

CLAY COUNTY BOARD OF COMMISSIONERS

Tuesday, February 12, 2013

10:30 a.m.

County Board Room - 3rd Floor - Courthouse

MINUTES

The Clay County Board of Commissioners met in regular session with all Commissioners present: Campbell, Evert, Gross, Ingersoll and Weyland. County Administrator Brian C. Berg, Chief Assistant County Attorney Jenny Samarzja, and Senior Administrative Assistant Vicki Reek were also present.

APPROVAL OF AGENDA

On motion by Weyland, seconded by Evert, and unanimously carried, the agenda was approved as presented.

APPROVE LEASE RENEWAL IN FAMILY SERVICE CENTER

By consent agenda, the Board approved a lease renewal in the Family Service Center for Solutions Behavioral Healthcare Professionals, Inc. for the period 1/1/13-12/31/14, for Suite 403b, 242 sq.ft., @ \$11.75 sq.ft.

CITIZENS TO BE HEARD

Ms. Carolyn Strnad, Clay County Collaborative, invited the Board members to the 'Speed Date Clay County' event on Friday, February 15, 2013, which will provide information concerning the various programs available for County residents.

APPROVAL TO PURCHASE REPLACEMENT JUVENILE CENTER
TRANSPORT VEHICLE

Juvenile Center Director Steve Larson requested the Board's approval to replace the Center's 2007 transport van with a 2013 van via the State Bid list. The cost (\$20,892) is available in the Internal Service Fund for this purchase, and the 2007 vehicle will be sold at the Spring auction.

On motion by Evert, seconded by Gross, and unanimously carried, the Board approved the purchase of a transport vehicle for the Juvenile Center as described above.

ADOPT RESOLUTION TO REIMBURSE CITIES FOR MONIES SPENT IN 2012 ON COUNTY
HIGHWAYS OR CSAH WITHIN THEIR CORPORATE LIMITS

On motion by Campbell, seconded by Weyland, and unanimously carried, the Board adopted the following resolution to reimburse cities for monies spent in 2012 on County Highways or County State Aid Highways within their corporate limits:

RESOLUTION 2013-11

IT IS HEREBY RESOLVED, by the Clay County Board of Commissioners that the Clay County Auditor-Treasurer shall reimburse the municipality of the City of Moorhead, a city of the second class in the State of Minnesota, for all monies expended by that government body for the establishing, locating, constructing, improving and maintaining of any County Highway or County State Aid

Highway including those within the corporate limits of the City of Moorhead, Clay County, Minnesota. However, the monies expended directly by Clay County for the establishing, location, construction or improvement or maintenance of any County Highway or County State Aid Highway within the corporate limits of the City of Moorhead during the year 2012 shall be deducted prior to the reimbursement of any monies to the City of Moorhead as set forth above.

FURTHER, IT IS HEREBY RESOLVED that the City of Moorhead shall certify to the County Highway Engineer the location and the purpose for which said monies were expended and that the said monies were expended during the 2012 annual year. Monies shall not exceed \$344,465.75 and unexpended monies shall be encumbered.

FURTHER, IT IS HEREBY RESOLVED, that the following Cities be reimbursed for money spent on City Streets for 2012 in the following amount:

City of Barnesville	\$9,696.75
City of Comstock	508.94
City of Dilworth	25,654.99
City of Felton	685.85
City of Georgetown	476.40
City of Glyndon	4,825.17
City of Hawley	9,464.51
City of Hitterdal	677.65
City of Sabin	2,311.41
City of Ulen	3,183.65
TOTAL	\$57,485.32

APPROVAL OF BILLS AND VOUCHERS

On motion by Weyland, seconded by Evert, and unanimously carried, the bills and vouchers were approved for payment.

COMMITTEE REPORTS/COUNTY ADMINISTRATOR UPDATE

Commissioner Campbell attended the Highway Tracking Committee meeting, a meeting with Township Officers regarding annual road maintenance costs, and Clay County Joint Powers meeting.

Commissioner Evert attended meetings of the Highway Tracking Committee, Transportation Day on the Hill with Transportation Alliance, AMC Futures Committee, and a meeting with Township Officers regarding annual road maintenance costs.

Commissioner Weyland attended the Restorative Justice Committee meeting.

Commissioner Ingersoll attended the Moorhead Planning Commission meeting and Clay County Joint Powers Committee meeting.

County Administrator Brian Berg attended meetings of the Highway Tracking Committee, Joint Powers Committee, Management Committee, a meeting concerning the Highway Department's Internal Service Fund, FM Diversion Administrative meeting, and a meeting with Township Officials regarding annual road maintenance costs.

In light of the recent blizzard, Mr. Berg reminded the Board of the policy that County offices will not close in inclement weather. Employees who deem it unsafe to come to work may use vacation, comp time, or make up the lost time during the pay period.

APPROVAL TO EXECUTE MEDICA CAR SEAT PROGRAM AGREEMENT

On motion by Weyland, seconded by Gross, and unanimously carried, the Board authorized execution of an agreement for a car seat program with Medica, whereby Medica supplies car seats and Public Health staff provide education on proper installation.

APPROVAL OF OUT OF STATE TRAVEL – PUBLIC HEALTH

On motion by Evert, seconded by Campbell, and unanimously carried, the Board approved out of state travel for Patrick Hollister to attend the National Obesity Conference as a presenter, June 18-20 in Long Beach, CA, with all expenses paid from the Statewide Health Improvement Program grant.

On motion by Gross, seconded by Weyland, and unanimously carried, the Board approved out of state travel for Gyda Anderson to attend the National Education Symposium which is required for Nurse Family Partnership supervisors, May 14-17 in Denver, CO, with all expenses covered by the MN Department of Health.

APPROVAL OF ANNUAL TOWNSHIP MAINTENANCE CONTRACT FOR 2013-2014

On motion by Campbell, seconded by Evert, and unanimously carried, the Board established the 2013-2014 township maintenance contract at \$742 per mile, based on 2012 actuals, plus 1.5% for inflationary purposes. The current rate is \$795 per mile.

PROPOSED 2013 EQUIPMENT PURCHASES

On motion by Weyland, seconded by Evert, and unanimously carried, the Board approved the purchase of the following Highway equipment: Sign Truck, Mowing Tractor, and 3-point Boom Mower via the MN State bid, using funds available in the Internal Service Fund and various equipment trade-ins.

APPROVAL OF MNDOT COOPERATIVE AGREEMENT FOR
CSAH 31/33 PROJECT IN HAWLEY

On motion by Evert, seconded by Weyland, and unanimously carried, the following resolution was adopted, which itemizes MnDOT's share of the construction costs, right of way, utility relocation expenses and construction administration for the intersection project in Hawley (Agreement No. 02919), contingent upon review by the County Attorney's office:

RESOLUTION 2013-12

IT IS HEREBY RESOLVED, that Clay County enter into Mn/DOT Agreement No. 02919 with the State of Minnesota, Department of Transportation for the following purposes:

To provide for payment by the State to the County of the State's share of the costs of the grading, concrete and bituminous surfacing and traffic control signal system construction and other associated construction to be performed upon, along and adjacent to Trunk Highway No. 10 from 200 ft. west of 15th Street to 200 ft. east of Eighth Street within the corporate limits of the City of Hawley under State Project No. 1401-168 (T.H. 10=002).

IT IS FURTHER RESOLVED, that the County Board Chair and the County Administrator are authorized to execute the Agreement and any amendments to the Agreement.

**SALE OF GENERAL OBLIGATION STATE AID BONDS FOR
COUNTY ROADWAY PROJECTS**

Via conference call with Carolyn Drude, Ehlers & Associates, the Board received the bid tabulation for the sale of \$10,600,000 General Obligation State Aid Bonds for County Highway projects. Ms. Drude informed the Board that of the ten bids received, the best bid came from Fidelity Capital Markets Service, Boston, MA, which also provided a "reoffering premium" of \$710,900.20. The true interest rate is 0.9296%.

Discussion has taken place with the County's bond attorney and MnDOT regarding the reoffering premium which provides additional funds which would be eligible for construction projects, over runs, contingencies, etc. Commissioner Campbell expressed caution that the additional funds be used for the original construction projects and that no new projects are added. He expressed concern that additional interest will be due on the reoffering premium funds and that the Highway Maintenance budget should not be compromised to pay the interest, nor did he feel the levy should be increased to account for the interest due on the reoffering premium. County Auditor-Treasurer Lori Johnson stated that bond payments would be reallocated to accommodate the additional funds in the original bond payment time frame. Commissioner Evert noted that this bonding process will ultimately save the County money by completing projects early and that the Highway Committee will be discussing how to best move forward.

On motion by Evert, seconded by Weyland, the Board adopted **Resolution 2013-13 (See Attachment "A" - RESOLUTION AUTHORIZING ISSUANCE, AWARDED SALE, PRESCRIBING THE FORM AND DETAILS AND PROVIDING FOR THE PAYMENT OF \$10,600,000 GENERAL OBLIGATION STATE AID ROAD BONDS, SERIES 2013A).**

Commissioner Campbell was opposed to the motion, citing the fact that the reoffering premium was new to Clay County and he felt it complicated the bond sale.

APPROVAL OF OUT OF STATE TRAVEL

On motion by Campbell, seconded by Gross, and unanimously carried, the Board approved Commissioner Evert's attendance at the NACo Legislative Conference in Washington, DC, March 2-6, 2013, as well as a Public Health Conference in Kansas City, MO, March 12-13, 2013.

AMC EXECUTIVE SELECTION COMMITTEE

On motion by Gross, seconded by Campbell, and unanimously carried, the Board appointed Commissioner Evert to the AMC Executive Selection Committee, with expenses not paid by AMC to be covered by the County.

ADJOURN

The meeting adjourned at 12:15 p.m.



Wayne Ingersoll, Chair

Clay County Board of Commissioners



Brian C. Berg, County Administrator

BID TABULATION**\$10,600,000* General Obligation State-Aid Road Bonds, Series 2013A****CLAY COUNTY, MINNESOTA****SALE: February 12, 2013****AWARD: FIDELITY CAPITAL MARKETS SERVICES****RATING: Standard & Poor's Credit Markets "AA"****BBI: 3.68%**

NAME OF BIDDER	MATURITY (April 1)	RATE	REOFFERING YIELD	PRICE	NET INTEREST COST	TRUE INTEREST RATE
FIDELITY CAPITAL MARKETS SERVICES Boston, Massachusetts	2014	3.000%	0.300%	\$11,287,687.50	\$414,879.17	0.9296%
	2015	2.000%	0.420%			
	2016	2.000%	0.600%			
	2017	2.000%	0.730%			
	2018	3.000%	0.950%			
	2019	3.000%	1.170%			
BAIRD Milwaukee, Wisconsin	2014	3.000%		\$11,561,687.50	\$435,012.50	0.9612%
	2015	3.000%				
	2016	3.000%				
	2017	3.000%				
	2018	4.000%				
	2019	3.000%				
UBS FINANCIAL SERVICES INC. New York, New York	2014	2.000%		\$11,754,537.50	\$448,962.50	0.9795%
	2015	3.000%				
	2016	3.000%				
	2017	4.000%				
	2018	4.000%				
	2019	4.000%				
BANK OF AMERICA MERRILL LYNCH New York, New York	2014	3.000%		\$11,827,859.50	\$453,707.17	0.9873%
	2015	3.000%				
	2016	4.000%				
	2017	4.000%				
	2018	4.000%				
	2019	4.000%				

*Subsequent to bid opening the individual par amounts were adjusted.

Adjusted Price - \$11,286,812.70

Adjusted Net Interest Cost - \$413,953.97

Adjusted TIC - 0.9295%

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**\$10,600,000 General Obligation State-Aid Road Bonds, Series 2013A
Clay County, Minnesota**

NAME OF BIDDER	MATURITY (April 1)	RATE	REOFFERING YIELD	PRICE	NET INTEREST COST	TRUE INTEREST RATE
PIPER JAFFRAY & CO. Minneapolis, Minnesota	2014	3.000%		\$11,438,184.00	\$444,516.00	0.9897%
	2015	3.000%				
	2016	3.000%				
	2017	3.000%				
	2018	3.000%				
	2019	3.000%				
JEFFERIES & COMPANY, INC. New York, New York	2014	2.000%		\$11,731,821.00	\$458,045.67	0.9959%
	2015	3.000%				
	2016	2.000%				
	2017	2.000%				
	2018	5.000%				
	2019	5.000%				
U.S. BANCORP INVESTMENTS New York, New York	2014	2.000%		\$11,016,931.00	\$438,202.33	0.9997%
	2015	2.000%				
	2016	2.000%				
	2017	2.000%				
	2018	2.000%				
	2019	2.000%				
HUTCHINSON, SHOCKEY, ERLEY & CO. Chicago, Illinois	2014	2.000%		\$11,529,703.51	\$459,163.16	1.0117%
	2015	2.000%				
	2016	1.500%				
	2017	3.000%				
	2018	4.000%				
	2019	4.000%				
FIFTH THIRD BANK Cincinnati, Ohio	2014	4.000%		\$11,607,569.20	\$464,330.80	1.0265%
	2015	4.000%				
	2016	4.000%				
	2017	4.000%				
	2018	3.000%				
	2019	3.000%				
PNC CAPITAL MARKETS LLC Philadelphia, Pennsylvania	2014	2.000%		\$11,695,863.50	\$488,003.17	1.0676%
	2015	2.000%				
	2016	3.000%				
	2017	4.000%				
	2018	4.000%				
	2019	4.000%				

RESOLUTION AUTHORIZING ISSUANCE, AWARDING SALE, PRESCRIBING THE
FORM AND DETAILS AND PROVIDING FOR THE PAYMENT OF \$10,600,000
GENERAL OBLIGATION STATE AID ROAD BONDS, SERIES 2013A 2013-13

BE IT RESOLVED by the Board of Commissioners of Clay County, Minnesota
(the County), as follows:

SECTION 1. AUTHORIZATION AND SALE.

1.01. Authorization. This Board, by resolution adopted December 18, 2012, authorized the issuance and sale on the date hereof of the County's General Obligation State Aid Road Bonds, Series 2013A (the Bonds), under Minnesota Statutes, Section 162.181 and Chapter 475, in the aggregate principal amount of \$10,600,000, to finance the cost of state-aid highway improvements within the County (the Projects). Pursuant to Minnesota Statutes, Section 162.181, subdivision 1, the principal amount of the Bonds will not exceed the total of the County's state aid allotments in the years 2011 and 2012 (\$10,602,862). The Bonds shall be issued in the amounts and on terms such that the amount of principal and interest due in any calendar year on the Bonds, including any similar obligations of the County which are outstanding, shall not exceed 90 percent of the amount of the last annual allotment preceding the issuance of the Bonds received by the County from the construction account in the County state aid highway fund.

1.02. Sale. The County has retained Ehlers & Associates, Inc. as independent financial advisor in connection with the sale of the Bonds. Pursuant to Minnesota Statutes, Section 475.60, subdivision 2, paragraph 9, the requirements as to public sale do not apply to the issuance of the Bonds. Pursuant to the Official Statement prepared on behalf of the County by Ehlers & Associates, Inc., proposals for the purchase of the Bonds were received at or before the time specified for receipt of proposals. The proposals have been opened, publicly read and considered and the purchase price, interest rates and net interest cost under the terms of each proposal have been determined. The most favorable proposal received is that of Fidelity Capital Markets Services of Boston, Massachusetts and associates (the Purchaser). It is hereby determined to issue the Bonds in the principal amount of \$10,600,000 at a price of \$11,286,812.70 plus accrued interest, if any, and upon the further terms and conditions set forth herein.

1.03. Award. The sale of the Bonds is hereby awarded to the Purchaser, and the Chairperson and County Auditor are hereby authorized and directed to execute a contract on behalf of the County for the sale of the Bonds in accordance with the terms of the proposal. The good faith deposit of the Purchaser shall be retained and deposited by the County until the Bonds have been delivered, and shall be deducted from the purchase price paid at settlement.

SECTION 2. BOND TERMS; REGISTRATION; EXECUTION AND DELIVERY.

2.01. Issuance of Bonds. 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 Bonds having been done, now existing, having happened and having been performed, it is now necessary for the Board to establish the form and terms of the Bonds, to provide security therefor and to issue the Bonds forthwith.

2.02. Maturities; Interest Rates; Denominations and Payment. The Bonds shall be originally dated as of the date of original delivery thereof, shall be in the denomination of \$5,000 each, or any integral multiple thereof, of single maturities, shall mature on April 1 in the years and amounts stated below, and shall bear interest from date of issue until paid at the annual rates set forth opposite such years and amounts, as follows:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>
2014	\$850,000	3.00%
2015	1,025,000	2.00%
2016	2,190,000	2.00%
2017	2,235,000	2.00%
2018	2,250,000	3.00%
2019	2,050,000	3.00%

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 described herein; provided that, so long as the Bonds are registered in the name of a securities depository, or a nominee thereof, in accordance with Section 2.08 hereof, principal and interest shall be payable in accordance with the operational arrangements of the securities depository.

2.03. Dates and Interest Payment Dates. Upon initial delivery of the Bonds pursuant to Section 2.07 and upon any subsequent transfer or exchange pursuant to Section 2.06, the date of authentication shall be noted on each Bond so delivered, exchanged or transferred. The interest on the Bonds shall be payable on April 1 and October 1 in each year, commencing October 1, 2013, to the owner of record thereof as of the close of business on the fifteenth day of the preceding month, whether or not such day is a business day. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months.

2.04. Redemption. The Bonds are not subject to optional redemption prior to their maturity.

2.05. Appointment of Initial Registrar. The County hereby appoints U.S. Bank National Association, in St. Paul, Minnesota, as the initial bond registrar, transfer agent and paying agent (the Registrar). The Chairperson and the County Auditor are authorized to execute and deliver, on behalf of the County, 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, such corporation shall be authorized to act as successor Registrar. The County agrees to pay the reasonable and customary charges of the Registrar for the services performed. The County reserves the right to remove the 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 and shall deliver the bond register to the successor Registrar.

2.06. Registration. The effect of registration and the rights and duties of the County 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 County.

(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 County 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 the Bond, whether the Bond shall be 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 all payments made to any registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability upon 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 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, in which both the County 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 County. If the mutilated, destroyed, stolen or lost Bond has already matured 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 County, evidencing the same debt, and entitled to the same benefits under this Resolution as the Bonds surrendered upon such transfer or exchange.

2.07. Execution, Authentication and Delivery. The Bonds shall be prepared under the direction of the County Auditor and shall be executed on behalf of the County by the signatures of the Chairperson and the County Auditor, provided that the 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 such officer 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 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 each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been prepared, executed and authenticated, the County Auditor shall deliver them to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore executed, and the Purchaser shall not be obligated to see to the application of the purchase price.

2.08. Securities Depository. (a) For purposes of this section the following terms shall have the following meanings:

“Beneficial Owner” shall mean, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant, or such person’s subrogee.

“Cede & Co.” shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

“DTC” shall mean The Depository Trust Company of New York, New York.

“Participant” shall mean any broker-dealer, bank or other financial institution for which DTC holds Bonds as securities depository.

“Representation Letter” shall mean the Representation Letter pursuant to which the County agrees to comply with DTC’s Operational Arrangements.

(b) The Bonds shall be initially issued as separately authenticated fully registered bonds, and one Bond shall be issued in the principal amount of each stated maturity of the Bonds. Upon initial issuance, the ownership of such Bonds shall be registered in the bond register in the name of Cede & Co., as nominee of DTC. The Registrar and the County may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to registered owners of Bonds under this resolution, registering the transfer of Bonds, and for all other purposes whatsoever; and neither the Registrar nor the County shall be affected by any notice to the contrary. Neither the Registrar nor the County shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the bond register as being a registered owner of any Bonds, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of or interest on the Bonds, with respect to any notice which is permitted or required to be given to owners of Bonds under this resolution, with respect to the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or with respect to any consent given or other action taken by DTC as registered owner of the Bonds. So long as any Bond is registered in the name of Cede & Co., as nominee of DTC, the Registrar shall pay all principal of and interest on such Bond, and shall give all notices with respect to such Bond only to Cede & Co. in accordance with DTC’s Operational Arrangements, and all such payments shall be valid and effective to fully satisfy and discharge the County’s obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Bond for each separate stated maturity evidencing the obligation of the County to make payments of principal and interest. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Bonds will be transferable to such new nominee in accordance with paragraph (e) hereof.

(c) In the event the County determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bonds in the form of bond certificates, the County may notify DTC and the Registrar, whereupon DTC shall notify the Participants of the availability through DTC of Bonds in the form of certificates. In such event, the Bonds will be transferable in accordance with paragraph (e) hereof. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the County and the Registrar and discharging its responsibilities with respect thereto under applicable law. In such event the Bonds will be transferable in accordance with paragraph (e) hereof.

(d) The execution and delivery of the Representation Letter to DTC by the Chairperson or County Auditor is hereby authorized and directed.

(e) In the event that any transfer or exchange of Bonds is permitted under paragraph (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Registrar of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of this resolution. In the event Bonds in the form of certificates are issued to owners other than Cede & Co., its successor as nominee for DTC as owner of all the Bonds, or another securities depository as owner of all the Bonds, the provisions of this resolution shall also apply to all matters relating thereto, including, without limitation, the printing of such Bonds in the form of bond certificates and the method of payment of principal of and interest on such Bonds in the form of bond certificates.

2.09. Form of Bonds. The Bonds shall be prepared in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MINNESOTA

CLAY COUNTY

GENERAL OBLIGATION STATE-AID ROAD BOND, SERIES 2013A

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP No.</u>
%	April 1, 20__	March __, 2013	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THOUSAND DOLLARS

CLAY COUNTY, MINNESOTA (the County) acknowledges itself to be indebted and for value received hereby promises to pay to the registered owner specified above, or registered assigns, the principal amount specified above on the maturity date specified above, with interest thereon from the date hereof at the annual rate specified above, payable on April 1 and October 1 in each year, commencing October 1, 2013, 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, without option of redemption prior to maturity. 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 drawn on U.S. Bank National Association, in St. Paul, Minnesota, as bond registrar, transfer agent and paying agent, or its designated successor under the Resolution described herein (the Registrar). 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 County have been and are hereby irrevocably pledged.

This Bond is one of an issue in the aggregate principal amount of \$10,600,000 issued pursuant to a resolution adopted by the Board of County Commissioners on February 12, 2013 (the Resolution), to finance state-aid highway improvement projects within the County and is issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota thereunto enabling, including Minnesota Statutes, Chapter 475 and Section 162.181. The Bonds are issuable only in fully registered form, in denominations of \$5,000 or any integral multiple thereof, of single maturities.

The Bonds are not subject to optional redemption prior to maturity.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the County 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 County 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.

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 County.

The County 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 County nor the Registrar shall 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 County 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 Board of County Commissioners has by the Resolution irrevocably pledged and appropriated to a separate and special debt service fund, to be maintained for the

payment of this and other bonds issued under Section 162.181, as long as any of such bonds are outstanding, an amount of the moneys allotted and to be allotted to the County from its account in the County State Aid Highway Fund of the State of Minnesota sufficient to pay principal of and interest on the Bonds when due; that if in any year the moneys so allotted and transferred to the debt service fund should be insufficient to pay all principal of and interest on the Bonds due in such year, the County is obligated to pay such deficiency out of its general fund and to levy a direct, irrevocable ad valorem tax upon all taxable property within its corporate limits for the repayment of such deficiency, which levy may be made without limitation as to rate or amount; and that the issuance of this Bond does not cause the indebtedness of the County to exceed any constitutional or statutory limitation of indebtedness.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution 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 County, by its Board of County Commissioners, has caused this Bond to be executed on its behalf by the facsimile signatures of the Chairperson and County Auditor and has caused this Bond to be dated as of the date set forth below.

CLAY COUNTY, MINNESOTA

(facsimile signature-County Auditor)

(facsimile signature-Chairperson)

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 Bond 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 the applicable laws or regulations:

TEN COM -- as tenants in common	UTMA as Custodian for
	(Cust) (Minor)
TEN ENT -- as tenants by the entireties	under Uniform Transfers to Minors Act
	(State)

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

Additional abbreviations may also be used.

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: _____

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 enlargement or any change whatsoever.

Signature Guaranteed: _____

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

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE: _____

[End of the Bond form]

Section 3. USE OF PROCEEDS. There is hereby established on the official books and records of the County a General Obligation State Aid Road Bonds, Series 2013A Construction Fund (the Construction Fund), which shall continue to be maintained until payment of all costs and expenses incurred in construction of the Projects to be financed by the Bonds. To the Construction Fund there shall be credited \$11,224,279.70 of the proceeds of the Bonds, and from the Construction Fund there shall be paid capital costs incurred by the County in the construction of the Projects and costs of issuance of the Bonds. Any Bond proceeds not needed for the foregoing purpose shall be transferred to the General Obligation State Aid Road Bonds, Series 2013A Bond Fund established in Section 4 hereof.

Section 4. GENERAL OBLIGATION STATE AID ROAD BONDS, SERIES 2013A BOND FUND. There is hereby created and shall be maintained on the official books and records of the County a General Obligation State Aid Road Bonds, Series 2013A Bond Fund (the Bond Fund), the moneys in which shall be used solely for the payment of the principal of and interest on the Bonds. From the proceeds of the Bonds, the amounts specified in Section 3 hereof shall be deposited in the Bond Fund. There is hereby irrevocably appropriated to the

Bond Fund, out of moneys allotted and to be allotted to the County from its account in the County State Aid Highway Fund of the State of Minnesota, such amount as shall be sufficient to pay the principal of and interest on the Bonds when due, on the dates and in the amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Payable on</u>	
		<u>April 1</u>	<u>October 1</u>
2013		\$0	\$149,316.67
2014	\$850,000	131,750	119,000
2015	1,025,000	119,000	108,750
2016	2,190,000	108,750	86,850
2017	2,235,000	86,850	64,500
2018	2,250,000	64,500	30,750
2019	2,050,000	30,750	0

The County Auditor shall follow the procedure set forth in Minnesota Statutes, Section 162.181, Subdivision 4, for obtaining such funds. If at any time the moneys in the Bond Fund should be insufficient to pay all principal and interest due on the Bonds, the County Auditor shall nevertheless pay the same from any moneys on hand in the general fund of the County, and the moneys so used shall be restored to the general fund from the moneys next received by the County from the Construction or Maintenance Account in the County State Aid Highway Fund of the State of Minnesota, which are not required for the payment of additional principal and interest, or from the proceeds of taxes levied pursuant to Section 5 hereof.

Section 5. 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 County shall be and are hereby irrevocably pledged. However, it is presently estimated that the state aid highway allotments appropriated for the payment of such principal and interest in Section 4 hereof will be sufficient to pay the principal of and interest on the Bonds when due, accordingly no tax is levied at this time. However, if an actual or anticipated deficiency should arise in the receipt of such allotments, the County shall levy an ad valorem tax upon all taxable property in the County in accordance with Minnesota Statutes, Section 475.61, in an amount sufficient to eliminate the actual or anticipated deficiency.

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 registered owners of the Bonds shall cease. The County may discharge its obligations with respect to any Bonds which are due on any date if there is deposited 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 County 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 or trust company 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 and interest to become due thereon to maturity, provided, however, that if such deposit is made more than ninety days before the maturity date of the Bonds to be discharged, the County shall have received a written opinion of Bond Counsel to the effect that such deposit does not adversely affect the exemption of interest on any Bonds from federal income taxation and a written report of an accountant or investment banking firm verifying that the deposit is sufficient to pay when due all of the principal and interest on the Bonds to be discharged on and before their maturity dates.

SECTION 7. TAX COVENANTS, ARBITRAGE MATTERS.

7.01. General Tax Covenant. The County covenants and agrees with the registered owners 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 actions that would cause interest on the Bonds to become includable in gross income of the recipient under the Internal Revenue Code of 1986, as amended (the Code) and applicable Treasury Regulations (the Regulations), 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 County has not and will not enter into any lease, management contract, operating agreement, use agreement or other contract relating to the use or operation of the Projects, or any portion thereof, which would cause the Bonds to be considered "private activity bonds" or "private loan bonds" pursuant to Section 141 of the Code.

7.02. Certification. The Chairperson and County Auditor, being the officers of the County charged with the responsibility for issuing the Bonds pursuant to this Resolution, are authorized and directed to execute and deliver to the Purchaser a certificate in accordance with the provisions of Section 148 of the Code and applicable 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.

7.03. Arbitrage Rebate. The County acknowledges that the Bonds are subject to the rebate requirements of Section 148(f) of the Code. The County 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 to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes, 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.

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 County 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 County 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 County has complied in all material respects with any undertaking previously entered into by it under the Rule. If the County 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 County will provide, in the manner set forth in subsection (c) hereof, either directly or indirectly through an agent designated by the County, the following information at the following times:

- (1) on or before twelve (12) months after the end of each fiscal year of the County, commencing with the fiscal year ending December 31, 2012, the following financial information and operating data in respect of the County (the Disclosure Information):
 - (A) the audited financial statements of the County 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 County, 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 County; 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: "Current Property Valuations," "Direct Debt," "Tax Levies & Collections," "Population Trend," and "Employment/Unemployment," which information may be unaudited.

Notwithstanding the foregoing paragraph, if the audited financial statements are not available by the date specified, the County 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 County 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 County 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 County have materially changed or been discontinued, such Disclosure Information need no longer be provided if the County includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other County operations in respect of which data is not included in the Disclosure Information and the County 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 County 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 County 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 County under subsection (d)(2);
 - (C) the termination of the obligations of the County 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 County.

(c) Manner of Disclosure.

- (1) The County 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 County in this section shall remain in effect so long as any Bonds are Outstanding. Notwithstanding the preceding sentence, however, the obligations of the County under this section shall terminate and be without further effect as of any date on which the County 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 County 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 County 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 County accompanied by an opinion of Bond Counsel, who may rely on certificates of the County 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 County or the type of operations conducted by the County, 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 County 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.

SECTION 9. CERTIFICATION OF PROCEEDINGS.

9.01. Registration of Bonds. The County Auditor is hereby authorized and directed to file a certified copy of this resolution in the records of the County, together with such additional information as required, and to issue a certificate that the Bonds have been duly entered upon the County Auditor's bond register.

9.02. Authentication of Transcript. The officers of the County are hereby authorized and directed to prepare and furnish to the Purchaser and to Dorsey & Whitney LLP, Bond Counsel, certified copies of all proceedings and records of the County relating to the Bonds and to the financial condition and affairs of the County 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 in their custody and control or as otherwise known to them, and all such certified copies, affidavits and certificates, including any heretofore furnished, shall be deemed representations of the County as to the correctness of all statements contained therein.

9.03. Official Statement. The Official Statement relating to the Bonds, dated January 31, 2013, prepared and distributed by Ehlers & Associates, Inc., the financial consultant for the County, together with any addendum thereto, is hereby approved. Ehlers & Associates, Inc. is hereby authorized on behalf of the County to prepare and distribute to the Purchaser within seven business days from the date hereof, a supplement to the Official Statement listing the offering price, the interest rates, selling compensation, delivery date, the underwriters and such other information relating to the Bonds as is required to be included in the Official Statement by the Rule. The officers of the County are hereby authorized and directed to execute such certificates as may be appropriate concerning the accuracy, completeness and sufficiency of the Official Statement.

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

Upon vote being taken thereon, the following voted in favor thereof:

Ingersoll, Gross, Evert, Weyland

and the following voted against the same:

Campbell

whereupon the resolution was declared duly passed and adopted.