

MILBANK CITY COUNCIL PROCEEDINGS  
March 9, 2020

PURSUANT TO DUE CALL AND NOTICE THEREOF, a regular meeting of the City Council was duly held at City Hall at 7:00 PM. The following members were present: Mayor Pat Raffety, Councilmen Steve Wiener, Mike Hanson, Evan Grong and Scott Hoeke. Absent: Joel Foster and James Johnson. Present from the staff: Attorney Mark Reedstrom, John Forman, Corey Hooth, Cynthia Schumacher, Don Settje, Dick Poppen, Darin Thiele, Scott Meyer, Ron Krause, and Kevin Schuelke. Present from the public: Jerry Jungers, Laurie Folk, Todd Schrupp, Holli Seehafer and Craig Wellnitz.

Mayor Raffety called the meeting to order, and the roll call was taken.

Todd Schrupp, on behalf of the Whetstone Valley Snowmobile Association, addressed the Council to request the use of Lake Farley for the 25<sup>th</sup> Annual Antique & Vintage Snowmobile Show, June 4-6, 2020. The Antique Snowmobile Club of American will hold their Summer 2020 meeting in conjunction with Milbank show. A motion was made and seconded to approve the request. Motion carried 4-0.

The Whetstone Valley Snowmobile Association requested a permit to allow consumption of malt beverages during the show, June 4-6, 2020. Following discussion, a motion was made and seconded to approve the request to allow consumption of malt beverages only during the Antique Snowmobile Club of America hog roast, Friday, June 5, 2020 from 4:00 – 10:00 pm. Motion carried 4-0.

Laurie Folk, MACC Director, requested the use of City property for the Summer events as follows: 1. Lake Farley Park, July 4, 2020, 6:00 – 10:00 pm, family activities, fishing contest, fireworks show. 2. Lake Farley & Main Street, July 31, 2020 4:00 – 11:30 pm. August 1, 2010, 7:00 am – 11:30 pm. Farley Fest: country concert, beer garden, vendors, kid's inflatables, car show, cornhole tournament, parade. A motion was made and seconded to approve the request. Motion carried 4-0.

The MACC requested a temporary malt beverage license and wine license during Farley Fest, July 31, 2020, 4:00 – 11:30 pm. August 1, 2020, 11:00 am – 11:30 pm. Motion carried 4-0.

A motion was made and seconded to approve the minutes of the February 10 and February 24, 2020 meetings. Motion carried 4-0.

A motion was made and seconded to approve the Consent Agenda. Motion carried 4-0.

#### CONSENT AGENDA

1. Advertise for wastewater maintenance worker
2. Approve Street Material Bids:
  - BS 1 hot mix material, picked up: BPI \$64.00/ton (only bid)
  - BS 2 asphalt, machine laid: BPI \$68.00/ton (only bid)
  - BS 3 crushed granite: no bid
  - BS 4 aggregate base material: Peter's Gravel \$7.25/ton (only bid)
  - BS 5 asphalt milling, 2" depth: BPI \$1.85/sq. yd. 4" depth \$4.00/sq. yd. (only bid)
3. Approve Codification Agreement with American Legal Publishing Corporation, 2020 - \$5,250, 2021-\$5,250.
4. Authorize advertising for special assessments on past due invoices
5. Approve Bridge Reinspection Program Resolution (3-9-20B) for use with SDDOT Retainer Contract, Banner Associates.

#### Resolution 3-2-20B

#### Bridge Reinspection Program Resolution For Use with SDDOT Retainer Contracts

WHEREAS, Title 23, Section 151, United States Code and Title 23, Part 650, Subpart C, Code of Federal Regulations, requires initial inspection of all bridges and reinspection at intervals not to exceed two years with the exception of reinforced concrete box culverts that meet specific criteria. These culverts are re-inspected at intervals not to exceed four years.

THEREFORE, the City of Milbank is desirous of participating in the Bridge Inspection Program using Bridge Replacement funds.  
The City requests SDDOT to Hire Banner Associates, Inc. (Consulting Engineers) for the inspection work. SDDOT will secure Federal approvals, make payments to the Consulting Engineer for inspection services rendered, and bill the City of 20% of the cost. The City will be responsible for the required 20% matching funds.

Dated this 9<sup>th</sup> day of March, 2020, at Milbank, South Dakota.

Pat Raffety, Mayor

Cynthia Schumacher, Finance Officer

## DEPARTMENT REPORTS

Water – Councilman Wiener read the monthly report. Don Settje is working with Maguire Iron on a long-term maintenance plan for the water tower and blue reservoir. The city is utilizing 75% spring water. Well #1 is supplying well water.

Street – Councilman Hoeke read the monthly report. Jeff Loutsch obtained the general, class 9 and class 4 applicators licenses. J&J Earthworks will begin construction on North Main Street on Monday, March 16, 2020.

Parking concerns at the Seventh Street and Fourth Avenue intersection were discussed at length. Several options were reviewed. The consensus of the Council was to install a “no parking here to corner” sign at the appropriate distance. With the new school location, increased traffic and bus routes will be reviewed.

The Council reviewed the proposed alternate overhead route for electrical lines along Third Avenue, Fourth Avenue and Ninth Street. The overhead line will replace existing unground lines.

Rubble Site – Councilman Hoeke reported general maintenance continues.

Baseball Complex – Councilman Hoeke reported ICON is in discussions with eight to ten donors, which they expect to contribute 50% of the fundraising goal. ICON is drafting a working operations budget for the complex. ICON will be at the April meeting to give an update.

Finance – A motion was made and seconded to approve the February Treasurer’s Report. Motion carried 4-0.

A motion was made and seconded to approve the bills list, \$174,207.01. Motion carried 4-0.

A motion was made and seconded to approve Resolution 3-9-20A, Authorizing Resolution. The 2011 sales tax revenue bonds are callable and the City has the option to refinance to reduce interest expense. Motion carried 4-0.

## RESOLUTION 3-9-2020

RESOLUTION AUTHORIZING THE EXECUTION, TERMS, ISSUANCE, SALE AND PAYMENT OF SALES TAX REVENUE REFUNDING BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED ONE MILLION SEVEN HUNDRED THOUSAND DOLLARS (\$1,700,000) OF THE CITY OF MILBANK, GRANT COUNTY, SOUTH DAKOTA.

WHEREAS, the City of Milbank 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 2011 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 2020 of the City for the purpose of providing funds to (i) refund the Sales Tax Revenue Bonds, Series 2011 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 MILBANK OF GRANT 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 Council Member, officer, or employee of the City then authorized to perform such act or discharge such duty.

"Bonds" means not to exceed \$1,700,000 in aggregate principal amount of Sales Tax Revenue Refunding Bonds, Series 2020, dated Closing Date 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 Milbank, Grant County, South Dakota, a Council with City Manager 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.

"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 U.S. Bank National Association, St. Paul, 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 2011.

"Resolution" means this Bond Resolution.

"Sales Tax" means the City's second per cent on the gross receipts of all persons engaged in business within the jurisdiction of the City of Milbank, Grant County, South Dakota, who are subject to the South Dakota Retail Occupational Sales and Service Tax, SDCL 10-45 and the second percent excise tax on the privilege of use, storage and consumption within the jurisdiction of the city of tangible personal property or services which are subject to the South Dakota Use Tax Act, SDCL 10-46, and acts amendatory thereto, the collected in each year, excluding any collections of the first percent and Third Penny Tax imposed by Ordinance No. 719 of the City of Milbank Code of Ordinances.

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

"Series 2011 Bonds" means the City's outstanding Sales Tax Revenue Bonds, Series 2011, dated October 1, 2011, as follows:

| <u>Maturity<br/>Date</u> | <u>Principal<br/>Outstanding</u> | <u>Interest Rate</u> | <u>CUSIP</u> |
|--------------------------|----------------------------------|----------------------|--------------|
| October 1, 2022          | \$ 295,000                       | 2.500%               | 599160 BE7   |
| October 1, 2023          | 155,000                          | 3.000%               | 599160 BF4   |
| October 1, 2025          | 325,000                          | 3.250%               | 599160 BH0   |
| October 1, 2027          | 345,000                          | 3.500%               | 599160 BK3   |
| October 1, 2029          | 365,000                          | 3.650%               | 599160 BM9   |
| October 1, 2031          | 395,000                          | 3.900%               | 599160 BP2   |
|                          | <hr/> \$1,880,000                |                      |              |

"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 Bonds, Series 2011 dated October 1, 2011, 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 \$1,700,000.

##### 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 Sales 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 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.
2. The City is in compliance with all covenants of outstanding sales tax revenue bonds and
3. The Pledged Revenues collected by the City in the last preceding fiscal year are sufficient to cover 1.35 times the combined Maximum Annual Debt Service for principal and interest requirements on the Outstanding Bonds and the proposed Parity Bonds.

### Section 3.6. Subordinate Lien Bonds.

After making the above required payments, any remaining 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.

### Section 3.7. Other Expenditures.

The remaining Sales Tax 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 One Million Seven Hundred Thousand Dollars (\$1,700,000).

#### 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 2020", 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*

##### Section 6.1. Appointment and Acceptance of Duties.

(a) The City hereby authorizes the City Finance Officer to act as or 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.

## ARTICLE VII

### Section 7.1. Call and Redemption of Sales Tax Revenue Refunding Bonds, Series 2011

The Sales Tax Revenue Refunding Bonds, Series 2011 shall be called on or after July 7, 2020 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 Council.

To comply with paragraph (b) (3) of Rule 15c2-12 of the Securities and Exchange Council 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 2020.
- (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.

#### 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.
- (d) Pursuant to Section 265(b)(3)(B)(ii) of the Code, the City hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. The City hereby represents that it does not anticipate that obligations bearing interest not includable in gross income for purposes of federal income taxation under Section 103 of the Code (including refunding obligations as provided in Section 265 (b) (3) of the Code and including "qualified 501 (c)(3) Bonds" but excluding other "private activity bonds," as defined in Sections 141(a) and 145(a) of the Code) will be issued by or on behalf of the City and all "subordinate entities" of the City in 2020 in an amount greater than \$10,000,000.

#### 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 Council 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 Mike Hanson, seconded by Evan Grong and upon roll call vote,

voted aye, Evan Grong, Mike Hanson, Scott Hoeke, Steve Wiener

voted nay,

Absent: Joel Foster, James Johnson

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

Pat Raffety, Mayor

Attest: Cynthia Schumacher, Finance Officer

February Salaries: Mayor/Council \$1,600; Finance \$15,486; Police \$27,032; Fire \$3,254; Street \$9,345; Rubble Site \$810; Park \$4,252; Water \$4,377; Wastewater \$10,288.

Planning & Zoning – The P&Z board will begin working with First District to redo Chapters 16 and 17 pertaining to subdivisions and zoning.

Upon recommendation of the P&Z commission, a motion was made and seconded to approve Resolution 3-9-20. Motion carried 4-0.

#### Resolution 3-9-20.

WHEREAS, the City Planning Commission of the City of Milbank, South Dakota, has progressed in its master planning to the stage of making and adoption of a major street plan, and has filed a certified copy of the Comprehensive Plan of the City of Milbank, which includes a major street plan, in the Office of the Register of Deeds of Grant County, South Dakota, thereby acquiring platting jurisdiction of land within the City of Milbank and adjacent to the corporate limits thereof; pursuant to the statutes in which such cases made and provided; and,

WHEREAS, Vera L. Reich by Matthew W. Reich as her attorney-in-fact, Matthew W. Reich, Roslyn R. Reich, also known as Roslyn R. Henson, and Vicki L. Reich, have applied for the approval of the Plat hereinafter described and the City Planning Commission of the City of Milbank having by resolution reported to the City Council on said Plat recommending approval thereof; and,

WHEREAS, the land surveyed and platted on said Plat is designed as:

“Lots 1, 2, and 3, Reich’s Fourth Addition, located in the Northwest Quarter of Section 12, Township 120 North, Range 49 West of the 5<sup>th</sup> P.M., Grant County, South Dakota”

BE IT RESOLVED by the City Council of the City of Milbank, South Dakota that the Plat of:

“Lots 1, 2, and 3, Reich’s Fourth Addition, located in the Northwest Quarter of Section 12, Township 120 North, Range 49 West of the 5<sup>th</sup> P.M., Grant County, South Dakota”

has been submitted for examination, and the Plat and survey thereof having been found to have been executed according to law, is hereby approved, and the City Finance Officer is hereby authorized to endorse on such Plat a copy of this Resolution and to certify the same.

The above foregoing Resolution was adopted upon roll call vote and regular meeting held on the 9<sup>th</sup> day of March, 2020.

Dated at Milbank, South Dakota this 9<sup>th</sup> day of March, 2020.

Pat Raffety, Mayor

February Permits:

Building Permits: James Christenson-207 N McBride St-residential garage. James Christenson-209 N McBride St-house/garage. Casey's Retail Company-901 E 4<sup>th</sup> Ave-commercial building.

Attorney – Mark Reedstrom stated Rick Hanson, owner of 600 W Milbank Ave, has begun to make progress in clearing the setback area. If stipulated conditions are not met by June 1, 2020 the City will abate the nuisance.

Airport – Administrator Forman reported the quarterly pilots meeting was held. New lease agreements were discussed. Attorney Reedstrom is close to closing on the second land purchase. Bob Babcock, Helms & Associates, reviewed the five-year CIP, which includes a new weather system and fuel terminal.

Wastewater – Flows are up due to the warmer weather. The annual biosolids report was filed. The first quarter toxicity test passed.

A motion was made and seconded to approve hiring Ryan Hilbrands as wastewater maintenance effective March 16, 2020, grade 4-1, \$17.24/hour. Motion carried 4-0.

Park – The ice rink was closed for the season and winter equipment was put away. They are getting the Summer equipment ready.

Unity Square – Mayor Raffety referred to the meeting held on February 24, 2020 at which the acquisition of Unity Square was discussed at length. A motion was made and seconded to approve the gift of Unity Square. Motion carried 4-0.

A motion was made and seconded to authorize the Mayor to sign the Memorandum of Understanding and Agreement executed between the City of Milbank and the Milbank Community Foundation. The memorandum stipulates improvements to be made by MCF in 2020 and the transfer of ownership to be January 1, 2021. Motion carried 4-0.

Mayor Raffety appointed the following to serve as a transition team: Councilmen Grong, Johnson, Hoeke, Administrator Forman and Mayor Raffety.

Police – Councilman Hanson gave the monthly report. Officer Zinter started training at the Academy in Pierre for 13 weeks.



Fire – The monthly report was read.

Adjourn –The next regular meeting will be April 13, 2020, at 7:00 PM. A motion was made and seconded to adjourn. Motion carried 4-0.

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Pat Raffety, Mayor

ATTEST

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Cynthia Schumacher, Finance Officer

Publish: 3-18-20

Publish once at the approximate cost of \$\_\_\_\_\_

#### CLAIMS

|                               |                    |    |           |
|-------------------------------|--------------------|----|-----------|
| Advanced Technologies Inc.    | shipping/equipment | \$ | 846.96    |
| Al's Body Shop                | repairs            | \$ | 1,414.00  |
| American Engineering Testing  | testing            | \$ | 123.85    |
| Ameripride Services Inc.      | rugs               | \$ | 94.45     |
| AT&T Mobility                 | cell phone         | \$ | 412.40    |
| Auto Value Parts Store        | parts              | \$ | 277.50    |
| Avera                         | CDL testing        | \$ | 168.55    |
| Banner Associates, Inc.       | plat review        | \$ | 99.00     |
| Companion Life Ins            | admin fee          | \$ | 10.00     |
| Corporate Technologies        | service agreement  | \$ | 584.00    |
| Cummins, Sharon               | animal control     | \$ | 273.84    |
| Design Electronics            | supplies           | \$ | 22.00     |
| Eastside Car Wash             | truck wash usage   | \$ | 34.84     |
| First Bank & Trust            | supplies           | \$ | 256.69    |
| Food-N-Fuel                   | gas                | \$ | 176.43    |
| Galeton                       | supplies           | \$ | 55.75     |
| Gesswein Motors               | vehicle repairs    | \$ | 296.76    |
| Grant County Auditor          | services           | \$ | 2,525.00  |
| Grant County Development Corp | allocations        | \$ | 17,500.00 |
| Grant County Review           | publications       | \$ | 307.24    |

|                                 |                            |              |
|---------------------------------|----------------------------|--------------|
| Hach Company                    | testing                    | \$ 139.00    |
| Hartman's Family Foods          | supplies                   | \$ 19.03     |
| Hawkins, Inc.                   | chemicals                  | \$ 381.46    |
| Heiman Fire Equipment           | equipment repairs/parts    | \$ 2,479.15  |
| Helms & Associates              | engineering                | \$ 690.00    |
| ITC                             | telephone/internet service | \$ 907.10    |
| J&J Earthworks Inc.             | snow removal               | \$ 6,226.25  |
| John Deere Financial            | parts/oil                  | \$ 610.73    |
| Kibble Equipment                | equipment repairs          | \$ 13,660.33 |
| Klesges-Waller, Lisa            | water protection agreement | \$ 2,975.00  |
| Midwest Powersports Inc.        | parts                      | \$ 214.98    |
| Milbank Area Chamber            | allocations                | \$ 14,500.00 |
| Milbank Fire Department         | building rent/education    | \$ 15,500.00 |
| Milbank Ford-Mercury            | parts                      | \$ 111.05    |
| Milbank Winwater                | parts                      | \$ 39.70     |
| Moldenhauer Trust, Norman       | water protection agreement | \$ 4,776.00  |
| Moldenhauer, LaVerna            | water protection agreement | \$ 14,576.00 |
| NAPA Auto Parts                 | parts/supplies             | \$ 606.01    |
| Norm's Auto & Truck Repair      | equipment repairs          | \$ 674.63    |
| Northern Lights Displays        | parts                      | \$ 53.59     |
| NW Energy                       | natural gas                | \$ 1,803.58  |
| Otter Tail Power Co.            | electric                   | \$ 18,562.04 |
| Peterson, Connie                | uniform repairs            | \$ 22.00     |
| Petty Cash                      | supplies/postage           | \$ 37.38     |
| Praxair Distribution Inc.       | service air system         | \$ 26.71     |
| Purchase Power                  | supplies                   | \$ 161.48    |
| RC Technologies Inc.            | services                   | \$ 45.95     |
| Roger's Electric Motor          | parts/supplies             | \$ 1,457.37  |
| Running's Supply, Inc.          | parts/supplies             | \$ 899.27    |
| S&D One Stop                    | gas/supplies               | \$ 284.92    |
| SD Assoc of Code Enforcement    | registration fee           | \$ 50.00     |
| SD Dept of Revenue & Regulation | sales tax                  | \$ 22.03     |
| SD One Call                     | one calls                  | \$ 4.20      |
| SDML                            | registration fee           | \$ 115.00    |
| Seehafer Hardware               | supplies                   | \$ 15.57     |
| Share Corp                      | supplies                   | \$ 815.89    |
| Sime Repair LLC                 | equipment repair           | \$ 1,436.12  |
| Star Laundry & Cleaners         | rugs                       | \$ 40.90     |
| Sturdevants Auto                | parts                      | \$ 625.29    |
| The Valley Shopper              | publications               | \$ 85.04     |
| Thiele, Darin                   | clothing allowance         | \$ 75.55     |
| Thomas Conveyor Co              | parts                      | \$ 1,990.38  |
| Twin Valley Tire                | tires/tire service         | \$ 1,043.00  |

|                               |                                |              |
|-------------------------------|--------------------------------|--------------|
| UPI                           | gas                            | \$ 1,349.87  |
| US Bank                       | bond payment                   | \$ 33,507.50 |
| US Postal Service             | postage                        | \$ 360.00    |
| USA Bluebook                  | supplies                       | \$ 772.81    |
| Valley Office Products        | supplies                       | \$ 271.40    |
| Valley Rental & Recycling LLC | recycling agreement/rental fee | \$ 674.00    |
| VanVooren, Boyd               | supplies                       | \$ 37.26     |
| Wherry Snow Removal           | snow removal                   | \$ 125.00    |
| Whetstone Home Center         | lumber/supplies                | \$ 636.52    |
| Whetstone Valley Electric     | electric/repairs               | \$ 682.83    |
| Wilbur Ellis                  | FBO Contract                   | \$ 1,200.00  |
| Wittrock & Sons               | metal pickup                   | \$ 90.00     |
| Xerox                         | copier lease                   | \$ 231.32    |
| Zem's Fresh Start             | DARE supplies                  | \$ 29.56     |

\$ 174,207.01