



To: **MAYOR AND COUNCIL**

Agenda Item #: VII. A.

From: **Eric Roggeman**
Finance Director

Action
Discussion
Information

Date: November 18, 2014

Subject: Resolution Nos. 2014-144, Awarding Sale Of \$13,485,000 G.O. Refunding Bonds, Series 2014B

Action Requested:

Adopt Resolution Nos. 2014-144, Awarding Sale Of \$13,485,000 G.O. Refunding Bonds, Series 2014B

Information / Background:

Attached are the resolutions awarding the sale of bonds as drafted by the City's bond counsel, Dorsey & Whitney.

The Bonds are being issued by the City, pursuant to Minnesota Statutes, Chapters 429, 444, 475 and Section 475.67, for the purpose of effecting a current refunding of the following: (i) the 2016 and 2017 maturities of the City's \$5,375,000 General Obligation Park and Recreation Refunding Bonds, Series 2005A, dated July 19, 2005; (ii) the 2016 and 2017 maturities of the City's \$8,210,000 General Obligation Utility Revenue Bonds, Series 2007B, dated May 24, 2007; (iii) the 2016 through 2019 maturities of the City's \$13,985,000 General Obligation Utility Revenue Bonds, Series 2008A, dated August 28, 2008; and (iv) the 2016 through 2020 maturities of the City's \$7,755,000 General Obligation Permanent Improvement Revolving Fund Bonds, Series 2008B, dated August 28, 2008.

The bids will be received and tabulated by the City's financial advisor, Ehlers & Associates, Inc. on Tuesday, November 18. The bids and Ehlers & Associates analysis will be presented to the City Council at the November, 18 Council meeting.

ATTACHMENT:
Resolution 2014-144

CERTIFICATION OF MINUTES RELATING TO
\$13,485,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2014B

Issuer: City of Edina, Minnesota

Governing Body: City Council

Kind, date, time and place of meeting: A regular meeting held on November 18, 2014
at 7:00 o'clock P.M., at the City Hall, Edina, Minnesota.

Members present:

Members absent:

Documents Attached:

Minutes of said meeting (including): Pages 1 through 23

RESOLUTION NO. 2014-144

RESOLUTION AUTHORIZING ISSUANCE, AWARDING
SALE, PRESCRIBING THE FORM AND DETAILS AND
PROVIDING FOR THE PAYMENT OF \$13,485,000 GENERAL
OBLIGATION REFUNDING BONDS, SERIES 2014B

I, the undersigned, being the duly qualified and acting recording officer of the public corporation issuing the bonds referred to in the title of this certificate, certify that the documents attached hereto, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been transcribed; that said documents are a correct and complete transcript of the minutes of a meeting of the governing body of said corporation, and correct and complete copies of all resolutions and other actions taken and of all documents approved by the governing body at said meeting, so far as they relate to said bonds; and that said meeting was duly held by the governing body at the time and place and was attended throughout by the members indicated above, pursuant to call and notice of such meeting given as required by law.

WITNESS my hand officially as such recording officer this _____ day of
November, 2014.

Debra Mangen, City Clerk

It was reported that _____ (___) proposals had been received prior to 11:00 A.M., Central Time today for the purchase of the \$13,485,000 General Obligation Refunding Bonds, Series 2014B of the City in accordance with the Official Statement distributed by the City to potential purchasers of the Bonds. The proposals have been read and tabulated, and the terms of each have been determined to be as follows:

<u>Name of Bidder</u>	<u>Bid for Principal</u>	<u>Interest Rates</u>	<u>Net Interest Cost</u>
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[See Attached]

Councilmember _____ then introduced the following

resolution and moved its adoption:

RESOLUTION NO. 2014-144

RESOLUTION AUTHORIZING ISSUANCE, AWARDING
SALE, PRESCRIBING THE FORM AND DETAILS AND
PROVIDING FOR THE PAYMENT OF \$13,485,000 GENERAL
OBLIGATION REFUNDING BONDS, SERIES 2014B

BE IT RESOLVED by the City Council of the City of Edina, Minnesota (the “City”), as follows:

Section 1. Authorization and Sale.

1.01. Authorization of Bonds. Pursuant to Resolution No. 2005-70, adopted on August 16, 2005, the City created a revolving fund as contemplated by Minnesota Statutes, Section 429.091, Subdivision 7a, designated as the Permanent Improvement Revolving Fund, and established certain accounts within such Permanent Improvement Revolving Fund. The City owns and operates a municipal storm sewer utility (the “Storm Water Utility”) and a municipal sanitary sewer and water utility (the “Sewer and Water Utility,” which together with the Storm Water Utility is called the “Utilities”).

This Council hereby determines that it is in the best interest of the City to issue its General Obligation Refunding Bonds, Series 2014B (the “Bonds”), in the principal amount of \$13,485,000, pursuant to Minnesota Statutes, Chapters 429, 444 and 475. The proceeds of the Bonds shall be used, together with any additional funds of the City which might be required, to:

- (i) refund in advance of maturity, on February 1, 2015 (the “Redemption Date”) the 2016 and 2017 maturities aggregating \$1,140,000 in principal amount, of the City’s General Obligation Park and Recreation Refunding Bonds, Series 2005A, dated ,as originally issued, as of July 19, 2005 (the “Refunded Series 2005A Bonds”);
- (ii) refund in advance of maturity, on the Redemption Date the 2016 and 2017 maturities aggregating \$1,890,000 in principal amount, of the City’s General Obligation Utility Revenue Bonds, Series 2007B, dated, as originally issued, as of May 24, 2007 (the “Refunded Series 2007B Bonds”);
- (iii) refund in advance of maturity, on the Redemption Date the 2016 through 2019 maturities aggregating \$5,995,000 in principal amount, of the City’s General Obligation Utility Revenue Bonds, Series 2008A, dated, as originally issued, as of August 28, 2008 (the “Refunded Series 2008A Bonds”); and

- (iv) refund in advance of maturity, on the Redemption Date the 2016 through 2020 maturities aggregating \$4,255,000 in principal amount, of the City's General Obligation Permanent Improvement Revolving Fund Bonds, Series 2008B, dated, as originally issued, as of August 28, 2008 (the "Refunded Series 2008B Bonds," and together with the Refunded Series 2005A Bonds, the Refunded Series 2007B Bonds and Refunded Series 2008A Bonds, the "Refunded Bonds").

The Refunded Bonds will be redeemed on the Redemption Date. This Council hereby determines to issue and sell the Bonds to defray the expense incurred and estimated to be incurred by the City to refund the Refunded Bonds, including every item of cost of the kinds authorized in Minnesota Statutes, Section 475.65. The Bonds are being issued for the purpose of effecting a current refunding of the Refunded Bonds pursuant to the extraordinary redemption provisions contained in Section 2.04 of the resolutions authorizing the issuance of the Refunded Bonds. The portion of the Bonds issued to refund the Refunded Series 2005A Bonds are referred to as the "Series 2005A Refunding Bonds." The portion of the Bonds issued to refund the Refunded Series 2007B Bonds are referred to as the "Series 2007B Refunding Bonds." The portion of the Bonds issued to refund the Refunded Series 2008A Bonds are referred to as the "Series 2008A Refunding Bonds." The portion of the Bonds issued to refund the Refunded Series 2008B Bonds are referred to as the "Series 2008B Refunding Bonds." The Redemption Date is the earliest date upon which the Refunded Bonds may be redeemed. The refunding of the Refunded Bonds is being carried out for the purpose described in Minnesota Statutes, Section 475.67, subdivision 3, section (b)(2)(i) and in compliance with Minnesota Statutes, Chapter 475. The allocation of the Bonds for this purpose is set forth in Section 2.01 hereof.

1.02. Sale of Bonds. The City has retained Ehlers & Associates, Inc., an independent financial advisor, to assist the City in connection with the sale of the Bonds. The Bonds are being sold pursuant to Minnesota Statutes, Section 475.60, Subdivision 2, paragraph (9), without meeting the requirements for public sale under Minnesota Statutes, Section 475.60, Subdivision 1. Pursuant to the Terms and Conditions of Sale for the Bonds, _____ (___) proposals for the purchase of the Bonds were received at or before the time specified for receipt of proposals. The proposals have been opened and publicly read and considered, and the purchase price, interest rates and true interest cost under the terms of each bid have been determined. The most favorable proposal received is that of _____, of _____, _____, and associates (the "Purchaser"), to purchase the Bonds at a price of \$_____, the Bonds to bear interest at the rates set forth in Section 2.01. The proposal is hereby accepted, and the Mayor and the City Manager are hereby authorized and directed to execute a contract on the part of the City for the sale of the Bonds with the Purchaser. The good faith checks of the unsuccessful bidders shall be returned forthwith.

1.04. Performance of Requirements. The City is authorized by Minnesota Statutes, Section 444.075, to issue and sell the Series 2007B Refunding Bonds and the Series 2008A Refunding Bonds (together, the "Utilities Bonds") to refinance improvements to the Utilities, and to pledge to the payment of the Utilities Bonds net revenues to be derived from charges for the service, use and availability of the Utilities. The City presently has certain outstanding obligations which constitute a lien on the net revenues of the Utilities. Such obligations permit further pledges and appropriations of net revenues of the Utilities to be made superior or

subordinate to or on a parity with the pledge and appropriation of net revenues of the Utilities to pay such obligations. The City Council hereby determines that the estimated net revenues of the Utilities will be sufficient, together with any other sources pledged to or projected to be used, for the payment of the principal of and interest on the Utilities Bonds and such outstanding obligations which constitute a lien on the net revenues of the Utilities. All acts, conditions and things which are required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed precedent to and in the valid issuance of the Utilities Bonds having been done, existing, having happened and having been performed, it is now necessary for this Council to establish the form and terms of the Utilities Bonds, to provide security therefor and to issue the Utilities Bonds forthwith.

Section 2. Bond Terms; Registration; Execution and Delivery.

2.01. Maturities; Interest Rates; Denominations; Payment. The Bonds shall be designated General Obligation Refunding Bonds, Series 2014B, shall be originally dated as of December 11, 2014, shall be in the denomination of \$5,000 each, or any integral multiple thereof, shall mature on February 1 in the respective years and amounts stated below, [without option of prior payment,] and shall bear interest, computed on the basis of a 360-day year consisting of twelve 30-day months, from December 11, 2014 until paid or duly called for redemption at the respective annual rates set forth opposite such years and amounts, as follows:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>
2016	\$3,870,000		2019	\$2,425,000	
2017	3,905,000		2020	895,000	
2018	2,390,000				

[Revise for term bonds.]

The Bonds shall be issuable only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof, shall be payable by check or draft issued by the Registrar for the Bonds appointed herein.

The portion of the Bonds maturing in the following years and amounts constitute the Refunding Bonds:

<u>Year</u>	<u>Series 2005A</u> <u>Refunding</u> <u>Bonds</u>	<u>Series 2007B</u> <u>Refunding</u> <u>Bonds</u>	<u>Series 2008A</u> <u>Refunding</u> <u>Bonds</u>	<u>Series 2008B</u> <u>Refunding</u> <u>Bonds</u>
2016	\$585,000	\$955,000	\$1,495,000	\$3,870,000
2017	575,000	965,000	1,510,000	3,905,000
2018	--	--	1,530,000	2,390,000
2019	--	--	1,550,000	2,425,000
2020	--	--	--	895,000

2.02. Interest Payment Dates. Each Bond shall be dated by the Registrar as of the date of its authentication. The interest on the Bonds shall be payable on February 1 and August 1 in each year, commencing August 1, 2015, to the owner of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not such day is a business day.

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

(a) Register. The Registrar shall keep at its principal corporate trust office a bond register in which the Registrar shall provide 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 any Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new 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 such interest payment date.

(c) Exchange of Bonds. Whenever any Bonds are surrendered by the registered owner for exchange the Registrar shall 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. All Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the City.

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

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name any Bond is at any time registered in the bond register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon the

owner's order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For every transfer or exchange of Bonds (except for an exchange upon a partial redemption of a Bond), the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Registrar shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such 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 such 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, in which both the City and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall 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 shall not be necessary to issue a new Bond prior to payment.

(i) Authenticating Agent. The Registrar is hereby designated authenticating agent for the Bonds, within the meaning of Minnesota Statutes, Section 475.55, Subdivision 1, as amended.

(j) Valid Obligations. All Bonds issued upon any transfer or exchange of Bonds shall be the valid obligations of the City, evidencing the same debt, and entitled to the same benefits under this Resolution as the Bonds surrendered upon such transfer or exchange.

2.04. Appointment of Registrar and Paying Agent. The City hereby appoints U.S. Bank National Association in St. Paul, Minnesota, as the initial Registrar. The Mayor and City Manager are authorized to execute and deliver, on behalf of the City, a contract with U.S. Bank National Association, as 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, such corporation shall be 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 any Registrar upon thirty (30) days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Bonds in its possession to the successor Registrar.

2.05. Redemption. The Bonds shall not be subject to optional redemption prior to maturity.

[Bonds maturing on February 1, 20__ are subject to mandatory redemption, at a redemption price equal to their principal amount plus interest accrued thereon to the redemption date, without premium, on February 1 in each of the years shown below, in an amount equal to the following principal amounts:

<u>Bonds Maturing on February 1, 20</u>	
<u>Sinking Fund</u>	<u>Aggregate</u>
<u>Payment Date</u>	<u>Principal Amount</u>

*Maturity

Prior to the date set for redemption of any Bond prior to its stated maturity date, the City Finance Director shall cause notice of the call for redemption thereof to be published as required by law and, not more than sixty (60) and not fewer than thirty (30) days prior to the designated redemption date, shall cause notice of the call to be mailed to the registered holders of any Bonds to be redeemed at their addresses as they appear on the bond register described in Section 2.03 hereof, but no defect in or failure to give such mailed notice of redemption shall affect the validity of proceedings for the redemption of any Bond not affected by such defect or failure. The notice of redemption shall specify the redemption date, redemption price, the numbers, interest rates and CUSIP numbers of the Bonds to be redeemed and the place at which the Bonds are to be surrendered for payment, which is the principal office of the Registrar. Official notice of redemption having been given as aforesaid, the Bonds or portions thereof so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions thereof shall cease to bear interest.]

Bonds in a denomination larger than \$5,000 may be redeemed in part in any integral multiple of \$5,000. The owner of any Bond redeemed in part shall receive without charge, upon surrender of such Bond to the Registrar, one or more new Bonds of such same series in authorized denominations equal in principal amount to the unredeemed portion of the Bond so surrendered.

2.06. Execution, Authentication and Delivery. The Bonds shall be prepared under the direction of the City Finance Director and shall be executed on behalf of the City by the signatures of the Mayor and the City Manager, provided that all signatures may be printed, engraved or lithographed facsimiles of the originals. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of any Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery. Notwithstanding such execution, no Bond shall 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 such 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 each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been so prepared, executed and authenticated, the City Finance Director shall deliver them to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser shall not be obligated to see to the application of the purchase price.

2.07. Form of Bonds. The Bonds shall be typed or printed in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF HENNEPIN

CITY OF EDINA

GENERAL OBLIGATION REFUNDING BOND, SERIES 2014B

R-___ \$_____

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
___%	February 1, 20__	December 11, 2014	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THOUSAND DOLLARS

THE CITY OF EDINA, Hennepin County, Minnesota (the City), acknowledges itself to be indebted and for value received hereby promises to pay to the registered owner named above, or registered assigns, the principal sum specified above on the maturity date specified above, and to pay interest thereon from the date of original issue specified above, or the most recent interest payment date to which interest has been paid or provided for, at the annual rate specified above **[without option of prior payment]**, payable on February 1 and August 1 in each year, commencing August 1, 2015 (each such date, an Interest Payment Date), to the person in whose name this Bond is registered at the close of business on the 15th day (whether or not a business day) of the month immediately preceding the payment date[, **all subject to the provisions referred to herein with respect to redemption of the principal of this Bond before maturity**]. The interest so payable on any Interest Payment Date shall be paid 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 calendar month next preceding such Interest Payment Date. Interest hereon shall be computed on the basis of a 360-day year composed of twelve 30-day months. 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 U.S. Bank National Association in St. Paul, Minnesota, as Bond Registrar, Transfer Agent and Paying Agent (the Registrar), 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 hereby irrevocably pledged.

This Bond is one of an issue in the aggregate principal amount of \$13,485,000, all of like date and tenor, except as to serial number, maturity date, interest rate, redemption privilege and denomination issued pursuant to a resolution adopted by the City Council on November 18, 2014 (the "Resolution"), to maintain the Permanent Improvement Revolving Fund of the City, a permanent fund established for the financing and refinancing of local improvements for which special assessments may be levied against property specifically benefited thereby, to refinance improvements to the City's recreational facilities, and to refinance costs of improvements to the storm sewer utility and to the sanitary sewer and water utility of the City, and is issued pursuant to and in full conformity with the provisions of the Constitution and laws of the State of Minnesota thereunto enabling, including Minnesota Statutes, Chapter 429 and Section 444.075 and Chapter 475. The Bonds are issuable only as fully registered bonds in denominations of \$5,000 or any multiple thereof, of single maturities. The Bonds of this series are issuable only as fully registered Bonds, in denominations of \$5,000 or any multiple thereof, of single maturities.

[Bonds maturing in the year 20__ shall be subject to mandatory redemption prior to maturity by lot pursuant to the mandatory sinking fund requirements of the Resolution on February 1 in the years and in the principal amounts set forth in the Resolution at a redemption price equal to the stated principal amount thereof to be redeemed plus interest accrued thereon to the redemption date, without premium.]

[At least thirty days prior to the date set for redemption of any Bond, notice of the call for redemption will be mailed to the Bond Registrar and to the registered owner of each Bond to be redeemed at his address appearing in the Bond Register, but no defect in or failure to give such mailed notice of redemption shall affect the validity of the proceedings for the redemption of any Bond not affected by such defect or failure. Official notice of redemption having been given as aforesaid, the Bonds or portions of the Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price herein specified and from and after such date (unless the City shall default in the payment of the redemption price) such Bond or portions of Bonds shall cease to bear interest. Upon the partial redemption of any Bond, a new Bond or Bonds will be delivered to the registered owner without charge, representing the remaining principal amount outstanding.]

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 shall be affected by any notice to the contrary.

Notwithstanding any other provisions of this Bond, so long as this Bond is registered in the name of Cede & Co., as nominee of The Depository Trust Company, or in the name of any other nominee of The Depository Trust Company or other securities depository, the Registrar shall pay all principal of and interest on this Bond, and shall give all notices with respect to this Bond, only to Cede & Co. or other nominee in accordance with the operational arrangements of The Depository Trust Company or other securities depository as agreed to by the City.

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; that prior to the issuance hereof the City has levied or agreed to levy special assessments on property specially benefited by the improvements refinanced by the Bonds collectible in the years and amounts required to produce sums not less than five percent in excess of the principal of and interest on such portion of the Bonds as such principal and interest respectively become due, and has appropriated such special assessments to the Revenue Account (the Revenue Account) of its Permanent Improvement Revolving Fund previously established by the City; and that, on or before each date the City is obligated to pay principal of or interest on such portion of the Bonds, the City will transfer from its Revenue Account to a separate General Obligation Permanent Improvement Revolving Fund Bonds, Series 2014 Bond Fund an amount sufficient for the payment of such principal and interest on such date; and the City has pledged to the payment of the principal of and interest on the Bonds net revenues of the storm water utility and sanitary sewer and water utility of the City; that in and by the Resolution, the City has covenanted and agreed with the owner of the Bonds that it will impose and collect charges for the service, use and availability of its storm water utility and sanitary sewer and water utility at the time and in the amounts required to produce net revenues adequate to pay all principal of and interest on the Bonds and on all other bonds payable from net revenues of the storm water utility and sanitary sewer and water utility as such principal and interest respectively become due; that prior to the issue of the Bonds the City has levied ad valorem taxes on all taxable property within the City, collectible in the years and amounts required to pay not less than five percent in excess of the principal and interest on the Bonds as such principal and interest come due on such portion of the Bonds payable from ad valorem taxes levied on all taxable property in the City; that if needed to pay the principal and interest on this Bond, additional ad valorem taxes will be levied upon all taxable property in the City without limitation as to rate or amount; and that the issuance of this Bond does not cause the indebtedness of the City to exceed any constitutional or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution described herein until the Certificate of Authentication

hereon shall have been executed by the Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, the City of Edina, Hennepin County, Minnesota, by its City Council, has caused this Bond to be executed on its behalf by the manual or facsimile signatures of the Mayor and City Manager, and has caused this Bond to be dated as of the Date of Original Issue set forth above.

CITY OF EDINA

City Manager

Mayor

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds delivered pursuant to the Resolution mentioned within.

Date of Authentication: _____

U.S. BANK NATIONAL ASSOCIATION,
as Registrar

By _____
Authorized Representative

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

- | | |
|--|---|
| TEN COM -- as tenants
in common | UTMA Custodian
(Cust) (Minor) |
| | under Uniform Transfers to Minors Act.....
(State) |
| TEN ENT -- as tenants
by entireties | |
| JT TEN -- as joint tenants with
right of survivorship and
not as tenants in common | |

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

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE:

/ _____ /

NOTICE: The signature(s) to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration, enlargement or any change whatsoever.

Signature(s) must be guaranteed by an “eligible guarantor institution” meeting the requirements of the Bond Registrar, which requirements include membership or participation in the Securities Transfer Association Medallion Program (STAMP) or such other “signature guaranty program” as may be determined by the Bond Registrar in addition to or in substitution for STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

[End of Bond Form.]

2.08. Use of Securities Depository; Book-Entry Only System. The provisions of this Section shall take precedence over the provisions of Sections 2.01 through 2.07 to the extent they are inconsistent therewith.

(a) The Depository Trust Company (“DTC”) has agreed to act as securities depository for the Bonds, and to provide a Book-Entry Only System for registering the ownership interest of the financial institutions for which it holds the Bonds (the “DTC Participants”), and for distributing to such DTC Participants such amount of the principal and interest payments on the Bonds as they are entitled to receive, for redistribution to the beneficial owners of the Bonds as reflected in their records (the “Beneficial Owners”).

(b) Initially, and so long as DTC or another qualified entity continues to act as securities depository, the Bonds shall be issued in typewritten form, one for each maturity in a principal

amount equal to the aggregate principal amount of each maturity, shall be registered in the name of the securities depository or its nominee, shall be subject to the provisions of this Section 2.08, and no Beneficial Owner shall have the right to receive a certificate of ownership or printed Bond. While DTC is acting as the securities depository, the Bonds shall be registered in the name of the DTC's nominee, CEDE & CO; provided that upon delivery by DTC to the City and the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of CEDE & CO., the words "CEDE & CO." in this Resolution shall refer to such new nominee of DTC.

With respect to Bonds registered in the name of a securities depository or its nominee, the City and the Registrar shall have no responsibility or obligation to any DTC Participant or Beneficial Owner with respect to the following: (i) the accuracy of the records of any securities depository or its nominee with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or other person or any other person, other than DTC, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than DTC, of any amount with respect to the principal of or premium, if any, or interest on the Bonds. The Registrar shall pay all principal of and premium, if any, and interest on the Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal and interest on the Bonds to the extent of the sum or sums so paid. So long as the Book-Entry Only System is in effect, no person other than DTC shall receive an authenticated Bond.

(c) Upon receipt by the City and the Registrar of written notice from the securities depository to the effect that it is unable or unwilling to discharge its responsibilities under the Book-Entry Only System, the Registrar shall issue, transfer and exchange Bonds of the initial series as requested by the securities depository in appropriate amounts, and whenever the securities depository requests the City and the Registrar to do so, the City and the Registrar shall cooperate with the securities depository in taking appropriate action after reasonable notice (i) to arrange for a substitute depository willing and able, upon reasonable and customary terms, to maintain custody of the Bonds, or (ii) to make available Bonds registered in whatever name or names the Beneficial Owner registering ownership transferring or exchanging such Bonds shall designate, in accordance with clause (f) or clause (g) below, whichever is applicable.

(d) In the event the City determines that it is in the best interests of the Beneficial Owner that they be able to obtain printed Bonds, the City may so notify the securities depository and the Registrar, whereupon the securities depository shall notify the Beneficial Owners of the availability through the securities depository of such printed Bonds. In such event, the City shall cause to be prepared and the Registrar shall issue, transfer and exchange the printed Bonds fully executed and authenticated, as requested by the securities depository in appropriate amounts and, whenever the securities depository requests, the City and the Registrar shall cooperate with the securities depository in taking appropriate action after reasonable notice to make available printed Bonds registered on the Bond Register in whatever name or names the Beneficial Owners entitled to receive Bonds shall designate, in accordance with clause (f) or clause (g) below, whichever is applicable.

(e) Notwithstanding any other provisions of this Resolution to the contrary, so long as any Bond is registered in the name of a securities depository or its nominee, all payments of principal and interest on the Bond and all notices with respect to the Bond shall be made and given, respectively, to the securities depository.

(f) In the event that the Book-Entry Only System established pursuant to this Section is discontinued, except as provided in clause (g), the Bonds shall be issued through the securities depository to the Beneficial Owners.

(g) In the event of termination of the Book-Entry Only System, the City shall have the right to terminate, and shall take all steps necessary to terminate, all arrangements with the securities depository described herein, and thereafter shall issue, register ownership of, transfer and exchange all Bonds as provided in Section 2.03. Upon receipt by the securities depository of notice from the City, the securities depository shall take all actions necessary to assist the City and the Registrar in terminating all arrangements for the issuance of documents evidencing ownership interests in the Bonds through the securities depository. Nothing herein shall affect the securities depository's rights under clause (e) above.

Section 3. Use of Proceeds. Upon payment for the Bonds by the Purchaser, the City Manager shall apply the proceeds of the Bonds as follows:

- (a) \$_____ shall be deposited in the sinking fund established for the Series 2005A Refunded Bonds to be applied to their redemption and prepayment on the Redemption Date;
- (b) \$_____ shall be deposited in the sinking fund established for the Series 2007B Refunded Bonds to be applied to their redemption and prepayment on the Redemption Date;
- (c) \$_____ shall be deposited in the sinking fund established for the Series 2008A Refunded Bonds to be applied to their redemption and prepayment on the Redemption Date;
- (d) \$_____ shall be deposited in the sinking fund established for the Series 2008B Refunded Bonds to be applied to their redemption and prepayment on the Redemption Date;
- (e) \$_____ shall be used to pay costs of issuance of the Bonds; and
- (f) \$_____ shall be deposited in the Bond Fund created in Section 4.01 hereof.

All proceeds of the Bonds received from the Purchaser are irrevocably appropriated to pay and redeem the Refunded Bonds on the Redemption Date. The City Manager is hereby authorized and directed to take all actions necessary to redeem the Refunded Bonds on the Redemption Date.

Section 4. General Obligation Refunding Bonds, Series 2014B Bond Fund and Pledge of Taxing Powers.

4.01. General Obligation Refunding Bonds, Series 2014B Bond Fund. The Bonds shall be payable from a separate and special General Obligation Refunding Bonds, Series 2014B Bond Fund (the “Bond Fund”) of the City, which Bond Fund the City agrees to maintain until the Bonds have been paid in full. If the money in the Bond Fund should at any time be insufficient to pay principal and interest due on the Bonds, such amounts shall be paid from other moneys on hand in other funds of the City, which other funds shall be reimbursed therefor when sufficient money becomes available in the Bond Fund. The moneys on hand in the Bond Fund from time to time shall be used only to pay the principal of and interest on the Bonds. Into the Bond Fund shall be paid: (a) any amount appropriated thereto pursuant to Section 3 hereof; (b) all excess amounts on deposit in the debt service funds maintained for the payment of the Refunded Bonds upon the retirement of the Refunded Bonds on the Redemption Date; (c) all moneys transferred with respect to the Series 2008B Refunding Bonds from other accounts within the Permanent Improvement Revolving Fund to the Bond Fund in accordance with this Resolution, (d) net revenues of the Utilities herein pledged and appropriated to the payment of the Utilities Bonds, (e) special assessments pledged to the payment of the Bonds or previously pledged to the Refunded Bonds; (f) ad valorem taxes collected in accordance with the provisions of Section 4.02 hereof; and (g) any other funds appropriated by the City Council for the payment of the Bonds.

4.02. Pledge of Taxing Powers. For the prompt and full payment of the principal of and interest on the Bonds as such payments respectively become due, the full faith, credit and unlimited taxing powers of the City shall be and are hereby irrevocably pledged. In order to produce aggregate amounts which will produce amounts not less than five percent in excess of amounts needed to meet when due the principal and interest payments on the Series 2005A Refunding Bonds, ad valorem taxes are hereby levied on all taxable property in the City, said taxes to be levied and collected in the following years and amounts:

<u>Levy Years</u>	<u>Collection Years</u>	<u>Amount</u>
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See attached levy computation

Said taxes shall be irrepealable as long as any of the Series 2005A Refunding Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce said levies in accordance with the provisions of Minnesota Statutes, Section 475.61.

4.03. Special Assessments. The City has previously levied special assessments against lots, tracts and parcels of land benefited by the improvements financed by the Series 2008B Refunded Bonds, in an aggregate principal amount not less than twenty percent (20%) of the cost of such improvements. The City hereby covenants and agrees that for payment of the cost of each of the improvements financed by the Series 2008B Refunded Bonds it will do and perform all acts and things necessary for the full and valid levy of special assessments against all assessable lots, tracts and parcels of land benefited thereby and located within the area proposed to be assessed therefor, based upon the benefits received by each such lot, tract or parcel, in an

aggregate principal amount not less than twenty percent (20%) of the cost of the improvements. In the event that any such assessment shall be at any time held invalid with respect to any lot, piece or parcel of land, due to any error, defect or irregularity in any action or proceeding taken or to be taken by the City or this Council or any of the City's officers or employees, either in the making of such assessment or in the performance of any condition precedent thereto, the City and this Council hereby covenant and agree that they will forthwith do all such further acts and take all such further proceedings as may be required by law to make such assessments a valid and binding lien upon such property.

The special assessments levied for payment of the cost of the improvements financed by the Series 2008B Refunded Bonds were in the principal amount of \$_____ payable in not more than 10 installments, the first installment to be collectible with taxes during the year 20__, and that deferred installments shall bear interest at the rate of [_____%] per annum from the date of the resolution levying said assessment until December 31 of the year in which the installment is payable.

Section 5. Imposition of Charges; Additional Bonds. The City hereby covenants and agrees with the holders from time to time of the Utilities Bonds that so long as any of the Utilities Bonds are outstanding, the City will impose and collect reasonable charges for the service, use and availability of the Utilities to the City and its inhabitants according to schedules calculated to produce net revenues which, will be sufficient to pay all principal and interest when due on the Utilities Bonds and all other obligations payable from the net revenues of the Utilities. Net revenues of the Utilities, to the extent necessary, are hereby irrevocably pledged and appropriated to the payment of the principal of the Utilities Bonds and interest thereon; provided that nothing herein shall preclude the City from hereafter making further pledges and appropriations of net revenues of the Utilities for the payment of additional obligations of the City hereafter authorized if the City Council determines before the authorization of such additional obligations that the estimated net revenues of the Utilities will be sufficient, together with any other sources pledged to or projected to be used, for the payment of the principal of and interest on the Utilities Bonds and paid therefrom and such additional obligations. Such further pledges and appropriations of said net revenues may be made superior or subordinate to or on a parity with the pledge and appropriation herein made, as to the application of net revenues received from time to time.

Section 6. Defeasance. When all of the Bonds have been discharged as provided in this section, all pledges, covenants and other rights granted by this Resolution to the holders of the Bonds shall cease. The City may discharge its obligations with respect to any 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; or, 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 from the due date to the date of such deposit. The City may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Registrar on or before that date an amount equal to the principal, interest and redemption premium, if any, which are then due, provided that notice of such redemption has been duly given as provided herein. The City may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of

law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank qualified by law as an escrow agent for this purpose, cash or securities which are authorized by law to be so deposited, bearing interest payable at such time and at such rates and maturing or callable at the holder's option on such dates as shall be required to pay all principal, interest and redemption premiums to become due thereon to maturity or said redemption date.

Section 7. County Auditor Registration, Certification of Proceedings, Investment of Money, Arbitrage and Official Statement.

7.01. County Auditor Registration. The City Clerk is hereby authorized and directed to file a certified copy of this Resolution with the County Auditor of Hennepin County, together with such other information as the County Auditor shall require, and to obtain from said County Auditor a certificate that the Bonds have been entered on his bond register as required by law.

7.02. Certification of Proceedings. The officers of the City and the County Auditor of Hennepin County are hereby authorized and directed to prepare and furnish to the Purchaser and to Dorsey & Whitney LLP, Bond Counsel to the City, certified copies of all proceedings and records of the City, and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

7.03. Covenant. The City covenants and agrees with the registered owners 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 payable on the Bonds to become subject to taxation under the Internal Revenue Code of 1986, as amended (the "Code") and Regulations promulgated thereunder (the "Regulations") as are enacted or promulgated and in effect on the date of issuance of the Bonds, and covenants to take any and all actions within its powers to ensure that the interest on the Bonds will not become includable in gross income of the recipient under the Code and the Regulations. The facilities financed by the Bonds shall at all times during the term of the Bonds be owned and maintained by the City and the City shall not enter into any lease, use agreement, management agreement, capacity agreement or other agreement or contract with any nongovernmental person relating to the use of the facilities financed by the Bonds, or security for the payment of the Bonds which might cause the Bonds to be considered "private activity bonds" or "private loan bonds" pursuant to Section 141 of the Code.

7.04. Arbitrage Certification. The Mayor and the City Manager, being the officers of the City charged with the responsibility for issuing the Bonds pursuant to this Resolution, are authorized and directed to execute and deliver to the Purchaser a certification in accordance with the provisions of Section 148 of the Code, and the Regulations, stating the facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds which make it reasonable to expect that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be arbitrage bonds within the meaning of the Code and Regulations.

7.05. Arbitrage Rebate. The City acknowledges that the Bonds are subject to the rebate requirements of Section 148(f) of the Code. The City covenants and agrees to retain such records, make such determinations, file such reports and documents and pay such amounts at such times as are required under said Section 148(f) and applicable Regulations, unless the Bonds qualify for an exception from the rebate requirement pursuant to one of the spending exceptions set forth in Section 1.148-7 of the Regulations and no “gross proceeds” of the Bonds (other than amounts constituting a “bona fide debt service fund”) arise during or after the expenditure of the original proceeds thereof.

7.06. Official Statement. The Official Statement relating to the Bonds, dated November 6, 2014, prepared and distributed on behalf of the City by Ehlers and Associates, Inc., is hereby approved. Ehlers and Associates, Inc. is hereby authorized on behalf of the City to prepare and distribute to the Purchaser a supplement to the Official Statement listing the offering price, the interest rates, other information relating to the Bonds required to be included in the Official Statement by Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. Within seven business days from the date hereof, the City shall deliver to the Purchaser a reasonable number of copies of the Official Statement and such supplement. The officers of the City are hereby authorized and directed to execute such certificates as may be appropriate concerning the accuracy, completeness and sufficiency of the Official Statement.

Section 8. Continuing Disclosure.

(a) Purpose and Beneficiaries. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit the Purchaser and other participating underwriters in the primary offering of the Bonds to comply with amendments to Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the Rule), which will enhance the marketability of the Bonds, the City hereby makes the following covenants and agreements for the benefit of the Owners (as hereinafter defined) from time to time of the Outstanding Bonds. The City is the only obligated person in respect of the Bonds within the meaning of the Rule for purposes of identifying the entities in respect of which continuing disclosure must be made. The City has complied in all material respects with any undertaking previously entered into by it under the Rule. If the City fails to comply with any provisions of this section, any person aggrieved thereby, including the Owners of any Outstanding Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any agreement or covenant contained in this section, including an action for a writ of mandamus or specific performance. Direct, indirect, consequential and punitive damages shall not be recoverable for any default hereunder to the extent permitted by law. Notwithstanding anything to the contrary contained herein, in no event shall a default under this section constitute a default under the Bonds or under any other provision of this resolution. As used in this section, Owner or Bondowner means, in respect of a Bond, the registered owner or owners thereof appearing in the bond register maintained by the Registrar or any Beneficial Owner (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used herein, Beneficial Owner means, in respect of a

Bond, any person or entity which (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Bond (including persons or entities holding Bonds through nominees, depositories or other intermediaries), or (ii) is treated as the owner of the Bond for federal income tax purposes.

(b) Information To Be Disclosed. The City will provide, in the manner set forth in subsection (c) hereof, either directly or indirectly through an agent designated by the City, the following information at the following times:

- (1) on or before twelve (12) months after the end of each fiscal year of the City, commencing with the fiscal year ending December 31, 2014, the following financial information and operating data in respect of the City (the Disclosure Information):
 - (A) the audited financial statements of the City for such fiscal year, prepared in accordance with generally accepted accounting principles in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under Minnesota law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the City, noting the discrepancies therefrom and the effect thereof, and certified as to accuracy and completeness in all material respects by the fiscal officer of the City; and
 - (B) to the extent not included in the financial statements referred to in paragraph (A) hereof, the information for such fiscal year or for the period most recently available of the type contained in the Official Statement under headings: “VALUATIONS—Current Property Valuations,” “DEBT—Direct Debt,” and “TAX RATES, LEVIES AND COLLECTIONS—Tax Levies and Collections” and “GENERAL INFORMATION—U.S. Census Data” and “-Employment / Unemployment Data,” which information may be unaudited.

Notwithstanding the foregoing paragraph, if the audited financial statements are not available by the date specified, the City shall provide on or before such date unaudited financial statements in the format required for the audited financial statements as part of the Disclosure Information and, within 10 days after the receipt thereof, the City shall provide the audited financial statements. Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, which have been submitted to the Municipal Securities Rulemaking Board (MSRB) through its Electronic Municipal Market Access System (EMMA) or to the SEC. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The City shall clearly identify in the Disclosure Information each document so incorporated by reference. If any part of the Disclosure Information can no longer be generated because the operations of the City have materially changed or been discontinued, such Disclosure Information need no longer be provided if the City includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other City operations in respect of which data

is not included in the Disclosure Information and the City determines that certain specified data regarding such replacement operations would be a Material Fact (as defined in paragraph (2) hereof), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations. If the Disclosure Information is changed or this section is amended as permitted by this paragraph (b)(1) or subsection (d), then the City shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

- (2) In a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of any of the following events (each a Material Fact):
 - (A) Principal and interest payment delinquencies;
 - (B) Non-payment related defaults, if material;
 - (C) Unscheduled draws on debt service reserves reflecting financial difficulties;
 - (D) Unscheduled draws on credit enhancements reflecting financial difficulties;
 - (E) Substitution of credit or liquidity providers, or their failure to perform;
 - (F) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
 - (G) Modifications to rights of security holders, if material;
 - (H) Bond calls, if material, and tender offers;
 - (I) Defeasances;
 - (J) Release, substitution, or sale of property securing repayment of the securities, if material;
 - (K) Rating changes;
 - (L) Bankruptcy, insolvency, receivership or similar event of the obligated person;
 - (M) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
 - (N) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

As used herein, for those events that must be reported if material, an event is “material” if it is an event as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public. Notwithstanding the foregoing sentence, an event is also “material” if it is an event that would be deemed material for purposes of the purchase, holding or sale of a Bond within the meaning of

applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

For the purposes of the event identified in (L) hereinabove, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

- (3) In a timely manner, notice of the occurrence of any of the following events or conditions:
 - (A) the failure of the City to provide the Disclosure Information required under paragraph (b)(1) at the time specified thereunder;
 - (B) the amendment or supplementing of this section pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the City under subsection (d)(2);
 - (C) the termination of the obligations of the City under this section pursuant to subsection (d);
 - (D) any change in the accounting principles pursuant to which the financial statements constituting a portion of the Disclosure Information are prepared; and
 - (E) any change in the fiscal year of the City.

(c) Manner of Disclosure.

- (1) The City agrees to make available to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, the information described in subsection (b).
- (2) All documents provided to the MSRB pursuant to this subsection (c) shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(d) Term; Amendments; Interpretation.

- (1) The covenants of the City in this section shall remain in effect so long as any Bonds are Outstanding. Notwithstanding the preceding sentence, however, the obligations of the City under this section shall terminate and be without further effect as of any date on which the City delivers to the Registrar an opinion of Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or

proceedings, the failure of the City to comply with the requirements of this section will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.

- (2) This section (and the form and requirements of the Disclosure Information) may be amended or supplemented by the City from time to time, without notice to (except as provided in paragraph (c)(3) hereof) or the consent of the Owners of any Bonds, by a resolution of this Board filed in the office of the recording officer of the City accompanied by an opinion of Bond Counsel, who may rely on certificates of the City and others and the opinion may be subject to customary qualifications, to the effect that: (i) such amendment or supplement (a) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the City or the type of operations conducted by the City, or (b) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule; (ii) this section as so amended or supplemented would have complied with the requirements of paragraph (b)(5) of the Rule at the time of the primary offering of the Bonds, giving effect to any change in circumstances applicable under clause (i)(a) and assuming that the Rule as in effect and interpreted at the time of the amendment or supplement was in effect at the time of the primary offering; and (iii) such amendment or supplement does not materially impair the interests of the Bondowners under the Rule.

If the Disclosure Information is so amended, the City agrees to provide, contemporaneously with the effectiveness of such amendment, an explanation of the reasons for the amendment and the effect, if any, of the change in the type of financial information or operating data being provided hereunder.

- (3) This section is entered into to comply with the continuing disclosure provisions of the Rule and should be construed so as to satisfy the requirements of paragraph (b)(5) of the Rule and should be construed so as to satisfy the requirements of paragraph (b)(5) of the Rule.

Section 9. Authorization of Payment of Certain Costs of Issuance of the Bonds. The City authorizes the Purchaser to forward the amount of Bond proceeds allocable to the payment of issuance expenses to Klein Bank, on the closing date for further distribution as directed by the City's financial advisor, Ehlers & Associates, Inc.

Adopted this 18th day of November, 2014.

Mayor

Attest: _____
City Clerk

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.

COUNTY AUDITOR'S CERTIFICATE
AS TO REGISTRATION AND TAX LEVY

The undersigned, being the duly qualified and acting County Auditor of Hennepin County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on November 18, 2014, by the City Council of the City of Edina, Minnesota, setting forth the form and details of an issue of \$13,485,000 General Obligation Refunding Bonds, Series 2014B, dated as of December 11, 2014.

I further certify that said Bonds have been entered on my bond register and the tax required by law for payment of the Bonds has been levied and filed, as required by Minnesota Statutes, Sections 475.61 to 475.63.

WITNESS my hand and official seal this _____ day of _____, 2014.

County Auditor

(SEAL)