

# M Management Committee

Meeting date: April 25, 2012

## ADVISORY INFORMATION

<b>Date:</b>	April 19, 2012
<b>Subject:</b>	Authorization to Award General Obligation Bonds Within Established Financial Parameters
<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	Policy 3-1-2
<b>Staff Prepared/Presented:</b>	Allen Hoppe, Sr. Manager Treasury (651-602-1629)
<b>Division/Department:</b>	All

### Proposed Action

That the Metropolitan Council adopt parameters Resolution 2012-\_\_\_, 2012-\_\_\_, 2012-\_\_\_, 2012-\_\_\_, authorizing the issuance, sale and award of general obligation bonds and execution of other necessary documents to secure this financing. The proposed bonds constitute up to \$227 million (approximate) of new debt with up to \$99.15 million of older debt being simultaneously retired (refunded bonds). The individual bond issues are comprised of the following:

#### Capital Funding Purposes:

1. \$65.0 Million, General Obligation Wastewater Revenue Bonds, Series, 2012B
2. \$ 7.0 Million, General Obligation Park Bonds, Series 2012D

#### Combined Capital and Refunding Purposes:

3. \$58.0 Million (combined approximate), \$52 Million General Obligation Transit Capital and \$6.0 Million Refunding Bonds, Series 2012C

#### Refunding Purposes:

4. \$94.0 Million (approximate), General Obligation Wastewater Revenue Refunding Bonds, Series 2012E

### Background

About once per year the Council issues bonds to fund capital projects as described in its capital budget. Certain of the above bonds provide long-term financing for these various projects and purposes.

Council policy and state law requires that a debt instrument which is advance refunded for the purpose of lowering Council interest costs must result in a net present value ("NPV") savings of at least 3% of the debt service of the refunded bonds. Currently, the above described refunding bonds are expected to generate nearly \$9 million of NPV savings.

#### Parameters Resolutions

This action item authorizes staff to award sale of the bonds within parameters adopted by the Council as summarized in the below Rationale section and specified in the attached parameters resolutions. The parameters provide specific up-front information to the Council on expectations for the bond sales yet provide flexibility in setting the sale date to take advantage of the most advantageous interest rate conditions in the market place, make minor adjustments to the structure of refunding bonds, and give quicker award certainty to the underwriters which increases the attractiveness of our bonds to investors. After the sale, staff will provide the results to the Management Committee and Council.

## Rationale

The parameters established for the bond sales are included in the attached resolutions and their exhibits and appendices. Council staff will keep award of the bonds within the following parameters (next page):

Parameter	2012B	2012C	2012D	2012E
Sale Authorization Period (days)	90	120	90	120
Approx. Par to Issue (million \$)	\$65.0	\$58.0	\$7.0	\$97.0
Maximum Par to Refund (million \$)	n.a.	\$5.685*	n.a.	\$93.465
Minimum NPV Savings	n.a.	3%*	n.a.	3%
Bid Limit	\$64,350,000	\$57,028,950	\$6,972,000	\$93,604,792
Maximum True Interest Cost (%)	3.5%	3.10%	1.70%	2.80%

*\*Pertains to refunding bonds portion only.*

**Funding**—General obligation Parks and Transit bonds will be paid from property tax levies. General obligation Wastewater bonds will be paid from wastewater system revenues; although available as a resource, no property tax levies are expected. All general obligation refunding bonds and interest will first be paid from an escrow account until the call date at which time they will be paid from the same source as the bonds they refund.

**Known Support / Opposition**—None.

CERTIFICATION OF EXTRACT FROM MINUTES  
RELATING TO GENERAL OBLIGATION WASTEWATER  
REVENUE BONDS, SERIES 2012B

Issuer: Metropolitan Council, Minnesota

Governing Body: Council Members

Kind, date, time and place of meeting: A regular meeting held Wednesday, May 9, 2012, at 4:00 o'clock P.M., at 390 North Robert Street, St. Paul, Minnesota.

Members Present:

Members Absent:

Documents Attached:

Extract of minutes of said meeting including:

RESOLUTION NO. 2012-\_\_\_\_\_

RESOLUTION TO ISSUE AND SELL GENERAL  
OBLIGATION WASTEWATER REVENUE BONDS,  
SERIES 2012B FIXING THE FORM AND SPECIFICATIONS  
THEREOF, PROVIDING FOR THEIR EXECUTION AND  
DELIVERY

I, the undersigned, being the duly qualified and acting Recording Secretary of the Metropolitan Council, the public corporation issuing the bonds referred to in the title of this certificate, certify that the documents attached hereto, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been extracted; that said documents are correct and accurate copies of the resolution and related documents approved by the Council at its regular meeting held on May 9, 2012, so far as they relate to said bonds; and that said meeting was duly held by the governing body at the time and place and was attended by the members indicated above, pursuant to call and notice of such meeting given as required by law.

WITNESS my hand officially as such Recording Secretary on \_\_\_\_\_, 2012.

\_\_\_\_\_  
Emily Randleman, Recording Secretary

After some discussion, Council Member \_\_\_\_\_ introduced the following resolution and moved its adoption:

RESOLUTION TO ISSUE AND SELL GENERAL  
OBLIGATION WASTEWATER REVENUE BONDS,  
SERIES 2012B FIXING THE FORM AND SPECIFICATIONS  
THEREOF, PROVIDING FOR THEIR EXECUTION AND  
DELIVERY

The motion for the adoption of the foregoing resolution was seconded by Council Member \_\_\_\_\_, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

and the following were absent for the vote:

whereupon the resolution was declared duly passed and adopted and was signed by the Chair whose signature was attested by the Recording Secretary.

RESOLUTION TO ISSUE AND SELL GENERAL  
OBLIGATION WASTEWATER REVENUE BONDS,  
SERIES 2012B FIXING THE FORM AND SPECIFICATIONS  
THEREOF, PROVIDING FOR THEIR EXECUTION AND  
DELIVERY

BE IT RESOLVED by the Metropolitan Council (the “Council” or the “Issuer”), as follows:

SECTION 1. AUTHORIZATION AND SALE.

1.1 Authorization and Purpose. This Council determines that it is necessary to sell and issue its General Obligation Wastewater Revenue Bonds, (the “Bonds”), in the approximate aggregate principal amount of \$65,000,000, subject to adjustment as provided in the Terms of Proposal referred to in Section 1.2 hereof, pursuant to Minnesota Statutes, Section 473.541 and Chapter 475, to provide financing for the acquisition and betterment of interceptors and treatment works for the metropolitan Wastewater disposal system.

1.2 Terms of Bond Sale; Notices. The Council has retained Springsted Incorporated, St. Paul, Minnesota (“Springsted”) as independent financial advisor, and while the Council will set a date and time for receipt of proposals as hereinafter provided, pursuant to Minnesota Statutes, Section 475.60, subdivision 2, paragraph 9, Springsted is hereby authorized to solicit proposals for the Bonds on behalf of the Council on a competitive basis without requirement of published notice. The terms of the Bonds and the sale thereof shall be substantially as set forth in the Terms of Proposal attached as Exhibit A hereto, which is hereby approved. The Council hereby determines to sell the Bonds in accordance with the procedures set forth in Exhibit A. The specifications set forth in Exhibit A may be revised by the Chief Financial Officer in consultation with Springsted, provided that the principal amount of Bonds authorized and issued hereunder, shall not exceed \$65,000,000. The Council hereby delegates to the Chief Financial Officer, or the Chief Financial Officer’s designee, authority to consider the proposals and award the sale not later than 90 days from the date hereof based upon the best proposal, provided that the true interest cost of the Bonds shall not exceed a rate of 3.50% per annum.

SECTION 2. BOND TERMS; REGISTRATION; EXECUTION AND DELIVERY

2.1 Maturities; Interest Rates; Denominations and Payment. The Bonds shall be originally dated as of June 15, 2012, shall be in the denomination of \$5,000 each, or any integral multiple thereof, shall mature on September 1 in the respective years and amounts stated in the respective Terms of Proposal, and shall bear interest from date of issue until paid at the respective annual rates established pursuant to Section 1.2 hereof.

The Bonds shall be issuable only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof shall be payable by wire transfer, check or draft issued by the Registrar described herein; provided that, so long as the Bonds are registered in the name of a securities depository, or a nominee thereof, in accordance with paragraph 3 of

Exhibit C hereto, principal and interest shall be payable in accordance with the operational arrangements of the securities depository.

2.2 Dates and Interest Payment Dates. Upon initial delivery of the Bonds pursuant to Section 2.6 hereof, and upon any subsequent transfer or exchange pursuant to paragraph 2 of Exhibit C hereto, the date of authentication shall be noted on each Bond so delivered, exchanged or transferred. Interest on the Bonds shall be payable on March 1 and September 1 in each year, commencing March 1, 2013, to the owner of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not such day is a business day.

2.3 Redemption. The Chief Financial Officer may permit prospective proposers to designate any portion of the principal of a series of Bonds to be combined within one or more term Bonds of such series subject to mandatory sinking fund redemption.

The Bonds shall be subject to redemption and payment prior to maturity at the option of the Council in such order of maturity as the Council may determine on the dates, at the prices, and for the maturities as provided in Exhibit A hereto, as applicable. Thirty (30) days' mailed notice of any such redemption shall be given to the registered owners of the Bonds to be redeemed pursuant to Minnesota Statutes, Chapter 475.

2.4 Appointment of Initial Registrar. The Issuer hereby appoints the Chief Financial Officer of the Council, in St. Paul, Minnesota, as the initial bond registrar, transfer agent and paying agent (the "Registrar"). The Issuer reserves the right to change the Registrar upon thirty (30) days notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Bonds in its possession to the successor Registrar and shall deliver the bond register to the successor Registrar.

2.5 Registration. The effect of registration and the rights and duties of the Issuer and the Registrar with respect thereto are set forth in paragraph 2 of Exhibit C hereto.

2.6 Execution, Authentication and Delivery. The Bonds shall be executed on behalf of the Issuer by the signatures of the Chair and the Treasurer, provided that the signatures may be printed, engraved or lithographed facsimiles of the originals. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of any Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Notwithstanding such execution, no Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on the Bond has been duly executed by the manual signature of the Registrar. The executed certificate of authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been prepared, executed and authenticated, the Bonds shall be delivered to the Purchaser upon payment of the purchase price in accordance with the contract of sale hereinafter executed therefor, and the Purchaser shall not be obligated to see to the application of the purchase price.

2.7 Form of Bonds. The Bonds shall be prepared in substantially the form set forth in paragraph 1 of Exhibit C hereto.

### SECTION 3. PAYMENT, SECURITY AND COVENANTS.

3.1. (a) The Issuer will create and continue to operate its Wastewater Fund to which will be credited all gross revenues of the Wastewater disposal system and out of which will be paid all normal and reasonable expenses of current operations of the Wastewater disposal system. Any balance therein is deemed net revenue and will be transferred pro rata, except for funds in a Wastewater operating reserve and contingency fund, from time to time, to a General Obligation Wastewater Revenue Bonds, Bond Fund hereby created for the Bonds authorized and issued hereunder (the "Bond Fund"), and to other Wastewater bond funds similarly authorized, which funds will be used only to pay principal of and interest on the Bonds and any other bonds similarly authorized. There shall also be transferred to the Bond Fund of general taxes hereafter levied for such series. There will also be retained in the Bond Fund of a sufficient amount to pay principal of and interest on the Bonds, and the Secretary must report any current or anticipated deficiency in such Bond Fund of the Issuer to the Registrar. There is hereby appropriated and shall be paid to the Bond Fund of accrued interest and any premium on the sale of the Bonds received from the Purchaser of the Bonds.

(b) Upon payment for the Bonds by the Purchaser thereof, the Chief Financial Officer shall credit the remaining proceeds of the Bonds, together with any other funds appropriated during the construction of the projects financed by the Bonds (the "Projects"), to a separate construction fund (the "Construction Fund") to be used solely to defray expenses of the Projects financed by the Bonds and the payment of principal and interest on the Bonds prior to the completion and payment of all costs of the Projects. When the Projects financed by the Bonds are completed and the cost thereof paid, the Construction Fund is to be closed and any balance therein is to be deposited in the Bond Fund.

3.2. The Issuer covenants and agrees with the holders, from time to time, of the Bonds that so long as any of the Bonds remain outstanding and unpaid, it will keep and enforce the following covenants and agreements:

(a) The Issuer will continue to maintain and efficiently operate the Wastewater disposal system as public utilities and conveniences free from competition of other like utilities to the extent permitted by law and will cause all revenues therefrom to be deposited in bank accounts and credited to the Wastewater disposal system accounts as herein above provided, and will make no expenditures from those accounts except for a duly authorized purpose and in accordance with this resolution.

(b) The Issuer will maintain the bond fund as a separate account in the Debt Service Funds of the Issuer and will cause money to be credited thereto from time to time, out of net revenues from the Wastewater disposal system in sums sufficient to pay principal of and interest on the Bonds when due.

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

(d) The Issuer will cause the funds collected on account of the operations of the Wastewater disposal system to be deposited in a bank whose deposits are guaranteed up to the limits established under the Federal Deposit Insurance law and where collateral or insurance is provided for deposits in excess of limits specified by the Federal Deposit Insurance Act, which funds may be subsequently invested pursuant to state law and federal law.

(e) The Issuer will keep the Wastewater disposal system insured at all times against loss by fire, tornado and other risks customarily insured against with an insurer or insurers in good standing, or by self-insuring, in such amounts as are customary for like plants, to protect the holders, from time to time, of the Bonds and the Issuer from any material loss due to any such casualty and will apply the proceeds of such insurance to make good any such loss.

(f) The Issuer and each and all of its officers will punctually perform all duties with reference to the Wastewater disposal system as required by law.

(g) The Issuer will impose and collect charges for Wastewater disposal services at the times and in the amounts required to produce, with other moneys on hand and lawfully available for the purpose, net revenues adequate to pay all principal and interest when due on the Bonds.

(h) The Issuer will levy general ad valorem taxes on all taxable property in the Minneapolis-St. Paul metropolitan area, when required to meet any deficiency in net revenues.

**SECTION 4. PLEDGE OF TAXING POWERS.** It is hereby determined that the estimated collections of net Wastewater disposal system revenues, together with other available monies designated by the Council for such purposes, will produce at least five percent in excess of the amount needed to meet when due, the principal and interest payments on the Bonds and no tax levy is required at this time. However, the Issuer covenants and agrees that if and to the extent necessary to provide moneys sufficient to pay the principal of and interest on the Bonds when due, it will levy on all taxable property in the Minneapolis-St. Paul metropolitan area comprising the Counties of Anoka, Carver, Dakota (excluding the City of Northfield), Hennepin (excluding the Cities of Hanover and Rockford), Ramsey, Scott (excluding the City of New Prague), and Washington, a direct, irrevocable ad valorem tax for this purpose, the collections of which shall be deposited in the respective bond fund.

**SECTION 5. DEFEASANCE.** When all of the Bonds have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the registered owners of such Bonds shall cease. The Issuer may discharge its obligations with respect to any Bonds



which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; or, if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued from the due date to the date of such deposit. The Issuer may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank qualified by law as an escrow agent for this purpose, cash or securities which are authorized by law to be so deposited, bearing interest payable at such time and at such rates and maturing or callable at the holder's option on such dates as shall be required to pay all principal and interest to become due thereon to maturity or said redemption date.

## SECTION 6. CERTIFICATION OF PROCEEDINGS.

6.1 Registration of Bonds. The Chief Financial Officer is hereby authorized and directed to file a certified copy of this resolution and such additional certificates as may be required with the County Auditors of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties and to obtain from each County Auditor a certificate, prepared in substantially the form set forth respectively in Exhibit D hereto, that the Bonds have been duly entered upon the Auditor's bond register.

6.2 Authentication of Transcript. The officers of the Issuer and County Auditors of the Counties specified in Section 6.1 are hereby authorized and directed to prepare and furnish to the Purchaser and to Kennedy & Graven, Chartered, Bond Counsel, certified copies of all proceedings and records relating to the Bonds and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds, as the same appear from the books and records in their custody and control or as otherwise known to them, and all such certified copies, affidavits and certificates, including any heretofore furnished, shall be deemed representations of the Issuer as to the correctness of all statements contained therein.

6.3 Official Statement. The Council staff, in cooperation with Springsted, is hereby authorized and directed to prepare on behalf of the Council an official statement (the "Official Statement") to be distributed to potential purchasers of the Bonds. The Official Statement shall contain the Terms of Proposal for the Bonds, as set forth in Section 1.2 hereof, and such other information as shall be deemed advisable and necessary to describe adequately the Council and the Bonds, and the security and terms and conditions thereof. The final Official Statement shall be in the form approved by the Chief Financial Officer.

## SECTION 7. TAX COVENANTS; ARBITRAGE MATTERS AND CONTINUING DISCLOSURE.

7.1 No Designation as Qualified Tax-Exempt Obligations. The Bonds are not designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

7.2 Tax Covenants. The Projects financed with the proceeds of the Bonds will be owned and maintained by the Issuer so long as the Bonds are outstanding and will be publicly

available. The Issuer will not enter into any lease, use agreement, management agreement or other agreement or contract with any non-governmental person relating to the use of the improvements which might cause the Bonds to be considered “private activity bonds” or “private loan bonds” pursuant to Section 141 of the Code.

7.3 Arbitrage Certification. The Chair and Treasurer, being the officers of the Issuer charged with the responsibility for issuing the Bonds pursuant to this resolution, are authorized and directed to execute and deliver to the Purchaser a certificate in accordance with the provisions of Section 148 of the Code, and Section 1.148-2(b) of the Regulations, stating the facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds which make it reasonable to expect that the proceeds of such Bonds will not be used in a manner that would cause such Bonds to be arbitrage bonds within the meaning of the Code and Regulations.

7.4 Arbitrage Rebate. The Issuer acknowledges that the Bonds are subject to the rebate requirements of Section 148(f) of the Code. The Issuer covenants and agrees to retain such records, make such determinations, file such reports and documents and pay such amounts at such times as are required under said Section 148(f) and applicable Regulations to preserve the exclusion of interest on the Series 2012B Bonds from gross income for federal income tax purposes, unless the Bonds qualify for an exception from the rebate requirement pursuant to one of the spending exceptions set forth in Section 1.148-7 of the Regulations and no “gross proceeds” of the Bonds (other than amounts constituting a “bona fide debt service fund”) arise during or after the expenditure of the original proceeds thereof.

7.5 Continuing Disclosure. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit the original Purchaser and other participating underwriters in the primary offering of the Bonds to comply with amendments to Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the “Rule”), which will enhance the marketability of the Bonds, the Issuer hereby makes the covenants and agreements in Exhibit B hereto for the benefit of the Owners (as defined in Exhibit B) from time to time of the outstanding Bonds. The Chief Financial Officer shall have overall responsibility for compliance with the Undertaking of Continuing Disclosure and other similar undertakings hereafter made by the Council under Rule 15c2-12(b)(5), and the Chief Financial Officer shall implement the dissemination of reports and notices thereunder. Amendments permitted by the undertakings necessitated by a change in circumstances that arises from a change in legal requirements, or change in law may be made by the Chief Financial Officer.

SECTION 8. BOND RATINGS. The Chief Financial Officer is authorized and directed to obtain ratings of the Bonds from up to three nationally recognized credit rating services, to pay the reasonable and customary charges of such rating services, and to take such other action as may be required so that the Bonds may be issued and sold as contemplated hereby.

SECTION 9. SEVERABILITY. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

SECTION 10. HEADINGS. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

Adopted: May 9, 2012.

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Emily Randleman, Recording Secretary

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Susan Haigh, Chair

## EXHIBIT A

THE COUNCIL HAS AUTHORIZED SPRINGSTED INCORPORATED TO NEGOTIATE THIS ISSUE ON ITS BEHALF. PROPOSALS WILL BE RECEIVED ON THE FOLLOWING BASIS:

### TERMS OF PROPOSAL

\$65,000,000\*

METROPOLITAN COUNCIL  
(MINNEAPOLIS-ST. PAUL METROPOLITAN AREA)  
STATE OF MINNESOTA

GENERAL OBLIGATION WASTEWATER REVENUE BONDS, SERIES 2012B  
(BOOK ENTRY ONLY)

Proposals for the Bonds and the Good Faith Deposit ("Deposit") will be received on Tuesday, June 5, 2012, until 10:00 A.M., Central Time, at the offices of Springsted Incorporated, 380 Jackson Street, Suite 300, Saint Paul, Minnesota, after which time proposals will be opened and tabulated. Consideration for award of the Bonds will be by the Chief Financial Officer or it's designee immediately follow the opening of proposals.

### SUBMISSION OF PROPOSALS

Springsted will assume no liability for the inability of the bidder to reach Springsted prior to the time of sale specified above. All bidders are advised that each Proposal shall be deemed to constitute a contract between the bidder and the Council to purchase the Bonds regardless of the manner in which the Proposal is submitted.

(a) **Sealed Bidding.** Proposals may be submitted in a sealed envelope or by fax (651) 223-3046 to Springsted. Signed Proposals, without final price or coupons, may be submitted to Springsted prior to the time of sale. The bidder shall be responsible for submitting to Springsted the final Proposal price and coupons, by telephone (651) 223-3000 or fax (651) 223-3046 for inclusion in the submitted Proposal.

**OR**

(b) **Electronic Bidding.** Notice is hereby given that electronic proposals will be received via PARITY®. For purposes of the electronic bidding process, the time as maintained by PARITY® shall constitute the official time with respect to all Bids submitted to PARITY®. *Each bidder shall be solely responsible for making necessary arrangements to access PARITY® for purposes of submitting its electronic Bid in a timely manner and in compliance with the requirements of the Terms of Proposal.* Neither the Council, its agents nor PARITY® shall have any duty or obligation to undertake registration to bid for any prospective bidder or to provide or ensure electronic access to any qualified prospective bidder, and neither the Council, its agents nor PARITY® shall be responsible for a bidder's failure to register to bid or for any failure in the proper operation of, or have any liability for any delays or interruptions of or any damages caused by the services of PARITY®. The Council is using the services of PARITY® solely as a communication mechanism to conduct the electronic bidding for the Bonds, and PARITY® is not an agent of the Council.

If any provisions of this Terms of Proposal conflict with information provided by PARITY®, this Terms of Proposal shall control. Further information about PARITY®, including any fee charged, may be obtained from:

PARITY®, 1359 Broadway, 2<sup>nd</sup> Floor, New York, New York 10018  
Customer Support: (212) 849-5000

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\* Preliminary; subject to change.

## DETAILS OF THE BONDS

The Bonds will be dated June 15, 2012, as the date of original issue, and will bear interest payable on March 1 and September 1 of each year, commencing March 1, 2013. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Bonds will mature September 1 in the years and amounts\* as follows:

2013	\$1,400,000	2018	\$2,000,000	2023	\$3,710,000	2028	\$3,710,000
2014	\$3,750,000	2019	\$3,710,000	2024	\$3,710,000	2029	\$3,250,000
2015	\$3,750,000	2020	\$3,710,000	2025	\$3,710,000	2030	\$3,250,000
2016	\$2,000,000	2021	\$3,710,000	2026	\$3,710,000	2031	\$3,250,000
2017	\$2,000,000	2022	\$3,710,000	2027	\$3,710,000	2032	\$3,250,000

\* *The Council reserves the right, after proposals are opened and prior to award, to increase or reduce the principal amount of the Bonds or the maturity amounts offered for sale. Any such increase or reduction will be made in multiples of \$5,000 in any of the maturities. In the event the principal amount of the Bonds is increased or reduced, any premium offered or any discount taken by the successful bidder will be increased or reduced by a percentage equal to the percentage by which the principal amount of the Bonds is increased or reduced.*

Proposals for the Bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds. All term bonds shall be subject to mandatory sinking fund redemption at a price of par plus accrued interest to the date of redemption and must conform to the maturity schedule set forth above. In order to designate term bonds, the proposal must specify "Years of Term Maturities" in the spaces provided on the Proposal Form.

## BOOK ENTRY SYSTEM

The Bonds will be issued by means of a book entry system with no physical distribution of Bonds made to the public. The Bonds will be issued in fully registered form and one Bond, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository of the Bonds. Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the registrar to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The purchaser, as a condition of delivery of the Bonds, will be required to deposit the Bonds with DTC.

## REGISTRAR

The Chief Financial Officer of the Council will serve as registrar.

## OPTIONAL REDEMPTION

The Council may elect on September 1, 2022, and on any day thereafter, to prepay Bonds due on or after September 1, 2023. Redemption may be in whole or in part and if in part at the option of the Council and in such manner as the Council shall determine. If less than all Bonds of a maturity are called for redemption, the Council will notify DTC of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All prepayments shall be at a price of par plus accrued interest.

## SECURITY AND PURPOSE

The Bonds will be general obligations of the Council for which the Council will pledge its full faith and credit and power to levy direct general ad valorem taxes. In addition, the Council will pledge net revenues of the Metropolitan wastewater disposal system. The proceeds will be used to finance improvements and/or acquisitions to the Metropolitan wastewater system.

## BIDDING PARAMETERS

Proposals shall be for not less than \$64,350,000 and accrued interest on the total principal amount of the Bonds.

No proposal can be withdrawn or amended after the time set for receiving proposals unless the meeting of the Council scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made. Rates shall be in integral multiples of 5/100 or 1/8 of 1%. Rates are not required to be in level or ascending order; however, the rate for any maturity cannot be more than 1% lower than the highest rate of any of the preceding maturities. Bonds of the same maturity shall bear a single rate from the date of the Bonds to the date of maturity. No conditional proposals will be accepted.

## GOOD FAITH DEPOSIT

Proposals, regardless of method of submission, shall be accompanied by a Deposit in the amount of \$650,000, in the form of a certified or cashier's check, a wire transfer, or Financial Surety Bond and delivered to Springsted Incorporated prior to the time proposals will be opened. Each bidder shall be solely responsible for the timely delivery of their Deposit whether by check, wire transfer or Financial Surety Bond. Neither the Council nor Springsted Incorporated have any liability for delays in the transmission of the Deposit.

Any Deposit made by **certified or cashier's check** should be made payable to the Council and delivered to Springsted Incorporated, 380 Jackson Street, Suite 300, St. Paul, Minnesota 55101.

Any Deposit sent via **wire transfer** should be sent to Springsted Incorporated as the Council's agent according to the following instructions:

Wells Fargo Bank, N.A., San Francisco, CA 94104  
ABA #121000248  
for credit to Springsted Incorporated, Account #635-5007954  
Ref: Metropolitan Council Series 2012B Good Faith Deposit

Contemporaneously with such wire transfer, the bidder shall send an e-mail to [bond\\_services@springsted.com](mailto:bond_services@springsted.com), including the following information; (i) indication that a wire transfer has been made, (ii) the amount of the wire transfer, (iii) the issue to which it applies, and (iv) the return wire instructions if such bidder is not awarded the Bonds.

Any Deposit made by the successful bidder by check or wire transfer will be delivered to the Council following the award of the Bonds. Any Deposit made by check or wire transfer by an unsuccessful bidder will be returned to such bidder following Council action relative to an award of the Bonds.

If a **Financial Surety Bond** is used, it must be from an insurance company licensed to issue such a bond in the State of Minnesota and pre-approved by the Council. Such bond must be submitted to Springsted Incorporated prior to the opening of the proposals. The Financial Surety Bond must identify each underwriter whose Deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to an underwriter using a Financial Surety Bond, then

that underwriter is required to submit its Deposit to the Council in the form of a certified or cashier's check or wire transfer as instructed by Springsted Incorporated not later than 3:30 P.M., Central Time on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the Council to satisfy the Deposit requirement.

The Deposit received from the purchaser, the amount of which will be deducted at settlement, will be deposited by the Council and no interest will accrue to the purchaser. In the event the purchaser fails to comply with the accepted proposal, said amount will be retained by the Council.

#### AWARD

The Bonds will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis. The Council's computation of the interest rate of each proposal, in accordance with customary practice, will be controlling.

The Council will reserve the right to: (i) waive non-substantive informalities of any proposal or of matters relating to the receipt of proposals and award of the Bonds, (ii) reject all proposals without cause, and (iii) reject any proposal that the Council determines to have failed to comply with the terms herein.

#### BOND INSURANCE AT PURCHASER'S OPTION

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the underwriter, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the purchaser of the Bonds. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the purchaser, except that, if the Council has requested and received a rating on the Bonds from a rating agency, the Council will pay that rating fee. Any other rating agency fees shall be the responsibility of the purchaser.

Failure of the municipal bond insurer to issue the policy after Bonds have been awarded to the purchaser shall not constitute cause for failure or refusal by the purchaser to accept delivery on the Bonds.

#### CUSIP NUMBERS

If the Bonds qualify for assignment of CUSIP numbers such numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the purchaser to accept delivery of the Bonds. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the purchaser.

#### SETTLEMENT

Within 40 days following the date of their award, the Bonds will be delivered without cost to the purchaser through DTC in New York, New York. Delivery will be subject to receipt by the purchaser of an approving legal opinion of Kennedy & Graven, Chartered of Minneapolis, Minnesota, and of customary closing papers, including a no-litigation certificate. On the date of settlement, payment for the Bonds shall be made in federal, or equivalent, funds that shall be received at the offices of the Council or its designee not later than 12:00 Noon, Central Time. Unless compliance with the terms of payment for the Bonds has been made impossible by action of the Council, or its agents, the purchaser shall be liable to the Council for any loss suffered by the Council by reason of the purchaser's non-compliance with said terms for payment.

## CONTINUING DISCLOSURE

In accordance with SEC Rule 15c2-12(b)(5), the Council will undertake, pursuant to the resolution awarding sale of the Bonds, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Official Statement. The purchaser's obligation to purchase the Bonds will be conditioned upon receiving evidence of this undertaking at or prior to delivery of the Bonds.

## OFFICIAL STATEMENT

The Council has authorized the preparation of an Official Statement containing pertinent information relative to the Bonds, and said Official Statement will serve as a nearly final Official Statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. For copies of the Official Statement or for any additional information prior to sale, any prospective purchaser is referred to the Financial Advisor to the Council, Springsted Incorporated, 380 Jackson Street, Suite 300, Saint Paul, Minnesota 55101, telephone (651) 223-3000.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law, shall constitute a "Final Official Statement" of the Council with respect to the Bonds, as that term is defined in Rule 15c2-12. By awarding the Bonds to any underwriter or underwriting syndicate submitting a proposal therefor, the Council agrees that, no more than seven business days after the date of such award, it shall provide without cost to the senior managing underwriter of the syndicate to which the Bonds are awarded 250 copies of the Official Statement and the addendum or addenda described above. The Council designates the senior managing underwriter of the syndicate to which the Bonds are awarded as its agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter delivering a proposal with respect to the Bonds agrees thereby that if its proposal is accepted by the Council (i) it shall accept such designation and (ii) it shall enter into a contractual relationship with all Participating Underwriters of the Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

Dated May 9, 2012

BY ORDER OF THE METROPOLITAN COUNCIL

*/s/ Wes Kooistra*  
Chief Financial Officer



## EXHIBIT B

### CONTINUING DISCLOSURE UNDERTAKING

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

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

(1) on or before 270 days after the end of each fiscal year of the Issuer, commencing with the fiscal year ending December 31, 2011, the following financial information and operating data in respect of the Issuer (the Disclosure Information):

(A) the audited financial statements of the Issuer for such fiscal year, accompanied by the audit report and opinion of the accountant or government auditor relating thereto, as permitted or required by the laws of the State of Minnesota, containing balance sheets as of the end of such fiscal year and a

statement of operations, changes in fund balances and cash flows for the fiscal year then ended, showing in comparative form such figures for the preceding fiscal year of the Issuer, prepared in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board or as otherwise provided under Minnesota law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the Issuer, noting the discrepancies therefrom and the effect thereof, and certified as to accuracy and completeness in all material respects by the fiscal officer of the Issuer; and

(B) to the extent not included in the financial statements referred to in paragraph (A) hereof, the information for such fiscal year or for the period most recently available of the type contained in the Official Statement under headings: “Indebtedness of the Council and Its Agencies,” “Council Property Values” and “Council Financial Information,” which information may be unaudited.

Notwithstanding the foregoing paragraph, if the audited financial statements are not available by the date specified, the Issuer shall provide on or before such date unaudited financial statements in the format required for the audited financial statements as part of the Disclosure Information and, within 10 days after the receipt thereof, the Issuer shall provide the audited financial statements. Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, that have been filed with the SEC or have been made available to the public on the Internet Web sit of the Municipal Securities Rulemaking Board (the MSRB). The Issuer shall clearly identify in the Disclosure Information each document so incorporated by reference. If any part of the Disclosure Information can no longer be generated because the operations of the Issuer have materially changed or been discontinued, such Disclosure Information need no longer be provided if the Issuer includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other Issuer operations in respect of which data is not included in the Disclosure Information and the Issuer determines that certain specified data regarding such replacement operations would be a Material Fact (as defined in paragraph (3) hereof), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations. If the Disclosure Information is changed or this section is amended as permitted by this paragraph (b)(1), then the Issuer shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

(2) In a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of any of the following events (each a “Material Fact”):

(A) Principal and interest payment delinquencies;

- (B) Non-payment related defaults, if material;
- (C) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (D) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (E) Substitution of credit or liquidity providers, or their failure to perform;
- (F) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (G) Modifications to rights of security holders, if material;
- (H) Bond calls, if material, and tender offers;
- (I) Defeasances;
- (J) Release, substitution, or sale of property securing repayment of the securities, if material; and
- (K) Rating changes;
- (L) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (M) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (N) Appointment of a successor or additional trustee or the change of name of a trustee, if material; and
- (O) Failure of an issuer or obligated person to provide annual financial information as required.

As used herein, a “Material Fact” is a fact as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public. Notwithstanding the foregoing sentence, a “Material Fact” is also an event that would be deemed “material” for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

(3) In a timely manner, notice of the occurrence of any of the following events or conditions:

(A) the failure of the Issuer to provide the Disclosure Information required under paragraph (b)(1) at the time specified thereunder;

(B) the amendment or supplementing of this section pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the Issuer under subsection (d)(2);

(C) the termination of the obligations of the Issuer under this section pursuant to subsection (d);

(D) any change in the accounting principles pursuant to which the financial statements constituting a portion of the Disclosure Information or the audited financial statements, if any, furnished pursuant to subsection (b)(2) or (3) are prepared; and

(E) any change in the fiscal year of the Issuer.

(c) Manner of Disclosure.

(1) The Issuer agrees to make available to the MSRB, in an electronic format as prescribed by the MSRB from time to time, the information described in subsection (b).

(2) The Issuer further agrees to make available, by electronic transmission, overnight delivery, mail or other means, as appropriate, the information described in subsection (b) to any rating agency then maintaining a rating of the Bonds at the request of the Issuer and, at the expense of such Bondowner, to any Bondowner who requests in writing such information, at the time of transmission under paragraph (1) of this subsection (c), or, if such information is transmitted with a subsequent time of release, at the time such information is to be released.

(3) All documents provided to the MSRB pursuant to this subsection (c) shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(d) Term; Amendments; Interpretation.

(1) The covenants of the Issuer in this section shall remain in effect so long as any Bonds are outstanding. Notwithstanding the preceding sentence, however, the obligations of the Issuer under this section shall terminate and be without further effect as of any date on which the Issuer delivers to the Registrar an opinion of Issuer's current Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the Issuer to comply with the requirements of this section will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.

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

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

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

**EXHIBIT C**

1. The Series 2012B Bonds, the Registrar’s Authentication Certificate, and the form of assignment shall be in substantially the following form:

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
ANOKA, CARVER, DAKOTA, HENNEPIN, RAMSEY, SCOTT AND  
WASHINGTON COUNTIES

METROPOLITAN COUNCIL  
(Minneapolis-St. Paul Metropolitan Area)

GENERAL OBLIGATION WASTEWATER REVENUE BOND, SERIES 2012B

No. R-\_\_\_\_\_ \$\_\_\_\_\_

<u>Rate</u>	<u>Date of Maturity</u>	<u>Original Issue</u>	<u>CUSIP</u>
	September 1, 20__	June 15, 2012	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: DOLLARS

METROPOLITAN COUNCIL, a public corporation having jurisdiction over the Minneapolis-St. Paul metropolitan area comprising the Counties of Anoka, Carver, Dakota (excluding the City of Northfield), Hennepin (excluding the Cities of Hanover and Rockford), Ramsey, Scott (excluding the City of New Prague), and Washington, Minnesota (the “Issuer”), acknowledges itself to be indebted and for value received hereby promises to pay to the registered owner specified above, or registered assigns, the principal amount specified above on the maturity date specified above and promises to pay interest thereon from the date of original issue specified above or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for, at the annual rate specified above, payable on March 1 and September 1 in each year, commencing March 1, 2013 (each such date, an “Interest Payment Date”). The interest so payable on any Interest Payment Date shall be paid to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding such Interest Payment Date. Interest hereon shall be computed on the basis of a 360-day year composed of twelve 30-day months. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by wire transfer, check or draft by the Chief Financial Officer of the Metropolitan Council, Minnesota, as Registrar and Paying Agent, or its designated successor under the Resolution (as hereinafter defined) described

herein (the "Registrar"). For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

This Bond is one of an issue in the aggregate principal amount of \$\_\_\_\_\_ issued pursuant to a resolution adopted by the Council on May 9, 2012 (the "Resolution"), to finance the acquisition and betterment of interceptors and treatment works for the metropolitan Wastewater disposal system, and is issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota thereunto enabling, including Minnesota Statutes, Chapters 473 and 475. The Bonds are issuable only in fully registered form, in denominations of \$5,000 or any integral multiple thereof, of single maturities.

Bonds maturing on September 1, 20\_\_ and thereafter are each subject to redemption and prepayment at the option of the Issuer, in whole or in part, and if in part in such order of maturity dates as the Issuer may select and by lot as selected by Registrar (or, if applicable, by the bond depository in accordance with its customary procedures) in multiples of \$5,000 as to Bonds maturing on the same date, on September 1, 20\_\_, and on any date thereafter, at a price equal to the principal amount thereof plus accrued interest to the date of redemption.

[Bonds maturing on September 1, 20\_\_, September 1, 20\_\_, September 1, 20\_\_ and September 1, 20\_\_ shall be subject to mandatory redemption prior to maturity by lot, as selected by the Registrar (or, if applicable, by the bond depository in accordance with its customary procedures), at the principal amount to be redeemed, plus accrued interest thereon to the date of redemption and without premium, on the following dates and in the following amounts:

<u>September 1, 20</u> Term Bond		<u>September 1, 20</u> Term Bond	
<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
<u>September 1, 20</u> Term Bond		<u>September 1, 20</u> Term Bond	
<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>

\*Final Maturity]

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

the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

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

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

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the Issuer in accordance with its terms, have been done, do exist, have happened and have been performed as so required; that the issuance of this Bond does not cause the indebtedness of the Issuer to exceed any constitutional or statutory limitation of indebtedness; that in and by the Resolution the Issuer has covenanted and agreed that it will continue to own and operate the metropolitan Wastewater disposal system free from competition by other like utilities; that adequate insurance on said plant and system will be carried; that proper and adequate books of account will be kept showing all receipts and disbursements relating to the Wastewater Fund, into which it will pay all of the gross revenues from the Wastewater disposal system; that it will also create and maintain a General Obligation Wastewater Revenue Bonds, Series 2012B Bond Fund, into which it will pay, out of the net revenues of the Wastewater disposal system, a sum sufficient to pay principal hereof and interest hereon when due; and that it will provide, by ad valorem tax levies, for any deficiency in required net Wastewater disposal system revenues; and that the opinion printed hereon is a full, true and correct copy of the legal opinion given by Bond Counsel with reference to the Bonds, dated as of the date of original delivery of the Bonds.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon shall have been executed by the manual signature of the Registrar.



IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed on its behalf by the facsimile signatures of the Chair and Treasurer.

METROPOLITAN COUNCIL, MINNESOTA

\_\_\_\_\_  
(Facsimile Signature Treasurer)

\_\_\_\_\_  
(Facsimile Signature Chair)

CERTIFICATE OF AUTHENTICATION

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

Date of Authentication: \_\_\_\_\_

CHIEF FINANCIAL OFFICER,  
METROPOLITAN COUNCIL, MINNESOTA,  
as Registrar

By \_\_\_\_\_

\_\_\_\_\_

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

TEN COM --as tenants in common

UTMA ..... as Custodian for .....  
(Cust) (Minor)  
under Uniform Transfers to Minors Act .....  
(State)

TEN ENT --as tenants by the entireties

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

Additional abbreviations may also be used.

\_\_\_\_\_

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto  
\_\_\_\_\_  
the within Bond and all rights thereunder, and does hereby irrevocably constitute and appoint  
\_\_\_\_\_  
attorney to transfer the said Bond on the books kept for registration of the within Bond, with full  
power of substitution in the premises.

Dated: \_\_\_\_\_

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

Signature Guaranteed:

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

Please insert social security or other identifying number of assignee:

\_\_\_\_\_

3. Registration. The effect of registration and the rights and duties of the Issuer and the Registrar with respect thereto are as follows:

(a) Register. The Registrar shall keep at its office a bond register in which the Registrar shall provide for the registration of ownership of Bonds of each series and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

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

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

(d) Cancellation. All Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the Issuer.

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

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

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

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Registrar shall deliver a new Bond of like series, amount, number, maturity date and tenor in exchange and substitution for and upon cancellation

of any such mutilated Bond or in lieu of and in substitution for any such Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the Issuer and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the Issuer. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it shall not be necessary to issue a new Bond prior to payment.

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

4. (a) Securities Depository. For purposes of this paragraph 3, the following terms shall have the following meanings:

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

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

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

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

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

(b) The Bonds of each series shall be initially issued as separately authenticated fully registered bonds, and one Bond shall be issued in the principal amount of each stated maturity of the Bonds of such series. Upon initial issuance, the ownership of such Bonds shall be registered in the bond register in the name of Cede & Co., as nominee of DTC. The Registrar and the Issuer may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to registered owners of Bonds under the Resolution, registering the transfer of Bonds, and for all other purposes whatsoever; and neither the Registrar nor the Issuer shall be affected by any notice to the contrary. Neither the Registrar nor the Issuer shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the bond register as being a registered owner of any Bonds, with respect to the accuracy of any records

maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of or interest on the Bonds, with respect to any notice which is permitted or required to be given to owners of Bonds under the Resolution, with respect to the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or with respect to any consent given or other action taken by DTC as registered owner of the Bonds. So long as any Bond is registered in the name of Cede & Co., as nominee of DTC, the Registrar shall pay all principal of and interest on such Bond, and shall give all notices with respect to such Bond, only to Cede & Co. in accordance with DTC's Operational Arrangements, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Bond for each separate stated maturity of a series evidencing the obligation of the Issuer to make payments of principal and interest. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Bonds of each series will be transferable to such new nominee in accordance with paragraph (e) hereof.

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

(d) The execution and delivery of the Representation Letter to DTC, if not previously filed with DTC, by the Chair or Treasurer is hereby authorized and directed.

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

**EXHIBIT D**

**ANOKA COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION**

The undersigned, being the duly qualified and acting County Auditor of Anoka County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of an issue of \$\_\_\_\_\_ General Obligation Wastewater Revenue Bonds, Series 2012B. I further certify that the issue has been entered on my bond register.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)

**CARVER COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION**

The undersigned, being the duly qualified and acting County Auditor of Carver County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$\_\_\_\_\_ General Obligation Wastewater Revenue Bonds, Series 2012B. I further certify that the issue has been entered on my bond register.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)



**DAKOTA COUNTY TREASURER-AUDITOR'S CERTIFICATE  
AS TO REGISTRATION**

The undersigned, being the duly qualified and acting County Treasurer-Auditor of Dakota County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$\_\_\_\_\_ General Obligation Wastewater Revenue Bonds, Series 2012B. I further certify that the issue has been entered on my bond register.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Treasurer-Auditor

(SEAL)

**HENNEPIN COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION**

The undersigned, being the duly qualified and acting County Auditor of Hennepin County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$\_\_\_\_\_ General Obligation Wastewater Revenue Bonds, Series 2012B. I further certify that the issue has been entered on my bond register.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)

**RAMSEY COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION**

The undersigned, being the duly qualified and acting County Auditor of Ramsey County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$\_\_\_\_\_ General Obligation Wastewater Revenue Bonds, Series 2012B. I further certify that the issue has been entered on my bond register.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)

**SCOTT COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION**

The undersigned, being the duly qualified and acting County Auditor of Scott County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$\_\_\_\_\_ General Obligation Wastewater Revenue Bonds, Series 2012B. I further certify that the issue has been entered on my bond register.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)

**WASHINGTON COUNTY AUDITOR/TREASURER'S CERTIFICATE  
AS TO REGISTRATION**

The undersigned, being the duly qualified and acting County Auditor/Treasurer of Washington County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$\_\_\_\_\_ General Obligation Wastewater Revenue Bonds, Series 2012B. I further certify that the issue has been entered on my bond register.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor/Treasurer

(SEAL)

CERTIFICATION OF EXTRACT FROM MINUTES  
RELATING TO GENERAL OBLIGATION TRANSIT BONDS  
SERIES 2012C

Issuer: Metropolitan Council, Minnesota

Governing Body: Council Members

Kind, date, time and place of meeting: A regular meeting held Wednesday, May 9, 2012, at 4:00 o'clock P.M., at 390 North Robert Street, St. Paul, Minnesota.

Members Present:

Members Absent:

Documents Attached:

Extract of minutes of said meeting including:

RESOLUTION NO. 2012-\_\_

RESOLUTION TO ISSUE AND SELL GENERAL OBLIGATION  
TRANSIT CAPITAL AND REFUNDING BONDS, FIXING THE FORM  
AND SPECIFICATIONS THEREOF, PROVIDING FOR THEIR  
EXECUTION AND DELIVERY AND LEVYING TAXES FOR THEIR PAYMENT

I, the undersigned, being the duly qualified and acting Recording Secretary of the Metropolitan Council, the public corporation issuing the bonds referred to in the title of this certificate, certify that the documents attached hereto, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been extracted; that said documents are correct and accurate copies of the resolution and related documents approved by the Council at its regular meeting held on May 9, 2012, so far as they relate to said bonds; and that said meeting was duly held by the governing body at the time and place and was attended by the members indicated above, pursuant to call and notice of such meeting given as required by law.

WITNESS my hand officially as such Recording Secretary on \_\_\_\_\_, 2012.

\_\_\_\_\_  
Emily Randleman, Recording Secretary

After some discussion, Council Member \_\_\_\_\_ introduced the following resolution and moved its adoption:

RESOLUTION TO ISSUE AND SELL GENERAL OBLIGATION TRANSIT CAPITAL AND REFUNDING BONDS, SERIES 2012C FIXING THE FORM AND SPECIFICATIONS THEREOF, PROVIDING FOR THEIR EXECUTION AND DELIVERY AND LEVYING TAXES FOR THEIR PAYMENT

The motion for the adoption of the foregoing resolution was seconded by Council Member \_\_\_\_\_, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

and the following were absent for the vote:

whereupon the resolution was declared duly passed and adopted and was signed by the Chair whose signature was attested by the Recording Secretary.

RESOLUTION TO ISSUE AND SELL GENERAL OBLIGATION TRANSIT  
CAPITAL AND REFUNDING BONDS, SERIES 2012C, FIXING THE FORM  
AND SPECIFICATIONS THEREOF, PROVIDING FOR THEIR EXECUTION  
AND DELIVERY AND LEVYING TAXES FOR THEIR PAYMENT

BE IT RESOLVED by the Metropolitan Council (the “Council” or the “Issuer”), as follows:

SECTION 1. AUTHORIZATION AND SALE.

1.1 Authorization and Purpose. This Council determines that it is necessary to sell and issue its General Obligation Transit Capital and Refunding Bonds, Series 2012C (the “Transit Bonds”), in the approximate aggregate principal amount of \$57,950,000, subject to adjustment as provided in the Terms of Proposal referred to in Section 1.2 hereof, pursuant to Minnesota Statutes, Section 473.39 and Chapter 475, to finance capital expenditures as prescribed in the Council’s regional transit master plan and transit capital improvement program (the “Improvements”) and to refund in advance of their maturities (the “Refunding”) the callable maturities of the General Obligation Transit Bonds, Series 2004A dated April 1, 2004 (the “Refunded Bonds”).

1.2 Terms of Bond Sale; Notices. The Council has retained Springsted Incorporated, St. Paul, Minnesota (“Springsted”) as independent financial advisor, and while the Council will set a date and time for receipt of proposals as hereinafter provided, pursuant to Minnesota Statutes, Section 475.60, subdivision 2, paragraph 9, Springsted is hereby authorized to solicit proposals for the Bonds on behalf of the Council on a competitive basis without requirement of published notice. The terms of the Bonds and the sale thereof shall be substantially as set forth in the Terms of Proposal attached as Exhibit A hereto, which is hereby approved. The Council hereby determines to sell the Bonds in accordance with the procedures set forth in Exhibit A. The specifications set forth in Exhibit A may be revised by the Chief Financial Officer in consultation with Springsted, provided that the principal amount of Bonds authorized and issued hereunder to finance the Improvements shall not exceed \$52,000,000 (the “Improvement Portion”) and the principal amount of the Bonds authorized and issued hereunder for the Refunding shall not exceed \$6,000,000 (the “Refunding Portion”). The Council hereby delegates to the Chief Financial Officer, or the Chief Financial Officer’s designee, authority to consider the proposals and award the sale not later than 120 days from the date hereof based upon the best proposal, provided that the true interest cost of the Improvement Portion of the Bonds shall not exceed a 3.10% per annum, and the present value savings as a result of the refunding, computed in accordance with the provisions of Minnesota Statutes, Section 475.67, subdivision 12, shall be at least three percent. The maturities of the Bonds shall be properly allocated between the Improvements (the “Improvement Portion of the Bonds”) and the refunding of the Refunded Bonds (the “Refunding Portion of the Bonds”).

SECTION 2. BOND TERMS; REGISTRATION; EXECUTION AND DELIVERY

2.1 Maturities; Interest Rates; Denominations and Payment. The Bonds shall be originally dated as of the date of issuance, shall be in the denomination of \$5,000 each, or any



integral multiple thereof, shall mature on March 1 in the respective years and amounts stated in the respective Terms of Proposal, and shall bear interest from date of issue until paid at the respective annual rates established pursuant to Section 1.2 hereof.

The Bonds shall be issuable only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof shall be payable by wire transfer, check or draft issued by the Registrar described herein; provided that, so long as the Bonds are registered in the name of a securities depository, or a nominee thereof, in accordance with paragraph 3 of Exhibit C hereto, principal and interest shall be payable in accordance with the operational arrangements of the securities depository.

2.2 Dates and Interest Payment Dates. Upon initial delivery of the Bonds pursuant to Section 2.6 hereof, and upon any subsequent transfer or exchange pursuant to paragraph 2 of Exhibit C hereto, the date of authentication shall be noted on each Bond so delivered, exchanged or transferred. Interest on the Bonds shall be payable on March 1 and September 1 in each year, commencing March 1, 2013, to the owner of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not such day is a business day.

2.3 Redemption. The Chief Financial Officer may permit prospective proposers to designate any portion of the principal of the Bonds to be combined within one or more term Bonds of such series subject to mandatory sinking fund redemption.

The Bonds shall be subject to redemption and payment prior to maturity at the option of the Council in such order of maturity as the Council may determine on the dates, at the prices, and for the maturities as provided in Exhibit A hereto. Thirty (30) days' mailed notice of any such redemption shall be given to the registered owners of the series of Bonds to be redeemed pursuant to Minnesota Statutes, Chapter 475.

2.4 Appointment of Initial Registrar. The Issuer hereby appoints the Chief Financial Officer of the Council, in St. Paul, Minnesota, as the initial bond registrar, transfer agent and paying agent (the "Registrar"). The Issuer reserves the right to change the Registrar upon thirty (30) days notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Bonds in its possession to the successor Registrar and shall deliver the bond register to the successor Registrar.

2.5 Registration. The effect of registration and the rights and duties of the Issuer and the Registrar with respect thereto are set forth in paragraph 2 of Exhibit C hereto.

2.6 Execution, Authentication and Delivery. The Bonds shall be executed on behalf of the Issuer by the signatures of the Chair and the Treasurer, provided that the signatures may be printed, engraved or lithographed facsimiles of the originals. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of any Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Notwithstanding such execution, no Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on

the Bond has been duly executed by the manual signature of the Registrar. The executed certificate of authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been prepared, executed and authenticated, the Bonds shall be delivered to the purchaser (a "Purchaser") upon payment of the purchase price in accordance with the contract of sale hereinafter executed therefor, and such Purchaser shall not be obligated to see to the application of the purchase price.

2.7 Form of Bonds. The Bonds shall be prepared in substantially the form set forth in paragraph 1 of Exhibit C hereto.

SECTION 3. USE OF PROCEEDS. Upon payment for the Bonds by the Purchaser thereof, the Chief Financial Officer shall deposit accrued interest allocable to the Improvement Portion of the Bonds directly in the Bond Fund established pursuant to Section 3 hereof and shall deposit the remaining proceeds of the Improvement Portion of the Bonds, including any premium received on the sale of the Bonds allocable to the Improvement Portion of the Bonds, into a separate Transit Bond Proceeds Fund (the "Proceeds Fund"). Bond proceeds deposited in the Proceeds Fund and investment income thereon shall be disbursed at the direction of the Council for the Improvements, including an allocable share of the costs of issuance of the Bonds and payment of interest on such Bonds prior to completion of such purposes. Any moneys remaining in the Proceeds Fund after payment of all costs financed by the Bonds shall be transferred to the Bond Fund and used to pay principal and interest coming due on the Bonds. The proceeds of the Refunding Portion of the Bonds and accrued interest thereof shall be deposited in the Escrow Account established under Section 5 hereof.

SECTION 4. TRANSIT BOND SINKING FUNDS. The Bonds issued pursuant to this Resolution shall be payable from a separate and special Transit Bond Sinking Fund (the "Bond Fund") of the Issuer, which the Issuer agrees to maintain until the Bonds have been paid in full. There is hereby appropriated and shall be paid into the Bond Fund, Bond proceeds to the extent provided in Section 3 hereof, all taxes collected pursuant to Sections 6 and 7 hereof, any other funds appropriated by the Council for the payment of the Bonds, and all investment income on the foregoing. The moneys on hand in the Bond Fund from time to time shall be used only to pay the principal of and interest on the Bonds when due. If the money in the Bond Fund should at any time be insufficient to pay principal and interest due on such Bonds, such amounts shall be paid from other moneys on hand in other funds of the Issuer, which other funds shall be reimbursed therefor when sufficient money becomes available in the Bond Fund.

SECTION 5. REFUNDING.

5.1 Escrow Account. An Escrow Account is hereby established and shall be maintained as an Escrow Account (the "Escrow Account") with U.S. Bank National Association in St. Paul, Minnesota, which is a suitable financial institution within the State, whose deposits are insured by the Federal Deposit Insurance Corporation, whose combined capital and surplus is not less than \$500,000 and said financial institution is hereby designated escrow agent (the "Escrow Agent") for the Escrow Account. All proceeds of the sale of the Refunding Portion of the Bonds (less amounts used to pay costs of issuance) will be received by the Escrow Agent and applied to fund the Escrow Account. Such net proceeds are hereby irrevocably pledged and

appropriated to the Escrow Account, together with an investment earnings thereon. The Escrow Account will be invested in securities maturing or callable at the option of the holder on such dates and bearing interest at such rates as will be required to provide sufficient funds, together with any cash or other fund retained in the Escrow Account, to pay when due the interest to accrue on the Refunding Portion of the Bonds to and including February 1, 2014 (the "Redemption Date"), and to pay when due on the Redemption Date the principal amount of each Refunded Bonds. From the Escrow Account there will be paid (i) all interest paid on., or to be paid on , or to accrue on, the Refunding Portion of the Bonds to and including the Redemption Date, and (ii) the principal of the Refunded Bonds due by reason of redemption on the Redemption Date. The Escrow Account will be irrevocably appropriated to the payment of the principal of and interest on the Refunding Portion of the Bonds until the proceeds of the Bonds therein are applied to prepayment of the Refunded Bonds. The moneys in the Escrow Account will be used solely for the purposes herein set forth and for no other purpose, except that any surplus in the Escrow Account may be remitted to the Issuer, all in accordance with Escrow Agreement (hereafter defined) by and between the Issuer and the Escrow Agent. Any moneys remitted to the Issuer upon termination of the Escrow Agreement will be deposited in the Bond Fund.

5.2 Findings. It is hereby found and determined that based upon information presently available from the Issuer's financial adviser, the issuance of the Bonds will result in a reduction of debt service cost to the Issuer on the Refunded Bonds, such that the present value of such debt service or interest cost savings (the "Reduction") is at least 3.00% of the debt service on the Refunded Bonds. The Reduction, after the inclusion of all authorized expenses of refunding in the computation of the effective interest rate on the Bonds, is adequate to authorize the issuance of the Bonds as provided by Minnesota Statutes, Section 475.67, subdivision 12 and 13.

5.3 Payment of Bonds and Refunded Bonds. It is hereby found and determined that money available and appropriated to the Escrow Account will be sufficient, together with the permitted earnings on the investment of the Escrow Account, to pay principal of and interest on the Bonds through the Redemption Dates, and to pay at maturity or redemption all of the principal of and redemption premium (if any) on the Refunded Bonds maturing after the Redemption Date.

5.4 Permitted Investments. Securities purchased from the monies in the Escrow Account will be limited to securities specified in Section 475.67, Subdivision 8 of the Act. The Escrow Agent, as agent for the Issuer is hereby authorized and directed to purchase for and on behalf of the Issuer and in its name, appropriate securities to fund the Escrow Account. Upon the issuance and delivery of the Bonds, the securities so purchased will be deposited with the Escrow Agent and held pursuant to the terms of the Escrow Agreement and the Resolution.

5.5 Notice of Redemption. The Refunded Bonds maturing on February 1, 2015 and thereafter will be redeemed and prepaid on February 1, 2014, the Redemption Date. The Refunded Bonds will be redeemed and prepaid in accordance with their terms and in accordance with the terms and conditions set forth in the form of Notice of Call for Redemption attached as Exhibit C to the Escrow Agreement (defined below), which terms and conditions are hereby

approved and incorporated herein by reference. The Registrar for the Refunded Bonds is authorized and directed to send a copy of the Notice of Redemption to each registered holder of the Refunded Bonds.

5.6 Escrow Agreement. On or prior to the delivery of the Refunding Bonds, the Chair and the Secretary are hereby authorized and directed to execute on behalf of the Issuer an escrow agreement (the “Escrow Agreement”) with the Escrow Agent in substantially the form now on file with the Director of Finance. All essential terms and conditions of the Escrow Agreement including payment by the Issuer of reasonable charges for the services of the Escrow Agent, are hereby approved and adopted and made a part of this Resolution, and the Issuer covenants that it will promptly enforce all provisions thereof in the event of default hereunder by the Escrow Agent.

## SECTION 6. TAX LEVY

6.1 Tax Levy of the Refunding Bonds. For payment of the principal of and interest on the Bonds when due, there is hereby levied on all taxable property in the metropolitan area as provided in Minnesota Statutes, Sections 473.39 and 473.446, a transit tax, collectible in the years and amounts equal to an amount which is not less than 5% in excess of the principal of and interest on the Bonds due in each year. Such tax shall be apportioned among the counties in the metropolitan area by the various County Auditors in accordance with state law. The proceeds of the tax allocated to the Bonds issued hereunder, when received, shall be deposited in the Bond Fund. The Council reserves the right to reduce or cancel such tax levy in accordance with Minnesota Statutes, Section 475.61.

6.2 Cancellation of Tax Levy for Refunding Bonds. The taxes levied for the Refunded Bonds for collection in the years 2014 and thereafter shall be cancelled as a result of the establishment of the Escrow Account.

SECTION 7. GENERAL OBLIGATION PLEDGE. The full faith, credit and unlimited taxing powers of the Council shall be and are hereby irrevocably pledged for the prompt and full payment of the principal of and interest on the Bonds issued hereunder as such payments respectively become due, and the Council covenants and agrees that if and to the extent necessary for the Bonds, it will levy on all taxable property in the metropolitan area that is subject to taxation by the Council, a direct, irrevocable ad valorem tax for this purpose, the collections of which shall be deposited in the Bond Fund.

SECTION 8. DEFEASANCE. When all of the Bonds issued hereunder have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the registered owners of such Bonds shall cease. The Issuer may discharge its obligations with respect to any Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; or, if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued from the due date to the date of such deposit. The Issuer may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing

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

## SECTION 9. CERTIFICATION OF PROCEEDINGS.

9.1 Registration of Bonds and Certification as to Tax Levy. The Chief Financial Officer is hereby authorized and directed to file a certified copy of this resolution and such additional certificates as may be required with the County Auditors of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties and to obtain from each County Auditor a certificate, prepared in substantially the form set forth respectively in Exhibit D hereto, that the Bonds have been duly entered upon the Auditor's bond register and that any tax required for the payment thereof has been levied.

9.2 Authentication of Transcript. The officers of the Issuer and County Auditors of the Counties specified in Section 5.1 are hereby authorized and directed to prepare and furnish to the Purchaser and to Kennedy & Graven, Chartered, Bond Counsel, certified copies of all proceedings and records relating to the Bonds and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds, as the same appear from the books and records in their custody and control or as otherwise known to them, and all such certified copies, affidavits and certificates, including any heretofore furnished, shall be deemed representations of the Issuer as to the correctness of all statements contained therein.

9.3 Official Statement. The Council staff, in cooperation with Springsted, is hereby authorized and directed to prepare on behalf of the Council an official statement (the "Official Statement") to be distributed to potential purchasers of the Bonds. The Official Statement shall contain the Terms of Proposal for the Bonds, as set forth in Section 1.2 hereof, and such other information as shall be deemed advisable and necessary to describe adequately the Issuer, the Bonds and the security for, and terms and conditions thereof. The final Official Statement shall be in the form approved by the Chief Financial Officer.

## SECTION 10. TAX COVENANTS; ARBITRAGE MATTERS AND CONTINUING DISCLOSURE.

10.1 No Designation as Qualified Tax-Exempt Obligations. The Bonds are not designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

10.2 Tax Covenants. (a) The Issuer covenants and agrees with the registered owners of the Series 2012C Bonds that it will not take, or permit to be taken by any of its officers, employees or agents, any action which would cause the interest payable on the Series 2012C Bonds to become subject to taxation under the Code and the Regulations, and covenants to take any and all actions within its powers to ensure that the interest on

the Series 2012C Bonds will not become includable in gross income of the recipient under the Code and the Regulations.

(b) The Improvements financed with the proceeds of the Bonds authorized by this Resolution will be owned and maintained by the Issuer so long as the Bonds are outstanding and will be publicly available. The Issuer will not enter into any lease, use agreement, management agreement or other agreement or contract with any non-governmental person relating to the use of the improvements which might cause the Bonds to be considered “private activity bonds” or “private loan bonds” pursuant to Section 141 of the Code.

10.3 Arbitrage Certification. The Chair and Treasurer, being the officers of the Issuer charged with the responsibility for issuing the Bonds pursuant to this resolution, are authorized and directed to execute and deliver to each Purchaser a certificate in accordance with the provisions of Section 148 of the Code, and Section 1.148-2(b) of the Regulations, stating the facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds which make it reasonable to expect that the proceeds of the Bonds will not be used in a manner that would cause such Bonds to be arbitrage bonds within the meaning of the Code and Regulations.

10.4 Arbitrage Rebate. The Issuer acknowledges that the Bonds are subject to the rebate requirements of Section 148(f) of the Code. The Issuer covenants and agrees to retain such records, make such determinations, file such reports and documents and pay such amounts at such times as are required under said Section 148(f) and applicable Regulations to preserve the exclusion of interest on the Series 2012C Bonds from gross income for federal income tax purposes, unless the Bonds qualify for an exception from the rebate requirement pursuant to one of the spending exceptions set forth in Section 1.148-7 of the Regulations and no “gross proceeds” of the Bonds (other than amounts constituting a “bona fide debt service fund”) arise during or after the expenditure of the original proceeds thereof.

10.5 Continuing Disclosure. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit the original Purchaser and other participating underwriters in the primary offering of the Bonds to comply with amendments to Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the “Rule”), which will enhance the marketability of the Bonds, the Issuer hereby makes the covenants and agreements in Exhibit B hereto for the benefit of the Owners (as defined in Exhibit B) from time to time of the outstanding Bonds. The Chief Financial Officer shall have overall responsibility for compliance with the Undertaking of Continuing Disclosure and other similar undertakings hereafter made by the Council under Rule 15c2-12(b)(5), and the Chief Financial Officer shall implement the dissemination of reports and notices thereunder. Amendments permitted by the undertakings necessitated by a change in circumstances that arises from a change in legal requirements, or change in law may be made by the Chief Financial Officer.

SECTION 11. BOND RATINGS. The Chief Financial Officer is authorized and directed to obtain ratings of the Bonds from up to three nationally recognized credit rating services, to pay the reasonable and customary charges of such rating services, and to take such other action as may be required so that the Bonds may be issued and sold as contemplated hereby.

SECTION 12. SEVERABILITY. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

SECTION 13. HEADINGS. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

Adopted: May 9, 2012.

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Emily Randleman, Recording Secretary

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Susan Haigh, Chair

## EXHIBIT A

THE COUNCIL HAS AUTHORIZED SPRINGSTED INCORPORATED TO NEGOTIATE THIS ISSUE ON ITS BEHALF. PROPOSALS WILL BE RECEIVED ON THE FOLLOWING BASIS:

### TERMS OF PROPOSAL

\$57,605,000\*

METROPOLITAN COUNCIL  
(MINNEAPOLIS-ST. PAUL METROPOLITAN AREA)  
STATE OF MINNESOTA

GENERAL OBLIGATION TRANSIT AND REFUNDING BONDS, SERIES 2012C  
(BOOK ENTRY ONLY)

Proposals for the Bonds and the Good Faith Deposit ("Deposit") will be received on Tuesday, June 5, 2012, until 10:00 A.M., Central Time, at the offices of Springsted Incorporated, 380 Jackson Street, Suite 300, Saint Paul, Minnesota, after which time proposals will be opened and tabulated. Consideration for award of the Bonds will be by the Chief Financial Officer or it's designee immediately follow the opening of proposals.

### SUBMISSION OF PROPOSALS

Springsted will assume no liability for the inability of the bidder to reach Springsted prior to the time of sale specified above. All bidders are advised that each Proposal shall be deemed to constitute a contract between the bidder and the Council to purchase the Bonds regardless of the manner in which the Proposal is submitted.

(a) **Sealed Bidding.** Proposals may be submitted in a sealed envelope or by fax (651) 223-3046 to Springsted. Signed Proposals, without final price or coupons, may be submitted to Springsted prior to the time of sale. The bidder shall be responsible for submitting to Springsted the final Proposal price and coupons, by telephone (651) 223-3000 or fax (651) 223-3046 for inclusion in the submitted Proposal.

**OR**

(b) **Electronic Bidding.** Notice is hereby given that electronic proposals will be received via PARITY®. For purposes of the electronic bidding process, the time as maintained by PARITY® shall constitute the official time with respect to all Bids submitted to PARITY®. *Each bidder shall be solely responsible for making necessary arrangements to access PARITY® for purposes of submitting its electronic Bid in a timely manner and in compliance with the requirements of the Terms of Proposal.* Neither the Council, its agents nor PARITY® shall have any duty or obligation to undertake registration to bid for any prospective bidder or to provide or ensure electronic access to any qualified prospective bidder, and neither the Council, its agents nor PARITY® shall be responsible for a bidder's failure to register to bid or for any failure in the proper operation of, or have any liability for any delays or interruptions of or any damages caused by the services of PARITY®. The Council is using the services of PARITY® solely as a communication mechanism to conduct the electronic bidding for the Bonds, and PARITY® is not an agent of the Council.

If any provisions of this Terms of Proposal conflict with information provided by PARITY®, this Terms of Proposal shall control. Further information about PARITY®, including any fee charged, may be obtained from:

PARITY®, 1359 Broadway, 2<sup>nd</sup> Floor, New York, New York 10018  
Customer Support: (212) 849-5000

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\* Preliminary; subject to change.



## DETAILS OF THE BONDS

The Bonds will be dated June 15, 2012, as the date of original issue, and will bear interest payable on March 1 and September 1 of each year, commencing March 1, 2013. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Bonds will mature March 1 in the years and amounts\* as follows:

2013	\$12,795,000	2018	\$3,605,000	2023	\$1,495,000	2028	\$1,180,000
2014	\$ 2,945,000	2019	\$3,675,000	2024	\$1,050,000	2029	\$1,220,000
2015	\$ 3,615,000	2020	\$3,745,000	2025	\$1,080,000	2030	\$1,260,000
2016	\$ 3,680,000	2021	\$3,850,000	2026	\$1,115,000	2031	\$1,300,000
2017	\$ 3,540,000	2022	\$3,965,000	2027	\$1,150,000	2032	\$1,340,000

\* *The Council reserves the right, after proposals are opened and prior to award, to increase or reduce the principal amount of the Bonds or the maturity amounts offered for sale. Any such increase or reduction will be made in multiples of \$5,000 in any of the maturities. In the event the principal amount of the Bonds is increased or reduced, any premium offered or any discount taken by the successful bidder will be increased or reduced by a percentage equal to the percentage by which the principal amount of the Bonds is increased or reduced.*

Proposals for the Bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds. All term bonds shall be subject to mandatory sinking fund redemption at a price of par plus accrued interest to the date of redemption and must conform to the maturity schedule set forth above. In order to designate term bonds, the proposal must specify "Years of Term Maturities" in the spaces provided on the Proposal Form.

## BOOK ENTRY SYSTEM

The Bonds will be issued by means of a book entry system with no physical distribution of Bonds made to the public. The Bonds will be issued in fully registered form and one Bond, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository of the Bonds. Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the registrar to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The purchaser, as a condition of delivery of the Bonds, will be required to deposit the Bonds with DTC.

## REGISTRAR

The Chief Financial Officer of the Council will serve as registrar.

## OPTIONAL REDEMPTION

The Council may elect on March 1, 2022, and on any day thereafter, to prepay Bonds due on or after March 1, 2023. Redemption may be in whole or in part and if in part at the option of the Council and in such manner as the Council shall determine. If less than all Bonds of a maturity are called for redemption, the Council will notify DTC of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All prepayments shall be at a price of par plus accrued interest.

## SECURITY AND PURPOSE

The Bonds will be general obligations of the Council for which the Council will pledge its full faith and credit and power to levy direct general ad valorem taxes. The proceeds will be used to (i) finance various transit system improvements; and (ii) refund the February 1, 2015 through February 1, 2024 maturities of the Council's General Obligation Transit Bonds, Series 2004A, dated April 1, 2004.

## BIDDING PARAMETERS

Proposals shall be for not less than \$57,028,950 and accrued interest on the total principal amount of the Bonds.

No proposal can be withdrawn or amended after the time set for receiving proposals unless the meeting of the Council scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made. Rates shall be in integral multiples of 5/100 or 1/8 of 1%. Rates are not required to be in level or ascending order; however, the rate for any maturity cannot be more than 1% lower than the highest rate of any of the preceding maturities. Bonds of the same maturity shall bear a single rate from the date of the Bonds to the date of maturity. No conditional proposals will be accepted.

## GOOD FAITH DEPOSIT

Proposals, regardless of method of submission, shall be accompanied by a Deposit in the amount of \$576,050, in the form of a certified or cashier's check, a wire transfer, or Financial Surety Bond and delivered to Springsted Incorporated prior to the time proposals will be opened. Each bidder shall be solely responsible for the timely delivery of their Deposit whether by check, wire transfer or Financial Surety Bond. Neither the Council nor Springsted Incorporated have any liability for delays in the transmission of the Deposit.

Any Deposit made by **certified or cashier's check** should be made payable to the Council and delivered to Springsted Incorporated, 380 Jackson Street, Suite 300, St. Paul, Minnesota 55101.

Any Deposit sent via **wire transfer** should be sent to Springsted Incorporated as the Council's agent according to the following instructions:

Wells Fargo Bank, N.A., San Francisco, CA 94104  
ABA #121000248  
for credit to Springsted Incorporated, Account #635-5007954  
Ref: Metropolitan Council Series 2012C Good Faith Deposit

Contemporaneously with such wire transfer, the bidder shall send an e-mail to [bond\\_services@springsted.com](mailto:bond_services@springsted.com), including the following information; (i) indication that a wire transfer has been made, (ii) the amount of the wire transfer, (iii) the issue to which it applies, and (iv) the return wire instructions if such bidder is not awarded the Bonds.

Any Deposit made by the successful bidder by check or wire transfer will be delivered to the Council following the award of the Bonds. Any Deposit made by check or wire transfer by an unsuccessful bidder will be returned to such bidder following Council action relative to an award of the Bonds.

If a **Financial Surety Bond** is used, it must be from an insurance company licensed to issue such a bond in the State of Minnesota and pre-approved by the Council. Such bond must be submitted to Springsted Incorporated prior to the opening of the proposals. The Financial Surety Bond must identify each underwriter whose Deposit is guaranteed by such Financial

Surety Bond. If the Bonds are awarded to an underwriter using a Financial Surety Bond, then that underwriter is required to submit its Deposit to the Council in the form of a certified or cashier's check or wire transfer as instructed by Springsted Incorporated not later than 3:30 P.M., Central Time on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the Council to satisfy the Deposit requirement.

The Deposit received from the purchaser, the amount of which will be deducted at settlement, will be deposited by the Council and no interest will accrue to the purchaser. In the event the purchaser fails to comply with the accepted proposal, said amount will be retained by the Council.

#### AWARD

The Bonds will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis. The Council's computation of the interest rate of each proposal, in accordance with customary practice, will be controlling.

The Council will reserve the right to: (i) waive non-substantive informalities of any proposal or of matters relating to the receipt of proposals and award of the Bonds, (ii) reject all proposals without cause, and (iii) reject any proposal that the Council determines to have failed to comply with the terms herein.

#### BOND INSURANCE AT PURCHASER'S OPTION

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the underwriter, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the purchaser of the Bonds. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the purchaser, except that, if the Council has requested and received a rating on the Bonds from a rating agency, the Council will pay that rating fee. Any other rating agency fees shall be the responsibility of the purchaser.

Failure of the municipal bond insurer to issue the policy after Bonds have been awarded to the purchaser shall not constitute cause for failure or refusal by the purchaser to accept delivery on the Bonds.

#### CUSIP NUMBERS

If the Bonds qualify for assignment of CUSIP numbers such numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the purchaser to accept delivery of the Bonds. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the purchaser.

#### SETTLEMENT

Within 40 days following the date of their award, the Bonds will be delivered without cost to the purchaser through DTC in New York, New York. Delivery will be subject to receipt by the purchaser of an approving legal opinion of Kennedy & Graven, Chartered of Minneapolis, Minnesota, and of customary closing papers, including a no-litigation certificate. On the date of settlement, payment for the Bonds shall be made in federal, or equivalent, funds that shall be received at the offices of the Council or its designee not later than 12:00 Noon, Central Time. Unless compliance with the terms of payment for the Bonds has been made impossible by action of the Council, or its agents, the purchaser shall be liable to the Council for any loss suffered by the Council by reason of the purchaser's non-compliance with said terms for payment.

## CONTINUING DISCLOSURE

In accordance with SEC Rule 15c2-12(b)(5), the Council will undertake, pursuant to the resolution awarding sale of the Bonds, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Official Statement. The purchaser's obligation to purchase the Bonds will be conditioned upon receiving evidence of this undertaking at or prior to delivery of the Bonds.

## OFFICIAL STATEMENT

The Council has authorized the preparation of an Official Statement containing pertinent information relative to the Bonds, and said Official Statement will serve as a nearly final Official Statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. For copies of the Official Statement or for any additional information prior to sale, any prospective purchaser is referred to the Financial Advisor to the Council, Springsted Incorporated, 380 Jackson Street, Suite 300, Saint Paul, Minnesota 55101, telephone (651) 223-3000.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law, shall constitute a "Final Official Statement" of the Council with respect to the Bonds, as that term is defined in Rule 15c2-12. By awarding the Bonds to any underwriter or underwriting syndicate submitting a proposal therefor, the Council agrees that, no more than seven business days after the date of such award, it shall provide without cost to the senior managing underwriter of the syndicate to which the Bonds are awarded 250 copies of the Official Statement and the addendum or addenda described above. The Council designates the senior managing underwriter of the syndicate to which the Bonds are awarded as its agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter delivering a proposal with respect to the Bonds agrees thereby that if its proposal is accepted by the Council (i) it shall accept such designation and (ii) it shall enter into a contractual relationship with all Participating Underwriters of the Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

Dated May 9, 2012

BY ORDER OF THE METROPOLITAN COUNCIL

*/s/ Wes Kooistra*  
Chief Financial Officer

## EXHIBIT B

### CONTINUING DISCLOSURE UNDERTAKING

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

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

(1) on or before 270 days after the end of each fiscal year of the Issuer, commencing with the fiscal year ending December 31, 2011, the following financial information and operating data in respect of the Issuer (the Disclosure Information):

(A) the audited financial statements of the Issuer for such fiscal year, accompanied by the audit report and opinion of the accountant or government auditor relating thereto, as permitted or required by the laws of the State of Minnesota, containing balance sheets as of the end of such fiscal year and a statement of operations, changes in fund balances and cash flows for the fiscal

year then ended, showing in comparative form such figures for the preceding fiscal year of the Issuer, prepared in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board or as otherwise provided under Minnesota law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the Issuer, noting the discrepancies therefrom and the effect thereof, and certified as to accuracy and completeness in all material respects by the fiscal officer of the Issuer; and

(B) to the extent not included in the financial statements referred to in paragraph (A) hereof, the information for such fiscal year or for the period most recently available of the type contained in the Official Statement under headings: “Indebtedness of the Council and Its Agencies,” “Council Property Values” and “Council Financial Information,” which information may be unaudited.

Notwithstanding the foregoing paragraph, if the audited financial statements are not available by the date specified, the Issuer shall provide on or before such date unaudited financial statements in the format required for the audited financial statements as part of the Disclosure Information and, within 10 days after the receipt thereof, the Issuer shall provide the audited financial statements. Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, that have been filed with the SEC or have been made available to the public on the Internet Web sit of the Municipal Securities Rulemaking Board (the MSRB). The Issuer shall clearly identify in the Disclosure Information each document so incorporated by reference. If any part of the Disclosure Information can no longer be generated because the operations of the Issuer have materially changed or been discontinued, such Disclosure Information need no longer be provided if the Issuer includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other Issuer operations in respect of which data is not included in the Disclosure Information and the Issuer determines that certain specified data regarding such replacement operations would be a Material Fact (as defined in paragraph (3) hereof), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations. If the Disclosure Information is changed or this section is amended as permitted by this paragraph (b)(1), then the Issuer shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

(2) In a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of any of the following events (each a “Material Fact”):

(A) Principal and interest payment delinquencies;

- (B) Non-payment related defaults, if material;
- (C) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (D) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (E) Substitution of credit or liquidity providers, or their failure to perform;
- (F) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (G) Modifications to rights of security holders, if material;
- (H) Bond calls, if material, and tender offers;
- (I) Defeasances;
- (J) Release, substitution, or sale of property securing repayment of the securities, if material; and
- (K) Rating changes;
- (L) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (M) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (N) Appointment of a successor or additional trustee or the change of name of a trustee, if material; and
- (O) Failure of an issuer or obligated person to provide annual financial information as required.

As used herein, a “Material Fact” is a fact as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to

buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public. Notwithstanding the foregoing sentence, a “Material Fact” is also an event that would be deemed “material” for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

(3) In a timely manner, notice of the occurrence of any of the following events or conditions:

(A) the failure of the Issuer to provide the Disclosure Information required under paragraph (b)(1) at the time specified thereunder;

(B) the amendment or supplementing of this section pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the Issuer under subsection (d)(2);

(C) the termination of the obligations of the Issuer under this section pursuant to subsection (d);

(D) any change in the accounting principles pursuant to which the financial statements constituting a portion of the Disclosure Information or the audited financial statements, if any, furnished pursuant to subsection (b)(2) or (3) are prepared; and

(E) any change in the fiscal year of the Issuer.

(c) Manner of Disclosure.

(1) The Issuer agrees to make available to the MSRB, in an electronic format as prescribed by the MSRB from time to time, the information described in subsection (b).

(2) The Issuer further agrees to make available, by electronic transmission, overnight delivery, mail or other means, as appropriate, the information described in subsection (b) to any rating agency then maintaining a rating of the Bonds at the request of the Issuer and, at the expense of such Bondowner, to any Bondowner who requests in writing such information, at the time of transmission under paragraph (1) of this subsection (c), or, if such information is transmitted with a subsequent time of release, at the time such information is to be released.

(3) All documents provided to the MSRB pursuant to this subsection (c) shall be accompanied by identifying information as prescribed by the MSRB from time to time.



(d) Term; Amendments; Interpretation.

(1) The covenants of the Issuer in this section shall remain in effect so long as any Bonds are outstanding. Notwithstanding the preceding sentence, however, the obligations of the Issuer under this section shall terminate and be without further effect as of any date on which the Issuer delivers to the Registrar an opinion of Issuer's current Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the Issuer to comply with the requirements of this section will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.

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

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

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

**EXHIBIT C**

1. The Series 2012C Bonds, the Registrar’s Authentication Certificate, and the form of assignment shall be in substantially the following form:

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
ANOKA, CARVER, DAKOTA, HENNEPIN, RAMSEY, SCOTT AND  
WASHINGTON COUNTIES

METROPOLITAN COUNCIL  
(Minneapolis-St. Paul Metropolitan Area)

GENERAL OBLIGATION TRANSIT CAPITAL AND REFUNDING BOND, SERIES 2012C

No. R-\_\_\_\_\_ \$\_\_\_\_\_

<u>Rate</u>	<u>Date of Maturity</u>	<u>Original Issue</u>	<u>CUSIP</u>
	March 1, 20__	June 15, 2012	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: DOLLARS

METROPOLITAN COUNCIL, a public corporation having jurisdiction over the Minneapolis-St. Paul metropolitan area comprising the Counties of Anoka, Carver, Dakota (excluding the City of Northfield), Hennepin (excluding the Cities of Hanover and Rockford), Ramsey, Scott (excluding the City of New Prague), and Washington, Minnesota (the “Issuer”), acknowledges itself to be indebted and for value received hereby promises to pay to the registered owner specified above, or registered assigns, the principal amount specified above on the maturity date specified above and promises to pay interest thereon from the date of original issue specified above or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for, at the annual rate specified above, payable on March 1 and September 1 in each year, commencing March 1, 2013 (each such date, an “Interest Payment Date”). The interest so payable on any Interest Payment Date shall be paid to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding such Interest Payment Date. Interest hereon shall be computed on the basis of a 360-day year composed of twelve 30-day months. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by wire transfer, check or draft by the Chief Financial Officer of the Metropolitan Council, Minnesota, as Registrar and Paying Agent, or its designated successor under the Resolution (as hereinafter defined) described

herein (the “Registrar”). For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

This Bond is one of an issue in the aggregate principal amount of \$\_\_\_\_\_ issued pursuant to a resolution adopted by the Council on May 9, 2012 (the “Resolution”), to finance capital expenditures as prescribed in the Council’s transit master plan and transit capital improvement program and for related costs, and to refund in advance of their maturity the General Obligation Transit Bonds, Series 2004A dated April 1, 2004, and is issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota thereunto enabling, including Minnesota Statutes, Chapters 473 and 475. The Bonds are issuable only in fully registered form, in denominations of \$5,000 or any integral multiple thereof, of single maturities.

Bonds maturing on March 1, 20\_\_ and thereafter are each subject to redemption and prepayment at the option of the Issuer, in whole or in part, and if in part in such order of maturity dates as the Issuer may select and by lot as selected by Registrar (or, if applicable, by the bond depository in accordance with its customary procedures) in multiples of \$5,000 as to Bonds maturing on the same date, on March 1, 20\_\_, and on any date thereafter, at a price equal to the principal amount thereof plus accrued interest to the date of redemption.

[Bonds maturing on March 1, 20\_\_, March 1, 20\_\_, March 1, 20\_\_ and March 1, 20\_\_ shall be subject to mandatory redemption prior to maturity by lot, as selected by the Registrar (or, if applicable, by the bond depository in accordance with its customary procedures), at the principal amount to be redeemed, plus accrued interest thereon to the date of redemption and without premium, on the following dates and in the following amounts:

<u>March 1, 20</u>	<u>Term Bond</u>	<u>March 1, 20</u>	<u>Term Bond</u>
<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
<u>March 1, 20</u>	<u>Term Bond</u>	<u>March 1, 20</u>	<u>Term Bond</u>
<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>

\*Final Maturity]

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the Issuer at the principal office of the Registrar, by the registered owner hereof in person or by the owner’s attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or the owner’s attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the Issuer will cause a new Bond or Bonds to be issued in the name of the transferee or registered

owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

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

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

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the Issuer in accordance with its terms, have been done, do exist, have happened and have been performed as so required; that prior to the issuance hereof the Issuer has levied a transit tax on all taxable property in the metropolitan area as provided in Minnesota Statutes, Sections 473.39 and 473.446, which taxes will be collectible for the years and in amounts sufficient to produce sums not less than five percent in excess of the principal and interest when due on the Bonds and has appropriated the taxes to the Series 2012B Bond Fund in the manner specified in Minnesota Statutes, Chapter 475, for the payment of such principal and interest; that if necessary for the payment of such principal and interest when due, additional ad valorem taxes are required to be levied upon all property taxable by the Issuer, without limitation as to rate or amount; and that the opinion printed hereon is a full, true and correct copy of the legal opinion given by Bond Counsel with reference to the Bonds, dated as of the date of original delivery of the Bonds.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon shall have been executed by the manual signature of the Registrar.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed on its behalf by the facsimile signatures of the Chair and Treasurer.

METROPOLITAN COUNCIL, MINNESOTA

(Facsimile Signature Treasurer)

(Facsimile Signature Chair)

CERTIFICATE OF AUTHENTICATION

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

Date of Authentication: \_\_\_\_\_

CHIEF FINANCIAL OFFICER,  
METROPOLITAN COUNCIL, MINNESOTA, as  
Registrar

By \_\_\_\_\_

\_\_\_\_\_

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

TEN COM --as tenants in common

UTMA ..... as Custodian for .....  
(Cust) (Minor)  
under Uniform Transfers to Minors Act .....  
(State)

TEN ENT --as tenants by the entireties

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

Additional abbreviations may also be used.

\_\_\_\_\_

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within Bond and all rights thereunder, and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the said Bond on the books kept for registration of the within Bond, with full power of substitution in the premises.

Dated: \_\_\_\_\_

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

Signature Guaranteed:

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

**EXHIBIT D**

**ANOKA COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION, TAX LEVY AND CANCELLATION**

The undersigned, being the duly qualified and acting County Auditor of Anoka County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of an issue of \$\_\_\_\_\_ General Obligation Transit Capital and Refunding Bonds, Series 2012C and dated as of June 15, 2012.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475. I further certify that the tax levy for the General Obligation Transit Bonds, Series 2004A has been cancelled in the manner and to the extent set forth in the Resolution.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)

**CARVER COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION, TAX LEVY AND CANCELLATION**

The undersigned, being the duly qualified and acting County Auditor of Carver County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$\_\_\_\_\_ General Obligation Transit Bonds, Series 2012C, dated as of June 15, 2012.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475. I further certify that the tax levy for the General Obligation Transit Capital and Refunding Bonds, Series 2004A has been cancelled in the manner and to the extent set forth in the Resolution.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)



**DAKOTA COUNTY TREASURER-AUDITOR'S CERTIFICATE  
AS TO REGISTRATION, TAX LEVY AND CANCELLATION**

The undersigned, being the duly qualified and acting County Treasurer-Auditor of Dakota County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$\_\_\_\_\_ General Obligation Transit Bonds, Series 2012C, dated as of June 15, 2012.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475. I further certify that the tax levy for the General Obligation Transit Capital and Refunding Bonds, Series 2004A has been cancelled in the manner and to the extent set forth in the Resolution.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Treasurer-Auditor

(SEAL)

**HENNEPIN COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION, TAX LEVY AND CANCELLATION**

The undersigned, being the duly qualified and acting County Auditor of Hennepin County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$\_\_\_\_\_ General Obligation Transit Bonds, Series 2012C, dated as of June 15, 2012.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475. I further certify that the tax levy for the General Obligation Transit Capital and Refunding Bonds, Series 2004A has been cancelled in the manner and to the extent set forth in the Resolution.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)

**RAMSEY COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION, TAX LEVY AND CANCELLATION**

The undersigned, being the duly qualified and acting County Auditor of Ramsey County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$\_\_\_\_\_ General Obligation Transit Bonds, Series 2012C dated as of June 15, 2012.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475. I further certify that the tax levy for the General Obligation Transit Capital and Refunding Bonds, Series 2004A has been cancelled in the manner and to the extent set forth in the Resolution.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)

**SCOTT COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION, TAX LEVY AND CANCELLATION**

The undersigned, being the duly qualified and acting County Auditor of Scott County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$\_\_\_\_\_ General Obligation Transit Bonds, Series 2012C dated as of June 15, 2012.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475. I further certify that the tax levy for the General Obligation Transit Capital and Refunding Bonds, Series 2004A has been cancelled in the manner and to the extent set forth in the Resolution.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)

**WASHINGTON COUNTY AUDITOR/TREASURER'S CERTIFICATE  
AS TO REGISTRATION, TAX LEVY AND CANCELLATION**

The undersigned, being the duly qualified and acting County Auditor/Treasurer of Washington County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$\_\_\_\_\_ General Obligation Transit Bonds, Series 2012C, dated as of June 15, 2012.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475. I further certify that the tax levy for the General Obligation Transit Capital and Refunding Bonds, Series 2004A has been cancelled in the manner and to the extent set forth in the Resolution.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor/Treasurer

(SEAL)

CERTIFICATION OF EXTRACT FROM MINUTES  
RELATING TO GENERAL OBLIGATION  
PARK BONDS, SERIES 2012D

Issuer: Metropolitan Council, Minnesota

Governing Body: Council Members

Kind, date, time and place of meeting: A regular meeting held Wednesday, May 9, 2012 at 4:00 o'clock P.M., at 390 North Robert Street, St. Paul, Minnesota.

Members Present:

Members Absent:

Documents Attached:

Extract of minutes of said meeting including:

RESOLUTION NO. 2012-\_\_

RESOLUTION TO ISSUE AND SELL GENERAL  
OBLIGATION PARK BONDS, SERIES 2012D, FIXING THE  
FORM AND SPECIFICATIONS THEREOF, PROVIDING FOR  
THEIR EXECUTION AND DELIVERY AND LEVYING  
TAXES FOR THEIR PAYMENT

I, the undersigned, being the duly qualified and acting Recording Secretary of the Metropolitan Council, the public corporation issuing the bonds referred to in the title of this certificate, certify that the documents attached hereto, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been extracted; that said documents are correct and accurate copies of the resolution and related documents approved by the Council at its regular meeting held on May 9, 2012, so far as they relate to said bonds; and that said meeting was duly held by the governing body at the time and place and was attended by the members indicated above, pursuant to call and notice of such meeting given as required by law.

WITNESS my hand officially as such Recording Secretary on \_\_\_\_\_, 2012.

\_\_\_\_\_  
Emily Randleman, Recording Secretary

After some discussion, Council Member \_\_\_\_\_ introduced the following resolution and moved its adoption:

RESOLUTION NO. 2012-\_\_

RESOLUTION TO ISSUE AND SELL GENERAL  
OBLIGATION PARK BONDS, SERIES 2012D, FIXING THE  
FORM AND SPECIFICATIONS THEREOF, PROVIDING FOR  
THEIR EXECUTION AND DELIVERY AND LEVYING  
TAXES FOR THEIR PAYMENT

The motion for the adoption of the foregoing resolution was seconded by Council Member \_\_\_\_\_, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

and the following were absent for the vote:

whereupon the resolution was declared duly passed and adopted and was signed by the Chair whose signature was attested by the Recording Secretary.

RESOLUTION NO. 2012-\_\_\_

RESOLUTION TO ISSUE AND SELL \$7,000,000 GENERAL OBLIGATION PARK BONDS, SERIES 2012D, FIXING THE FORM AND SPECIFICATIONS THEREOF, PROVIDING FOR THEIR EXECUTION AND DELIVERY AND LEVYING TAXES FOR THEIR PAYMENT

BE IT RESOLVED by the Metropolitan Council (the “Council” or the “Issuer”), as follows:

SECTION 1. AUTHORIZATION AND SALE.

1.1. Authorization and Purpose. This Council determines that it is necessary to sell and issue its General Obligation Park Bonds, Series 2012D, in the approximate principal amount of \$7,000,000 (the “Bonds”), subject to adjustment as provided in the Terms of Proposal referred to in Section 1.2 hereof, pursuant to Minnesota Statutes, Section 473.325 and Chapter 475, to finance various park improvements.

1.2. Terms of Bond Sale; Notices. The Council has retained Springsted Incorporated, St. Paul, Minnesota (“Springsted”) as independent financial advisor, and pursuant to Minnesota Statutes, Section 475.60, subdivision 2, paragraph 9, Springsted is hereby authorized to solicit proposals for the Bonds on behalf of the Council on a competitive basis without requirement of published notice. The terms of the Bonds and the sale thereof shall be substantially as set forth in the Terms of Proposal attached as Exhibit A hereto, which is hereby approved. The Council hereby determines to sell the Bonds in accordance with the procedures set forth in Exhibit A. The specifications set forth in Exhibit A may be revised by the Chief Financial Officer in consultation with Springsted, provided that the principal amount of Bonds authorized and issued hereunder shall not exceed \$7,000,000. The Council hereby delegates to the Chief Financial Officer, or the Chief Financial Officer’s designee, authority to consider the proposals and award the sale not later than 90 days from the date hereof based upon the best proposal, provided that the true interest cost of the Bonds shall not exceed 1.7% per annum.

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

2.1. Maturities; Interest Rates; Denominations and Payment. The Bonds shall be originally dated as of June 15, 2012, shall be in the denomination of \$5,000 each, or any integral multiple thereof, shall mature on March 1 in the respective years and amounts stated in the Terms of Proposal, and shall bear interest from date of issue until paid at the respective annual rates established pursuant to Section 1.2 hereof.

The Bonds shall be issuable only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof shall be payable by wire transfer, check or draft issued by the Registrar described herein; provided that, so long as the Bonds are registered in the name of a securities depository, or a nominee thereof, in accordance with paragraph 3 of Exhibit C hereto, principal and interest shall be payable in accordance with the operational arrangements of the securities depository.



2.2 Dates and Interest Payment Dates. Upon initial delivery of the Bonds pursuant to Section 2.6 hereof, and upon any subsequent transfer or exchange pursuant to paragraph 2 of Exhibit C hereto, the date of authentication shall be noted on each Bond so delivered, exchanged or transferred. Interest on the Bonds shall be payable on March 1 and September 1 in each year, commencing March 1, 2013, to the owner of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not such day is a business day.

2.3. Redemption. Prospective proposers may designate any portion of the principal of the Bonds to be combined within one or more term Bonds subject to mandatory sinking fund redemption. The Bonds will not be subject to optional redemption and prepayment prior to their stated maturity dates.

2.4. Appointment of Initial Registrar. The Issuer hereby appoints the Chief Financial Officer of the Council, in St. Paul, Minnesota, as the initial bond registrar, transfer agent and paying agent (the "Registrar"). The Issuer reserves the right to change the Registrar upon thirty (30) days notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Bonds in its possession to the successor Registrar and shall deliver the bond register to the successor Registrar.

2.5. Registration. The effect of registration and the rights and duties of the Issuer and the Registrar with respect thereto are set forth in paragraph 2 of Exhibit C hereto.

2.6. Execution, Authentication and Delivery. The Bonds shall be executed on behalf of the Issuer by the signatures of the Chair and the Treasurer, provided that the signatures may be printed, engraved or lithographed facsimiles of the originals. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of any Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Notwithstanding such execution, no Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on the Bond has been duly executed by the manual signature of the Registrar. The executed certificate of authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been prepared, executed and authenticated, they shall be delivered to the purchaser (the "Purchaser") upon payment of the purchase price in accordance with the contract of sale hereinafter executed therefor, and the Purchaser shall not be obligated to see to the application of the purchase price.

2.8. Form of Bonds. The Bonds shall be prepared in substantially the form set forth in paragraph 1 of Exhibit C hereto.

**SECTION 3. USE OF PROCEEDS.** Upon payment for the Bonds by the Purchaser, the Treasurer shall deposit accrued interest and any premium received on the sale of the Bonds, directly in the Bond Fund established pursuant to Section 4 hereof and shall deposit the remaining proceeds of the Bonds into a separate Series 2012D Park Bond Proceeds Fund (the "Proceeds Fund"). Bond proceeds deposited in the Proceeds Fund and investment income thereon shall be disbursed at the direction of the Council for the purposes specified in subsection 1.1 hereof, including costs of issuance of the Bonds and payment of interest on the Bonds prior

to completion of such purposes. Any moneys remaining in the Proceeds Fund after payment of all costs financed by the Bonds shall be transferred to the Bond Fund and used to pay principal and interest coming due on the Bonds.

SECTION 4. SERIES 2012D PARK BOND SINKING FUND. The Bonds shall be payable from a separate and special 2012D Park Bond Sinking Fund (the “Bond Fund”) of the Issuer, which the Issuer agrees to maintain until the Bonds have been paid in full. There is hereby appropriated and shall be paid into the Bond Fund Bond proceeds to the extent provided in Section 3 hereof, all taxes collected pursuant to Sections 5 and 6 hereof, any other funds appropriated by the Council for the payment of the Bonds. All investment income on the foregoing shall be deposited into a separate fund and used for the acquisition and development of parks as provided by law. The moneys on hand in the Bond Fund from time to time shall be used only to pay the principal of and interest on the Bonds when due. If the money in the Bond Fund should at any time be insufficient to pay principal and interest due on the Bonds, such amounts shall be paid from other moneys on hand in other funds of the Issuer, which other funds shall be reimbursed therefor when sufficient money becomes available in the Bond Fund.

SECTION 5. TAX LEVY. For payment of the principal of and interest on the Bonds when due, there is hereby levied on all taxable property in the Issuer’s jurisdiction as provided in Minnesota Statutes, Section 473.325, a direct general ad valorem tax, collectible in the years and amounts equal to an amount which is not less than 5% in excess of the principal of and interest on the Bonds due in each year. Such tax shall be apportioned among the counties in the metropolitan area by the various County Auditors in accordance with state law. The proceeds of the tax, when received, shall be deposited in the Bond Fund. The Council reserves the right to reduce or cancel such tax levy in accordance with Minnesota Statutes, Section 475.61.

SECTION 6. GENERAL OBLIGATION PLEDGE. The full faith, credit and unlimited taxing powers of the Council shall be and are hereby irrevocably pledged for the prompt and full payment of the principal of and interest on the Bonds as such payments respectively become due, and the Council covenants and agrees that if and to the extent necessary, it will levy on all taxable property in the metropolitan area that is subject to taxation by the Council, a direct, irrevocable ad valorem tax for this purpose, the collections of which shall be deposited in the Bond Fund.

SECTION 7. DEFEASANCE. When all of the Bonds have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the registered owners of the Bonds shall cease. The Issuer may discharge its obligations with respect to any Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; or, if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued from the due date to the date of such deposit. The Issuer may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank qualified by law as an escrow agent for this purpose, cash or securities which are authorized by law to be so deposited, bearing interest payable at such time and at such rates and maturing or callable at the holder’s option on such dates as shall be required to pay all principal and interest to become due thereon to maturity .

## SECTION 8. CERTIFICATION OF PROCEEDINGS.

8.1 Registration of Bonds and Certification as to Tax Levy. The Treasurer is hereby authorized and directed to file a certified copy of this resolution and such additional certificates as may be required with the County Auditors of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties and to obtain from each County Auditor a certificate, prepared in substantially the form set forth respectively in Exhibit D hereto, that the Bonds have been duly entered upon the Auditor's bond register and that the tax required for the payment thereof has been levied.

8.2. Authentication of Transcript. The officers of the Issuer and County Auditors of the Counties specified in Section 8.1 are hereby authorized and directed to prepare and furnish to the Purchaser and to Kennedy and Graven, Chartered Bond Counsel, certified copies of all proceedings and records relating to the Bonds and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds, as the same appear from the books and records in their custody and control or as otherwise known to them, and all such certified copies, affidavits and certificates, including any heretofore furnished, shall be deemed representations of the Issuer as to the correctness of all statements contained therein.

8.3. Official Statement. The Council staff, in cooperation with Springsted, is hereby authorized and directed to prepare on behalf of the Council an official statement (the "Official Statement") to be distributed to potential purchasers of the Bonds. The Official Statement shall contain the Terms of Proposal, as set forth in Exhibit A hereto, and such other information as shall be deemed advisable and necessary to describe adequately the Council and the security for, and terms and conditions of, the Bonds. The final Official Statement shall be in the form approved by the Chief Financial Officer.

## SECTION 9. TAX COVENANTS; ARBITRAGE MATTERS AND CONTINUING DISCLOSURE.

9.1. No Designation as Qualified Tax-Exempt Obligations. The Bonds are not designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

9.2. General Tax Covenant. The Issuer covenants and agrees with the registered owners of the Bonds that it will not take, or permit to be taken by any of its officers, employees or agents, any action which would cause the interest payable on the Bonds to become subject to taxation under the Code and applicable Treasury Regulations (the "Regulations"), and covenants to take any and all actions within its powers to ensure that the interest on the Bonds will not become includable in gross income of the recipient under the Code and the Regulations. The improvements financed with the proceeds of the Bonds will be owned and maintained by the Issuer so long as the Bonds are outstanding and will be publicly available. The Issuer will not enter into any lease, use agreement, management agreement or other agreement or contract with any non-governmental person relating to the use of the improvements which might cause the Bonds to be considered "private activity bonds" or "private loan bonds" pursuant to Section 141 of the Code.

9.3. Arbitrage Certification. The Chair and Treasurer, being the officers of the Issuer charged with the responsibility for issuing the Bonds pursuant to this resolution, are authorized and directed to execute and deliver to the Purchaser a certificate in accordance with the provisions of Section 148 of the Code, and Section 1.148-2(b) of the Regulations, stating the facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds which make it reasonable to expect that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be arbitrage bonds within the meaning of the Code and Regulations.

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

9.5. Continuing Disclosure. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit the original Purchaser and other participating underwriters in the primary offering of the Bonds to comply with amendments to Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the “Rule”), which will enhance the marketability of the Bonds, the Issuer hereby makes the covenants and agreements in Exhibit B hereto for the benefit of the Owners (as defined in Exhibit B) from time to time of the outstanding Bonds. The Treasurer shall have overall responsibility for compliance with the Undertaking of Continuing Disclosure and other similar undertakings hereafter made by the Council under Rule 15c2-12(b)(5), and the Treasurer shall implement the dissemination of reports and notices thereunder. Amendments permitted by the undertakings necessitated by a change in circumstances that arises from a change in legal requirements, or change in law may be made by the Treasurer.

SECTION 10. BOND RATINGS. The Treasurer, or the Treasurer’s designee, is authorized and directed to obtain ratings of the Bonds from up to three nationally recognized credit rating services, to pay the reasonable and customary charges of such rating services, and to take such other action as may be required so that the Bonds may be issued and sold as contemplated hereby.

SECTION 11. SEVERABILITY. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

SECTION 12. HEADINGS. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

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Emily Randleman, Recording Secretary

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Susan Haigh, Chair

## EXHIBIT A

THE COUNCIL HAS AUTHORIZED SPRINGSTED INCORPORATED TO NEGOTIATE THIS ISSUE ON ITS BEHALF. PROPOSALS WILL BE RECEIVED ON THE FOLLOWING BASIS:

### TERMS OF PROPOSAL

\$7,000,000\*

METROPOLITAN COUNCIL  
(MINNEAPOLIS-ST. PAUL METROPOLITAN AREA)  
STATE OF MINNESOTA

GENERAL OBLIGATION PARK BONDS, SERIES 2012D

(BOOK ENTRY ONLY)

Proposals for the Bonds and the Good Faith Deposit ("Deposit") will be received on Tuesday, June 5, 2012, until 10:00 A.M., Central Time, at the offices of Springsted Incorporated, 380 Jackson Street, Suite 300, Saint Paul, Minnesota, after which time proposals will be opened and tabulated. Consideration for award of the Bonds will be by the Chief Financial Officer or it's designee immediately follow the opening of proposals.

### SUBMISSION OF PROPOSALS

Springsted will assume no liability for the inability of the bidder to reach Springsted prior to the time of sale specified above. All bidders are advised that each Proposal shall be deemed to constitute a contract between the bidder and the Council to purchase the Bonds regardless of the manner in which the Proposal is submitted.

(a) **Sealed Bidding.** Proposals may be submitted in a sealed envelope or by fax (651) 223-3046 to Springsted. Signed Proposals, without final price or coupons, may be submitted to Springsted prior to the time of sale. The bidder shall be responsible for submitting to Springsted the final Proposal price and coupons, by telephone (651) 223-3000 or fax (651) 223-3046 for inclusion in the submitted Proposal.

**OR**

(b) **Electronic Bidding.** Notice is hereby given that electronic proposals will be received via PARITY®. For purposes of the electronic bidding process, the time as maintained by PARITY® shall constitute the official time with respect to all Bids submitted to PARITY®. *Each bidder shall be solely responsible for making necessary arrangements to access PARITY® for purposes of submitting its electronic Bid in a timely manner and in compliance with the requirements of the Terms of Proposal.* Neither the Council, its agents nor PARITY® shall have any duty or obligation to undertake registration to bid for any prospective bidder or to provide or ensure electronic access to any qualified prospective bidder, and neither the Council, its agents nor PARITY® shall be responsible for a bidder's failure to register to bid or for any failure in the proper operation of, or have any liability for any delays or interruptions of or any damages caused by the services of PARITY®. The Council is using the services of PARITY® solely as a communication mechanism to conduct the electronic bidding for the Bonds, and PARITY® is not an agent of the Council.

If any provisions of this Terms of Proposal conflict with information provided by PARITY®, this Terms of Proposal shall control. Further information about PARITY®, including any fee charged, may be obtained from:

PARITY®, 1359 Broadway, 2<sup>nd</sup> Floor, New York, New York 10018  
Customer Support: (212) 849-5000

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\* Preliminary; subject to change.

## DETAILS OF THE BONDS

The Bonds will be dated June 15, 2012, as the date of original issue, and will bear interest payable on March 1 and September 1 of each year, commencing March 1, 2013. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Bonds will mature March 1 in the years and amounts\* as follows:

2013	\$2,400,000	2014	\$1,115,000	2015	\$1,135,000	2016	\$1,160,000	2017	\$1,190,000
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\* *The Council reserves the right, after proposals are opened and prior to award, to increase or reduce the principal amount of the Bonds or the maturity amounts offered for sale. Any such increase or reduction will be made in multiples of \$5,000 in any of the maturities. In the event the principal amount of the Bonds is increased or reduced, any premium offered or any discount taken by the successful bidder will be increased or reduced by a percentage equal to the percentage by which the principal amount of the Bonds is increased or reduced.*

Proposals for the Bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds. All term bonds shall be subject to mandatory sinking fund redemption at a price of par plus accrued interest to the date of redemption and must conform to the maturity schedule set forth above. In order to designate term bonds, the proposal must specify "Years of Term Maturities" in the spaces provided on the Proposal Form.

## BOOK ENTRY SYSTEM

The Bonds will be issued by means of a book entry system with no physical distribution of Bonds made to the public. The Bonds will be issued in fully registered form and one Bond, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository of the Bonds. Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the registrar to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The purchaser, as a condition of delivery of the Bonds, will be required to deposit the Bonds with DTC.

## REGISTRAR

The Chief Financial Officer of the Council will serve as registrar.

## OPTIONAL REDEMPTION

The Bonds will not be subject to payment in advance of their respective stated maturity dates.

## SECURITY AND PURPOSE

The Bonds will be general obligations of the Council for which the Council will pledge its full faith and credit and power to levy direct general ad valorem taxes. The proceeds will be used to finance various park system improvements.

## BIDDING PARAMETERS

Proposals shall be for not less than \$6,972,000 and accrued interest on the total principal amount of the Bonds.

No proposal can be withdrawn or amended after the time set for receiving proposals unless the meeting of the Council scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made. Rates shall be in integral multiples of 5/100 or 1/8 of 1%. Rates are not required to be in level or ascending order; however, the rate for any maturity cannot be more than 1% lower than the highest rate of any of the preceding maturities. Bonds of the same maturity shall bear a single rate from the date of the Bonds to the date of maturity. No conditional proposals will be accepted.

#### GOOD FAITH DEPOSIT

Proposals, regardless of method of submission, shall be accompanied by a Deposit in the amount of \$70,000, in the form of a certified or cashier's check, a wire transfer, or Financial Surety Bond and delivered to Springsted Incorporated prior to the time proposals will be opened. Each bidder shall be solely responsible for the timely delivery of their Deposit whether by check, wire transfer or Financial Surety Bond. Neither the Council nor Springsted Incorporated have any liability for delays in the transmission of the Deposit.

Any Deposit made by **certified or cashier's check** should be made payable to the Council and delivered to Springsted Incorporated, 380 Jackson Street, Suite 300, St. Paul, Minnesota 55101.

Any Deposit sent via **wire transfer** should be sent to Springsted Incorporated as the Council's agent according to the following instructions:

Wells Fargo Bank, N.A., San Francisco, CA 94104  
ABA #121000248  
for credit to Springsted Incorporated, Account #635-5007954  
Ref: Metropolitan Council Series 2012D Good Faith Deposit

Contemporaneously with such wire transfer, the bidder shall send an e-mail to [bond\\_services@springsted.com](mailto:bond_services@springsted.com), including the following information; (i) indication that a wire transfer has been made, (ii) the amount of the wire transfer, (iii) the issue to which it applies, and (iv) the return wire instructions if such bidder is not awarded the Bonds.

Any Deposit made by the successful bidder by check or wire transfer will be delivered to the Council following the award of the Bonds. Any Deposit made by check or wire transfer by an unsuccessful bidder will be returned to such bidder following Council action relative to an award of the Bonds.

If a **Financial Surety Bond** is used, it must be from an insurance company licensed to issue such a bond in the State of Minnesota and pre-approved by the Council. Such bond must be submitted to Springsted Incorporated prior to the opening of the proposals. The Financial Surety Bond must identify each underwriter whose Deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to an underwriter using a Financial Surety Bond, then that underwriter is required to submit its Deposit to the Council in the form of a certified or cashier's check or wire transfer as instructed by Springsted Incorporated not later than 3:30 P.M., Central Time on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the Council to satisfy the Deposit requirement.

The Deposit received from the purchaser, the amount of which will be deducted at settlement, will be deposited by the Council and no interest will accrue to the purchaser. In the event the purchaser fails to comply with the accepted proposal, said amount will be retained by the Council.



## AWARD

The Bonds will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis. The Council's computation of the interest rate of each proposal, in accordance with customary practice, will be controlling.

The Council will reserve the right to: (i) waive non-substantive informalities of any proposal or of matters relating to the receipt of proposals and award of the Bonds, (ii) reject all proposals without cause, and (iii) reject any proposal that the Council determines to have failed to comply with the terms herein.

## BOND INSURANCE AT PURCHASER'S OPTION

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the underwriter, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the purchaser of the Bonds. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the purchaser, except that, if the Council has requested and received a rating on the Bonds from a rating agency, the Council will pay that rating fee. Any other rating agency fees shall be the responsibility of the purchaser.

Failure of the municipal bond insurer to issue the policy after Bonds have been awarded to the purchaser shall not constitute cause for failure or refusal by the purchaser to accept delivery on the Bonds.

## CUSIP NUMBERS

If the Bonds qualify for assignment of CUSIP numbers such numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the purchaser to accept delivery of the Bonds. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the purchaser.

## SETTLEMENT

Within 40 days following the date of their award, the Bonds will be delivered without cost to the purchaser through DTC in New York, New York. Delivery will be subject to receipt by the purchaser of an approving legal opinion of Kennedy & Graven, Chartered of Minneapolis, Minnesota, and of customary closing papers, including a no-litigation certificate. On the date of settlement, payment for the Bonds shall be made in federal, or equivalent, funds that shall be received at the offices of the Council or its designee not later than 12:00 Noon, Central Time. Unless compliance with the terms of payment for the Bonds has been made impossible by action of the Council, or its agents, the purchaser shall be liable to the Council for any loss suffered by the Council by reason of the purchaser's non-compliance with said terms for payment.

## CONTINUING DISCLOSURE

In accordance with SEC Rule 15c2-12(b)(5), the Council will undertake, pursuant to the resolution awarding sale of the Bonds, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Official Statement. The purchaser's obligation to purchase the Bonds will be conditioned upon receiving evidence of this undertaking at or prior to delivery of the Bonds.

## OFFICIAL STATEMENT

The Council has authorized the preparation of an Official Statement containing pertinent information relative to the Bonds, and said Official Statement will serve as a nearly final Official Statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. For copies of the Official Statement or for any additional information prior to sale, any prospective purchaser is referred to the Financial Advisor to the Council, Springsted Incorporated, 380 Jackson Street, Suite 300, Saint Paul, Minnesota 55101, telephone (651) 223-3000.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law, shall constitute a "Final Official Statement" of the Council with respect to the Bonds, as that term is defined in Rule 15c2-12. By awarding the Bonds to any underwriter or underwriting syndicate submitting a proposal therefor, the Council agrees that, no more than seven business days after the date of such award, it shall provide without cost to the senior managing underwriter of the syndicate to which the Bonds are awarded 250 copies of the Official Statement and the addendum or addenda described above. The Council designates the senior managing underwriter of the syndicate to which the Bonds are awarded as its agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter delivering a proposal with respect to the Bonds agrees thereby that if its proposal is accepted by the Council (i) it shall accept such designation and (ii) it shall enter into a contractual relationship with all Participating Underwriters of the Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

Dated May 9, 2012

BY ORDER OF THE METROPOLITAN COUNCIL

*/s/ Wes Kooistra*  
Chief Financial Officer

## EXHIBIT B

### CONTINUING DISCLOSURE UNDERTAKING

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

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

(1) on or before 270 days after the end of each fiscal year of the Issuer, commencing with the fiscal year ending December 31, 2011, the following financial information and operating data in respect of the Issuer (the Disclosure Information):

(A) the audited financial statements of the Issuer for such fiscal year, accompanied by the audit report and opinion of the accountant or government auditor relating thereto, as permitted or required by the laws of the State of Minnesota, containing balance sheets as of the end of such fiscal year and a statement of operations, changes in fund balances and cash flows for the fiscal year then ended, showing in comparative form such figures for the preceding

fiscal year of the Issuer, prepared in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board or as otherwise provided under Minnesota law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the Issuer, noting the discrepancies therefrom and the effect thereof, and certified as to accuracy and completeness in all material respects by the fiscal officer of the Issuer; and

(B) to the extent not included in the financial statements referred to in paragraph (A) hereof, the information for such fiscal year or for the period most recently available of the type contained in the Official Statement under headings: “Indebtedness of the Council and Its Agencies,” “Council Property Values” and “Council Financial Information,” which information may be unaudited.

Notwithstanding the foregoing paragraph, if the audited financial statements are not available by the date specified, the Issuer shall provide on or before such date unaudited financial statements in the format required for the audited financial statements as part of the Disclosure Information and, within 10 days after the receipt thereof, the Issuer shall provide the audited financial statements. Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, that have been filed with the SEC or have been made available to the public on the Internet Web site of the Municipal Securities Rulemaking Board (the MSRB). The Issuer shall clearly identify in the Disclosure Information each document so incorporated by reference. If any part of the Disclosure Information can no longer be generated because the operations of the Issuer have materially changed or been discontinued, such Disclosure Information need no longer be provided if the Issuer includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other Issuer operations in respect of which data is not included in the Disclosure Information and the Issuer determines that certain specified data regarding such replacement operations would be a Material Fact (as defined in paragraph (3) hereof), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations. If the Disclosure Information is changed or this section is amended as permitted by this paragraph (b)(1), then the Issuer shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

(2) In a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of any of the following events (each a “Material Fact”):

(A) Principal and interest payment delinquencies;

- (B) Non-payment related defaults, if material;
- (C) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (D) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (E) Substitution of credit or liquidity providers, or their failure to perform;
- (F) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (G) Modifications to rights of security holders, if material;
- (H) Bond calls, if material, and tender offers;
- (I) Defeasances;
- (J) Release, substitution, or sale of property securing repayment of the securities, if material; and
- (K) Rating changes;
- (L) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (M) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (N) Appointment of a successor or additional trustee or the change of name of a trustee, if material; and
- (O) Failure of an issuer or obligated person to provide annual financial information as required.

As used herein, a “Material Fact” is a fact as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public.

Notwithstanding the foregoing sentence, a “Material Fact” is also an event that would be deemed “material” for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

(3) In a timely manner, notice of the occurrence of any of the following events or conditions:

(A) the failure of the Issuer to provide the Disclosure Information required under paragraph (b)(1) at the time specified thereunder;

(B) the amendment or supplementing of this section pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the Issuer under subsection (d)(2);

(C) the termination of the obligations of the Issuer under this section pursuant to subsection (d);

(D) any change in the accounting principles pursuant to which the financial statements constituting a portion of the Disclosure Information or the audited financial statements, if any, furnished pursuant to subsection (b)(2) or (3) are prepared; and

(E) any change in the fiscal year of the Issuer.

(c) Manner of Disclosure.

(1) The Issuer agrees to make available to the MSRB, in an electronic format as prescribed by the MSRB from time to time, the information described in subsection (b).

(2) The Issuer further agrees to make available, by electronic transmission, overnight delivery, mail or other means, as appropriate, the information described in subsection (b) to any rating agency then maintaining a rating of the Bonds at the request of the Issuer and, at the expense of such Bondowner, to any Bondowner who requests in writing such information, at the time of transmission under paragraph (1) of this subsection (c), or, if such information is transmitted with a subsequent time of release, at the time such information is to be released.

(3) All documents provided to the MSRB pursuant to this subsection (c) shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(d) Term; Amendments; Interpretation.

(1) The covenants of the Issuer in this section shall remain in effect so long as any Bonds are outstanding. Notwithstanding the preceding sentence, however, the obligations of the Issuer under this section shall terminate and be without further

effect as of any date on which the Issuer delivers to the Registrar an opinion of Issuer's current Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the Issuer to comply with the requirements of this section will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.

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

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

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

**EXHIBIT C**

**BOND FORM**

1. The Bonds, the Registrar’s Authentication Certificate, and the form of assignment on the Bond shall be in substantially the following form:

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
ANOKA, CARVER, DAKOTA, HENNEPIN, RAMSEY, SCOTT  
AND WASHINGTON COUNTIES

METROPOLITAN COUNCIL

(Minneapolis-St. Paul Metropolitan Area)

GENERAL OBLIGATION PARK BOND, SERIES 2012D

No. R-\_\_\_\_ \$\_\_\_\_\_

<u>Rate</u>	<u>Date of Maturity</u>	<u>Original Issue</u>	<u>CUSIP</u>
_____%	March 1, 20__	June 15, 2012	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: DOLLARS

METROPOLITAN COUNCIL, a public corporation having jurisdiction over the Minneapolis-St. Paul Metropolitan Area comprising the Counties of Anoka, Carver, Dakota (excluding the City of Northfield), Hennepin (excluding the Cities of Hanover and Rockford), Ramsey, Scott (excluding the City of New Prague), and Washington, Minnesota (the “Issuer”), acknowledges itself to be indebted and for value received hereby promises to pay to the registered owner specified above, or registered assigns, the principal amount specified above on the maturity date specified above and promises to pay interest thereon from the date of original issue specified above or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for, at the annual rate specified above, payable on March 1 and September 1 in each year, commencing March 1, 2013 (each such date, an Interest “Payment Date”). The interest so payable on any Interest Payment Date shall be paid to the person in whose name this Bond is registered at the close of business on the fifteenth day whether or not a business day) of the calendar month next preceding such Interest Payment Date. Interest hereon shall be computed on the basis of a 360-day year composed of twelve 30-day months. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by wire transfer, check or draft by the Treasurer, Metropolitan Council, Minnesota, as Registrar and Paying Agent, or its designated successor under the Resolution described herein (the “Registrar”). For the prompt and full



payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

This Bond is one of an issue in the aggregate principal amount of \$7,000,000 issued pursuant to a resolution adopted by the Council on May 9, 2012 (the "Resolution"), to finance various park improvements, and is issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota thereunto enabling, including Minnesota Statutes, Chapters 473 and 475. The Bonds are issuable only in fully registered form, in denominations of \$5,000 or any integral multiple thereof, of single maturities.

This Bond will not be subject to optional redemption and prepayment prior to its stated maturity date.

[Bonds maturing on March 1, 20\_\_ and March 1, 20\_\_ shall be subject to mandatory redemption prior to maturity by lot, as selected by the Registrar (or, if applicable, by the bond depository in accordance with its customary procedures), at the principal amount to be redeemed, plus accrued interest thereon to the date of redemption and without premium, on the following dates and in the following amounts:

<u>Year</u>	<u>March 1, Term Bond</u>	<u>Amount</u>
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<u>Year</u>	<u>March 1, Term Bond</u>	<u>Amount</u>
-------------	---------------------------	---------------

\*Final Maturity

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

The Issuer and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of

receiving payment and for all other purposes, and neither the Issuer nor the Registrar shall be affected by any notice to the contrary.

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

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the Issuer in accordance with its terms, have been done, do exist, have happened and have been performed as so required; that prior to the issuance hereof the Issuer has levied ad valorem taxes on all property taxable by the Issuer, which taxes will be collectible for the years and in amounts sufficient to produce sums not less than five percent in excess of the principal and interest when due on the Bonds and has appropriated the taxes to the Bond Fund in the manner specified in Minnesota Statutes, Chapter 475, for the payment of such principal and interest; that if necessary for the payment of such principal and interest when due, additional ad valorem taxes are required to be levied upon all property taxable by the Issuer, without limitation as to rate or amount; and that the opinion printed hereon is a full, true and correct copy of the legal opinion given by Bond Counsel with reference to the Bonds, dated as of the date of original delivery of the Bonds.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon shall have been executed by the manual signature of the Registrar.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed on its behalf by the facsimile signatures of the Chair and Treasurer.

METROPOLITAN COUNCIL, MINNESOTA

(Facsimile Signature) \_\_\_\_\_ (Facsimile Signature) \_\_\_\_\_  
Treasurer Chair

\_\_\_\_\_



Signature Guaranteed:

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

Please insert social security or other identifying number of assignee:

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[End of form of Bond]

2. Registration. The effect of registration and the rights and duties of the Issuer and the Registrar with respect thereto are as follows:

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

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

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

(d) Cancellation. All Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the Issuer.

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

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

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

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Registrar shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the Issuer and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the Issuer. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it shall not be necessary to issue a new Bond prior to payment.

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

3. (a) Securities Depository. For purposes of this paragraph 3, the following terms shall have the following meanings:

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

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

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

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

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

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

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

(d) The execution and delivery of the Representation Letter to DTC, if not previously filed with DTC, by the Chair or Treasurer is hereby authorized and directed.

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

**EXHIBIT D**

**ANOKA COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION AND TAX LEVY**

The undersigned, being the duly qualified and acting County Auditor of Anoka County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$7,000,000 General Obligation Park Bonds, Series 2012D, dated as of June 15, 2012, and levying taxes for the payment thereof.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)



CARVER COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION AND TAX LEVY

The undersigned, being the duly qualified and acting County Auditor of Carver County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$7,000,000 General Obligation Park Bonds, Series 2012D, dated as of June 15, 2012, and levying taxes for the payment thereof.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)

DAKOTA COUNTY TREASURER-AUDITOR'S CERTIFICATE  
AS TO REGISTRATION AND TAX LEVY

The undersigned, being the duly qualified and acting County Treasurer-Auditor of Dakota County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$7,000,000 General Obligation Park Bonds, Series 2012D, dated as of June 15, 2012, and levying taxes for the payment thereof.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Treasurer-Auditor

(SEAL)

HENNEPIN COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION AND TAX LEVY

The undersigned, being the duly qualified and acting County Auditor of Hennepin County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$7,000,000 General Obligation Park Bonds, Series 2012D, dated as of June 15, 2012, and levying taxes for the payment thereof.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)

RAMSEY COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION AND TAX LEVY

The undersigned, being the duly qualified and acting County Auditor of Ramsey County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$7,000,000 General Obligation Park Bonds, Series 2012D, dated as of June 15, 2012, and levying taxes for the payment thereof.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)

SCOTT COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION AND TAX LEVY

The undersigned, being the duly qualified and acting County Auditor of Scott County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on November 10, 2010, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$7,000,000 General Obligation Park Bonds, Series 2012D, dated as of June 15, 2012, and levying taxes for the payment thereof.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)

WASHINGTON COUNTY AUDITOR/TREASURER'S CERTIFICATE  
AS TO REGISTRATION AND TAX LEVY

The undersigned, being the duly qualified and acting County Auditor/Treasurer of Washington County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$7,000,000 General Obligation Park Bonds, Series 2012D, dated as of June 15, 2012, and levying taxes for the payment thereof.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor/Treasurer

(SEAL)

CERTIFICATION OF EXTRACT FROM MINUTES  
RELATING TO GENERAL OBLIGATION WASTEWATER  
REVENUE REFUNDING BONDS, SERIES 2012E

Issuer: Metropolitan Council, Minnesota

Governing Body: Council Members

Kind, date, time and place of meeting: A regular meeting held Wednesday, May 9, 2012, at 4:00 o'clock P.M., at 390 North Robert Street, St. Paul, Minnesota.

Members Present:

Members Absent:

Documents Attached:

Extract of minutes of said meeting including:

RESOLUTION NO. 2012-\_\_\_\_\_

RESOLUTION TO ISSUE AND SELL GENERAL  
OBLIGATION WASTEWATER REVENUE REFUNDING  
BONDS, SERIES 2012E FIXING THE FORM AND  
SPECIFICATIONS THEREOF, PROVIDING FOR THEIR  
EXECUTION AND DELIVERY

I, the undersigned, being the duly qualified and acting Recording Secretary of the Metropolitan Council, the public corporation issuing the bonds referred to in the title of this certificate, certify that the documents attached hereto, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been extracted; that said documents are correct and accurate copies of the resolution and related documents approved by the Council at its regular meeting held on May 9, 2012, so far as they relate to said bonds; and that said meeting was duly held by the governing body at the time and place and was attended by the members indicated above, pursuant to call and notice of such meeting given as required by law.

WITNESS my hand officially as such Recording Secretary on \_\_\_\_\_, 2012.

\_\_\_\_\_  
Emily Randleman, Recording Secretary

After some discussion, Council Member \_\_\_\_\_ introduced the following resolution and moved its adoption:

RESOLUTION TO ISSUE AND SELL GENERAL OBLIGATION WASTEWATER REVENUE REFUNDING BONDS, SERIES 2012E FIXING THE FORM AND SPECIFICATIONS THEREOF, PROVIDING FOR THEIR EXECUTION AND DELIVERY

The motion for the adoption of the foregoing resolution was seconded by Council Member \_\_\_\_\_, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

and the following were absent for the vote:

whereupon the resolution was declared duly passed and adopted and was signed by the Chair whose signature was attested by the Recording Secretary.



RESOLUTION TO ISSUE AND SELL GENERAL OBLIGATION WASTEWATER REVENUE REFUNDING BONDS, SERIES 2012E FIXING THE FORM AND SPECIFICATIONS THEREOF, PROVIDING FOR THEIR EXECUTION AND DELIVERY

BE IT RESOLVED by the Metropolitan Council (the “Council” or the “Issuer”), as follows:

SECTION 1. AUTHORIZATION AND SALE.

1.1 Authorization and Purpose. This Council determines that it is necessary to sell and issue its General Obligation Wastewater Revenue Refunding Bonds, (the “Bonds”), in the approximate aggregate principal amount of \$97,000,000, subject to adjustment as provided in the Terms of Proposal referred to in Section 1.2 hereof, pursuant to Minnesota Statutes, Section 473.541 and Chapter 475, to refund in advance of their maturity the callable maturities of the General Obligation Waste Water Revenue Refunding Bonds, Series 2003A, dated September 1, 2003 (the “Series 2003 Refunded Bonds”), the General Obligation Waste Water Treatment Revenue Bonds, Series 2004B, dated April 1, 2004 (the “Series 2004 Refunded Bonds”) and the General Obligation Waste Water Revenue and Refunding Bonds, Series 2005B, dated May 1, 2005 (collectively, the Refunded Bonds”). The principal of the Bonds shall be properly allocated to the portion of the Bonds issued to refund the Series 2003 Refunded Bonds (the “Series 2003 Refunding Bonds”), the Series 2004 Refunded Bonds (the “Series 2004 Refunding Bonds”) and the Series 2005 Refunded Bonds (the “Series 2005 Refunding Bonds”).

1.2 Terms of Bond Sale; Notices. The Council has retained Springsted Incorporated, St. Paul, Minnesota (“Springsted”) as independent financial advisor, and while the Council will set a date and time for receipt of proposals as hereinafter provided, pursuant to Minnesota Statutes, Section 475.60, subdivision 2, paragraph 9, Springsted is hereby authorized to solicit proposals for the Bonds on behalf of the Council on a competitive basis without requirement of published notice. The terms of the Bonds and the sale thereof shall be substantially as set forth in the Terms of Proposal attached as Exhibit A hereto, which is hereby approved. The Council hereby determines to sell the Bonds in accordance with the procedures set forth in Exhibit A. The specifications set forth in Exhibit A may be revised by the Chief Financial Officer in consultation with Springsted, provided that the principal amount of Bonds authorized and issued hereunder, shall not exceed \$97,000,000. The Council hereby delegates to the Chief Financial Officer, or the Chief Financial Officer’s designee, authority to consider the proposals and award the sale not later than 120 days from the date hereof based upon the best proposal, provided that present value savings from refunding the Refunded Bonds, computed in accordance with Minnesota Statutes, Section 475.67, subdivision 12, is at least three percent.

SECTION 2. BOND TERMS; REGISTRATION; EXECUTION AND DELIVERY

2.1 Maturities; Interest Rates; Denominations and Payment. The Bonds shall be originally dated as of June 15, 2012, shall be in the denomination of \$5,000 each, or any integral

multiple thereof, shall mature on September 1 in the respective years and amounts stated in the respective Terms of Proposal, and shall bear interest from date of issue until paid at the respective annual rates established pursuant to Section 1.2 hereof.

The Bonds shall be issuable only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof shall be payable by wire transfer, check or draft issued by the Registrar described herein; provided that, so long as the Bonds are registered in the name of a securities depository, or a nominee thereof, in accordance with paragraph 3 of Exhibit C hereto, principal and interest shall be payable in accordance with the operational arrangements of the securities depository.

2.2 Dates and Interest Payment Dates. Upon initial delivery of the Bonds pursuant to Section 2.6 hereof, and upon any subsequent transfer or exchange pursuant to paragraph 2 of Exhibit C hereto, the date of authentication shall be noted on each Bond so delivered, exchanged or transferred. Interest on the Bonds shall be payable on March 1 and September 1 in each year, commencing March 1, 2013, to the owner of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not such day is a business day.

2.3 Redemption. The Chief Financial Officer may permit prospective proposers to designate any portion of the principal of a series of Bonds to be combined within one or more term Bonds of such series subject to mandatory sinking fund redemption.

The Bonds shall be subject to redemption and payment prior to maturity at the option of the Council in such order of maturity as the Council may determine on the dates, at the prices, and for the maturities as provided in Exhibit A hereto, as applicable. Thirty (30) days' mailed notice of any such redemption shall be given to the registered owners of the Bonds to be redeemed pursuant to Minnesota Statutes, Chapter 475.

2.4 Appointment of Initial Registrar. The Issuer hereby appoints the Chief Financial Officer of the Council, in St. Paul, Minnesota, as the initial bond registrar, transfer agent and paying agent (the "Registrar"). The Issuer reserves the right to change the Registrar upon thirty (30) days notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Bonds in its possession to the successor Registrar and shall deliver the bond register to the successor Registrar.

2.5 Registration. The effect of registration and the rights and duties of the Issuer and the Registrar with respect thereto are set forth in paragraph 2 of Exhibit C hereto.

2.6 Execution, Authentication and Delivery. The Bonds shall be executed on behalf of the Issuer by the signatures of the Chair and the Treasurer, provided that the signatures may be printed, engraved or lithographed facsimiles of the originals. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of any Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Notwithstanding such execution, no Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on

the Bond has been duly executed by the manual signature of the Registrar. The executed certificate of authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been prepared, executed and authenticated, the Bonds shall be delivered to the Purchaser upon payment of the purchase price in accordance with the contract of sale hereinafter executed therefor, and the Purchaser shall not be obligated to see to the application of the purchase price.

2.7 Form of Bonds. The Bonds shall be prepared in substantially the form set forth in paragraph 1 of Exhibit C hereto.

### SECTION 3. USE OF PROCEEDS.

3.1 Upon payment for the Bonds by the Purchaser thereof, the Chief Financial Officer shall deposit the proceeds of the Bonds directly in the Escrow Account established pursuant to Section 4 hereof.

### SECTION 4. REFUNDING.

4.1 Escrow Account. An Escrow Account is hereby established and shall be maintained as an Escrow Account (the "Escrow Account") with U.S. Bank National Association in St. Paul, Minnesota, which is a suitable financial institution within the State, whose deposits are insured by the Federal Deposit Insurance Corporation, whose combined capital and surplus is not less than \$500,000 and said financial institution is hereby designated escrow agent (the "Escrow Agent") for the Escrow Account. All proceeds of the sale of the Bonds (less amounts used to pay costs of issuance) will be received by the Escrow Agent and applied to fund the Escrow Account. Such net proceeds are hereby irrevocably pledged and appropriated to the Escrow Account, together with an investment earnings thereon. The Escrow Account will be invested in securities maturing or callable at the option of the holder on such dates and bearing interest at such rates as will be required to provide sufficient funds, together with any cash or other fund retained in the Escrow Account, to pay when due the interest to accrue on Series 2003 Refunding Bonds to and including March 1, 2013, the interest on the Series 2004 Refunding Bonds to and including December 1, 2014, and the interest on the 2005 Refunding Bonds to and including May 1, 2005 (collectively, the "Redemption Dates"), and to pay when due on the respective Redemption Dates the principal of the Refunded Bonds called on such Redemption Dates. From the Escrow Account there will be paid (i) all interest to be paid on the Series 2003 Refunding Bonds on or prior to March 1, 2013 on the Series 2004 Refunding Bonds on or prior to December 1, 2014, and on the Series 2005 Refunding Bonds on or to prior to May 1, 2015, and (ii) the principal of the respective Refunded Bonds due by reason of redemption on the respective Redemption Dates. The Escrow Account will be irrevocably appropriated to the payment of the principal of and interest on the Bonds until the proceeds of the Bonds therein are applied to prepayment of the Refunded Bonds. The moneys in the Escrow Account will be used solely for the purposes herein set forth and for no other purpose, except that any surplus in the Escrow Account may be remitted to the Issuer, all in accordance with Escrow Agreement (hereafter defined) by and between the Issuer and the Escrow Agent. Any moneys remitted to the Issuer upon termination of the Escrow Agreement will be deposited in the Bond Fund.

4.2 Findings. It is hereby found and determined that based upon information presently available from the Issuer's financial adviser, the issuance of the Bonds will result in a reduction of debt service cost to the Issuer on the Refunded Bonds, such that the present value of such debt service or interest cost savings (the "Reduction") is at least 3.00% of the debt service on the Refunded Bonds. The Reduction, after the inclusion of all authorized expenses of refunding in the computation of the effective interest rate on the Bonds, is adequate to authorize the issuance of the Bonds as provided by Minnesota Statutes, Section 475.67, subdivision 12 and 13.

4.3 Deposit of Funds. As of the date of delivery of and payment for the Bonds the proceeds of the Bonds, plus accrued interest on the Bonds less necessary expenses of the issuance of the Bonds ("the "Proceeds"), are hereby pledged and appropriated and will be deposited in the Escrow Account. Proceeds of the Bonds in excess of amount needed to fund the Escrow Account and pay costs of issuance are appropriated to the Bond Fund.

4.4 Payment of Bonds and Refunded Bonds. It is hereby found and determined that money available and appropriated to the Escrow Account will be sufficient, together with the permitted earnings on the investment of the Escrow Account, to pay principal of and interest on the Bonds through the Redemption Date, and to pay at maturity or redemption all of the principal of and redemption premium (if any) on the Refunded Bonds maturing after the Redemption Dates.

4.5 Permitted Investments. Securities purchased from the monies in the Escrow Account will be limited to securities specified in Section 475.67, Subdivision 8 of the Act. The Escrow Agent, as agent for the Issuer is hereby authorized and directed to purchase for and on behalf of the Issuer and in its name, appropriate securities to fund the Escrow Account. Upon the issuance and delivery of the Bonds, the securities so purchased will be deposited with the Escrow Agent and held pursuant to the terms of the Escrow Agreement and the Resolution.

4.6 Notice of Redemption. The Series 2003 Refunded Bonds maturing on March 1, 2014, the Series 2004 Refunded Bonds maturing on December 1, 2015 and the Series 2005B Refunded Bonds maturing on May 1, 2016 shall be redeemed and prepaid on March 1, 2013, December 1, 2014 and May 1, 2015 respectively. The Refunded Bonds will be redeemed and prepaid in accordance with their terms and in accordance with the terms and conditions set forth in the forms of Notices of Call for Redemption attached as Exhibits C, D and E to the Escrow Agreement (defined below), which terms and conditions are hereby approved and incorporated herein by reference. The Registrar for the Refunded Bonds is authorized and directed to send a copy of the Notice of Redemption, as appropriate, to each registered holder of the Refunded Bonds.

4.7 Escrow Agreement. On or prior to the delivery of the Refunding Bonds, the Chair and the Secretary are hereby authorized and directed to execute on behalf of the Issuer an escrow agreement (the "Escrow Agreement") with the Escrow Agent in substantially the form now on file with the Director of Finance. All essential terms and conditions of the Escrow Agreement including payment by the Issuer of reasonable charges for the services of the Escrow Agent, are hereby approved and adopted and made a part of this Resolution, and the Issuer covenants that it

will promptly enforce all provisions thereof in the event of default hereunder by the Escrow Agent.

## SECTION 5. PAYMENT, SECURITY AND COVENANTS.

5.1 (a) The Issuer will create and continue to operate its Wastewater Fund to which will be credited all gross revenues of the Wastewater disposal system and out of which will be paid all normal and reasonable expenses of current operations of the Wastewater disposal system. Any balance therein is deemed net revenue and will be transferred pro rata, except for funds in a Wastewater operating reserve and contingency fund, from time to time, to a General Obligation Wastewater Revenue Refunding Bonds, Series 2012E Bond Fund hereby created for the Bonds authorized and issued hereunder (the "Bond Fund"), and to other Wastewater bond funds similarly authorized, which funds will be used only to pay principal of and interest on the Bonds and any other bonds similarly authorized. There shall also be transferred to the Bond Fund of general taxes hereafter levied for such series. There will also be retained in the Bond Fund of a sufficient amount to pay principal of and interest on the Bonds, and the Secretary must report any current or anticipated deficiency in such Bond Fund of the Issuer to the Registrar. There is hereby appropriated and shall be paid to the Bond Fund of accrued interest and any premium on the sale of the Bonds received from the Purchaser of the Bonds.

(b) Upon payment for the Bonds by the Purchaser thereof, the Chief Financial Officer shall credit the remaining proceeds of the Bonds, during the construction of the projects financed by the Bonds (the "Projects"), to a separate construction fund (the "Construction Fund") to be used solely to defray expenses of the Projects financed by the Bonds and the payment of principal and interest on the Bonds prior to the completion and payment of all costs of the Projects. When the Projects financed by the Bonds are completed and the cost thereof paid, the Construction Fund is to be closed and any balance therein is to be deposited in the Bond Fund.

5.2 The Issuer covenants and agrees with the holders, from time to time, of the Bonds that so long as any of the Bonds remain outstanding and unpaid, it will keep and enforce the following covenants and agreements:

(a) The Issuer will continue to maintain and efficiently operate the Wastewater disposal system as public utilities and conveniences free from competition of other like utilities to the extent permitted by law and will cause all revenues therefrom to be deposited in bank accounts and credited to the Wastewater disposal system accounts as herein above provided, and will make no expenditures from those accounts except for a duly authorized purpose and in accordance with this resolution.

(b) The Issuer will maintain the bond fund as a separate account in the Debt Service Funds of the Issuer and will cause money to be credited thereto from time to time, out of net revenues from the Wastewater disposal system in sums sufficient to pay principal of and interest on the Bonds when due.

(c) The Issuer will keep and maintain proper and adequate books of records and accounts separate from all other records of the Issuer in which will be complete and correct

entries as to all transactions relating to the Wastewater disposal system and which will be open to inspection and copying by any bondholder, or the bondholders' agent or attorney, at any reasonable time, and it will furnish certified transcripts therefrom upon request and upon payment of a reasonable fee therefor, and said Issuer's books will be audited at least annually by a qualified public accountant and statements of such audit and report will be furnished to all bondholders upon request.

(d) The Issuer will cause the funds collected on account of the operations of the Wastewater disposal system to be deposited in a bank whose deposits are guaranteed up to the limits established under the Federal Deposit Insurance law and where collateral or insurance is provided for deposits in excess of limits specified by the Federal Deposit Insurance Act, which funds may be subsequently invested pursuant to state law and federal law.

(e) The Issuer will keep the Wastewater disposal system insured at all times against loss by fire, tornado and other risks customarily insured against with an insurer or insurers in good standing, or by self-insuring, in such amounts as are customary for like plants, to protect the holders, from time to time, of the Bonds and the Issuer from any material loss due to any such casualty and will apply the proceeds of such insurance to make good any such loss.

(f) The Issuer and each and all of its officers will punctually perform all duties with reference to the Wastewater disposal system as required by law.

(g) The Issuer will impose and collect charges for Wastewater disposal services at the times and in the amounts required to produce, with other moneys on hand and lawfully available for the purpose, net revenues adequate to pay all principal and interest when due on the Bonds.

(h) The Issuer will levy general ad valorem taxes on all taxable property in the Minneapolis-St. Paul metropolitan area, when required to meet any deficiency in net revenues.

**SECTION 6. PLEDGE OF TAXING POWERS.** It is hereby determined that the estimated collections of net revenues of the Wastewater disposal system, together with other available monies designated by the Council for such purposes, will produce at least five percent in excess of the amount needed to meet when due, the principal and interest payments on the Bonds and no tax levy is required at this time. However, the Issuer covenants and agrees that if and to the extent necessary to provide moneys sufficient to pay the principal of and interest on the Bonds when due, it will levy on all taxable property in the Minneapolis-St. Paul metropolitan area comprising the Counties of Anoka, Carver, Dakota (excluding the City of Northfield), Hennepin (excluding the Cities of Hanover and Rockford), Ramsey, Scott (excluding the City of New Prague), and Washington, a direct, irrevocable ad valorem tax for this purpose, the collections of which shall be deposited in the respective bond fund.

**SECTION 7. DEFEASANCE.** When all of the Bonds have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the registered owners of such Bonds shall cease. The Issuer may discharge its obligations with respect to any Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; or, if any Bond should not be paid when due, it may nevertheless

be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued from the due date to the date of such deposit. The Issuer may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank qualified by law as an escrow agent for this purpose, cash or securities which are authorized by law to be so deposited, bearing interest payable at such time and at such rates and maturing or callable at the holder's option on such dates as shall be required to pay all principal and interest to become due thereon to maturity or said redemption date.

## SECTION 8. CERTIFICATION OF PROCEEDINGS.

8.1 Registration of Bonds. The Chief Financial Officer is hereby authorized and directed to file a certified copy of this resolution and such additional certificates as may be required with the County Auditors of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties and to obtain from each County Auditor a certificate, prepared in substantially the form set forth respectively in Exhibit D hereto, that the Bonds have been duly entered upon the Auditor's bond register.

8.2 Authentication of Transcript. The officers of the Issuer and County Auditors of the Counties specified in Section 6.1 are hereby authorized and directed to prepare and furnish to the Purchaser and to Kennedy & Graven, Chartered, Bond Counsel, certified copies of all proceedings and records relating to the Bonds and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds, as the same appear from the books and records in their custody and control or as otherwise known to them, and all such certified copies, affidavits and certificates, including any heretofore furnished, shall be deemed representations of the Issuer as to the correctness of all statements contained therein.

8.3 Official Statement. The Council staff, in cooperation with Springsted, is hereby authorized and directed to prepare on behalf of the Council an official statement (the "Official Statement") to be distributed to potential purchasers of the Bonds. The Official Statement shall contain the Terms of Proposal for the Bonds, as set forth in Section 1.2 hereof, and such other information as shall be deemed advisable and necessary to describe adequately the Council and the Bonds, and the security and terms and conditions thereof. The final Official Statement shall be in the form approved by the Chief Financial Officer.

## SECTION 9. TAX COVENANTS; ARBITRAGE MATTERS AND CONTINUING DISCLOSURE.

9.1 No Designation as Qualified Tax-Exempt Obligations. The Bonds are not designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

9.2 Tax Covenants. The Projects financed with the proceeds of the Refunded Bonds will be owned and maintained by the Issuer so long as the Bonds are outstanding and will be publicly available. The Issuer will not enter into any lease, use agreement, management agreement or other agreement or contract with any non-governmental person relating to the use

of the improvements which might cause the Bonds to be considered “private activity bonds” or “private loan bonds” pursuant to Section 141 of the Code.

9.3 Arbitrage Certification. The Chair and Treasurer, being the officers of the Issuer charged with the responsibility for issuing the Bonds pursuant to this resolution, are authorized and directed to execute and deliver to the Purchaser a certificate in accordance with the provisions of Section 148 of the Code, and Section 1.148-2(b) of the Regulations, stating the facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds which make it reasonable to expect that the proceeds of such Bonds will not be used in a manner that would cause such Bonds to be arbitrage bonds within the meaning of the Code and Regulations.

9.4 Arbitrage Rebate. The Issuer acknowledges that the Bonds are subject to the rebate requirements of Section 148(f) of the Code. The Issuer covenants and agrees to retain such records, make such determinations, file such reports and documents and pay such amounts at such times as are required under said Section 148(f) and applicable Regulations to preserve the exclusion of interest on the Series 2012E Bonds from gross income for federal income tax purposes, unless the Bonds qualify for an exception from the rebate requirement pursuant to one of the spending exceptions set forth in Section 1.148-7 of the Regulations and no “gross proceeds” of the Bonds (other than amounts constituting a “bona fide debt service fund”) arise during or after the expenditure of the original proceeds thereof.

9.5 Continuing Disclosure. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit the original Purchaser and other participating underwriters in the primary offering of the Bonds to comply with amendments to Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the “Rule”), which will enhance the marketability of the Bonds, the Issuer hereby makes the covenants and agreements in Exhibit B hereto for the benefit of the Owners (as defined in Exhibit B) from time to time of the outstanding Bonds. The Chief Financial Officer shall have overall responsibility for compliance with the Undertaking of Continuing Disclosure and other similar undertakings hereafter made by the Council under Rule 15c2-12(b)(5), and the Chief Financial Officer shall implement the dissemination of reports and notices thereunder. Amendments permitted by the undertakings necessitated by a change in circumstances that arises from a change in legal requirements, or change in law may be made by the Chief Financial Officer.

**SECTION 10. BOND RATINGS.** The Chief Financial Officer is authorized and directed to obtain ratings of the Bonds from up to three nationally recognized credit rating services, to pay the reasonable and customary charges of such rating services, and to take such other action as may be required so that the Bonds may be issued and sold as contemplated hereby.

**SECTION 11. SEVERABILITY.** If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.



SECTION 12. HEADINGS. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

Adopted: May 9, 2012.

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Emily Randleman, Recording Secretary

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Susan Haigh, Chair

## EXHIBIT A

### TERMS OF PROPOSAL

THE COUNCIL HAS AUTHORIZED SPRINGSTED INCORPORATED TO NEGOTIATE THIS ISSUE ON ITS BEHALF. PROPOSALS WILL BE RECEIVED ON THE FOLLOWING BASIS:

#### TERMS OF PROPOSAL

\$93,910,000\*

METROPOLITAN COUNCIL  
(MINNEAPOLIS-ST. PAUL METROPOLITAN AREA)  
STATE OF MINNESOTA

GENERAL OBLIGATION WASTEWATER REVENUE REFUNDING BONDS, SERIES 2012E  
(BOOK ENTRY ONLY)

Proposals for the Bonds and the Good Faith Deposit ("Deposit") will be received on Tuesday, June 5, 2012, until 10:00 A.M., Central Time, at the offices of Springsted Incorporated, 380 Jackson Street, Suite 300, Saint Paul, Minnesota, after which time proposals will be opened and tabulated. Consideration for award of the Bonds will be by the Chief Financial Officer or it's designee immediately follow the opening of proposals.

#### SUBMISSION OF PROPOSALS

Springsted will assume no liability for the inability of the bidder to reach Springsted prior to the time of sale specified above. All bidders are advised that each Proposal shall be deemed to constitute a contract between the bidder and the Council to purchase the Bonds regardless of the manner in which the Proposal is submitted.

(a) **Sealed Bidding.** Proposals may be submitted in a sealed envelope or by fax (651) 223-3046 to Springsted. Signed Proposals, without final price or coupons, may be submitted to Springsted prior to the time of sale. The bidder shall be responsible for submitting to Springsted the final Proposal price and coupons, by telephone (651) 223-3000 or fax (651) 223-3046 for inclusion in the submitted Proposal.

**OR**

(b) **Electronic Bidding.** Notice is hereby given that electronic proposals will be received via PARITY®. For purposes of the electronic bidding process, the time as maintained by PARITY® shall constitute the official time with respect to all Bids submitted to PARITY®. *Each bidder shall be solely responsible for making necessary arrangements to access PARITY® for purposes of submitting its electronic Bid in a timely manner and in compliance with the requirements of the Terms of Proposal.* Neither the Council, its agents nor PARITY® shall have any duty or obligation to undertake registration to bid for any prospective bidder or to provide or ensure electronic access to any qualified prospective bidder, and neither the Council, its agents nor PARITY® shall be responsible for a bidder's failure to register to bid or for any failure in the proper operation of, or have any liability for any delays or interruptions of or any damages caused by the services of PARITY®. The Council is using the services of PARITY® solely as a communication mechanism to conduct the electronic bidding for the Bonds, and PARITY® is not an agent of the Council.

If any provisions of this Terms of Proposal conflict with information provided by PARITY®, this Terms of Proposal shall control. Further information about PARITY®, including any fee charged, may be obtained from:

PARITY®, 1359 Broadway, 2<sup>nd</sup> Floor, New York, New York 10018  
Customer Support: (212) 849-5000

\* Preliminary; subject to change.

## DETAILS OF THE BONDS

The Bonds will be dated June 15, 2012, as the date of original issue, and will bear interest payable on March 1 and September 1 of each year, commencing March 1, 2013. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Bonds will mature September 1 in the years and amounts\* as follows:

2014	\$5,895,000	2017	\$7,140,000	2020	\$ 7,215,000	2023	\$10,350,000
2015	\$5,310,000	2018	\$3,235,000	2021	\$11,050,000	2024	\$ 8,340,000
2016	\$9,575,000	2019	\$7,180,000	2022	\$10,030,000	2025	\$ 8,590,000

\* *The Council reserves the right, after proposals are opened and prior to award, to increase or reduce the principal amount of the Bonds or the maturity amounts offered for sale. Any such increase or reduction will be made in multiples of \$5,000 in any of the maturities. In the event the principal amount of the Bonds is increased or reduced, any premium offered or any discount taken by the successful bidder will be increased or reduced by a percentage equal to the percentage by which the principal amount of the Bonds is increased or reduced.*

Proposals for the Bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds. All term bonds shall be subject to mandatory sinking fund redemption at a price of par plus accrued interest to the date of redemption and must conform to the maturity schedule set forth above. In order to designate term bonds, the proposal must specify "Years of Term Maturities" in the spaces provided on the Proposal Form.

## BOOK ENTRY SYSTEM

The Bonds will be issued by means of a book entry system with no physical distribution of Bonds made to the public. The Bonds will be issued in fully registered form and one Bond, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository of the Bonds. Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the registrar to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The purchaser, as a condition of delivery of the Bonds, will be required to deposit the Bonds with DTC.

## REGISTRAR

The Chief Financial Officer of the Council will serve as registrar.

## OPTIONAL REDEMPTION

The Council may elect on September 1, 2022, and on any day thereafter, to prepay Bonds due on or after September 1, 2023. Redemption may be in whole or in part and if in part at the option of the Council and in such manner as the Council shall determine. If less than all Bonds of a maturity are called for redemption, the Council will notify DTC of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All prepayments shall be at a price of par plus accrued interest.

## SECURITY AND PURPOSE

The Bonds will be general obligations of the Council for which the Council will pledge its full faith and credit and power to levy direct general ad valorem taxes. In addition, the Council will pledge net revenues of the Metropolitan wastewater disposal system. The proceeds will be used to refund (i) the March 1, 2014 through March 1, 2016 maturities of the Council's General Obligation Waste Water Treatment Revenue Refunding Bonds, Series 2003A, dated September 1, 2003; (ii) the December 1, 2015 through December 1, 2023 maturities of the Council's General Obligation Waste Water Treatment Revenue Bonds, Series 2004B, dated April 1, 2004; and (iii) the May 1, 2016 through May 1, 2025 maturities of the Council's General Obligation Waste Water Revenue and Refunding Bonds, Series 2005B, dated May 1, 2005.

## BIDDING PARAMETERS

Proposals shall be for not less than \$93,604,792 and accrued interest on the total principal amount of the Bonds.

No proposal can be withdrawn or amended after the time set for receiving proposals unless the meeting of the Council scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made. Rates shall be in integral multiples of 5/100 or 1/8 of 1%. Rates are not required to be in level or ascending order; however, the rate for any maturity cannot be more than 1% lower than the highest rate of any of the preceding maturities. Bonds of the same maturity shall bear a single rate from the date of the Bonds to the date of maturity. No conditional proposals will be accepted.

## GOOD FAITH DEPOSIT

Proposals, regardless of method of submission, shall be accompanied by a Deposit in the amount of \$939,100, in the form of a certified or cashier's check, a wire transfer, or Financial Surety Bond and delivered to Springsted Incorporated prior to the time proposals will be opened. Each bidder shall be solely responsible for the timely delivery of their Deposit whether by check, wire transfer or Financial Surety Bond. Neither the Council nor Springsted Incorporated have any liability for delays in the transmission of the Deposit.

Any Deposit made by **certified or cashier's check** should be made payable to the Council and delivered to Springsted Incorporated, 380 Jackson Street, Suite 300, St. Paul, Minnesota 55101.

Any Deposit sent via **wire transfer** should be sent to Springsted Incorporated as the Council's agent according to the following instructions:

Wells Fargo Bank, N.A., San Francisco, CA 94104  
ABA #121000248  
for credit to Springsted Incorporated, Account #635-5007954  
Ref: Metropolitan Council Series 2012E Good Faith Deposit

Contemporaneously with such wire transfer, the bidder shall send an e-mail to [bond\\_services@springsted.com](mailto:bond_services@springsted.com), including the following information; (i) indication that a wire transfer has been made, (ii) the amount of the wire transfer, (iii) the issue to which it applies, and (iv) the return wire instructions if such bidder is not awarded the Bonds.

Any Deposit made by the successful bidder by check or wire transfer will be delivered to the Council following the award of the Bonds. Any Deposit made by check or wire transfer by an unsuccessful bidder will be returned to such bidder following Council action relative to an award of the Bonds.

If a **Financial Surety Bond** is used, it must be from an insurance company licensed to issue such a bond in the State of Minnesota and pre-approved by the Council. Such bond must be submitted to Springsted Incorporated prior to the opening of the proposals. The Financial Surety Bond must identify each underwriter whose Deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to an underwriter using a Financial Surety Bond, then that underwriter is required to submit its Deposit to the Council in the form of a certified or cashier's check or wire transfer as instructed by Springsted Incorporated not later than 3:30 P.M., Central Time on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the Council to satisfy the Deposit requirement.

The Deposit received from the purchaser, the amount of which will be deducted at settlement, will be deposited by the Council and no interest will accrue to the purchaser. In the event the purchaser fails to comply with the accepted proposal, said amount will be retained by the Council.

#### AWARD

The Bonds will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis. The Council's computation of the interest rate of each proposal, in accordance with customary practice, will be controlling.

The Council will reserve the right to: (i) waive non-substantive informalities of any proposal or of matters relating to the receipt of proposals and award of the Bonds, (ii) reject all proposals without cause, and (iii) reject any proposal that the Council determines to have failed to comply with the terms herein.

#### BOND INSURANCE AT PURCHASER'S OPTION

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the underwriter, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the purchaser of the Bonds. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the purchaser, except that, if the Council has requested and received a rating on the Bonds from a rating agency, the Council will pay that rating fee. Any other rating agency fees shall be the responsibility of the purchaser.

Failure of the municipal bond insurer to issue the policy after Bonds have been awarded to the purchaser shall not constitute cause for failure or refusal by the purchaser to accept delivery on the Bonds.

#### CUSIP NUMBERS

If the Bonds qualify for assignment of CUSIP numbers such numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the purchaser to accept delivery of the Bonds. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the purchaser.

#### SETTLEMENT

Within 40 days following the date of their award, the Bonds will be delivered without cost to the purchaser through DTC in New York, New York. Delivery will be subject to receipt by the purchaser of an approving legal opinion of Kennedy & Graven, Chartered of Minneapolis, Minnesota, and of customary closing papers, including a no-litigation certificate. On the date of settlement, payment for the Bonds shall be made in federal, or equivalent, funds that shall be

received at the offices of the Council or its designee not later than 12:00 Noon, Central Time. Unless compliance with the terms of payment for the Bonds has been made impossible by action of the Council, or its agents, the purchaser shall be liable to the Council for any loss suffered by the Council by reason of the purchaser's non-compliance with said terms for payment.

#### CONTINUING DISCLOSURE

In accordance with SEC Rule 15c2-12(b)(5), the Council will undertake, pursuant to the resolution awarding sale of the Bonds, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Official Statement. The purchaser's obligation to purchase the Bonds will be conditioned upon receiving evidence of this undertaking at or prior to delivery of the Bonds.

#### OFFICIAL STATEMENT

The Council has authorized the preparation of an Official Statement containing pertinent information relative to the Bonds, and said Official Statement will serve as a nearly final Official Statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. For copies of the Official Statement or for any additional information prior to sale, any prospective purchaser is referred to the Financial Advisor to the Council, Springsted Incorporated, 380 Jackson Street, Suite 300, Saint Paul, Minnesota 55101, telephone (651) 223-3000.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law, shall constitute a "Final Official Statement" of the Council with respect to the Bonds, as that term is defined in Rule 15c2-12. By awarding the Bonds to any underwriter or underwriting syndicate submitting a proposal therefor, the Council agrees that, no more than seven business days after the date of such award, it shall provide without cost to the senior managing underwriter of the syndicate to which the Bonds are awarded 250 copies of the Official Statement and the addendum or addenda described above. The Council designates the senior managing underwriter of the syndicate to which the Bonds are awarded as its agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter delivering a proposal with respect to the Bonds agrees thereby that if its proposal is accepted by the Council (i) it shall accept such designation and (ii) it shall enter into a contractual relationship with all Participating Underwriters of the Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

Dated May 9, 2012

BY ORDER OF THE METROPOLITAN COUNCIL

*/s/ Wes Kooistra*  
Chief Financial Officer

## EXHIBIT B

### CONTINUING DISCLOSURE UNDERTAKING

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

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

(1) on or before 270 days after the end of each fiscal year of the Issuer, commencing with the fiscal year ending December 31, 2011, the following financial information and operating data in respect of the Issuer (the Disclosure Information):

(A) the audited financial statements of the Issuer for such fiscal year, accompanied by the audit report and opinion of the accountant or government auditor relating thereto, as permitted or required by the laws of the State of Minnesota, containing balance sheets as of the end of such fiscal year and a

statement of operations, changes in fund balances and cash flows for the fiscal year then ended, showing in comparative form such figures for the preceding fiscal year of the Issuer, prepared in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board or as otherwise provided under Minnesota law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the Issuer, noting the discrepancies therefrom and the effect thereof, and certified as to accuracy and completeness in all material respects by the fiscal officer of the Issuer; and

(B) to the extent not included in the financial statements referred to in paragraph (A) hereof, the information for such fiscal year or for the period most recently available of the type contained in the Official Statement under headings: “Indebtedness of the Council and Its Agencies,” “Council Property Values” and “Council Financial Information,” which information may be unaudited.

Notwithstanding the foregoing paragraph, if the audited financial statements are not available by the date specified, the Issuer shall provide on or before such date unaudited financial statements in the format required for the audited financial statements as part of the Disclosure Information and, within 10 days after the receipt thereof, the Issuer shall provide the audited financial statements. Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, that have been filed with the SEC or have been made available to the public on the Internet Web site of the Municipal Securities Rulemaking Board (the MSRB). The Issuer shall clearly identify in the Disclosure Information each document so incorporated by reference. If any part of the Disclosure Information can no longer be generated because the operations of the Issuer have materially changed or been discontinued, such Disclosure Information need no longer be provided if the Issuer includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other Issuer operations in respect of which data is not included in the Disclosure Information and the Issuer determines that certain specified data regarding such replacement operations would be a Material Fact (as defined in paragraph (3) hereof), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations. If the Disclosure Information is changed or this section is amended as permitted by this paragraph (b)(1), then the Issuer shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

(2) In a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of any of the following events (each a “Material Fact”):

(A) Principal and interest payment delinquencies;



- (B) Non-payment related defaults, if material;
- (C) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (D) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (E) Substitution of credit or liquidity providers, or their failure to perform;
- (F) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (G) Modifications to rights of security holders, if material;
- (H) Bond calls, if material, and tender offers;
- (I) Defeasances;
- (J) Release, substitution, or sale of property securing repayment of the securities, if material; and
- (K) Rating changes;
- (L) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (M) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (N) Appointment of a successor or additional trustee or the change of name of a trustee, if material; and
- (O) Failure of an issuer or obligated person to provide annual financial information as required.

As used herein, a “Material Fact” is a fact as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public. Notwithstanding the foregoing sentence, a “Material Fact” is also an event that would be deemed “material” for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

(3) In a timely manner, notice of the occurrence of any of the following events or conditions:

(A) the failure of the Issuer to provide the Disclosure Information required under paragraph (b)(1) at the time specified thereunder;

(B) the amendment or supplementing of this section pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the Issuer under subsection (d)(2);

(C) the termination of the obligations of the Issuer under this section pursuant to subsection (d);

(D) any change in the accounting principles pursuant to which the financial statements constituting a portion of the Disclosure Information or the audited financial statements, if any, furnished pursuant to subsection (b)(2) or (3) are prepared; and

(E) any change in the fiscal year of the Issuer.

(c) Manner of Disclosure.

(1) The Issuer agrees to make available to the MSRB, in an electronic format as prescribed by the MSRB from time to time, the information described in subsection (b).

(2) The Issuer further agrees to make available, by electronic transmission, overnight delivery, mail or other means, as appropriate, the information described in subsection (b) to any rating agency then maintaining a rating of the Bonds at the request of the Issuer and, at the expense of such Bondowner, to any Bondowner who requests in writing such information, at the time of transmission under paragraph (1) of this subsection (c), or, if such information is transmitted with a subsequent time of release, at the time such information is to be released.

(3) All documents provided to the MSRB pursuant to this subsection (c) shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(d) Term; Amendments; Interpretation.

(1) The covenants of the Issuer in this section shall remain in effect so long as any Bonds are outstanding. Notwithstanding the preceding sentence, however, the obligations of the Issuer under this section shall terminate and be without further effect as of any date on which the Issuer delivers to the Registrar an opinion of Issuer's current Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the Issuer to comply with the requirements of this section will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.

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

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

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

**EXHIBIT C**

1. The Series 2012E Bonds, the Registrar’s Authentication Certificate, and the form of assignment shall be in substantially the following form:

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
ANOKA, CARVER, DAKOTA, HENNEPIN, RAMSEY, SCOTT AND  
WASHINGTON COUNTIES

METROPOLITAN COUNCIL  
(Minneapolis-St. Paul Metropolitan Area)

GENERAL OBLIGATION WASTEWATER REVENUE REFUNDING BOND,  
SERIES 2012E

No. R-\_\_\_\_\_ \$\_\_\_\_\_

<u>Rate</u>	<u>Date of Maturity</u>	<u>Original Issue</u>	<u>CUSIP</u>
	September 1, 20__	June 15, 2012	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: DOLLARS

METROPOLITAN COUNCIL, a public corporation having jurisdiction over the Minneapolis-St. Paul metropolitan area comprising the Counties of Anoka, Carver, Dakota (excluding the City of Northfield), Hennepin (excluding the Cities of Hanover and Rockford), Ramsey, Scott (excluding the City of New Prague), and Washington, Minnesota (the “Issuer”), acknowledges itself to be indebted and for value received hereby promises to pay to the registered owner specified above, or registered assigns, the principal amount specified above on the maturity date specified above and promises to pay interest thereon from the date of original issue specified above or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for, at the annual rate specified above, payable on March 1 and September 1 in each year, commencing March 1, 2013 (each such date, an “Interest Payment Date”). The interest so payable on any Interest Payment Date shall be paid to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding such Interest Payment Date. Interest hereon shall be computed on the basis of a 360-day year composed of twelve 30-day months. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by wire transfer, check or draft by the Chief Financial Officer of the Metropolitan Council, Minnesota, as Registrar and

Paying Agent, or its designated successor under the Resolution (as hereinafter defined) described herein (the "Registrar"). For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

This Bond is one of an issue in the aggregate principal amount of \$\_\_\_\_\_ issued pursuant to a resolution adopted by the Council on May 9, 2012 (the "Resolution"), to refund in advance of their maturity the callable maturities of the General Obligation Waste Water Revenue Refunding Bonds, Series 2003A, dated September 1, 2003, the General Obligation Waste Water Treatment Revenue Bonds, Series 2004B, dated April 1, 2004 and the General Obligation Waste Water Revenue and Refunding Bonds, Series 2005B, dated May 1, 2005, and is issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota thereunto enabling, including Minnesota Statutes, Chapters 473 and 475. The Bonds are issuable only in fully registered form, in denominations of \$5,000 or any integral multiple thereof, of single maturities.

Bonds maturing on September 1, 20\_\_ and thereafter are each subject to redemption and prepayment at the option of the Issuer, in whole or in part, and if in part in such order of maturity dates as the Issuer may select and by lot as selected by Registrar (or, if applicable, by the bond depository in accordance with its customary procedures) in multiples of \$5,000 as to Bonds maturing on the same date, on September 1, 20\_\_, and on any date thereafter, at a price equal to the principal amount thereof plus accrued interest to the date of redemption.

[Bonds maturing on September 1, 20\_\_, September 1, 20\_\_, September 1, 20\_\_ and September 1, 20\_\_ shall be subject to mandatory redemption prior to maturity by lot, as selected by the Registrar (or, if applicable, by the bond depository in accordance with its customary procedures), at the principal amount to be redeemed, plus accrued interest thereon to the date of redemption and without premium, on the following dates and in the following amounts:

<u>September 1, 20__ Term Bond</u>		<u>September 1, 20__ Term Bond</u>	
<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
<u>September 1, 20__ Term Bond</u>		<u>September 1, 20__ Term Bond</u>	
<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>

\*Final Maturity]

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the Issuer at the principal office of the Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly

executed by the registered owner or the owner's attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the Issuer will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

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

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

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the Issuer in accordance with its terms, have been done, do exist, have happened and have been performed as so required; that the issuance of this Bond does not cause the indebtedness of the Issuer to exceed any constitutional or statutory limitation of indebtedness; that in and by the Resolution the Issuer has covenanted and agreed that it will continue to own and operate the metropolitan Wastewater disposal system free from competition by other like utilities; that adequate insurance on said plant and system will be carried; that proper and adequate books of account will be kept showing all receipts and disbursements relating to the Wastewater Fund, into which it will pay all of the gross revenues from the Wastewater disposal system; that it will also create and maintain a General Obligation Wastewater Revenue Refunding Bonds, Series 2012E Bond Fund, into which it will pay, out of the net revenues of the Wastewater disposal system, a sum sufficient to pay principal hereof and interest hereon when due; and that it will provide, by ad valorem tax levies, for any deficiency in required net Wastewater disposal system revenues; and that the opinion printed hereon is a full, true and correct copy of the legal opinion given by Bond Counsel with reference to the Bonds, dated as of the date of original delivery of the Bonds.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon shall have been executed by the manual signature of the Registrar.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed on its behalf by the facsimile signatures of the Chair and Treasurer.

METROPOLITAN COUNCIL, MINNESOTA

\_\_\_\_\_  
(Facsimile Signature Treasurer)

\_\_\_\_\_  
(Facsimile Signature Chair)

CERTIFICATE OF AUTHENTICATION

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

Date of Authentication: \_\_\_\_\_

CHIEF FINANCIAL OFFICER,  
METROPOLITAN COUNCIL, MINNESOTA,  
as Registrar

By \_\_\_\_\_

\_\_\_\_\_

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

TEN COM --as tenants in common

UTMA ..... as Custodian for .....  
(Cust) (Minor)  
under Uniform Transfers to Minors Act .....  
(State)

TEN ENT --as tenants by the entireties

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

Additional abbreviations may also be used.

\_\_\_\_\_



ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto  
\_\_\_\_\_  
the within Bond and all rights thereunder, and does hereby irrevocably constitute and appoint  
\_\_\_\_\_  
attorney to transfer the said Bond on the books kept for registration of the within Bond, with full  
power of substitution in the premises.

Dated: \_\_\_\_\_

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

Signature Guaranteed:

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

Please insert social security or other identifying number of assignee:

\_\_\_\_\_

3. Registration. The effect of registration and the rights and duties of the Issuer and the Registrar with respect thereto are as follows:

(a) Register. The Registrar shall keep at its office a bond register in which the Registrar shall provide for the registration of ownership of Bonds of each series and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

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

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

(d) Cancellation. All Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the Issuer.

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

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

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

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Registrar shall deliver a new Bond of like series, amount, number, maturity date and tenor in exchange and substitution for and upon cancellation

of any such mutilated Bond or in lieu of and in substitution for any such Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the Issuer and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the Issuer. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it shall not be necessary to issue a new Bond prior to payment.

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

4. (a) Securities Depository. For purposes of this paragraph 3, the following terms shall have the following meanings:

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

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

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

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

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

(b) The Bonds of each series shall be initially issued as separately authenticated fully registered bonds, and one Bond shall be issued in the principal amount of each stated maturity of the Bonds of such series. Upon initial issuance, the ownership of such Bonds shall be registered in the bond register in the name of Cede & Co., as nominee of DTC. The Registrar and the Issuer may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to registered owners of Bonds under the Resolution, registering the transfer of Bonds, and for all other purposes whatsoever; and neither the Registrar nor the Issuer shall be affected by any notice to the contrary. Neither the Registrar nor the Issuer shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the bond register as being a registered owner of any Bonds, with respect to the accuracy of any records

maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of or interest on the Bonds, with respect to any notice which is permitted or required to be given to owners of Bonds under the Resolution, with respect to the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or with respect to any consent given or other action taken by DTC as registered owner of the Bonds. So long as any Bond is registered in the name of Cede & Co., as nominee of DTC, the Registrar shall pay all principal of and interest on such Bond, and shall give all notices with respect to such Bond, only to Cede & Co. in accordance with DTC's Operational Arrangements, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Bond for each separate stated maturity of a series evidencing the obligation of the Issuer to make payments of principal and interest. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Bonds of each series will be transferable to such new nominee in accordance with paragraph (e) hereof.

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

(d) The execution and delivery of the Representation Letter to DTC, if not previously filed with DTC, by the Chair or Treasurer is hereby authorized and directed.

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

**EXHIBIT D**

**ANOKA COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION**

The undersigned, being the duly qualified and acting County Auditor of Anoka County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of an issue of \$\_\_\_\_\_ General Obligation Wastewater Revenue Refunding Bonds, Series 2012E. I further certify that the issue has been entered on my bond register.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)

**CARVER COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION**

The undersigned, being the duly qualified and acting County Auditor of Carver County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$\_\_\_\_\_ General Obligation Wastewater Revenue Refunding Bonds, Series 2012E. I further certify that the issue has been entered on my bond register.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)

**DAKOTA COUNTY TREASURER-AUDITOR'S CERTIFICATE  
AS TO REGISTRATION**

The undersigned, being the duly qualified and acting County Treasurer-Auditor of Dakota County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$\_\_\_\_\_ General Obligation Wastewater Revenue Refunding Bonds, Series 2012E. I further certify that the issue has been entered on my bond register.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Treasurer-Auditor

(SEAL)

**HENNEPIN COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION**

The undersigned, being the duly qualified and acting County Auditor of Hennepin County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$\_\_\_\_\_ General Obligation Wastewater Revenue Refunding Bonds, Series 2012E. I further certify that the issue has been entered on my bond register.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)



**RAMSEY COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION**

The undersigned, being the duly qualified and acting County Auditor of Ramsey County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$\_\_\_\_\_ General Obligation Wastewater Revenue Refunding Bonds, Series 2012E. I further certify that the issue has been entered on my bond register.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)

**SCOTT COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION**

The undersigned, being the duly qualified and acting County Auditor of Scott County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$\_\_\_\_\_ General Obligation Wastewater Revenue Refunding Bonds, Series 2012E. I further certify that the issue has been entered on my bond register.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor

(SEAL)

**WASHINGTON COUNTY AUDITOR/TREASURER'S CERTIFICATE  
AS TO REGISTRATION**

The undersigned, being the duly qualified and acting County Auditor/Treasurer of Washington County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on May 9, 2012, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul metropolitan area, Minnesota, setting forth the form and details of an issue of \$\_\_\_\_\_ General Obligation Wastewater Revenue Refunding Bonds, Series 2012E. I further certify that the issue has been entered on my bond register.

WITNESS my hand and official seal on \_\_\_\_\_, 2012.

\_\_\_\_\_  
County Auditor/Treasurer

(SEAL)