutes of Meeting
of the City Council of the City of
Maple Plain, Minnesota

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Maple Plain, Minnesota, was duly held at City Hall on Monday, June 27, 2016, commencing at 5:00 P.M.

The following members were present:

and the following were absent:

* * *

* * *

* * *

The Mayor announced that the next order of business was consideration of the proposals which have been received for the purchase of the City's \$_____ General Obligation Improvement and Water Revenue Bonds, Series 2016A.

The City Administrator presented a tabulation of the proposals which have been received in the manner specified in the Terms of Proposal for the Bonds. The proposals are as shown in Exhibit A.

After due consideration of the proposals, Councilmember _____ then introduced the following resolution and moved its adoption:

RESOLUTION NO. 16-0627-01

**A RESOLUTION AWARDING THE SALE OF \$ _____
GENERAL OBLIGATION IMPROVEMENT AND WATER REVENUE BONDS, SERIES 2016A;
FIXING THEIR FORM AND SPECIFICATIONS;
DIRECTING THEIR EXECUTION AND DELIVERY;
AND PROVIDING FOR THEIR PAYMENT**

BE IT RESOLVED By the City Council (the "Council") of the City of Maple Plain, Minnesota (the "City") as follows:

Section 1. Sale of Bonds.

1.01. Background. It is determined that:

(a) The City has duly ordered the assessable public improvements known as the Budd Avenue Street and Utility Improvements (the "Street Project"), pursuant to Minnesota Statutes, Chapter 429, as amended (the "Improvement Act"). The Street Project consists of sanitary sewer, water main, storm sewer, and street improvements constructed on lands within the Street Project. In addition, the City has determined to construct a new well (Well #4) within the City (the "Water Project"), and to finance such Water Project pursuant to Minnesota Statutes, Section 444.075, as amended (the "Utility Revenue Act").

(b) The City is authorized by the Improvement Act and the Utility Revenue Act, respectively, to finance all or a portion of the cost of the Street Project and the Water Project (collectively, the "Project") by the issuance of general obligation bonds of the City payable from special assessments levied against benefited property, ad valorem taxes imposed on all taxable property within the City, and net revenues of the City's water system. The Project costs are presently estimated to be as follows:

<u>Project Designation & Description:</u>	<u>Total Project Costs</u>
Street Project Construction	\$
Water Project Construction	
Underwriter's Discount	
Costs of Issuance	
Rounding Amount	
	Total

(c) It is necessary and expedient to the sound financial management of the affairs of the City for the City to issue its General Obligation Improvement and Water Revenue Bonds, Series 2016A (the "Bonds"), in the original aggregate principal amount of \$_____, pursuant to the Improvement Act, the Utility Revenue Act, and Minnesota Statutes, Chapter 475, as amended (the "Municipal Bond Act," and collectively with the Improvement Act and the Utility Revenue Act, the "Act"), to provide financing for the Project. The City is planning to make an equity contribution of approximately \$66,000 to pay for street lighting improvements in connection with the Project.

1.02. Award to the Purchaser. The proposal of _____ (the "Purchaser"), to purchase the Bonds described in the Terms of Proposal thereof is found and determined to be a reasonable offer and is accepted, the proposal being to purchase the Bonds at a price of \$_____ (par amount of \$_____, plus original issue premium of \$_____, less underwriter's discount of \$_____), for Bonds bearing interest as follows:

Year	Interest Rate	Year	Interest Rate
2018		2028	
2019		2029	
2020		2030	
2021		2031	
2022		2032	
2023		2033	
2024		2034	
2025		2035	
2026		2036	
2027		2037	

1.03. Purchase Contract. The sum of \$_____, being the amount proposed by the Purchaser in excess of \$_____, shall be deposited in the various sub-accounts of the Debt Service Fund created under Section 4.01(b) and 4.01(c) hereof, or in the Construction Fund created under Section 4.01(d) hereof, in the discretion of the City's municipal advisor. The Mayor and the City Administrator are directed to execute a contract with the Purchaser on behalf of the City.

1.04. Terms and Principal Amounts of the Bonds. The City will forthwith issue and sell the Bonds pursuant to the Act in the total principal amount of \$_____, originally dated July 28, 2016, in the denomination of \$5,000 each or any integral multiple thereof, numbered No. R-1, upward, bearing interest as above set forth, and maturing serially on February 1 in the years and amounts as follows:

Year	Amount	Year	Amount
2018		2028	
2019		2029	
2020		2030	
2021		2031	
2022		2032	
2023		2033	
2024		2034	
2025		2035	
2026		2036	
2027		2037	

\$_____ of the Bonds (the “Street Project Portion”) maturing in the amounts and on the dates set forth below are being issued to finance the construction of the Street Project:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018		2028	
2019		2029	
2020		2030	
2021		2031	
2022		2032	
2023		2033	
2024		2034	
2025		2035	
2026		2036	
2027		2037	

\$_____ of the Bonds (the “Water Project Portion”) maturing in the amounts and on the dates set forth below are being issued to finance the construction of the Water Project:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018		2028	
2019		2029	
2020		2030	
2021		2031	
2022		2032	
2023		2033	
2024		2034	
2025		2035	
2026		2036	
2027		2037	

1.05. Optional Redemption. The City may elect on February 1, 2025, and on any date thereafter to prepay Bonds due on or after February 1, 2026. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify DTC (as defined in Section 7 hereof) of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant’s interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

Section 2. Registration and Payment.

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

2.02. Dates; Interest Payment Dates. Each Bond will be dated as of the last interest payment date preceding the date of authentication to which interest on the Bond has been paid or

made available for payment, unless (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Bond will be dated as of the date of authentication, or (ii) the date of authentication is prior to the first interest payment date, in which case the Bond will be dated as of the date of original issue. The interest on the Bonds will be payable on February 1 and August 1 of each year, commencing February 1, 2017, to the registered owners of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not that day is a business day.

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

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

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

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

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

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

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

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

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

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

2.04. Appointment of Initial Registrar. The City appoints Bond Trust Services Corporation, Roseville, Minnesota, as the initial Registrar for the Bonds. The Mayor and the City Administrator are authorized to execute and deliver, on behalf of the City, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, the resulting corporation is authorized to act as successor Registrar. The City agrees to pay the reasonable and customary charges of the Registrar for the services performed. The City reserves the right to remove the Registrar upon 30 days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar must deliver all cash and Bonds in its possession to the successor Registrar and must deliver the bond register to the successor Registrar. On or before each principal or interest due date, without further order of this Council, the City Administrator must transmit to the Registrar money sufficient for the payment of all principal and interest then due.

2.05. Execution, Authentication and Delivery. The Bonds will be prepared under the direction of the City Administrator and executed on behalf of the City by the signatures of the Mayor and the City Administrator, provided that all signatures may be printed, engraved or lithographed facsimiles of the originals. If an officer whose signature or a facsimile of whose signature appears on the Bonds ceases to be such officer before the delivery of any Bond, that signature or facsimile will nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in

office until delivery. Notwithstanding such execution, a Bond will not be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on the Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on a Bond is conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been so prepared, executed and authenticated, the City Administrator will deliver the same to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser is not obligated to see to the application of the purchase price.

2.06. Temporary Bonds. The City may elect to deliver in lieu of printed definitive Bonds one or more typewritten temporary Bonds in substantially the form set forth in Section 3 hereof with such changes as may be necessary to reflect more than one maturity in a single temporary bond. Upon the execution and delivery of definitive Bonds the temporary Bonds will be exchanged therefor and cancelled.

Section 3. Form of Bond.

3.01. Execution of the Bonds. The Bonds will be printed or typewritten in substantially the form attached hereto as Exhibit B.

3.02. Approving Legal Opinion. The City Administrator will obtain a copy of the proposed approving legal opinion of Eckberg Lammers, P.C., Stillwater, Minnesota, Bond Counsel to the City, which will be complete except as to dating thereof and will cause the opinion to be printed on or accompany each Bond.

Section 4. Payment; Security; Pledges and Covenants.

4.01. Funds. (a) *Debt Service Fund.* The Bonds are payable from the General Obligation Improvement and Water Revenue Bonds, Series 2016A Debt Service Fund (the "Debt Service Fund") created herein. The City will maintain a Street Project Account (the "Street Project Account") and a Water Project Account (the "Water Project Account") in the Debt Service Fund.

(b) *Street Project Account.* Together with any amounts allocable to the Street Project Account under Section 1.03 hereof, the City Administrator will timely deposit in the Street Project Account special assessments (the "Assessments") levied or to be levied for the Street Project, and the proceeds of ad valorem taxes hereinafter levied (the "Taxes"), which Assessments and Taxes are pledged to the Street Project Account of the Debt Service Fund. If any payment of principal or interest on the Street Project Portion of the Bonds will become due when there is not sufficient money in the Street Project Account of the Debt Service Fund to pay the same, the City Administrator is directed to pay such principal or interest from the general fund of the City, and the general fund will be reimbursed for such advances out of the proceeds of Assessments and Taxes, when received.

(c) *Water Project Account.* The City will continue to operate its Water Fund, to which will be credited all gross revenues of the water system of the City and out of which will be paid all normal and reasonable expenses of current operations of the water system. Any balance therein is deemed as net revenues and will be transferred, from time to time, to the Water Project Account of

the Debt Service Fund, which account will be used only to pay principal of and interest on the Water Project Portion of the Bonds and any other bonds similarly authorized. Additionally, any amounts allocable to the Water Project Account under Section 1.03 hereof are to be deposited in said account upon closing on the Bonds. If any payment of principal or interest on the Water Project Portion of the Bonds will become due when there is not sufficient money in the Water Project Account of the Debt Service Fund to pay the same, the City Administrator is directed to pay such principal or interest from the general fund of the City, and the general fund will be reimbursed for such advances out of the proceeds of the pledged net revenues of the City's water system described above, when received.

(d) *Construction Fund.* The proceeds of the Bonds, less the appropriations made in subparagraphs (b) and (c), if any, together with any other funds appropriated during the construction of the Project, and Assessments, Taxes and net revenues of the City's water fund collected during the construction of the Project, will be deposited in a separate construction fund (the "Construction Fund") to be used solely to defray expenses of the Project. Any balance remaining in the Construction Fund after completion of the Project may be used to pay the cost in whole or in part of any other improvement instituted under the Municipal Bond Act under the direction of this Council. When the Project is completed and the cost thereof paid, the Construction Fund is to be closed and subsequent collections of Assessments, Taxes and net revenues of the City's water fund are to be deposited in the Debt Service Fund.

4.02. City Covenants; Street Project. It is determined that the Street Project will directly and indirectly benefit abutting property, and the City covenants with the holders from time to time of the Street Project Portion of the Bonds as follows:

(a) The City has caused or will cause the Assessments for the Street Project to be promptly levied in 2016 so that the first installment will be collectible not later than 2017 and will take all steps necessary to assure prompt collection of the Assessments. This Council will cause to be taken with due diligence all further actions that are required for construction of the Street Project, and will take all further actions necessary for the final and valid levy of the Assessments and the appropriation of any other funds needed to pay the Street Project Portion of the Bonds and interest thereon when due.

(b) In the event of any current or anticipated deficiency in Assessments and Taxes, or other revenues to be applied to debt service on the Street Project Portion of the Bonds, this Council will levy additional ad valorem taxes in the amount of the current or anticipated deficiency.

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

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

4.03. Pledge of Tax Levy. It is determined that at least 20% of the costs of the Street Project will be specially assessed against benefited properties. For the purpose of paying the

principal of and interest on the Street Project Portion of the Bonds, there is levied a direct annual irrevocable ad valorem tax upon all of the taxable property in the City, which will be spread upon the tax rolls and collected with and as part of other general taxes of the City. The Taxes will be credited to the Street Project Account of the Debt Service Fund above provided and will be in the years and amounts as provided for on Exhibit C attached hereto.

4.04. Covenants Regarding Water Project. This Council covenants and agrees with the holders of the Water Project Portion of the Bonds that so long as any of said portion of the Bonds remains outstanding and unpaid, it will keep and enforce the following covenants and agreements:

(a) *Maintenance and Operation of Water System*. The City will continue to maintain and efficiently operate the water system as a public utility and convenience free from competition of other like utilities and will cause all revenues therefrom to be deposited in bank accounts and credited to the water system account as hereinabove provided, and will make no expenditures from such account except for a duly authorized purpose and in accordance with this Resolution.

(b) *Water Project Account to be Maintained as Separate Account*. The City will also maintain the Water Project Account of the Debt Service Fund as a separate account and will cause money to be credited thereto from time to time out of net revenues from the water system in sums sufficient to pay principal of and interest on the Water Project Portion of the Bonds when due.

(c) *Books of Records and Accounts Relating to the Water System*. The City will keep and maintain proper and adequate books of records and accounts separate from all other records of the City in which will be complete and correct entries as to all transactions relating to the water system and which will be open to inspection and copying by any bondholder, or the bondholder's agent or attorney, at any reasonable time, and it will furnish certified transcripts therefrom upon request and upon payment of a reasonable fee therefor, and said account will be audited at least annually by a qualified public accountant and statements of such audit and report will be furnished to all bondholders upon request.

(d) *Persons Handling Revenues and Banks Receiving Deposits*. This Council will cause persons handling revenues of the water system to be bonded in reasonable amounts for the protection of the City and the bondholders and will cause the funds collected on account of the operations of the water system to be deposited in a bank whose deposits are guaranteed under the Federal Deposit Insurance Law.

(e) *Insurance*. This Council will keep the water system insured at all times against loss by fire, tornado and other risks customarily insured against with an insurer or insurers in good standing, in such amounts as are customary for like plants, to protect the holders, from time to time, of the Water Project Portion of the Bonds and the City from any loss due to any such casualty and will apply the proceeds of such insurance to make good any such loss.

(f) *Performance of Duties*. The City and each and all of its officers will punctually perform all duties with reference to the water system as required by law.

(g) *Pledge to Produce Revenues.* The City will impose and collect charges of the nature authorized by the Utility Revenue Act at the times and in the amounts required to produce net revenues adequate to pay all principal and interest when due on the Water Project Portion of the Bonds.

(h) *Payment of Deficiencies, if Any.* This Council will levy general ad valorem taxes on all taxable property in the City when required to meet any deficiency in net revenues with respect to the Water Project Portion of the Bonds.

4.05. Debt Service Coverage. (a) It is determined that the estimated collections of Assessments and Taxes will produce at least five percent (5%) in excess of the amount needed to meet when due the principal and interest payments on the Street Project Portion of the Bonds. The tax levy herein provided is irrevocable until all of the Street Project Portion of the Bonds are paid, provided that at the time the City makes its annual tax levies the City Administrator may certify to the Taxpayer Services Department Manager of Hennepin County (the "Taxpayer Services Manager") the amount available in the Street Project Account of the Debt Service Fund to pay principal and interest due during the ensuing year, and the Taxpayer Services Manager will thereupon reduce the levy collectible during such year by the amount so certified.

(b) It is determined that the aggregate estimated collection of net revenues from the City's water system for the payment of principal and interest on the Water Project Portion of the 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 Water Project Portion of the Bonds and that no tax levy is needed at this time with respect to such portion of the Bonds.

4.06. Certificate as to Registration. The City Administrator is directed to file a certified copy of this Resolution with the Taxpayer Services Manager and obtain the certificate required by Section 475.63 of the Municipal Bond Act.

Section 5. Authentication of Transcript.

5.01. City Proceedings and Records. The officers of the City are authorized and directed to prepare and furnish to the Purchaser and to the attorneys approving the Bonds certified copies of proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Bonds, and such instruments, including any heretofore furnished, may be deemed representations of the City as to the facts stated therein. The Mayor and the City Administrator are additionally authorized and directed to furnish to the Purchaser at closing on the Bonds such certificates as are required as a condition of sale. Unless litigation shall have been commenced and be pending questioning the Bonds or the organization of the City or incumbency of its officers, at the closing on the Bonds the Mayor and the City Administrator shall also execute and deliver to the Purchaser a suitable certificate as to the absence of material litigation, and the City Administrator shall also execute and deliver a certificate as to payment for and delivery of the Bonds.

5.02. Certification as to Official Statement. The Mayor and the City Administrator are authorized and directed to certify that they have examined the Official Statement prepared and

circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the Official Statement is a complete and accurate representation of the facts and representations made therein as of the date of the Official Statement.

5.03. Payment of Costs of Issuance. The City authorizes the Purchaser to forward the amount of Bond proceeds allocable to the payment of issuance expenses to KleinBank, Chaska, Minnesota on the closing date of the Bonds for further distribution as directed by the City's municipal adviser, Ehlers & Associates, Inc.

5.04. Minnesota Public Facilities Authority Credit Enhancement Program. The City covenants and agrees as follows:

(a) The City has agreed to be bound by the provisions of Minnesota Statutes, Section 446A.086, as amended (the "Credit Enhancement Act") by entering into the State of Minnesota Public Facilities Authority Credit Enhancement Program Agreement, with the Minnesota Public Facilities Authority (the "PFA Agreement"), which PFA Agreement was authorized by this Council on May 9, 2016. The PFA Agreement is incorporated by reference as if fully set forth herein. The provisions of the PFA Agreement are hereby ratified and confirmed.

(b) The City understands that as a result of its entering into the PFA Agreement, the provisions of the Credit Enhancement Act shall be binding as long as any Bonds remain outstanding.

(c) The Registrar is authorized and directed to immediately notify the Minnesota Commissioner of Management and Budget if it becomes aware of a potential default in the payment of principal or interest on the Bonds or if, on the day two business days prior to the date a payment is due on the Bonds, there are insufficient funds on deposit with the Registrar to make that payment.

(d) The City further covenants to comply with all procedures now or hereafter established by the Minnesota Commissioner of Management and Budget pursuant to the Credit Enhancement Act and otherwise to take such actions as necessary to comply with that act.

Section 6. Tax Covenants.

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

6.02. No Rebate Required. For purposes of qualifying for the small issuer exception to the federal arbitrage rebate requirements, the City finds, determines and declares that the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the City (and all subordinate entities of the City) during the calendar year in which the Bonds are issued and outstanding at one time is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code.

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

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

- (a) the Bonds are not “private activity bonds” as defined in Section 141 of the Code;
- (b) the City designates the Bonds as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code;
- (c) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) which will be issued by the City (and all subordinate entities of the City) during 2016 will not exceed \$10,000,000; and
- (d) not more than \$10,000,000 of obligations issued by the City during 2016 have been designated for purposes of Section 265(b)(3) of the Code.

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

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

7.01. DTC. The Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Bond for each of the maturities set forth in Section 1.04 hereof. Upon initial issuance, the ownership of each 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 Bonds will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC.

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

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

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

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

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

Section 8. Continuing Disclosure.

8.01. Execution of Continuing Disclosure Certificate. "Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate executed by the Mayor and the

City Administrator and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

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

Section 9. Defeasance. When all Bonds have been discharged as provided in this Section, all pledges, covenants and other rights granted by this Resolution to holders of the Bonds will cease, except that the pledge of the full faith and credit of the City for the prompt and full payment of the principal of and interest on the Bonds will remain in full force and effect. The City may discharge all Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full. If any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

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The foregoing resolution was passed and adopted by the City Council of the City of Maple Plain, Minnesota this 27th day of June, 2016.

CITY OF MAPLE PLAIN, MINNESOTA

Jerry Young, Mayor

Attest:

Robert Schoen, City Administrator

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember _____, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA)
)
COUNTY OF HENNEPIN) SS.
)
CITY OF MAPLE PLAIN)

I, the undersigned, being the duly qualified and acting Administrator of the City of Maple Plain, Minnesota, do certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the City Council of the City held on June 27, 2016 with the original minutes on file in my office and the extract is a full, true and correct copy of the minutes insofar as they relate to the issuance and sale of \$_____ General Obligation Improvement and Water Revenue Bonds, Series 2016A, of the City.

WITNESS My hand officially as such City Administrator and the corporate seal of the City this _____ day of _____, 2016.

(SEAL)

City Administrator
City of Maple Plain, Minnesota

EXHIBIT A
PROPOSALS

EXHIBIT B
FORM OF BOND

No. R-_____ UNITED STATES OF AMERICA \$ _____
STATE OF MINNESOTA
COUNTY OF HENNEPIN
CITY OF MAPLE PLAIN

GENERAL OBLIGATION IMPROVEMENT AND WATER REVENUE BOND, SERIES 2016A

<u>Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	February 1, 20__	July 28, 2016	565310 ____

Registered Owner: Cede & Co.

The City of Maple Plain, Minnesota, a duly organized and existing municipal corporation and political subdivision located in Hennepin County, Minnesota (the "City"), acknowledges itself to be indebted and for value received promises to pay to the Registered Owner specified above or registered assigns, the principal sum of \$_____ on the Maturity date specified above, with interest thereon from the date hereof at the annual rate specified above, payable February 1 and August 1 in each year, commencing February 1, 2017, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by Bond Trust Services Corporation, Roseville, Minnesota, as Registrar, Paying Agent, Transfer Agent and Authenticating Agent, or its designated successor under the Resolution described herein. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are irrevocably pledged.

The City may elect on February 1, 2025, and on any date thereafter to prepay Bonds due on or after February 1, 2026. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify The Depository Trust Company, New York, New York ("DTC") of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

The City Council of the City has designated the issue of Bonds of which this Bond forms a part as “qualified tax exempt obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) relating to disallowance of interest expense for financial institutions and within the \$10 million limit allowed by the Code for the calendar year of issue.

This Bond is one of an issue in the aggregate principal amount of \$_____, all of like original issue date and tenor, except as to number, maturity date, redemption privilege, and interest rate, all issued pursuant to a resolution adopted by the City Council of the City on June 27, 2016 (the “Resolution”), for the purpose of providing money to defray the expenses incurred and to be incurred in making local improvements, specifically the Budd Avenue Street and Utility Improvements and the construction of a new well within the City, pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Chapters 429 and 475, and Section 444.075, as amended. The principal hereof and interest hereon are payable in part from special assessments to be levied against property benefited by local improvements, net revenues of the City’s water system, and ad valorem taxes imposed on all taxable property in the City, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the City is irrevocably pledged for payment of this Bond and the City Council of the City has obligated itself to levy additional ad valorem taxes on all taxable property in the City, which taxes may be levied without limitation as to rate or amount. The Bonds of this series are issued only as fully registered Bonds in denominations of \$5,000 or any integral multiple thereof of single maturities.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the City at the principal office of the Registrar, by the registered owner hereof in person or by the owner’s attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or the owner’s attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the City will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The City and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Registrar will be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the City in accordance with its terms, have been done, do exist, have happened and have been performed as so required, and that the issuance of this Bond does not cause the indebtedness of the City to exceed any constitutional or statutory limitation of indebtedness.

This Bond is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Registrar by manual signature of one of its authorized representatives.

ASSIGNMENT

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

Signature Guaranteed:

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 Bond unless the information concerning the assignee requested below is provided.

Name and Address: _____

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

Please insert social security or other identifying number of assignee

PROVISIONS AS TO REGISTRATION

The ownership of the principal of and interest on the within Bond has been registered on the books of the Registrar in the name of the person last noted below.

<u>Date of Registration</u>	<u>Registered Owner</u>	<u>Signature of Officer of Registrar</u>
July 28, 2016 _____	Cede & Co. Federal ID #13-2555119	_____

EXHIBIT C

TAX LEVY SCHEDULE

Year of Tax Levy	Year of Tax Collection	Amount
2016	2017	
2017	2018	
2018	2019	
2019	2020	
2020	2021	
2021	2022	
2022	2023	
2023	2024	
2024	2025	
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