

City Council Special Meeting & Work Session Agenda
City Council Chambers, City Hall, 612 N. Main Street
Monday, July 22, 2019

1. **6:00 P.m. City Council- Special Meeting**
2. **Pledge Of Allegiance**
3. **Roll Call**
4. **Action To Approve Agreement #A2019-, Settlement Agreement Regarding 223 North Main Street**

Documents:

[AGENDA ITEM- AGREEMENT A2019-33, SETTLEMENT AGREEMENT FOR 223 N MAIN.PDF](#)
[NUISANCE SETTLEMENT AGREEMENT, A2019-33.PDF](#)

5. **Action On Resolution #R2019-53, A Resolution Authorizing The Execution, Terms, Issuance, Sale & Payment Of Sales Tax Revenue Refinancing Bonds In The Aggregate Principal Amount Of Not To Exceed \$9,800,000 Of The City Of Mitchell, South Dakota**

Documents:

[STAFF REPORT SALES TAX REFINANCING.PDF](#)
[RESOLUTION R2019- AUTHORIZING RESOLUTION FOR REFINANCING.PDF](#)

6. **Adjourn Special Council Meeting**
7. **For Council Information: July 22, 2019 City Council Work Session Agenda (The City Council Work Session Will Begin Immediately Following The Special Council Meeting).**

Documents:

[7.22.19 CITY COUNCIL WORK SESSION AGENDA.PDF](#)

Individuals with disabilities who require special assistance to take part in this meeting may contact one of the following at City Hall (605) 995-8420 at least 24 hours prior to the meeting with requests for assistance: Human Resources Officer, Finance Officer, Public Works Director, or City Administrator.

CITY OF MITCHELL

City Council Meeting
Agenda Item Request



The deadline for agenda items is Wednesday at noon, prior to the City Council Meeting

Meeting Date Requested: Requested By:

Desired Action of City Council: Authorization Approval Resolution
 Ordinance Citizen Request Discussion

Amount Budgeted in current fiscal year for this item (if applicable):

Agenda Item:

Explanation/Background of Agenda Item Requested:

This Settlement Agreement should resolve the nuisance at 223 North Main (Crafty Fox Building). This has been an ongoing matter and the property owner has agreed to sell the building to the City for \$1.00, free and clear of all encumbrances, and the City will then correct the nuisance conditions on its own.

After the nuisance is address, the City can then re-sell the property to cover its costs and help redevelop the building.

While the agreement calls for the property to be vacated at the time of the transfer, the business may request to continue leasing at this address but that would require future action from the council. It may also find a new location to continue operating.

NUISANCE SETTLEMENT AGREEMENT

This Agreement, made and effective as of the date subscribed below, by and between the City of Mitchell, a South Dakota municipal corporation, hereafter “City”, and Janice and Ronald Christensen, husband and wife, hereafter “Christensens”, and Western on Main, LLC, a South Dakota limited liability company, hereafter “LLC”, and collectively as the “parties”.

WHEREAS this Agreement relates to property at 223 N Main Street, Mitchell, SD 57301, hereafter “Property”, which is legally described as:

**“Lot 1 and Lot 2 Block 8, Original Town (now city) of Mitchell,
Davison County, South Dakota.”; and**

WHEREAS the City declared the Property a nuisance in violation of state law and city ordinance due to the condition of the structures thereon; and

WHEREAS the parties have reached a mutual resolution to address the nuisance conditions and desire to memorialize said resolution via the execution of this Settlement Agreement.

FOR AND IN CONSIDERATION OF the mutual promises and obligations contained in this Agreement, the Recitals of which are a contractual part hereof, the City, Christensens, and LLC agree as follows:

1. LLC shall convey the Property to City via General Warranty Deed for “One Dollar (\$1.00) and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged”. The Property shall be conveyed in fee simple; free and clear of any and all liens, mortgages, encumbrances, security interests, or other obligations of any kind. Such conveyance shall take place October 15, 2019 at 3:00 PM by physical delivery of the signed Warranty Deed by LLC’s agent to the City’s Finance Office. LLC shall not convey the Property to any other person or entity and shall remain the owner of record for the Property until that time. The parties may, upon written approval of each of the three parties (Mayor as signatory for City), move the date of delivery to a different date.
2. The above paragraph notwithstanding, LLC (or LLC’s agent) may advertise the property for sale. However, LLC may not proceed with a sale unless City, LLC, and potential buyer reach a further agreement regarding the property and abatement of the nuisance conditions.
3. Christensens or LLC shall remain responsible for any utilities, taxes, or other liabilities in relation to the property up until the time of transfer. Christensens or LLC shall pay to City, at the time of delivery of the warranty deed, the amount of **\$7,125.99**. Such amount reflects the past due and accruing property tax up to October 15, 2019 as well as prorated Business Improvement District tax. In the event actual amounts for these taxes exceed projected values, City shall be responsible for payment of any excess property taxes that would otherwise be the lawful obligation of Christensens or LLC.

4. Christensens and LLC shall ensure that all tenants, occupants, or other person, including Christensens and LLC themselves, have vacated the Property prior to the time of conveyance. In the event that the Property is not clear of all tenants, occupants, and other persons, by the time of conveyance, Christensens and LLC shall be responsible for the costs, including attorney's fees, incurred for the removal of any holdover persons. Furthermore, Christensens and LLC shall pay to City as liquidated damages, not as a penalty, the amount of \$20 per day until such property is clear of all holdover persons.

5. Christensens and LLC shall ensure that any and all personal property, regardless of owner, is removed from the Property prior to the time of conveyance. All personal property remaining at the time of conveyance shall be removed and disposed of at the expense of City if the type and extent of any such remaining personal property is only de minimis in nature. If the type and extent of any such remaining personal property is not de minimis, then Christensens and LLC shall be responsible for the reasonable expenses of removing and disposing of such personal property. For purposes of this section, the structures on the Property and any attachments or appurtenances thereto shall not be considered personal property.

6. Subject to the above conditions, City agrees to accept the Property in "as-is" condition.

7. Each party, upon the request of the other, agrees to perform any further acts, and to execute and deliver any other documents, which are reasonably necessary to carry out the provisions of this Agreement.

8. In the event the public invokes the public referendum process in relation to this Agreement, then this Agreement shall be deemed contingent upon the election results in relation to such referendum being in favor of proceeding with this Agreement.

9. This Agreement does not bestow any rights or interests upon any third party beneficiary and is for the sole benefit of the parties hereto.

10. This Agreement constitutes the full and final agreement of the parties and supersedes any prior agreement, verbal or written, in relation to the subject matter addressed herein.

11. If any provision or part of a provision of this Agreement shall be found to be unenforceable, then such provision or part of such provision shall be severed to the extent it is unenforceable and the remainder of the Agreement shall remain in full force and effect.

[signature page to follow]

Dated this ____ day of _____, 2019.

CITY OF MITCHELL, SD

(seal)

Attest: _____
Robert B. Everson, Jr., Mayor

Michelle Bathke, Finance Officer

WESTERN ON MAIN, LLC

Janice Christensen, authorized representative of Western on Main, LLC

Janice Christensen, in her individual capacity

Ronald Christensen, in his individual capacity

CITY OF MITCHELL

City Council Meeting
Agenda Item Request



The deadline for agenda items is Wednesday at noon, prior to the City Council Meeting

Meeting Date Requested: Requested By:

Desired Action of City Council: Authorization Approval Resolution
 Ordinance Citizen Request Discussion

Amount Budgeted in current fiscal year for this item (if applicable):

Agenda Item:

Explanation/Background of Agenda Item Requested:

**EXTRACT OF MINUTES OF MEETING OF THE
CITY COUNCIL OF CITY OF MITCHELL
DAVISON COUNTY, SOUTH DAKOTA**

Pursuant to due call and notice thereof, a meeting of the City Council of City of Mitchell, Davison County, State of South Dakota, was held on _____, 2019, at _____ o'clock __.m.

The following members were present:

and the following were absent:

Thereupon the _____ declared that a quorum was present and the meeting opened for transaction of business.

Member, _____, introduced the following resolution and moved its adoption:

RESOLUTION NO. 2019-

RESOLUTION AUTHORIZING THE EXECUTION, TERMS, ISSUANCE, SALE AND PAYMENT OF SALES TAX REVENUE REFUNDING BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED NINE MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$9,800,000) OF THE CITY OF MITCHELL, DAVISON COUNTY, SOUTH DAKOTA.

WHEREAS, the City of Mitchell is authorized by the provisions of SDCL §§ 6-8B-30 through 6-8B-52 to issue sales tax bonds to refund and refinance validly issued outstanding sales tax bonds of the City; and

WHEREAS, the City Council has determined that refunding Sales Tax Revenue Bonds, Series 2012 of the City will reduce the interest expense to the City; and

WHEREAS, the City Council has determined and does hereby declare that is necessary and in the best interest of the City to issue Sales Tax Revenue Refunding Bonds, Series 2019 of the City for the purpose of providing funds to (i) refund the Sales Tax Revenue Bonds, Series 2012 and (ii) pay the costs of issuance of the Bonds described herein.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MITCHELL OF DAVISON COUNTY, AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 1.1. Definition of Terms.

In addition to the words and terms elsewhere defined in this Bond Resolution, the following words and terms as used herein, whether or not the words have initial capitals, shall have the following meanings, unless the context or use indicates another or different meaning or intent, and such definitions shall be equally applicable to both the singular and plural forms of any of the words and terms herein defined:

"Act" means collectively SDCL Chapter 6-8B and Chapter 10-52, as amended.

"Authorized Officer of the City" means the Mayor and the Finance Officer, or, in the case of any act to be performed or duty to be discharged, any other member, officer, or employee of the City then authorized to perform such act or discharge such duty.

"Bonds" means not to exceed \$9,800,000 in aggregate principal amount of Sales Tax Revenue Refunding Bonds, Series 2019, dated in 2019 or such other designation or date as shall be determined by the City Council pursuant to Section 8.1 hereof, authorized and issued under this Bond Resolution.

"Bond Counsel" means Meierhenry Sargent LLP, a firm of attorneys recognized as having experience in matters relating to the issuance of state or local governmental obligations.

"Bondholder", "Holder" and "Registered Owner" means the registered owner of a Bond, including any nominee of a Depository.

"Bond Payment Date" means each date on which interest, or both principal and interest, shall be payable on the Bonds so long as any of the Bonds shall be outstanding.

"Bond Purchase Agreement" means the agreement between the City and the Underwriter for the purchase of the Bonds.

"Bond Resolution" means this Resolution, duly adopted by the City Council, as it may be amended from time to time.

"Book-Entry Form" or "Book-Entry System" means a form or system, as applicable, under which physical bond certificates in fully registered form are issued to a Depository or to its nominee as Registered Owner, with the certificated bonds being held by and "immobilized" in the custody of such Depository, and under which records maintained by persons, other than the City or the Paying Agent and Registrar, constitute the written record that identifies, and records the transfer of the beneficial "book-entry" interests in those Bonds.

"City" means the City of Mitchell, Davison County, South Dakota, an aldermanic form of a municipality organized under the State of South Dakota.

"City Council" means the City Council of the City elected pursuant to the provisions of the SDCL Title 9.

"Closing Date" means the date of delivery and payment of the Bonds.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Department of Treasury promulgated thereunder as in effect on the date of issuance of the Bonds.

"Costs of Issuance" means all costs, fees, charges and expenses relating to the issuance of the Bonds, including costs for bond insurance and rating agency fees.

"Debt" means (1) indebtedness of the City for borrowed money or for the deferred purchase price of property or services, and expressly including the obligation to pay principal and interest on or with respect to revenue bonds, (2) the obligation of the City as lessee under leases which should be recorded as capital leases under generally accepted accounting principles, and (3) obligations of the City under direct or indirect guarantees in respect of, and obligations, contingent or otherwise, to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of others of the kinds referred to in subdivisions (1) and (2) above.

"Depository" means any securities depository that is a clearing agency under federal laws operating and maintaining, with its participants or otherwise, a Book-Entry System, including, but not limited to DTC.

"DTC" means the Depository Trust Company, a limited purpose company organized under the laws of the State of New York, and its successors and assigns.

"DTC Participant(s)" means securities brokers and dealers, banks, trust companies and clearing corporations that have access to the DTC system.

"Escrow Agent" means Wells Fargo Bank, NA, Minneapolis, Minnesota, as Escrow Agent under the Escrow Agreement, or its successor or successors under the terms of the Escrow Agreement.

"Escrow Agreement" means the Refunding Escrow Agreement.

"Finance Officer" means the Finance Officer of the City appointed pursuant to the provisions of South Dakota Codified Laws Title 9 or, in the absence of such appointment or in the event the person so appointed is unable or incapable of acting in such capacity, the person appointed by the Mayor and approved by the City Council to perform the duties otherwise performed by the Finance Officer, or his/her designee.

"Interest Payment Date" means such dates set forth in the Bond Purchase Agreement.

"Letter of Representation" means the Blanket Issuer Letter of Representations to DTC of the City.

"Mayor" means the Mayor elected pursuant to the provisions of SDCL 9-13 or his or her designee acting on his or her behalf.

"Official Statement" and "Preliminary Official Statement" means that Official Statement and Preliminary Official Statement described in Section 8.2 hereof pertaining to the sale of the Bonds.

"Original Issue Discount or OID" means an amount by which the par value of a security exceeds its public offering price at the time of its original issuance.

"Original Issue Premium or OIP" means the amount by which the public offering price of a security at the time of its original issuance exceeds its par value.

"Outstanding," "Bonds Outstanding," or "Outstanding Bonds" means, as of a particular date all Bonds issued and delivered under this Bond Resolution except: (1) any Bond paid or redeemed or otherwise canceled by the City at or before such date; (2) any Bond for the payment of which cash, equal to the principal amount thereof with interest to date of maturity, shall have theretofore been deposited prior to maturity by the City for the benefit of the Owner thereof; (3) any Bond for the redemption of which cash, equal to the redemption price thereof with interest to the redemption date, shall have theretofore been deposited with the Paying Agent and Registrar and for which notice of redemption shall have been mailed in accordance with this Bond Resolution; (4) any certificate in lieu of or in substitution for which another Bond shall have been delivered pursuant to this Resolution, unless proof satisfactory to the City is presented that any Bond, for which a certificate in lieu of or in substitution therefor shall have been delivered, is held by a bona fide purchaser, as that term is defined in Article 8 of the Uniform Commercial Code of the State, as amended, in which case both the certificate in lieu of or in substitution for which a new Bond has been delivered and such new Bond so delivered therefor shall be deemed

Outstanding; and, (5) any Bond deemed paid under the provisions of Article VII of this Resolution, except that any such Bond shall be considered Outstanding until the maturity or redemption date thereof only for the purposes of being exchanged, transferred, or registered.

"Outstanding Parity Bonds" means any bonds payable from the Pledged Sales Tax.

"Paying Agent and Registrar" means Wells Fargo Bank, NA, Minneapolis, Minnesota, its successor or successors, hereafter appointed in the manner provided in Article VI hereof.

"Person" means an individual, partnership, corporation, trust, or unincorporated organization, or a governmental entity or agency or political subdivision thereof.

"Pledged Revenues" means the Sales Tax collected.

"President" means the President of the City Council who may act for the Mayor in the absence of the Mayor.

"Purchase Agreement" means the Bond Purchase Agreement authorized pursuant to and described in Section 8.1 hereof by and between the City and the Underwriter.

"Rating Agency" means one or more of the following rating agencies: Standard & Poor's Credit Rating Services, Moody's Investors Service Inc. and Fitch IBCA, Inc.

"Reasonably Required Reserve" means an amount, if required, which will comply with the Internal Revenue Regulations specifying the maximum amount in a reserve fund permitted to be invested without regard to investment yield.

"Record Date" means the dates set forth in the Bond Purchase Agreement.

"Refunded Bonds" means the Sales Tax Revenue Bonds, Series 2012.

"Resolution" means this Bond Resolution.

"Sales Tax" means the City two percent tax on the gross receipts of all persons engaged in business within the jurisdiction of the City who are subject to the South Dakota Retail Occupational Sales and Service Tax, SDCL ch. 10-45 and the two percent upon all transactions or use, storage and consumption which are subject to the South Dakota Use Tax Act, SDCL ch. 10-46 imposed by Chapter 2 of the City of Mitchell Code of Ordinances.

"Schedule" means the principal and interest payment schedule for the Bonds.

"Series 2012 Bonds" means the City's outstanding Sales Tax Revenue Bonds, Series 2012, dated December 19, 2012, as follows:

<u>Maturity Date</u>	<u>Principal Outstanding</u>	<u>Interest Rate</u>	<u>CUSIP</u>
December 1, 2020	\$ 645,000	1.700%	606684 DA3
December 1, 2021	\$ 655,000	2.000%	606684 DB1
December 1, 2022	\$ 670,000	2.250%	606684 DC9
December 1, 2023	\$ 685,000	2.350%	606684 DD7
December 1, 2024	\$ 700,000	2.400%	606684 DE5
December 1, 2025	\$ 715,000	2.500%	606684 DF2
December 1, 2026	\$ 735,000	2.550%	606684 DG0
December 1, 2027	\$ 755,000	2.600%	606684 DH8
December 1, 2028	\$ 770,000	2.550%	606684 DJ4
December 1, 2029	\$ 790,000	2.750%	606684 DK1
December 1, 2030	\$ 815,000	2.700%	606684 DL9
December 1, 2031	\$ 835,000	2.850%	606684 DM7
December 1, 2032	\$ 860,000	2.900%	606684 DN5

"Underwriter" means Dougherty & Company LLC acting for and on behalf of itself and such securities dealers as they may designate.

Section 1.2. References to Resolution.

The words "hereof", "herein", "hereunder", and other words of similar import refer to this Bond Resolution as a whole.

Section 1.3. References to Articles, Sections, Etc.

References to Articles, Sections, and other subdivisions of this Bond Resolution are to the designated Articles, Sections, and other subdivisions of this Bond Resolution as originally adopted.

Section 1.4. Headings.

The headings of this Bond Resolution are for convenience only and shall not define or limit the provisions hereof.

ARTICLE II

FINDINGS

Section 2.1.

It is hereby found, declared a necessity and determined by the City Council:

- (a) The refunding of the Refunded Bonds as set forth herein through the issuance of the Bonds will result in the reduction in debt service payable by the City over the term of the Refunded Bonds thereby effecting a cost savings to the public;
- (b) It is advantageous to the City to deposit a portion of the proceeds from the sale of the Bonds and other funds of the City, if any, with the paying agent of the Refunded Bonds, will be sufficient to pay principal of, premium, if any, and interest on the Refunded Bonds.
- (c) The City hereby determines that all limitations upon the issuance of Bonds have been met and the Bonds are being authorized, issued and sold in accordance with the provisions of §§ 6-8B-30 to 6-8B-52, inclusive.

ARTICLE III

AUTHORITY, PLEDGE, LEVY AND ACCOUNTS

Section 3.1. Authority.

In order to (i) refund the City's Sales Tax Revenue Refunding Bonds Series 2012 dated December 19, 2012, and (ii) pay the costs of issuance of the Bonds described herein, there shall be issued pursuant to, and in accordance with, the provisions of the Act, this Bond Resolution, and other applicable provisions of law, Sales Tax Revenue Refunding Bonds of the City in the aggregate principal amount of not to exceed \$9,800,000.

Section 3.2. Pledge.

The City does hereby pledge so much of the collections of the Sales Tax as may be necessary to pay the principal, premium and interest on the outstanding Bonds and to maintain any debt service reserve established herein, if any. The Sales Tax is irrevocably pledged to the prompt and full payment of the principal of and interest on each and all of said Bonds as such principal and interest respectively become due.

Section 3.3. Collection of Taxes.

Pursuant to SDCL §10-52-2.10, the City does hereby pledge, provide and agree that it will continue to impose and cause the collection of the Pledge Tax so long as the Bonds are outstanding. The governing body shall also pledge so much of the collections of the Pledged Tax

as may be necessary to pay the principal, premium and interest on the bonds and to maintain any debt service reserve established for the Bonds.

Section 3.4. Accounts.

(a) Sales Tax Fund. The Finance Officer has established and will maintain the Sales Tax Revenue Fund as a separate and special account in the financial records of the City until all Bonds issued and made payable therefrom, and interest due thereon, have been duly paid or discharged. All collections of the Sales Tax shall be credited, as received, to the Sales Tax Revenue Fund. Within the Sales Tax Revenue Fund are various separate accounts to be maintained by the City.

(b) Principal and Interest Account. There is hereby created and established a “Principal and Interest Account.” Immediately upon delivery of the Bonds, there shall be credited to the Principal and Interest Account the amount of accrued interest received from the Underwriter. Commencing on the date specified in the Bond Purchase Agreement, there shall be withdrawn from the Sales Tax Fund at least monthly and credited to the Principal and Interest Account an amount which will equal at least one-sixth (1/6th) of the interest becoming due on the next succeeding payment date and one-twelfth (1/12th) of the principal becoming due on the next succeeding payment dates with respect to the Outstanding Bonds. In all events there shall be credited to the Principal and Interest Account amounts sufficient to pay the principal of and interest on the Outstanding Bonds as the same become due.

(c) Subordinate Lien Bonds. After making the above required payments, any remaining Pledged Sales Tax may be used for the payment of the principal of and interest on any additional sales tax revenue bonds having a lien which is subordinate to the lien of the Outstanding Bonds, and for a reserve fund as additional security for the payment of such subordinate lien bonds.

(d) Other Expenditures. The remaining Pledged Sales Tax Revenues may be used for any legally authorized purpose.

Section 3.5. Additional. Bonds.

The City may, from time to time, approve the issuance and delivery of additional parity bonds payable from the Pledged Revenues for the purpose of refunding the Series 2012 Bonds or to finance additional projects permitted by law. Each series of additional parity bonds shall be payable from the Pledged Revenues and constitute a lien upon the Pledged Revenues equal to or on a parity with the lien of the Series 2012 Bonds, provided:

- (1) the City is current in the payment of principal and interest on the Bonds and is current in the accumulations required for the Principal and Interest Account and the Reserve Account,
- (2) the City is in compliance with the covenants of this Bond Resolution,
- (3) the collections of the Pledged Revenues in the last preceding fiscal year (as determined by the City) is sufficient to cover 1.25 times the maximum annual principal

and interest requirements on the Bonds then outstanding and the proposed parity lien bonds.

Section 3.6. Subordinate Lien Bonds.

After making the above required payments, any remaining Pledged Revenues may be used for the payment of the principal of and interest on any additional sales tax revenue bonds having a lien which is subordinate to the lien of the Outstanding Bonds, and for a reserve fund as additional security for the payment of such subordinate lien bonds.

Section 3.7. Other Expenditures.

The remaining Pledged Revenues may be used for any legally authorized purpose.

ARTICLE IV

FORM, TERMS, EXECUTION, AND TRANSFER OF BONDS

Section 4.1. Authorized Bonds;

The aggregate principal amount of Bonds that may be issued under this Bond Resolution shall not exceed Nine Million Eight Hundred Thousand Dollars (\$9,800,000).

Section 4.2. Form of Bonds; Execution.

(a) The Bonds are issuable only as fully registered Bonds, without coupons, in denominations of Five Thousand Dollars (\$5,000) or any integral multiple thereof. All Bonds issued under the Resolution shall be substantially in the form set forth in Exhibit A attached hereto, and by this reference incorporated herein as fully as though copied.

(b) The Bonds shall be executed in such manner as may be prescribed by applicable law in the name and on behalf of the City with the manual or facsimile signature of the Mayor, attested by the manual or facsimile signature of the Finance Officer, and approved as to form and countersigned by a Resident Attorney by his manual or facsimile signature.

(c) In the event any officer whose manual or facsimile signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such manual or such facsimile signature shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until such delivery. Any Bond may bear the facsimile signature of, or may be manually signed by, such individuals who, at the actual time of the execution of such Bond, were the proper officers of the City to sign such Bond, although on the date of the adoption by the City of this Resolution, such individuals may not have been such officers.

Section 4.3. Maturities, Interest Rates, and Certain Other Provisions of Bonds.

(a) The Bonds shall become due and payable and be subject to the terms and conditions as set forth in the Bond Purchase Agreement.

(b) The Bonds shall be designated "Sales Tax Revenue Refunding Bonds, Series 2019", or such other designation as shall be determined by the City Council pursuant to Section 8.1 hereof. The Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Bonds is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on Interest Payment Dates. Interest on each Bond shall be paid by wire transfer, check or draft of the Paying Agent, payable in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the Record Date. The principal of the Bond shall be payable in lawful money of the United States of America at the principal office of the Paying Agent and Registrar on the Bond Payment Date.

(c) The Paying Agent and Registrar shall make all interest payments with respect to the Bonds on each interest payment date directly to the registered owners as shown on the Bond registration records maintained by the Paying Agent and Registrar as of the close of business on the Record Date by wire transfer, check or draft mailed to such owners at their addresses shown on said bond registration records, without, except for final payment, the presentation or surrender of such registered Bonds, and all such payments shall discharge the obligations of the City in respect of such Bonds to the extent of the payments so made. Payment of principal of and premium, if any, on the Bonds shall be made upon presentation and surrender of such Bonds to the Paying Agent and Registrar as the same shall become due and payable.

Section 4.4. Negotiability of Bonds.

All Bonds issued under this Resolution shall be negotiable, subject to the provisions for registration and transfer contained in this Resolution and in the Bonds.

Section 4.5. Registration, Transfer and Exchange of Bonds.

(a) The Bonds are transferable only by presentation to the Paying Agent and Registrar by the registered owner, or his legal representative duly authorized in writing, of the registered bond(s) to be transferred with the form of assignment on the reverse side thereof completed in full and signed with the name of the registered owner as it appears upon the face of the bond(s) accompanied by appropriate documentation necessary to prove the legal capacity of any legal representative of the registered owner. Upon receipt of the bond(s) in such form and with such documentation, if any, the Paying Agent and Registrar shall issue a new bond or bonds to the assignee(s) in \$5,000 denominations, or integral multiples thereof, as requested by the registered owner requesting transfer. The Paying Agent and Registrar shall not be required to transfer or exchange any bond during the period commencing on a Record Date and ending on the corresponding interest payment date of such bond, nor to transfer or exchange any bond after the publication of notice calling such bond for redemption has been made, nor to transfer or exchange any bond during the period following the receipt of instructions from the City to call

such bond for redemption; provided, the Paying Agent and Registrar, at its option, may make transfers after any of said dates. No charge shall be made to any registered owner for the privilege of transferring any Bonds, provided that any transfer tax relating to such transaction shall be paid by the registered owner requesting transfer. The person in whose name any bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the City nor the Paying Agent and Registrar shall be affected by any notice to the contrary whether or not any payments due on the Bonds shall be overdue. Bonds, upon surrender to the Paying Agent and Registrar, may, at the option of the registered owner, be exchanged for an equal aggregate principal amount of Bonds of the same maturity in any authorized denomination or denominations.

(b) Except as otherwise provided in this subsection or in the Bond Purchase Agreement, the bonds shall be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the bond. References in this Section to a Bond or the Bonds shall be construed to mean the Bond or the Bonds that are held under the Book-Entry System. One Bond for each maturity shall be issued to DTC and immobilized in its custody. Unless otherwise provided herein, a Book-Entry System shall be employed, evidencing ownership of the Bonds in authorized denominations, with transfers of beneficial ownership affected on the records of DTC and the DTC Participants pursuant to rules and procedures established by DTC.

Each DTC Participant shall be credited in the records of DTC with the amount of such DTC Participant's interest in the Bonds. Beneficial ownership interests in the Bonds may be purchased by or through DTC Participants. The holders of these beneficial ownership interests are herein referred to as the "Beneficial Owners." The Beneficial Owners shall not receive the Bonds representing their beneficial ownership interests. The ownership interests of each Beneficial Owner shall be recorded through the records of the DTC Participant from which such Beneficial Owner purchased its Bonds. Transfers of ownership interests in the Bonds shall be accomplished by book entries made by DTC and, in turn, by DTC Participants acting on behalf of Beneficial Owners. SO LONG AS CEDE & CO., AS NOMINEE FOR DTC, IS THE REGISTERED OWNER OF THE BONDS THE PAYING AGENT AND REGISTRAR SHALL TREAT CEDE & CO., AS THE ONLY HOLDER OF THE BONDS FOR ALL PURPOSES UNDER THIS RESOLUTION, INCLUDING RECEIPT OF ALL PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS, RECEIPT OF NOTICES, VOTING AND REQUESTING OR DIRECTING THE PAYING AGENT AND REGISTRAR TO TAKE OR NOT TO TAKE, OR CONSENTING TO, CERTAIN ACTIONS UNDER THIS BOND RESOLUTION.

Payments of principal, interest, and redemption premium, if any, with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid by the Paying Agent and Registrar directly to DTC or its nominee, Cede & Co., as provided in the Letter of Representation. DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners. Neither the City nor the Paying Agent and Registrar shall be responsible or liable for payment by DTC or DTC Participants, for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants.

In the event that (1) DTC determines not to continue to act as securities depository for the Bonds or (2) the City determines that the continuation of the Book-Entry System of evidence and transfer of ownership of the Bonds would adversely affect their interests or the interests of the Beneficial Owners of the Bonds, the City may discontinue the Book-Entry System with DTC. If the City fails to identify another qualified securities depository to replace DTC, the City shall cause the Paying Agent and Registrar to authenticate and deliver replacement Bonds in the form of fully registered Bonds to each Beneficial Owner.

NEITHER THE CITY NOR THE PAYING AGENT AND REGISTRAR SHALL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO ANY DTC PARTICIPANT OR ANY BENEFICIAL OWNER WITH RESPECT TO (i) THE BONDS; (ii) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (iii) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; (iv) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY DTC PARTICIPANT OF ANY NOTICE DUE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED UNDER THE TERMS OF THIS BOND RESOLUTION TO BE GIVEN TO BENEFICIAL OWNERS, (v) THE SELECTION OF BENEFICIAL OWNERS TO RECEIVE PAYMENTS IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (vi) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC, OR ITS NOMINEE, CEDE & CO., AS OWNER.

SO LONG AS A BOOK-ENTRY SYSTEM OF EVIDENCE OF TRANSFER OF OWNERSHIP OF ALL THE BONDS IS MAINTAINED IN ACCORDANCE HEREWITH, THE PROVISIONS OF THIS RESOLUTION RELATING TO THE DELIVERY OF PHYSICAL BOND CERTIFICATES SHALL BE DEEMED INAPPLICABLE OR BE OTHERWISE SO CONSTRUED AS TO GIVE FULL EFFECT TO SUCH BOOK-ENTRY SYSTEM. IF THE PROVISIONS OF THE LETTER OF REPRESENTATION SHALL BE IN CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION AS SAID PROVISIONS RELATE TO DTC, THE PROVISIONS OF THE LETTER OF REPRESENTATION SHALL CONTROL.

Section 4.6. Mutilated, Lost, Stolen, or Destroyed Bonds.

(a) In the event any Bond is mutilated, lost, stolen, or destroyed, the City may execute, and upon the request of an Authorized Officer of the City the Paying Agent and Registrar shall authenticate and deliver, a new Bond of like maturity, interest rate, and principal amount, and bearing the same number (but with appropriate designation indicating that such new Bond is a replacement Bond) as the mutilated, destroyed, lost, or stolen Bond, in exchange for the mutilated Bond or in substitution for the Bond so destroyed, lost, or stolen. In every case of exchange or substitution, the Bondholder shall furnish to the City and the Paying Agent and Registrar: (1) such security or indemnity as may be required by them to save each of them harmless from all risks, however remote; and, (2) evidence to their satisfaction of the mutilation, destruction, loss, or theft of the subject Bond and the ownership thereof. Upon the issuance of any Bond upon such exchange or substitution, the City and the Paying Agent and Registrar may require the Owner thereof to pay a sum sufficient to defray any tax or other governmental charge

that may be imposed in relation thereto and any other expenses, including printing costs and counsel fees, of the City and the Paying Agent and Registrar. In the event any Bond which has matured or is about to mature shall become mutilated or be destroyed, lost, or stolen, the City may, instead of issuing a Bond in exchange or substitution therefor, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Bond) if the Owner thereof shall pay all costs and expenses, including attorneys' fees, incurred by the City and the Paying Agent and Registrar in connection herewith, as well as a sum sufficient to defray any tax or other governmental charge that may be imposed in relation thereto and shall furnish to the City and the Paying Agent and Registrar such security or indemnity as they may require to save them harmless and evidence to the satisfaction of the City and the Paying Agent and Registrar the mutilation, destruction, loss, or theft of such Bond and of the ownership thereof.

(b) Every Bond issued pursuant to the provisions of this section shall constitute an additional contractual obligation of the City (whether or not the destroyed, lost, or stolen Bond shall be found at any time to be enforceable) and shall be entitled to all the benefits of this Bond Resolution equally and proportionately with any and all other Bonds duly issued under this Bond Resolution.

(c) All Bonds shall be held and owned upon the express condition that the provisions of this Section are exclusive, with respect to the replacement or payment of mutilated, destroyed, lost, or stolen Bonds, and, to the maximum extent legally permissible, shall preclude all other rights or remedies, notwithstanding any law or statute now existing or hereafter enacted to the contrary.

Section 4.7. Authentication.

The Paying Agent and Registrar is hereby authorized to authenticate and deliver the Bonds to the Underwriter or as it may designate upon receipt by the City of the proceeds of the sale thereof, to authenticate and deliver Bonds in exchange for Bonds of the same principal amount delivered for transfer upon receipt of the Bond(s) to be transferred in proper form with proper documentation as hereinabove described. The Bonds shall not be valid for any purpose unless authenticated by the Paying Agent and Registrar by the manual signature of an officer thereof on the certificate set forth herein on the Bond form.

Section 4.8. Qualification for DTC.

The Paying Agent and Registrar is hereby authorized to take such actions as may be necessary from time to time to qualify and maintain the Bonds for deposit with DTC, including but not limited to, wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book entry data received from DTC in place of actual delivery of Bonds and provision of notices with respect to Bonds registered by the DTC (or any of its designees identified to the Paying Agent and Registrar) by overnight delivery, courier service, telegram, telecopy or other similar means of communication. No such arrangements with DTC may adversely affect the interest of any of the Owners of the Bonds, provided, however, that the Paying Agent and Registrar shall not be liable with respect to any such arrangements it may make pursuant to this section.

Section 4.09. Rating Agency.

The City authorized to enter into an agreement with a Rating Agency as may be required under the Purchase Agreement. Any terms or conditions of the Rating Agency shall be attached to this resolution and incorporated herein as if stated in full.

Section 4.10. Bond Counsel.

The Mayor and Finance Officer are authorized to retain Meierhenry Sargent LLP as Bond Counsel upon such terms as they approve.

Section 4.11. Dissemination Agent.

The City authorizes the Authorized Officer of the City to retain a dissemination agent with regard to the written undertaking authorized in Section 11.7 hereof.

Section 4.12. Underwriter.

The Mayor and Finance Officer are authorized to retain Dougherty & Company LLC as Underwriter upon such terms as they approve, and if the Bonds are ultimately privately placed as placement agent upon such terms as they approve.

ARTICLE V

REDEMPTION OF BONDS PRIOR TO MATURITY

Section 5.1. Redemption

(a) **Redemption.** The Bonds shall be redeemable as set forth in the Bond Purchase Agreement.

ARTICLE VI

PAYING AGENT AND REGISTRAR AND ESCROW AGENT

Section 6.1. Appointment and Acceptance of Duties.

(a) The City hereby authorizes the City Finance Officer to appoint the Paying Agent and Registrar with respect to the Bonds and authorizes and directs the Paying Agent and Registrar to maintain bond registration records with respect to the Bonds, to authenticate and deliver the Bonds as provided herein, either at original issuance, upon transfer, or as otherwise directed by the City, to effect transfers of the Bonds, to give all notices of redemption as required herein, to make all payments of principal and interest with respect to the Bonds as provided herein, to cancel and destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer, to furnish the City at least annually a certificate of destruction with respect to Bonds canceled and destroyed, and to furnish the City at least annually an audit confirmation of Bonds paid, Bonds Outstanding and payments made with

respect to interest on the Bonds. The Mayor and the City Finance Officer, or either of them is hereby authorized to execute and the City Finance Officer is hereby authorized to attest such written agreement between the City and the Paying Agent and Registrar as they shall deem necessary or proper with respect to the obligations, duties and rights of the Paying Agent and Registrar. The payment of all reasonable fees and expenses of the Paying Agent and Registrar for the discharge of its duties and obligations hereunder or under any such agreement is hereby authorized and directed.

Section 6.2. Permitted Acts and Functions.

The Paying Agent and Registrar may become the Owner of any Bonds, with the same rights as it would have if it were not a Paying Agent and Registrar. The Paying Agent and Registrar may act as a purchaser or fiscal agent in connection with the sale of the Bonds or of any other securities offered or issued by the City.

Section 6.3. Resignation or Removal of the Paying Agent and Registrar and Appointment of Successors.

(a) The Paying Agent and Registrar may at any time resign and be discharged of the duties and obligations created by the Bond Resolution by giving at least sixty (60) calendar days' written notice to the City Finance Officer. The Paying Agent and Registrar may be removed at any time by the City Finance Officer, provided that such removal does not constitute a breach of any contractual agreement with any such Paying Agent and Registrar, by filing written notice of such removal with such Paying Agent and Registrar. Any successor Paying Agent and Registrar shall be appointed by the City Finance Officer and shall be a trust company or a bank having the powers of a trust company, having a combined capital, surplus, and undivided profits aggregating at least Seventy-Five Million Dollars (\$75,000,000), willing to accept the office of Paying Agent and Registrar on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Bond Resolution.

(b) In the event of the resignation or removal of the Paying Agent and Registrar, such Paying Agent and Registrar shall pay over, assign and deliver any monies and securities held by it as Paying Agent and Registrar, and all books and records and other properties held by it as Paying Agent and Registrar, to its successor, or if there be no successor then appointed, to the City Finance Officer until such successor be appointed.

Section 6.4. Merger or Consolidation of Paying Agent and Registrar.

Any corporation or association into which the Paying Agent and Registrar may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole, or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation, or transfer to which it is a party shall be and become successor Paying Agent and Registrar hereunder and shall be vested with all the trusts, powers, discretion, immunities, privileges, and other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed, or conveyance on the part of any of the parties hereto, anything herein contained to the contrary notwithstanding. Upon any such conversion, merger, consolidation, sale or transfer, the City Finance Officer shall have

the right and option, upon notice to such converted, merged, consolidated or acquiring entity, to remove such entity and appoint a successor thereto pursuant to the procedures and requirements set forth in Section 6.3 hereof.

Section 6.5. Escrow Agent.

The City hereby authorizes the Mayor and Finance Officer to appoint the Escrow Agent.

Section 6.6. Escrow Agreement.

The Mayor and Finance Officer are authorized to enter into an Escrow Agreement. The final form of the Escrow Agreement shall be filed with the Finance Officer and open to public inspection.

ARTICLE VII

Section 7.1. Call and Redemption of Sales Tax Revenue Refunding Bonds, Series 2012

The Sales Tax Revenue Refunding Bonds, Series 2012 shall be called on or after December 1, 2019 after which date said bonds shall cease to accrue interest. The City reserves the right not to call one or more series or a portion thereof if interest savings do not warrant said refunding.

Notice of the City's intention to refund the Refunded Bonds shall be shall be posted on <http://emma.msrb.org> within 10 days of the passage of this Resolution and be given, at the direction of the Finance Officer, by the respective paying agents for the Refunded Bonds, to the respective Registered Owners of the Refunded Bonds. Such notice shall be in substantially the form as provided in Exhibit B attached hereto and by this reference made a part hereof.

ARTICLE VIII

SALE OF BONDS AND DEPOSIT OF PROCEEDS

Section 8.1. Sale of Bonds.

The Bonds shall be sold to the Underwriter at a price to be set forth in the Bond Purchase Agreement. The Mayor and the Finance Officer, or either of them, in consultation with the Underwriter, are authorized to make such changes in the structuring of the terms and sale of the Bonds as they shall deem necessary to maximize the savings from the refunding of the Refunded Bonds. In this regard, they, or either of them, in consultation with the Underwriter, are authorized to cause to be sold an aggregate principal amount of the Bonds less than that authorized herein cause fewer than all the Refunded Bonds to be refunded, to sell any or all of the Bonds as term Bonds with annual mandatory redemption requirements which will produce substantially the same annual principal reductions as authorized herein, to change the dated date of the Bonds, and to adjust principal and interest payment dates and redemption dates of the Bonds. The form of the bond set forth in Exhibit A attached hereto shall be conformed to reflect any changes, if any, as hereinbefore mentioned. The Mayor and the City Finance Officer, or

either of them, are hereby authorized to execute and the City Finance Officer is authorized to attest the Bond Purchase Agreement with the Underwriter providing for the purchase and sale of the Bonds. The Bond Purchase Agreement shall be in form and content acceptable to the Mayor and Finance Officer, the execution thereof by either of them to constitute conclusive evidence thereof; provided the Bond Purchase Agreement effects the sale of the Bonds in accordance with the provisions of this Resolution and is not inconsistent with the terms hereof. The Mayor and the City Finance Officer are authorized to cause the Bonds to be authenticated and delivered by the Paying Agent and Registrar to the Underwriter and to execute, publish, and deliver all certificates and documents including the Official Statement and closing certificates and documents as they shall deem necessary in connection with the sale and delivery of the Bonds.

Section 8.2. Official Statement.

If the Bonds are sold to the Underwriter, the Mayor, Finance Officer, and the Underwriter are hereby authorized and directed to provide for the preparation and distribution of a Preliminary Official Statement describing the Bonds (the "Preliminary Official Statement"). After the Bonds have been sold, the Mayor and Finance Officer shall make such completions, omissions, insertions and changes in the Preliminary Official Statement not inconsistent with this Resolution as are necessary or desirable to complete it as a final Official Statement for purposes of Rule 15c2-12(e)(3) of the Securities and Exchange Commission.

To comply with paragraph (b) (3) of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule") and with Rule G-32 City agrees to deliver to the Underwriter, the Official Statement (which shall be a final official statement, as such term is defined in the Rule, as of its date) in an electronic format as prescribed by the MSRB.

Section 8.3. Disposition of Bond Proceeds.

The proceeds of the sale of the Bonds shall be disbursed as follows:

- (a) An amount representing accrued interest on the Bonds from the dated date to the closing date shall be deposited to the appropriate fund of the City to be used to pay interest on the Bonds on the first interest payment date following delivery of the Bonds.
- (b) An amount which, together with other legally available funds of the City, if any, and investment earnings thereon and on said Bond proceeds, will be sufficient to pay principal of and premium and interest on the Refunded Bonds to their earliest optional redemption dates 2019 shall be transferred to the Escrow Agent under the Escrow Agreement to be deposited to the escrow fund established thereunder to be held and applied as provided therein;
- (c) The remaining proceeds of the sale of the Bonds shall be used to pay the costs of issuance and sale of the Bonds including surety bond costs, necessary legal, accounting and fiscal expenses, printing, engraving, advertising and similar expenses, administrative and clerical costs, rating agency fees, Paying Agent and Registrar fees, and other necessary miscellaneous expenses incurred in connection with the issuance and sale of the Bonds, remaining proceeds shall be deposited in the Construction Account.

Section 8.4. Tax Matters.

- (a) The City 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 action which would cause the interest on the Bonds to become includable in gross income for federal income tax purposes under the Code and applicable Treasury Regulations (the "Regulations"), and covenants to take any and all actions within its powers to ensure that the basic interest on the Bonds will not become includable in gross income for federal income tax purposes under the Code and the Regulations.
- (b) The Mayor and the City Finance Officer, being the officers of the City charged with the responsibility for issuing the Bonds pursuant to this Resolution are hereby authorized and directed to execute and deliver to the Underwriter thereof a certificate in accordance with the provisions of Section 148 of the Code, and Section 1.148-2(b) of the Regulations, stating that on the basis of facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds, it is reasonably expected that the proceeds of the Bonds will be used in a manner that would not cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations.
- (c) The City shall file with the Secretary of the Treasury a statement concerning the Bonds containing the information required by Section 149(e) of the Code.

ARTICLE IX

MISCELLANEOUS

Section 9.1. Failure to Present Bonds.

- (a) Subject to the provisions of Section 4.7 hereof, in the event any Bond shall not be presented for payment when the principal or redemption price hereof becomes due, either at maturity or at the date fixed for prior redemption thereof or otherwise, and in the event monies sufficient to pay such Bond shall be held by the Paying Agent and Registrar for the benefit of the Owner thereof, all liability of the City to such Owner for the payment of such Bond shall forthwith cease, determine, and be completely discharged. Whereupon, the Paying Agent and Registrar shall hold such monies, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such monies for any claim under the Resolution or on, or with respect to, said Bond.
- (b) If any Bond shall not be presented for payment within a period of five years following the date when such Bond becomes due, whether by maturity or otherwise, the Paying Agent and Registrar shall, subject to the provisions of any applicable escheat or other similar law, pay to the City any monies then held by the Paying Agent and Registrar for the payment of such Bond and such Bond shall (subject to the defense of any applicable statute of limitation) thereafter constitute an unsecured obligation of the City.

Section 9.2. Payments Due on Saturdays, Sundays, and Holidays.

In any case where the date of maturity or interest on or principal of any Bond, or the date fixed for redemption of any Bond, shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday or a day on which banking institutions similar to the Paying Agent and Registrar are authorized by law to close, then the payment of the interest on, or the principal, or the redemption price of, such Bond need not be made on such date but must be made on the next succeeding day not a Saturday, Sunday, or a legal holiday or a day upon which banking institutions similar to the Paying Agent and Registrar are authorized by law to close, with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date.

Section 9.3. Miscellaneous Acts.

The appropriate officers of the City are hereby authorized, empowered, and directed to do any and all such acts and things, and to execute, acknowledge, deliver, and, if applicable file or record, or cause to be filed or recorded, in any appropriate public offices, all such documents, instruments, and certifications, in addition to those acts, things, documents, instruments, and certifications hereinbefore authorized and approved, as may, in their discretion, be necessary or desirable to implement or comply with the intent of this Bond Resolution, or any of the documents herein authorized and approved, or for the authorization, issuance, and delivery by the City of the Bonds.

Section 9.4. Amendment.

The City Council is hereby authorized to make such amendments to this Bond Resolution as will not impair the rights of the Bondholders.

Section 9.5. No Recourse Under Bond Resolution or on Bonds.

All stipulations, promises, agreements, and obligations of the City contained in this Resolution or any supplemental resolutions shall be deemed to be the stipulations, promises, agreements, and obligations of the City and not of any officer, director, or employee of the City in his or her individual capacity, and no recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Resolution against any officer, director, or employee of the City or against any official or individual executing the Bonds.

Section 9.6. Partial Invalidity.

If any one or more of the provisions of this Bond Resolution, or of any exhibit or attachment thereto, shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, or of any exhibit or attachment thereto, but this Bond Resolution, and the exhibits and attachments thereto, shall be construed the same as if such invalid, illegal, or unenforceable provision had never been contained herein, or therein, as the case may be.

Section 9.7. Continuing Disclosure.

The City hereby covenants and agrees that it will provide financial information and material event notices as required by Rule 15c2-12 of the Securities Exchange Commission for the Bonds. The Mayor is authorized to execute at the Closing of the sale of the Bonds, an agreement for the benefit of and enforceable by the owners of the Bonds specifying the details of the financial information and material event notices to be provided and its obligations relating thereto. Failure of the City to comply with the undertaking herein described and to be detailed in said closing agreement, shall not be a default hereunder, but any such failure shall entitle the owner or owners of any of the Bonds to take such actions and to initiate such proceedings as shall be necessary and appropriate to cause the City to comply with its undertaking as set forth herein and in said agreement, including the remedies of mandamus and specific performance.

Section 9.8. Post Issuance Compliance.

The City does hereby adopt Meierhenry Sargent Post-Issuance Compliance Policy and Tax-Advantaged Obligations and Continuing Disclosure with regard to the Bonds attached hereto. The City appoints the Finance Officer as its chief post issuance compliance officer.

Section 9.9. Conflicting Resolutions Repealed.

All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

The above and foregoing resolution was moved for adoption by _____,
seconded by _____ and upon roll call vote,

voted aye,

voted nay,

Absent:

whereupon the Mayor declared the resolution to be duly passed and adopted.

Mayor

Attest:

Finance Officer

Adopted:

Published:

Effective Date:

KNOW ALL MEN BY THESE PRESENTS: That the City of Mitchell, South Dakota (the "City"), in Davison County, in the State of South Dakota, hereby acknowledges itself to owe and for value received promises to pay Principal Amount, from the Sales Tax Bond Fund of the City, to the Registered Owner mentioned above in lawful money of the United States of America, together with interest thereon from the Bond Date mentioned above at the Interest Rate mentioned above. The interest hereon is payable June 1, 2020, and semiannually thereafter on June 1 and December 1 in each year to maturity or earlier redemption by wire transfer, check or draft mailed to the Registered Owner at its address as it appears on the Bond registration books of the City maintained by Wells Fargo Bank, NA, Minneapolis, Minnesota as Bond registrar and paying agent (the "Registrar"), on the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding such interest payment date (the "Record Date"). The principal hereof due at maturity or upon redemption prior to maturity is payable at the office of Registrar upon presentation and surrender of this Bond at maturity or upon earlier redemption. The principal of, premium (if any) and interest on this Bond is payable in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts.

The Bonds: This Bond is one of an authorized issue of Bonds limited in aggregate principal amount to a maximum of \$9,800,000 (the "Bonds") all of like date and tenor except as to maturity, interest rates and privileges of redemption, the proceeds of this issue combined with interest earnings will be used for the purpose of providing funds to (i) refund the City's Sales Tax Revenue Refunding Bonds Series 2012 dated December 19, 2012, and (ii) pay the costs of issuance of the Bonds described herein, pursuant to a resolution duly and regularly adopted by the City on _____, 2019 (the "Bond Resolution"), and are subject to all the provisions and limitations of the Resolution and Chapters 10-52 and Sections 6-8B-30 to 6-8B-52, South Dakota Codified Laws, as amended.

Security Provisions: The City has pledged and agreed to collect, so long as the Bonds are outstanding, the City's two percent non-ad valorem tax (the "Sales Tax") in an amount sufficient to pay principal, premium and interest when due on the Bonds. The Sales Tax and the reserve fund are pledged for the payment of the Bonds. The City agrees and covenants to impose and collect the Sales Tax as long as the Bonds are outstanding in accordance with SDCL 10-52.

Redemption:

[RESERVE LANGUAGE]

This Bond is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the office of the Bond Registrar in Minneapolis, Minnesota, but only in the manner, subject to the limitations and upon payment of the charges provided in the Bond Resolution, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefore.

The City and the Bond Registrar may deem and treat the registered holder hereof as the absolute owner hereof and neither the City nor the Bond Registrar shall be affected by any notice to the contrary.

Additional Bonds: The City may issue additional bonds (the "Parity Bonds") payable from the Pledged Revenues and having a lien upon such revenues on a parity with the Bonds and the Outstanding Parity Bonds providing that:

1. the City is current in the payment of principal and interest on the Outstanding Bonds and is current in the collections required for the Principal and Interest Account and the Reserve Account.
2. the Pledged Revenues collected by the City for any twelve consecutive months out of the fifteen months immediately preceding the issuance of the proposed debt was at least 125% of the maximum annual principal and interest requirements on the Outstanding Bonds and the proposed Parity Bonds.

Form of Bond Opinion

_____, 2019

CITY OF MITCHELL
DAVISON COUNTY, SOUTH DAKOTA
\$ _____ SALES TAX REVENUE REFUNDING BONDS,
SERIES 2019

We have acted as bond counsel in connection with the issuance by the City of Mitchell, Davison County, South Dakota, (the "Issuer") of \$ _____ Sales Tax Revenue Refunding Bonds, Series 2019, dated _____, 2019 (the "Bonds"). We have examined the law, Resolution _____ (the "Resolution") and such certified proceedings and other papers as we deemed necessary to render this opinion.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds and we express no opinion relating thereto.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify such facts by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Issuer is duly created and validly existing as a body corporate and politic and public instrumentality of the State of South Dakota with the corporate power to adopt and perform the resolution and issue the Bonds.

2. Resolution _____ has been duly adopted by the Issuer on _____, 2019 and constitutes a valid and binding obligation of the Issuer enforceable upon the Issuer and enforceable within its terms.

3. The Resolution pledges the City's 2% non-ad valorem tax (the "Sales Tax") in an amount sufficient to pay principal, premium and interest when due on the Bonds.

4. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding special obligations of the Issuer, payable solely from City's Sales Tax.

5. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinions set forth in the preceding sentence are subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986 as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

6. The Bonds are exempt from all taxation as property by the State of South Dakota except for estate inheritance taxes, and taxes imposed upon financial institutions.

It is to be understood that the rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may be subject to the exercise of judicial discretion in appropriate cases.

Meierhenry Sargent LLP

AS PROVIDED IN THE RESOLUTION REFERRED TO HEREIN, UNTIL THE TERMINATION OF THE SYSTEM OF BOOK-ENTRY-ONLY TRANSFERS THROUGH DEPOSITORY TRUST COMPANY, NEW YORK, NEW YORK (TOGETHER WITH ANY SUCCESSOR SECURITIES DEPOSITORY APPOINTED PURSUANT TO THE RESOLUTION, "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISIONS OF THE RESOLUTION TO THE CONTRARY, A PORTION OF THE PRINCIPAL AMOUNT OF THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE REGISTRAR. DTC OR A NOMINEE, TRANSFEREE OR ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID. THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID SHALL FOR ALL PURPOSES BE THE AMOUNT DETERMINED IN THE MANNER PROVIDED IN THE RESOLUTION.

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED OFFICER OF DTC (A) TO THE REGISTRAR FOR REGISTRATION OF TRANSFER OR EXCHANGE OR (B) TO THE REGISTRAR FOR PAYMENT OF PRINCIPAL, AND ANY BOND ISSUED IN REPLACEMENT HEREOF OR SUBSTITUTION HEREFOR IS REGISTERED IN THE NAME OF DTC AND ANY PAYMENT IS MADE TO DTC OR ITS NOMINEE, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL BECAUSE ONLY THE REGISTERED OWNER HEREOF, DTC OR ITS NOMINEE, HAS AN INTEREST HEREIN.

(Form of 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 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 whatever.

EXHIBIT B
NOTICE OF REDEMPTION OF
SALES TAX REVENUE BONDS, SERIES 2012
OF THE CITY OF MITCHELL
DAVISON COUNTY
STATE OF SOUTH DAKOTA

Notice is hereby given to the owners and holders of following Bonds named in the above caption that the City of Mitchell, Davison County, State of South Dakota has exercised its option to call for redemption and payment all of said Bonds prior to their maturity, and such Bonds will be paid on December 1, 2019 upon surrender of said Bonds, and such payment will be at a price of par plus accrued interest up to and including December 1, 2019.

<u>Maturity Date</u>	<u>Principal Outstanding</u>	<u>Interest Rate</u>	<u>CUSIP</u>
December 1, 2020	\$ 645,000	1.700%	606684 DA3
December 1, 2021	\$ 655,000	2.000%	606684 DB1
December 1, 2022	\$ 670,000	2.250%	606684 DC9
December 1, 2023	\$ 685,000	2.350%	606684 DD7
December 1, 2024	\$ 700,000	2.400%	606684 DE5
December 1, 2025	\$ 715,000	2.500%	606684 DF2
December 1, 2026	\$ 735,000	2.550%	606684 DG0
December 1, 2027	\$ 755,000	2.600%	606684 DH8
December 1, 2028	\$ 770,000	2.550%	606684 DJ4
December 1, 2029	\$ 790,000	2.750%	606684 DK1
December 1, 2030	\$ 815,000	2.700%	606684 DL9
December 1, 2031	\$ 835,000	2.850%	606684 DM7
December 1, 2032	\$ 860,000	2.900%	606684 DN5

The Bonds are being called pursuant to a Resolution dated _____, 2019 of the City of Mitchell, at the above principal amount of each such Bond, together with interest accrued to the Redemption Date. From and after Redemption Date, interest on the Bonds hereby called shall cease, provided funds have been deposited with us to effect the redemption.

The redemption to be effected is conditioned on receipt by the Paying Agent on or before the Redemption Date of moneys sufficient to pay the redemption price of and interest on the Bonds to be redeemed. If moneys sufficient to pay the redemption price of and interest on such Bonds are not received by the Paying Agent on or before the Redemption Date, the redemption shall not be made and the Paying Agent will, within a reasonable time thereafter give a rescission notice, in the manner in which the notice of redemption was given.

The called Bonds should be presented as follows:

WELLS FARGO BANK, N.A.
WELLS FARGO CORPORATE TRUST
MAC-N9311-115
625 MARQUETTE AVENUE
MINNEAPOLIS, MN 55479

Wells Fargo Bank, N.A.
As Registrar and Paying Agent

Dated:

In compliance with United States Federal Tax Laws, redeeming institutions are required to withhold taxes at the applicable rate from the payment if they are not provided with your social security number or federal employer identification number, properly certified. This requirement is fulfilled through the submitting of IRS Form W-9, which may be obtained at a bank or other financial institution.

The Issuer and Paying Agent shall not be responsible for the selection of or use of CUSIP numbers, nor is any representation made as to their correctness indicated in this Notice of Redemption. They are included solely for the convenience of the holders.

ATTACHMENT TO RESOLUTION

Post-Issuance Compliance Policy for Tax-Exempt and Tax-Advantaged Obligations and Continuing Disclosure

Definitions

“Compliance Officer” means the Finance Officer of the Issuer.

“Issuer” means the City of Mitchell, South Dakota.

Statement of Purpose

This Post-Issuance Compliance Policy (the "Policy") sets forth specific policies of the Issuer designed to monitor post-issuance compliance:

(i) with applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations promulgated thereunder ("Treasury Regulations") for obligations issued by the Issuer on tax-exempt or tax-advantaged basis ("Obligations"); and

(ii) with applicable requirements set forth in certificates and agreement(s) ("Continuing Disclosure Agreements") providing for ongoing disclosure in connection with the offering of obligations to investors ("Offerings"), for obligations (whether or not tax- exempt I tax-advantaged) subject to the continuing disclosure requirements of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934.

This Policy documents practices and describes various procedures and systems designed to identify on a timely basis facts relevant to demonstrating compliance with the requirements that must be satisfied subsequent to the issuance of Obligations in order that the interest on such Obligations continue to be eligible to be excluded from gross income for federal income tax purposes or that the Obligations continue to receive tax-advantaged treatment. The federal tax law requirements applicable to each particular issue of Obligations will be detailed in the arbitrage or tax certificate prepared by bond counsel and signed by officials of the Issuer and the post-closing compliance checklist provided by bond counsel with respect to that issue. This Policy establishes a permanent, ongoing structure of practices and procedures that will facilitate compliance with the requirements for individual borrowings.

This Policy similarly documents practices and describes various procedures and systems designed to ensure compliance with Continuing Disclosure Agreements, by preparing and disseminated related reports and information and reporting "material events" for the benefit of the holders of the Issuer's obligations and to assist the Participating Underwriters (within the meaning of the Rule) in complying with the Rule.

The Issuer recognizes that compliance with pertinent law is an on-going process, necessary during the entire term of the obligations, and is an integral component of the Issuer's debt management. Accordingly, the analysis of those facts and implementation of the Policy will require on-going monitoring and consultation with bond counsel and the Issuer's accountants and advisors.

General Policies and Procedures

The following policies relate to procedures and systems for monitoring post-issuance compliance generally.

- A. The Compliance Officer shall be responsible for monitoring post-issuance compliance issues.
- B. The Compliance Officer will coordinate procedures for record retention and review of such records.
- C. All documents and other records relating to Obligations issued by the Issuer shall be maintained by or at the direction of the Compliance Officer. In maintaining such documents and records, the Compliance Officer will comply with applicable Internal Revenue Service ("IRS") requirements, such as those contained in Revenue Procedure 97-22.
- D. The Compliance Officer shall be aware of options for voluntary corrections for failure to comply with post-issuance compliance requirements (such as remedial actions under Section 1.141-12 of the Regulations and the Treasury's Tax-Exempt Bonds Voluntary Closing Agreement Program) and take such corrective action when necessary and appropriate.
- E. The Compliance Officer will review post-issuance compliance procedures and systems on a periodic basis, but not less than annually.

Issuance of Obligations - Documents and Records

With respect to each issue of Obligations, the Compliance Officer will:

- A. Obtain and store a closing binder and/or CD or other electronic copy of the relevant and customary transaction documents (the "Transcript").
- B. Confirm that bond counsel has filed the applicable information report (e.g., Form 8038, Form 8038-G, Form 8038-CP) for such issue with the IRS on a timely basis.
- C. Coordinate receipt and retention of relevant books and records with respect to the investment and expenditure of the proceeds of such Obligations with other applicable staff members of the Issuer.

Arbitrage

The following policies relate to the monitoring and calculating of arbitrage and compliance with specific arbitrage rules and regulations.

The Compliance Officer will:

- A. Confirm that a certification of the initial offering prices of the Obligations with such supporting data, if any, required by bond counsel, is included in the Transcript.
- B. Confirm that a computation of the yield on such issue from the Issuer's financial advisor or bond counsel (or an outside arbitrage rebate specialist) is contained in the Transcript.
- C. Maintain a system for tracking investment earnings on the proceeds of the Obligations.
- D. Coordinate the tracking of expenditures, including the expenditure of any investment earnings. If the project(s) to be financed with the proceeds of the Obligations will be funded with multiple sources of funds, confirm that the Issuer has adopted an accounting methodology that maintains each source of financing separately and monitors the actual expenditure of proceeds of the Obligations.
- E. Maintain a procedure for the allocation of proceeds of the issue and investment earnings to expenditures, including the reimbursement of pre-issuance expenditures. This procedure shall include an examination of the expenditures made with proceeds of the Obligations within 18 months after each project financed by the Obligations is placed in service and, if necessary, a reallocation of expenditures in accordance with Section 1.148-6(d) of the Treasury Regulations.
- F. Monitor compliance with the applicable "temporary period" (as defined in the Code and Treasury Regulations) exceptions for the expenditure of proceeds of the issue, and provide for yield restriction on the investment of such proceeds if such exceptions are not satisfied.
- G. Ensure that investments acquired with proceeds of such issue are purchased at fair market value. In determining whether an investment is purchased at fair market value, any applicable Treasury Regulation safe harbor may be used.
- H. Avoid formal or informal creation of funds reasonably expected to be used to pay debt service on such issue without determining in advance whether such funds must be invested at a restricted yield.
- I. Consult with bond counsel prior to engaging in any post-issuance credit enhancement transactions or investments in guaranteed investment contracts.
- J. Identify situations in which compliance with applicable yield restrictions depends upon later investments and monitor implementation of any such restrictions.

K. Monitor compliance with six-month, 18-month or 2-year spending exceptions to the rebate requirement, as applicable.

L. Procure a timely computation of any rebate liability and, if rebate is due, to file a Form 8038-T and to arrange for payment of such rebate liability.

M. Arrange for timely computation and payment of "yield reduction payments" (as such term is defined in the Code and Treasury Regulations), if applicable.

Private Activity Concerns

The following polices relate to the monitoring and tracking of private uses and private payments with respect to facilities financed with the Obligations.

The Compliance Officer will:

A. Maintain records determining and tracking facilities financed with specific Obligations and the amount of proceeds spent on each facility.

B. Maintain records, which should be consistent with those used for arbitrage purposes, to allocate the proceeds of an issue and investment earnings to expenditures, including the reimbursement of pre-issuance expenditures.

C. Maintain records allocating to a project financed with Obligations any funds from other sources that will be used for otherwise non-qualifying costs.

D. Monitor the expenditure of proceeds of an issue and investment earnings for qualifying costs.

E. Monitor private use of financed facilities to ensure compliance with applicable limitations on such use. Examples of potential private use include:

1. Sale of the facilities, including sale of capacity rights;
2. Lease or sub-lease of the facilities (including leases, easements or use arrangements for areas outside the four walls, e.g., hosting of cell phone towers) or leasehold improvement contracts;
3. Management contracts (in which the Issuer authorizes a third party to operate a facility, e.g., cafeteria) and research contracts;
4. Preference arrangements (in which the Issuer permits a third party preference, such as parking in a public parking lot);
5. Joint-ventures, limited liability companies or partnership arrangements;

6. Output contracts or other contracts for use of utility facilities (including contracts with large utility users);
7. Development agreements which provide for guaranteed payments or property values from a developer;
8. Grants or loans made to private entities, including special assessment agreements; and
9. Naming rights arrangements.

Monitoring of private use should include the following:

1. Procedures to review the amount of existing private use on a periodic basis; and
2. Procedures for identifying in advance any new sale, lease or license, management contract, sponsored research arrangement, output or utility contract, development agreement or other arrangement involving private use of financed facilities and for obtaining copies of any sale agreement, lease, license, management contract, research arrangement or other arrangement for review by bond counsel.

If the Compliance Officer identifies private use of facilities financed with tax-exempt or tax-advantaged debt, the Compliance Officer will consult with the Issuer's bond counsel to determine whether private use will adversely affect the tax status of the issue and if so, what remedial action is appropriate. The Compliance Officer should retain all documents related to any of the above potential private uses.

Qualified Tax-Exempt Obligations

If the Issuer issues qualified tax-exempt obligations in any year, the Compliance Officer shall monitor all tax-exempt financings (including lease purchase arrangements and other similar financing arrangements and conduit financings on behalf of 501(c)(3) organizations) to assure that the \$10,000,000 "Small Issuer" limit is not exceeded.

Federal Subsidy Payments

The Compliance Officer shall be responsible for the calculation of the amount of any federal subsidy payments and the timely preparation and submission of the applicable tax form and application for federal subsidy payments for tax-advantaged obligations such as Build America Bonds, New Clean Renewable Energy Bonds and Qualified School Construction Bonds.

Reissuance

The following policies relate to compliance with rules and regulations regarding the reissuance of Obligations for federal law purposes.

The Compliance Officer will identify and consult with bond counsel regarding any post-issuance change to any terms of an issue of Obligations which could potentially be treated as a reissuance for federal tax purposes.

Record Retention

The following policies relate to retention of records relating to the Obligations Issued. The Compliance Officer will:

- A. Coordinate with staff regarding the records to be maintained by the Issuer to establish and ensure that an issue remains in compliance with applicable federal tax requirements for the life of such issue.
- B. Coordinate with staff to comply with provisions imposing specific recordkeeping requirements and cause compliance with such provisions, where applicable.
- C. Coordinate with staff to generally maintain the following:
 1. The Transcript relating to the transaction (including any arbitrage or other tax certificate and the bond counsel opinion);
 2. Documentation evidencing expenditure of proceeds of the issue;
 3. Documentation regarding the types of facilities financed with the proceeds of an issue, including, but not limited to, whether such facilities are land, buildings or equipment, economic life calculations and information regarding depreciation.
 4. Documentation evidencing use of financed property by public and private entities (e.g., copies of leases, management contracts, utility user agreements, developer agreements and research agreements);
 5. Documentation evidencing all sources of payment or security for the issue; and
 6. Documentation pertaining to any investment of proceeds of the issue (including the purchase and sale of securities, SLGs subscriptions, yield calculations for each class of investments, actual investment income received by the investment of proceeds, guaranteed investment contracts, and rebate calculations).
- D. Coordinate the retention of all records in a manner that ensures their complete access to the IRS.
- E. Keep all material records for so long as the issue is outstanding (including any refunding), plus seven years.

Continuing Disclosure

Under the provisions of SEC Rule 15c2-12 (the "Rule"), Participating Underwriters (as defined in the Rule) are required to determine that issuers (such as the Issuer) have entered into written Continuing Disclosure Agreements to make ongoing disclosure in connection with Offerings subject to the Rule. Unless the Issuer is exempt from compliance with the Rule or the continuing disclosure provisions of the Rule as a result of certain permitted exemptions, the Transcript for each issue of related obligations will include a Continuing Disclosure Agreement executed by the Issuer.

In order to monitor compliance by the Issuer with its Continuing Disclosure Agreements, the Compliance Officer will, if and as required by such Continuing Disclosure Agreements:

- A. Assist in the preparation or review of annual reports ("Annual Reports") in the form required by the related Continuing Disclosure Agreements.
- B. Maintain a calendar, with appropriate reminder notifications, listing the filing due dates relating to dissemination of Annual Reports, which annual due date is generally expressed as a date within a certain number of days (e.g., 365 days) following the end of the Issuer's fiscal year (the "Annual Report Due Date"), as provided in the related Continuing Disclosure Agreements.
- C. Ensure timely dissemination of the Annual Report by the Annual Report Due Date, in the format and manner provided in the related Continuing Disclosure Agreements, which may include transmitting such filing to the Municipal Securities Rulemaking Board ("MSRB") through the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org in the format prescribed by the MSRB.
- D. Monitor the occurrence of any "Material Event" (as defined in the Continuing Disclosure Agreements) and timely file notice of the occurrence of any such Material Event in the manner provided under the Continuing Disclosure Agreements. To be timely filed, such notice must be transmitted within 10 days (or such other time period as set forth in the Continuing Disclosure Agreements) of the occurrence of such Material Event.
- E. Ensure timely dissemination of notice of any failure to perform under a Continuing Disclosure Agreement, if and as required by the Continuing Disclosure Agreement.
- F. Respond to requests, or ensure that the Issuer Contact (as defined in the Continuing Disclosure Agreement) responds to requests, for information under the Rule, as provided in the Continuing Disclosure Agreements.
- G. Monitor the performance of any dissemination agent(s) engaged by the Issuer to assist in the performance of any obligation under the Continuing Disclosure Agreements.

PASSED and ADOPTED by the City of Mitchell, South Dakota, this ____ day of _____, 2019.

Mayor

ATTEST:

Finance Officer



City Council Work Session Agenda
July 22, 2019
612 N. Main, City Council Chambers

1. Call To Order

- *The Work Session will begin immediately after the July 22, 2019 Special Meeting, which is scheduled to start at 6:00 PM.*

2. 2020 Financial Overview

3. 2020 Capital Improvement Projects Overview

4. 2020 Budget Planning Discussion

5. Adjourn (No Later Than 8:00 PM).

Work sessions are designed to allow the City Council to have further discussion on topics outside of the regular meeting format; no action will be taken during a work session..