

CERTIFICATION OF EXTRACT FROM MINUTES  
RELATING TO GENERAL OBLIGATION WASTE WATER REVENUE BONDS

Issuer: Metropolitan Council, Minnesota

Governing Body: Council Members

Kind, date, time and place of meeting: A regular meeting held Wednesday, November 10, 2010, 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. 2010-39

RESOLUTION TO ISSUE AND SELL GENERAL  
OBLIGATION WASTE WATER REVENUE BONDS, 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 November 10, 2010, 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 \_\_\_\_\_, 2010.

\_\_\_\_\_  
Pat Curtiss, Recording Secretary

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

RESOLUTION TO ISSUE AND SELL GENERAL  
OBLIGATION WASTE WATER REVENUE BONDS, 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 WASTE WATER REVENUE BONDS, FIXING  
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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 tax-exempt and/or taxable direct pay (“Build America”) General Obligation Waste Water Revenue Bonds, (the “Waste Water 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 waste water disposal system.

The Council hereby authorizes the Chief Financial Officer to irrevocably designate all or a portion of the Waste Water Bonds as taxable “Build America Bonds” under 54AA(d) of the Internal Revenue Code of 1986, as amended (the “Code”), and irrevocably elect to have Section 54AA(g) of the Code apply to the Waste Water Bonds, with the result that the Council shall be entitled to the credit provided in Section 6431 of the Code.

The tax-exempt portion of the Waste Water Bonds shall be designated General Obligation Waste Water Revenue Bonds, Series 2010G (the “Series 2010G Bonds”); and the taxable portion of the Waste Water Bonds shall be designated Taxable General Obligation Waste Water Revenue Bonds, Series 2010H (Build America Bonds – Direct Pay) (the “Series 2010H Taxable Bonds” and, together with the Series 2010G Bonds, the “Bonds”). In the event the Council, through the Chief Financial Officer, pursuant to Section 1.2 of this Resolution, determines that it is not in the best interest of the Council to issue and sell any series of the Bonds, or determines pursuant to authority of any other Council resolution not to issue another series of bonds authorized, the Chief Financial Officer may re-designate the remaining series of Bonds authorized hereby as “[Taxable] General Obligation Waste Water Revenue Bonds, Series 2010\_,” completing the blank with an uppercase letter as appropriate to eliminate any gaps in the designation and ordering of such series.

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 Exhibits A-1 [and A-2] hereto, which [are] hereby approved. The Council hereby determines to sell the Bonds in accordance with the procedures set forth in Exhibits A-1 [and A-2]. The specifications set forth in Exhibits A-1 [and A-2] may

be revised by the Chief Financial Officer in consultation with Springsted, provided that the principal amount of Bonds authorized and issued hereunder, in one or more series, 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 net rate of 3.20% per annum, treating the federal credit available to the Council from the taxable Bonds, if applicable, as a reduction in each interest payment.

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

2.1 Maturities; Interest Rates; Denominations and Payment. Each series of 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 December 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 pursuant to Section 1.2 hereof.

Each series of Bonds shall be issuable only in fully registered form. The interest thereon and, upon surrender of each Bond of any series, 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 a series of 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 each series of Bonds shall be payable on December 1 and June 1 in each year, commencing June 1, 2011, 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 Exhibits A-1 [and A-2] hereto, as applicable. 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.]

**[The Bonds are not subject to redemption and prepayment prior to their stated maturity.]**

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 prepared under the direction of the Secretary and 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 each series of Bonds has been prepared, executed and authenticated, the Secretary shall deliver such series 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 forms set forth in paragraphs 1 and 2 of Exhibit C hereto.

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

3.1. (a) The Issuer will create and continue to operate its Waste Water Fund to which will be credited all gross revenues of the waste water disposal system and out of which will be paid all normal and reasonable expenses of current operations of the waste water disposal system. Any balance therein is deemed net revenue and will be transferred pro rata, except for funds in a waste water operating reserve and contingency fund, from time to time, to a General Obligation Waste Water Revenue Bonds, Bond Fund hereby created for each series of Bonds authorized and issued hereunder (the "Bond Fund"), and to other waste water 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 each series general taxes hereafter levied for such series. There will also be retained in the Bond Fund of each series a sufficient amount to pay principal of and interest on the Bonds of such series, 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 each series accrued interest received from the respective Purchasers of the Bonds.

(b) Upon payment for each series of Bonds by the Purchaser thereof, the Chief Financial Officer shall credit the remaining proceeds of such series of Bonds, together with any other funds appropriated during the construction of the projects financed by such series of Bonds (the "Projects"), to a separate construction fund for that series (the "Construction Fund") to be used solely to defray expenses of the Projects financed by such series of Bonds and the payment

of principal and interest on such series of Bonds prior to the completion and payment of all costs of the Projects. When the Projects financed by a series of Bonds are completed and the cost thereof paid, the Construction Fund of that series is to be closed and any balance therein is to be deposited in the Bond Fund for that series.

3.2. The Issuer covenants and agrees with the holders, from time to time, of each series of Bonds that so long as any of the Bonds of such series 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 waste water 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 waste water 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 respective bond funds as separate accounts 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 waste water disposal system in sums sufficient to pay principal of and interest on the respective 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 waste water 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 waste water 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 waste water 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 waste water disposal system as required by law.

(g) The Issuer will impose and collect charges for waste water 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 waste water 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 each series of 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 any series of 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 of a series 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 of a series 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 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.

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 Dorsey & Whitney LLP, 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 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 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 each series of Bonds will be owned and maintained by the Issuer so long as the Bonds of that series 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 of a series 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 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 respective series of 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 status of the Series 2010H Taxable Bonds as “Build America Bonds” pursuant to Section 54AA of the Code and to preserve the exclusion of interest on the Series 2010G Bonds from gross income for federal income tax purposes, unless a series of Bonds qualifies 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 such series of 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 of each series. 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: November 10, 2010.

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Pat Curtiss, Recording Secretary

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Peter Bell, Chair

**EXHIBIT A-1**

**TERMS OF PROPOSAL, SERIES 2010G BONDS**

# Sale Notice Document Summary

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

## TERMS OF PROPOSAL

**\$7,250,000\***

**METROPOLITAN COUNCIL (MINNEAPOLIS – SAINT PAUL METROPOLITAN AREA)  
TAXABLE GENERAL OBLIGATION WASTEWATER REVENUE BONDS, SERIES 2010G  
(BUILD AMERICA BONDS – DIRECT PAY)  
OR  
GENERAL OBLIGATION WASTEWATER REVENUE BONDS, SERIES 2010G  
(BOOK ENTRY ONLY)**

S:\WORKING PROJECT FILES\MINNESOTA\MMET COUNCIL - 0555\GENERAL INFORMATION\SN \$7.25M GO WASTE WATER REVENUE BONDS 2010G.DOC

Job Number:	555.
Date/Time:	11/4/10 9:47 AM
Time Due By:	11/4/10
Author:	Mark LeMay
Administrative Assistant:	Sunny Larsen
Proofed By:	
Bond Counsel	Crandall@Dorsey

## SECTION 11. Update Information

SECTION <i>ate</i>	AA	Comments/What Changed?	Changes per <i>who?</i>

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\* Preliminary; subject to change.

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**TERMS OF PROPOSAL**

**\$7,250,000\***

**METROPOLITAN COUNCIL (MINNEAPOLIS – SAINT PAUL METROPOLITAN AREA)  
TAXABLE GENERAL OBLIGATION WASTEWATER REVENUE BONDS, SERIES 2010G  
(BUILD AMERICA BONDS – DIRECT PAY)  
OR  
GENERAL OBLIGATION WASTEWATER REVENUE BONDS, SERIES 2010G  
(BOOK ENTRY ONLY)**

The Council is requesting proposals for the above-named Issue optionally as conventional tax-exempt general obligations (the "Tax-Exempt Bonds") or as taxable general obligations which the Council will elect to designate "Qualified Build America Bonds (Direct Pay)" (the "Taxable Bonds"). Proposals for the Bonds and the Good Faith Deposit ("Deposit") will be received on Thursday, December 2, 2010, 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 its designee immediately following 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<sup>®</sup>. For purposes of the electronic bidding process, the time as maintained by PARITY<sup>®</sup> shall constitute the official time with respect to all Bids submitted to PARITY<sup>®</sup>. *Each bidder shall be solely responsible for making necessary arrangements to access PARITY<sup>®</sup> 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<sup>®</sup> shall have any duty or Bond 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<sup>®</sup> 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<sup>®</sup>. The Council is using the services of PARITY<sup>®</sup> solely as a communication mechanism to conduct the electronic bidding for the Bonds, and PARITY<sup>®</sup> is not an agent of the Council.

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\* Preliminary; subject to change.

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

#### DETAILS OF THE BONDS

The Bonds will be dated as of the date of delivery, as the date of original issue, and will bear interest payable on June 1 and December 1 of each year, commencing June 1, 2011. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

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

2012	\$2,000,000	2013	\$5,250,000
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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.*

#### TERM BONDS

Proposals for the Bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds. In the event the Bonds are issued as Tax-Exempt Bonds, term bonds will be allowed in all maturities. **In the event the Bonds are issued as Taxable Bonds, term bonds will not be allowed.** 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.

## EXTRAORDINARY REDEMPTION

If the Bonds are designated and issued as Taxable Bonds under Section 54AA of the Internal Revenue Code of 1986, as amended (the "Code"), at the option of the Council, the Bonds are subject to extraordinary redemption in whole, or in part, at a "Make Whole Price" as described immediately below, upon or on any date after the occurrence of a Determination of Ineligibility. A "Determination of Ineligibility" means (i) the enactment of legislation or the adoption of final regulations or a final decision, ruling or technical advice by any federal judicial or administrative authority which would have the effect of deeming, determining or rendering the Bonds not qualified for treatment as Qualified Build America Bonds under Section 54AA of the Code; (ii) the federal government discontinues the Build America Bonds direct payment program or reduces the refundable credit to the Council with retroactive applicability to Bonds issued prior to the date of such discontinuance or reduced refundable credit (iii) the receipt by the Council of a written opinion of nationally recognized bond counsel selected by the Council to the effect that the Bonds are not Qualified Build America Bonds under Section 54AA of the Code.

The "Make-Whole Redemption Price" is equal to the greater of:

- (a) the amortized issue price of the Bonds set forth in the Official Statement (but not less than 100%) of the principal amount of the Bonds to be redeemed; or
- (b) the sum of the present values of the remaining scheduled payments of principal and interest to the maturity date of the Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the Bonds are to be redeemed, discounted to the date on which the Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus 100 basis points (1.00%), plus, in each case, accrued interest on the Bonds to be redeemed to the redemption date.

The "Treasury Rate" is, with respect to any redemption date for a particular Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity, excluding inflation indexed securities (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the call notice date or, if such Statistical Release is no longer published, any publicly available source of similar market data) most nearly equal to the period from the redemption date to the maturity date of the Bond to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

In connection with any extraordinary redemption, the Make-Whole Redemption Price will be determined by an independent accounting firm, investment banking firm or financial advisor retained by the Council at the Council's expense. The Council may conclusively rely on such determination of the Make-Whole Redemption Price by such independent accounting firm, investment banking firm or financial advisor and will not be liable for such reliance.

## 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 to and acquisition in the metropolitan wastewater system.

## TAXABILITY OF INTEREST

In the event the Bonds are issued as Taxable Bonds, the interest to be paid on the Bonds is includable in gross income of the recipient for United States and State of Minnesota income tax

purposes, and is subject to Minnesota Corporate and bank excise taxes measured by net income.

## BIDDING PARAMETERS

Bidders may provide proposals for the Bonds specifying interest rates for the Bonds if issued as Tax-Exempt Bonds, or alternatively, specifying interest rates for the Bonds if issued as Taxable Bonds. To comply with the "Build America Bond" provisions of the Internal Revenue Code of 1986, as amended (the "Code"), each proposal for the Taxable Bonds must specify the expected reoffering price for each maturity of the Bonds, and (i) each such reoffering price cannot exceed the par amount of the maturity by more than .25% multiplied by the number of complete years to the earlier of the maturity date or the first optional redemption date for the maturity of the Bonds and (ii) in the initial offering no Bond may be sold for a price in excess of such limit unless the IRS provides authoritative guidance to the contrary. Separate proposal forms and Parity provisions have been provided for submitting proposals for the Bonds if to be designated Tax-Exempt Bonds or designated Taxable Bonds.

Proposals for the Tax-Exempt Bonds shall be for not less than \$7,221,000 (the "Minimum Bid") and accrued interest on the total principal amount of the Bonds. Proposals for the Taxable Bonds shall be for not less than the Minimum Bid and for not more than the Maximum Permitted Prices, as described below.

<u>Year</u>	<u>Maximum Permitted Price</u>
2012	100.25%
2013	100.50%

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 \$72,500, 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

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 to the bidder offering the lowest interest rate to be determined on a true interest cost (TIC) basis, treating the credit available to the Council if the Bonds are issued as Taxable Bonds constituting "Qualified Build America Bonds" as a reduction in each interest payment. No proposal for the Taxable Bonds may require reoffering premiums in excess of the maximums set for the Taxable Bonds issued as "Qualified Build America Bonds." 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.

#### 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

On or about December 22, 2010, 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 Dorsey & Whitney LLP 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.

Prior to delivery, the purchaser will be required to furnish the Council, at closing, certifications that (i) all of the Bonds have been the subject of a bona fide initial offering to the general public (excluding bond houses, brokers, or other persons or organizations acting in the capacity of underwriters or wholesalers) (the "General Public") at the prices set forth in the Final Official Statement, and (ii) as of the date of award of the Bonds to the purchaser, the purchaser reasonably expects that at least 10% of each maturity of the Bonds will be sold to the General Public at such public offering prices or lower prices; in addition to certifications with respect to actual sales of the Bonds that are in form and substance satisfactory to the Council and bond counsel.

#### 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 November 10, 2010

BY ORDER OF THE METROPOLITAN COUNCIL

/s/ Wes Kooistra  
Chief Financial Officer

**EXHIBIT A-2**

**TERMS OF PROPOSAL, SERIES 2010H BONDS**

# Sale Notice Document Summary

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

## TERMS OF PROPOSAL

**\$57,750,000\***

**METROPOLITAN COUNCIL (MINNEAPOLIS – SAINT PAUL METROPOLITAN AREA)  
STATE OF MINNESOTA**

**TAXABLE GENERAL OBLIGATION WASTEWATER REVENUE BONDS, SERIES 2010H  
(BUILD AMERICA BONDS – DIRECT PAY)**

**OR**

**GENERAL OBLIGATION WASTEWATER REVENUE BONDS, SERIES 2010H**

**(BOOK ENTRY ONLY)**

S:\WORKING PROJECT FILES\MINNESOTA\MMET COUNCIL - 0555\GENERAL INFORMATION\SN \$57.750M TAXABLE GO WASTEWATER REVENUE BONDS 2010H.DOC

Job Number:	555.
Date/Time:	11/4/10 9:47 AM
Time Due By:	11/4/10
Author:	Mark LeMay
Administrative Assistant:	Sunny Larsen
Proofed By:	
Bond Counsel	Crandall@Dorsey

## SECTION 13. **Update Information**

SECTION <i>ate</i>	AA	Comments/What Changed?	Changes per <i>who?</i>

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\* Preliminary; subject to change.

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

**TERMS OF PROPOSAL**

**\$57,750,000\***

**METROPOLITAN COUNCIL (MINNEAPOLIS – SAINT PAUL METROPOLITAN AREA)  
STATE OF MINNESOTA**

**TAXABLE GENERAL OBLIGATION WASTEWATER REVENUE BONDS, SERIES 2010H  
(BUILD AMERICA BONDS – DIRECT PAY)**

**OR**

**GENERAL OBLIGATION WASTEWATER REVENUE BONDS, SERIES 2010H**

**(BOOK ENTRY ONLY)**

The Council is requesting proposals for the above-named Issue optionally as conventional tax-exempt general obligations (the "Tax-Exempt Bonds") or as taxable general obligations which the Council will elect to designate "Qualified Build America Bonds (Direct Pay)" (the "Taxable Bonds"). Proposals for the Bonds and the Good Faith Deposit ("Deposit") will be received on Thursday, December 2, 2010, 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 its designee immediately following 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<sup>®</sup>. For purposes of the electronic bidding process, the time as maintained by PARITY<sup>®</sup> shall constitute the official time with respect to all Bids submitted to PARITY<sup>®</sup>. *Each bidder shall be solely responsible for making necessary arrangements to access PARITY<sup>®</sup> 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<sup>®</sup> shall have any duty or Bond 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<sup>®</sup> 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<sup>®</sup>. The Council is using the services of PARITY<sup>®</sup> solely as a communication mechanism to conduct the electronic bidding for the Bonds, and PARITY<sup>®</sup> is not an agent of the Council.

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\* Preliminary; subject to change.

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

#### DETAILS OF THE BONDS

The Bonds will be dated as of the date of delivery, as the date of original issue, and will bear interest payable on June 1 and December 1 of each year, commencing June 1, 2011. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

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

2014	\$3,275,000
2015	\$3,105,000
2016	\$3,145,000
2017	\$1,000,000
2018	\$1,500,000
2019	\$3,460,000
2020	\$4,125,000
2021	\$3,395,000
2022	\$3,475,000
2023	\$3,555,000
2024	\$3,645,000
2025	\$3,740,000
2026	\$3,835,000
2027	\$3,945,000
2028	\$4,060,000
2029	\$4,180,000
2030	\$4,310,000

- \* *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.*

## TERM BONDS

Proposals for the Bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds. In the event the Bonds are issued as Tax-Exempt Bonds, term bonds will be allowed in all maturities. **In the event the Bonds are issued as Taxable Bonds, term bonds are allowed for only the Bonds maturing in the years 2020 and thereafter.** 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 December 1, 2020, and on any day thereafter, to prepay Bonds due on or after December 1, 2021. 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.

## EXTRAORDINARY REDEMPTION

If the Bonds are designated and issued as Taxable Bonds under Section 54AA of the Internal Revenue Code of 1986, as amended (the "Code"), at the option of the Council, the Bonds are subject to extraordinary redemption in whole, or in part, at a "Make Whole Price" as described immediately below, upon or on any date after the occurrence of a Determination of Ineligibility. A "Determination of Ineligibility" means (i) the enactment of legislation or the adoption of final regulations or a final decision, ruling or technical advice by any federal judicial or administrative authority which would have the effect of deeming, determining or rendering the Bonds not qualified for treatment as Qualified Build America Bonds under Section 54AA of the Code; (ii) the federal government discontinues the Build America Bonds direct payment program or reduces the refundable credit to the Council with retroactive applicability to Bonds issued prior to the date of such discontinuance or reduced refundable credit (iii) the receipt by the Council of a written opinion of nationally recognized bond counsel selected by the Council to the effect that the Bonds are not Qualified Build America Bonds under Section 54AA of the Code.

The "Make-Whole Redemption Price" is equal to the greater of:

- (a) the amortized issue price of the Bonds set forth in the Official Statement (but not less than 100%) of the principal amount of the Bonds to be redeemed; or
- (b) the sum of the present values of the remaining scheduled payments of principal and interest to the maturity date of the Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the Bonds are to be redeemed, discounted to the date on which the Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus 100 basis points (1.00%), plus, in each case, accrued interest on the Bonds to be redeemed to the redemption date.

The "Treasury Rate" is, with respect to any redemption date for a particular Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity, excluding inflation indexed securities (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the call notice date or, if such Statistical Release is no longer published, any publicly available source of similar market data) most nearly equal to the period from the redemption date to the maturity date of the Bond to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

In connection with any extraordinary redemption, the Make-Whole Redemption Price will be determined by an independent accounting firm, investment banking firm or financial advisor retained by the Council at the Council's expense. The Council may conclusively rely on such determination of the Make-Whole Redemption Price by such independent accounting firm, investment banking firm or financial advisor and will not be liable for such reliance.



## 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 to and for acquisitions in the metropolitan wastewater system.

## TAXABILITY OF INTEREST

In the event the Bonds are issued as Taxable Bonds, the interest to be paid on the Bonds is includable in gross income of the recipient for United States and State of Minnesota income tax purposes, and is subject to Minnesota Corporate and bank excise taxes measured by net income.

## BIDDING PARAMETERS

Bidders may provide proposals for the Bonds specifying interest rates for the Bonds if issued as Tax-Exempt Bonds, or alternatively, specifying interest rates for the Bonds if issued as Taxable Bonds. To comply with the "Build America Bond" provisions of the Internal Revenue Code of 1986, as amended (the "Code"), each proposal for the Taxable Bonds must specify the expected reoffering price for each maturity of the Bonds, and (i) each such reoffering price cannot exceed the par amount of the maturity by more than .25% multiplied by the number of complete years to the earlier of the maturity date or the first optional redemption date for the maturity of the Bonds and (ii) in the initial offering no Bond may be sold for a price in excess of such limit unless the IRS provides authoritative guidance to the contrary. Separate proposal forms and Parity provisions have been provided for submitting proposals for the Bonds if to be designated Tax-Exempt Bonds or designated Taxable Bonds.

Proposals for the Tax-Exempt Bonds shall be for not less than \$57,288,000 (the "Minimum Bid") and accrued interest on the total principal amount of the Bonds. Proposals for the Taxable Bonds shall be for not less than the Minimum Bid and for not more than the Maximum Permitted Prices, as described below.

<u>Year</u>	<u>Maximum Permitted Price</u>	<u>Year</u>	<u>Maximum Permitted Price</u>	<u>Year</u>	<u>Maximum Permitted Price</u>	<u>Year</u>	<u>Maximum Permitted Price</u>
2014	100.75%	2019	102.00%	2023	102.25%	2027	102.25%
2015	101.00%	2020	102.25%	2024	102.25%	2028	102.25%
2016	101.25%	2021	102.25%	2025	102.25%	2029	102.25%
2017	101.50%	2022	102.25%	2026	102.25%	2030	102.25%
2018	101.75%						

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 \$577,500, 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

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 to the bidder offering the lowest interest rate to be determined on a true interest cost (TIC) basis, treating the credit available to the Council if the Bonds are issued as Taxable Bonds constituting "Qualified Build America Bonds" as a reduction in each interest payment. No proposal for the Taxable Bonds may require reoffering premiums in excess of the maximums set for the Taxable Bonds issued as "Qualified Build America Bonds." 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.

#### 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

On or about December 22, 2010, 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 Dorsey & Whitney LLP 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.

Prior to delivery, the purchaser will be required to furnish the Council, at closing, certifications that (i) all of the Bonds have been the subject of a bona fide initial offering to the general public (excluding bond houses, brokers, or other persons or organizations acting in the capacity of underwriters or wholesalers) (the "General Public") at the prices set forth in the Final Official Statement, and (ii) as of the date of award of the Bonds to the purchaser, the purchaser reasonably expects that at least 10% of each maturity of the Bonds will be sold to the General Public at such public offering prices or lower prices; in addition to certifications with respect to actual sales of the Bonds that are in form and substance satisfactory to the Council and bond counsel.

#### 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 November 10, 2010

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, 2010, 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; and
- (N) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

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 2010G Bonds, [if issued as Tax-Exempt 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 WASTE WATER REVENUE BOND, SERIES 2010G

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

<u>Rate</u>	<u>Date of Maturity</u>	<u>Original Issue</u>	<u>CUSIP</u>
	December 1, 20__	December 22, 2010	

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 December 1 and June 1 in each year, commencing June 1, 2011 (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 November 10, 2010 (the “Resolution”), to finance the acquisition and betterment of interceptors and treatment works for the metropolitan waste water 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.

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

**[Bonds maturing on December 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 December 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 December 1, 20\_\_, December 1, 20\_\_, December 1, 20\_\_ and December 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>December 1, 20</u>	<u>Term Bond</u>
<u>Year</u>	<u>Amount</u>

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

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

<u>December 1, 20</u>	<u>Term Bond</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 waste water 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 Waste Water Fund, into which it will pay all of the gross revenues from the waste water disposal system; that it will also create and maintain a General Obligation Waste Water Revenue Bonds, Series 2010G Bond Fund, into which it will pay, out of the net revenues of the waste water 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 waste water 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:  
\_\_\_\_\_

[End of Series 2010G Bond Form]

2. The Series 2010H Bonds, [if issued as Taxable 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)

TAXABLE GENERAL OBLIGATION WASTE WATER REVENUE BOND, SERIES 2010H  
(BUILD AMERICA BONDS – DIRECT PAY)

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

<u>Rate</u>	<u>Date of Maturity</u>	<u>Original Issue</u>	<u>CUSIP</u>
	December 1, 20__	December 22, 2010	

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 December 1 and June 1 in each year, commencing June 1, 2011 (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 November 10, 2010 (the “Resolution”), to finance the acquisition and betterment of interceptors and treatment works for the metropolitan waste water 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.

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

**[Bonds maturing on December 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 December 1, 20\_\_, and on any date thereafter, at a price equal to the principal amount thereof plus accrued interest to the date of redemption.]**

**[The Bonds of this series will be subject to optional redemption prior to their respective maturity dates at any time following their issuance at the option of the Council from any moneys available therefor, in whole or in part on any date, and at a redemption price equal to the “Make Whole Redemption Price.”**

**The “Make-Whole Redemption Price” is equal to the greater of:**

**(a) the amortized issue price of the Series 2010H Bonds set forth in the Official Statement (but not less than 100%) of the principal amount of the Series 2010H Bonds to be redeemed; or**

**(b) the sum of the present values of the remaining scheduled payments of principal and interest to the maturity date of the Series 2010H Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the Series 2010H Bonds are to be redeemed, discounted to the date on which the Series 2010H Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus 50 basis points (0.50%), plus, in each case, accrued interest on the Series 2010H Bonds to be redeemed to the redemption date.**

**The “Treasury Rate” is, with respect to any redemption date for a particular Series 2010H Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity, excluding inflation indexed securities (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the call notice date or, if such Statistical Release is no longer published, any publicly available source of similar market data) most nearly equal to the period from the redemption date to the maturity date of the**



**Series 2010H Bond to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.**

**In connection with any optional redemption, the Make-Whole Redemption Price will be determined by an independent accounting firm, investment banking firm or financial advisor retained by the Council at the Council's expense. The Council may conclusively rely on such determination of the Make-Whole Redemption Price by such independent accounting firm, investment banking firm or financial advisor and will not be liable for such reliance.**

**If the Series 2010H Bonds or any portion thereof are called for redemption, notice of redemption, describing the Series 2010H Bonds to be redeemed, specifying the redemption date and the redemption price payable on such redemption, will be given by mail, postage prepaid, to the registered owner thereof, not less than 30 days, but no more than 45 days, prior to the redemption date, in the manner provided by Minnesota Statutes, Chapter 475. If the notice of redemption is mailed as aforesaid on or before the date fixed for redemption, interest on the Series 2010H Bonds to be redeemed will cease to accrue from and after the redemption date specified in such notice. If less than all of the Series 2010H Bonds are called for redemption, the Series 2010H Bonds to be redeemed will be selected by the Chief Financial Officer of the Council in accordance with the provisions of the Resolution. If less than all of the Series 2010H Bonds within a single maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:**

**(i) if the Series 2010H Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the Series 2010H Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or**

**(ii) if the Series 2010H Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Series 2010H Bonds within the maturity to be redeemed shall be selected by the Chief Financial Officer of the Council by pro rating as nearly as may be possible among the Owners of all such Series 2010H Bonds in such manner as shall be determined by the Chief Financial Officer of the Council.**

**So long as DTC or its nominee is the registered owner of the Series 2010H Bonds, the Council will send notice of redemption to DTC or its nominee and will not be responsible for mailing notices of redemption to anyone other than DTC or its nominee.]**

The Series 2010H Bonds are subject to extraordinary redemption, at a price of par plus accrued interest to the date of redemption, at the option of the Council based on a Determination of Ineligibility (as hereinafter defined) or a failure by the U.S. Treasury to pay the credit provided in Section 6431 of the Internal Revenue Code of 1986, as amended (the "Code"). "Determination of Ineligibility" means, with respect to the Series 2010H Bonds: (a) the enactment of legislation or the adoption of final regulations or a final decision, ruling or

technical advice by any federal judicial or administrative authority, which would have the effect of rendering the Series 2010H Bonds as not qualifying for treatment as a qualified Build America Bond under Section 54AA of the Code; or (b) the receipt by the Council of a written opinion of nationally recognized bond counsel to the effect that the Series 2010H Bonds are not qualified Build America Bonds under Section 54AA of the Code.

[Bonds maturing on December 1, 20\_\_, December 1, 20\_\_, December 1, 20\_\_ and December 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>December 1, 20</u>	<u>Term Bond</u>
<u>Year</u>	<u>Amount</u>

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

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

<u>December 1, 20</u>	<u>Term Bond</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.

INTEREST ON THIS BOND IS INCLUDABLE IN GROSS INCOME OF THE OWNER HEREOF FOR FEDERAL INCOME TAX PURPOSES AND IN TAXABLE NET INCOME OF INDIVIDUALS, ESTATES OR TRUSTS FOR MINNESOTA INCOME TAX PURPOSES.

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 waste water 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 Waste Water Fund, into which it will pay all of the gross revenues from the waste water disposal system; that it will also create and maintain a General Obligation Waste Water Revenue Bonds, Series 2010H Bond Fund, into which it will pay, out of the net revenues of the waste water 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 waste water 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)

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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:  
\_\_\_\_\_

[End of form of Series 2010H Bond Form]

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 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 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 an issue of \$\_\_\_\_\_ General Obligation Waste Water Revenue Bonds, Series 2010G and \$\_\_\_\_\_ Taxable General Obligation Waste Water Revenue Bonds, Series 2010H (Build America Bonds – Direct Pay), dated as of December 22, 2010.

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 \_\_\_\_\_, 2010.

\_\_\_\_\_  
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 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 \$\_\_\_\_\_ General Obligation Waste Water Revenue Bonds, Series 2010G and \$\_\_\_\_\_ Taxable General Obligation Waste Water Revenue Bonds, Series 2010H (Build America Bonds – Direct Pay), dated as of December 22, 2010.

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 \_\_\_\_\_, 2010.

\_\_\_\_\_  
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 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 \$\_\_\_\_\_ General Obligation Waste Water Revenue Bonds, Series 2010G and \$\_\_\_\_\_ Taxable General Obligation Waste Water Revenue Bonds, Series 2010H (Build America Bonds – Direct Pay), dated as of December 22, 2010.

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 \_\_\_\_\_, 2010.

\_\_\_\_\_  
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 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 \$\_\_\_\_\_ General Obligation Waste Water Revenue Bonds, Series 2010G and \$\_\_\_\_\_ Taxable General Obligation Waste Water Revenue Bonds, Series 2010H (Build America Bonds – Direct Pay), dated as of December 22, 2010.

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 \_\_\_\_\_, 2010.

\_\_\_\_\_  
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 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 \$\_\_\_\_\_ General Obligation Waste Water Revenue Bonds, Series 2010G and \$\_\_\_\_\_ Taxable General Obligation Waste Water Revenue Bonds, Series 2010H (Build America Bonds – Direct Pay), dated as of December 22, 2010.

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 \_\_\_\_\_, 2010.

\_\_\_\_\_  
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 \$\_\_\_\_\_ General Obligation Waste Water Revenue Bonds, Series 2010G and \$\_\_\_\_\_ Taxable General Obligation Waste Water Revenue Bonds, Series 2010H (Build America Bonds – Direct Pay), dated as of December 22, 2010.

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 \_\_\_\_\_, 2010.

\_\_\_\_\_  
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 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 \$\_\_\_\_\_ General Obligation Waste Water Revenue Bonds, Series 2010G and \$\_\_\_\_\_ Taxable General Obligation Waste Water Revenue Bonds, Series 2010H (Build America Bonds – Direct Pay), dated as of December 22, 2010.

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 \_\_\_\_\_, 2010.

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

(SEAL)