

**Unapproved Minutes of
REDFIELD CITY COUNCIL**

May 4, 2015

7:00 p.m.

The City Council met in regular session at City Hall on Monday, May 4, 2015 at 7:00 p.m.

MEMBERS PRESENT: Mayor Jayme Akin, Mike Siebrecht @ 8:35 p.m., Eileen Kearney, Randy Maddox, Darrell Ronnfeldt, Joe Morrissette, Larry Eldeen, David Moeller, and Frank Schwartz

STAFF PRESENT: Adam L. Hansen and City Attorney Paul Gillette

VISITORS: Brook Stephens

CALL TO ORDER: Mayor Akin called the meeting to order at 7:00 p.m.

ADOPT AGENDA: Motion by Moeller, seconded by Eldeen to adopt the agenda as presented.
Motion carried.

MINUTES: Motion by Morrissette, seconded by Schwartz to approve the April 20, 2015 minutes.
Motion carried.

CONSENT CALENDAR:

Motion by Schwartz, seconded by Morrissette to approve the following items on the consent calendar:

Departments' Reports:

- A. Library Report – minutes dated April 27, 2015
- B. Building Permits – Report dated April, 2015
- C. Monthly Fuel Quote
- D. Temporary On/Off Sale Liquor License #04-2015 & Temporary Malt Beverage License #04-2015 for Starters Lanes & Sports Lounge for May 23, 2015 at the Armory (Gregg/Kelly Wedding)
- E. Temporary On/Off Sale Liquor License #05-2015 & Temporary Malt Beverage License #05-2015 for Starters Lanes & Sports Lounge for June 5, 2015 at the Spink County 4-H Building (Osborn/Moore Wedding)
- F. Set a Public Hearing for May 18, 2015 for a New Malt Beverage License and New On/Off Sale Wine License to Shopko Hometown #558

Receive and place on file. Motion carried.

PAY CLAIMS:

City Prepaid	\$10,060.78
City Unpaid	\$123,202.80
Hospital & Clinic Prepaid	\$152,854.50
Hospital & Clinic Unpaid	\$128,044.30
Hospital & Clinic Refunds	\$448.78
Additional Claims:	

Motion by Morrisette, seconded by Schwartz to pay the above claims with the addition of the following: Postage by phone \$385.00 for May 2015 postage meter refill, North Central Farmers Elevator \$1,806.94 for fuel, Appel Oil \$444.93 for fuel, SD Wheat Growers \$70.00 for grass seed, Menards \$249.18 for youth concession stand shelving, paint, etc., Jessen Heating & Refrigeration \$620.16 for Hav-A-Rest shower repairs, HD Supply \$877.53 for 1.5" meter, flanges, bolts, nuts, & shipping, Fetter, Charles \$60.00 Registration fee 2015 State Fire School, Titan/CNH Capital \$357.88 for (2) batteries & (6) mower blades, Tri-State Water, Inc. \$10.00 for water cooler rent, True North Steel \$983.50 for (5) sets road grader blades, Baumann Lumber \$13,122.23 for lumber & supplies at youth comfort station/concession stand, windows, & trim boards for Am. Legion Press Box, and (12) sheets plywood for tennis courts, Burdick Brothers \$442.14 for fabricating 4 rails for ball diamonds, DeYoung Electric \$10,583.39 for balance at Legion ball park concession, install 200 amp panel for score board, tennis court lights, old concessions building, and install hand dryers in restrooms, Odland Construction \$6,605.11 for remove/replace library sidewalk, library excise tax, tennis court sidewalks, tennis court excise tax, Legion ball diamond (21x28) concrete slab, & legion ball diamond excise tax, and Watson Construction \$7,142.87 for labor at youth comfort station concessions 36x24. Motion carried on a roll call vote with all members voting "Yes."

Mayor Akin adjourned the meeting Sine Die @7:09 p.m.

Meeting reconvened at 7:10 p.m. with the following Council Members present: Mayor Jayme Akin, Eileen Kearney, Randy Maddox, Darrell Ronnfeldt, Joe Morrisette, Larry Eldeen, David Moeller, and Frank Schwartz. Staff present: Adam L. Hansen and City Attorney Paul Gillette

PUBLIC HEARINGS:

Variance Request at 517 9th Ave. E. (J. Winter) – Mayor Akin opened the public hearing at 7:10 p.m. for a variance request at 517 9th Ave. E. The Zoning Board's recommendation was to approve the requested variance, the hearing was declared closed at 7:12 p.m. Motion by Eldeen, seconded by Morrisette to approve the variance as requested. Motion carried.

Variance Request at 1420 2nd St. E. (B. Stephens) - Mayor Akin opened the public hearing at 7:13 p.m. for a variance request at 1420 2nd St. E. The Zoning Board's recommendation was to approve the requested variance. Brooke Stephens was present to testify in favor of the variance, the hearing was declared closed at 7:14 p.m. Motion by Eldeen, seconded by Maddox to approve the variance as requested. Motion carried.

Exit: Stephens @ 7:15 p.m.

Variance Request at 915 3rd St. W. (D. Appel) - Mayor Akin opened the public hearing at 7:15 p.m. for a variance request at 915 3rd St. W. The Zoning Board's recommendation was to approve the requested variance, the hearing was declared closed at 7:16 p.m. Motion by Kearney, seconded by Schwartz to approve the variance as requested. Motion carried.

NEW BUSINESS:

Election of Council Chairperson & Vice-Chairperson – Nomination of Darrell Ronnfeldt as City Council Chairperson by Dave Moeller, seconded by Frank Schwartz. Motion carried. No additional nominations were received Mayor Akin declared nominations closed and Darrell Ronnfeldt as Chairperson. Nomination of Dave Moeller as Council Vice-Chairperson by Darrell Ronnfeldt,

seconded by Frank Schwartz. Motion carried. Since no additional nominations were received Mayor Akin declared nominations closed and Dave Moeller as Council Vice-Chairperson.

2015-2016 City Council assignments will include – Parks, Recreation, & Swimming Pool - Schwartz, Water & Sewer – Moeller, Ronnfeldt, & Maddox, Solid Waste - Siebrecht, Street Department Ronnfeldt, Moeller, & Maddox, Airport – Ronnfeldt & Morrisette, City Development & Clean-up – Kearney, Siebrecht, & Eldeen, Senior Citizens - Eldeen, Cemetery – Richard Thelen & Kearney, Fire Department – Rich Gruenwald, Finance & City Insurance – Morrisette & Hansen. Motion by Schwartz, seconded by Moeller to approve the assignments. Motion carried.

Board Appointments – Mayor Akin announced the following board appointments: **Planning and Zoning** - Heather Jordan and Ken Forgey each appointed to a 3 year term, **Redfield Housing Board** - reappointed Franz Cartner to a 3-year term, **Carnegie Library Board** - Stephanie Hansen appointed to fill out vacated term of Betty Twiss, Franz Cartner and Verna Ellenson each reappointed to 3-year terms, **Park and Recreation Board** Amber Groft and Sherry Smith each reappointed to 3-year terms, **Community Memorial Hospital Board** - Ted Williams appointed to a 3-year term and Bonnie Wagner reappointed to a 3-year term. Motion by Schwartz, seconded by Moeller to approve Mayor Akin’s appointments. Motion carried.

Dept. Head Appointments to Begin May 4, 2015 – Mayor Akin presented the following appointments of department heads: Fire Chief – Rich Gruenwald; Public Works Director-James Haider; Parks and Recreation Director-Autumn Gross; Librarian-Linda Keller; Assistant Librarian – Betty Baloun, Senior Citizens Director-Lisa Manning; Interim Hospital Administrator-Michael O’Keefe; Public Health Officer-Dr. Matt Owens; Finance Officer-Adam Hansen; Assistant Finance Officer-Shelly Wipf. Motion by Schwartz, seconded by Moeller to approve Mayor Akin’s appointments. Motion carried.

Approval of Bond of Finance Officer – Motion by Schwartz, seconded by Maddox to approve the Bond of the Finance Officer. Motion carried.

Appoint Official Legal Counsel – Motion by Ronnfeldt, seconded by Morrisette to approve the Official Legal Counsel of Gillette Law Office with Paul Gillette as City Attorney. Motion carried.

Appoint Official Newspaper – Motion by Maddox, seconded by Schwartz to appoint *The Redfield Press* as the City of Redfield’s official newspaper. Motion carried.

2015 HR & Finance Officer School in Pierre, SD on June 9-12, 2015 – Motion by Morrisette, seconded by Schwartz to approve sending Finance Officer Hansen and Assistant Finance Officer Wipf to the 2015 HR & Finance Officer School in Pierre, SD on June 9-12, 2015. Motion carried.

Follow Up on Notice of Abatements Served – Code Enforcement Officer Yost’s report was circulated and various properties were discussed.

BASEC Funding Request – Motion by Ronnfeldt, seconded by Maddox to give \$25,000.00 to BASEC for the funding request at Fischer’s Grove Golf Course contingent on receiving other funding sources. Motion carried on a roll call vote with Kearney and Morrisette dissenting.

Surplus Park and Rec Equipment – Motion by Morrisette, seconded by Schwartz to surplus 34 basketballs at zero value. Motion carried.

Hire Summer Help – Motion by Schwartz, seconded by Maddox to hire Bob Schutte, temporary part-time street department help at \$10.00/hour and Duncan Schwartz part time lifeguard at \$10.00/hour. Motion carried.

Spraying – Motion by Maddox, seconded by Morrisette to spray outside of Redfield if Spink County is able to procure a grant for spraying. Motion carried.

Approve Park & Rec Volunteers for Workers Compensation Purposes – Motion by Schwartz, seconded by Morrisette to approve the following Park & Rec Volunteers for Workers Compensation Purposes: Shane Jordan, Justin Haider, Jamie Campbell, Brent Osborn, Michelle Osborn, Wes Frankenstein, David Gatzke, Ken Greeno, Mark Rozell, Matt Devine, Lonni Stover, Dalton Howe, Jake Baloun, Drew Rozell, Shelley Coats, Brian Johnson, Pam Trautner, Diane French, Michelle Schmitt, Jared Kuehn, Brenda Becker, Kari Peterman, Amber Peterman, Deb Bowar, Larry Tebben, Monte Evans, Ron Wren, Darla Clausen, and Gene Clausen. Motion carried.

Ball Field Concession Stands – Motion by Schwartz, seconded by Moeller to pay the bills. Motion carried.

2014 Annual Report – Motion by Schwartz seconded by Morrisette to approve the 2014 Annual Report. Motion carried.

ORDINANCES AND RESOLUTIONS:

Resolution No. 2015-08 (Opt Out Resolution) was read by Mayor Akin.

Motion by Ronnfeldt, seconded by Schwartz to approve Resolution No. 2015-08. Motion carried on a roll call vote with all members voting "Yes."

Resolution No. 2015-09 (Re-finance Resolution) was read by Mayor Akin.

RESOLUTION NO 2015-09

Re-finance Resolution

AUTHORIZING THE AMENDMENT OF A GROUND LEASE, LEASE AGREEMENT AND INDENTURE OF TRUST DATED DECEMBER 29, 2008; PROVIDING FOR THE EXECUTION, SALE AND DELIVERY OF NOT TO EXCEED \$8,000,000 AGGREGATE ORIGINAL AMOUNT OF CERTIFICATES OF PARTICIPATION IN THE FIRST AMENDED LEASE AGREEMENT PURSUANT TO A CERTIFICATE PURCHASE AGREEMENT AND THE APPLICATION OF THE PROCEEDS THE REFUND OF CERTIFICATES OF PARTICIPATION (COMMUNITY MEMORIAL HOSPITAL PROJECT), SERIES 2008 EVIDENCING PROPORTIONATE INTEREST OF THE OWNERS IN A LEASE AGREEMENT BETWEEN WELLS FARGO BANK, NATIONAL ASSOCIATION AND THE CITY OF REDFIELD AND PAY COSTS OF ISSUANCE; AND APPROVING AND AUTHORIZING AN FIRST SUPPLEMENTAL GROUND LEASE, FIRST SUPPLEMENTAL LEASE AND FIRST SUPPLEMENTAL INDENTURE OF TRUST; AND AUTHORIZING AND APPROVING OTHER ACTIONS AND AGREEMENTS NECESSARY TO CONSUMMATE THE CONTEMPLATED REFUNDING.

WHEREAS, the City of Redfield (the “City”) is a duly organized South Dakota municipality with the power to establish, construct, purchase, and maintain hospitals, medical clinics, nursing facilities and homes for the aged (collectively the “Redfield Health System”); and
WHEREAS, the City has the power pursuant to SDCL Chapters 34-9 and 9-12 to lease and lease-purchase real and personal property; and
WHEREAS, the City is authorized pursuant to SDCL 6-8B-30 through 6-8B-52 to refund any outstanding obligation; and
WHEREAS, the City entered into a ground lease dated December 29, 2008 as lessor, with Wells Fargo Bank, as Lessee(the “Ground Lease”); and
WHEREAS the City entered into a Lease Agreement dated December 29, 2008 as lessee, with Wells Fargo Bank as Lessor (the “Lease”); and
WHEREAS, the City determines that it is in the best interest of the City to extend the Ground Lease and Lease dated December 29, 2008; and
WHEREAS, it is the opinion of the City Council that the City would be best served by entering into a First Supplemental Ground Lease, First Supplemental Lease Agreement and First Supplemental Trust Indenture; and
WHEREAS, the City determines that it is in the best of the City to cause the issuance certificates of participation (the “Refunding Certificates”) the proceeds of which will be used to refund the outstanding Certificates of Participation (Community Memorial Hospital Project), Series 2008 Evidencing Proportionate Interest of the Owners in a Lease Agreement between Wells Fargo Bank, National Association and the City of Redfield (the “Refunded Certificates”) and pay costs of issuance; and

WHEREAS, the refunding will result in reduced debt service costs for the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF REDFIELD as follows:

Findings. All provisions set forth above are true and correct and are hereby incorporated herein by reference as findings for purposes of this resolution. The City Council hereby determines that the refunding will be in full compliance with §§ 6-8B-30 to 6-8B-52 and that all limitations imposed upon the refunding of the Refunded Certificates have been met.

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

“Act” means collectively SDCL Chapters 34-9, 9-12 and §§ 6-8B-30 through 6-8B-52, as amended.

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

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

“Bond Insurer” means one of the following bond insurers, Build America Mutual Assurance Company, Municipal Assurance Corp and Assured Guaranty Corp.

“Certificate Purchase Agreement” means the Certificate Purchase Agreement authorized pursuant to and described in Section 13 hereof by and between the City and the Underwriter.

“City” means the City of Redfield, South Dakota.

“First Supplemental Ground Lease” means the ground lease agreement between the City, as lessor, and the

Trustee, as lessee, dated in 2015 and any amendment thereof or supplement thereto.

“First Supplemental Lease” means the lease purchase agreement dated in 2015 between the Trustee, as lessor, and the City, as lessee, and any amendment thereof or supplement thereto.

“First Supplemental Trust Agreement” means the Declaration of Trust dated in 2015 by the Trustee, and joined in by the City and any amendment thereof or supplement thereto.

“Ground Lease” means the ground lease agreement between the City, as lessor, and the Trustee, as lessee, dated December 29, 2008 and any amendment thereof or supplement thereto.

“Lease” means the lease purchase agreement dated December 29, 2008 between the Trustee, as lessor, and the City, as lessee, and any amendment thereof or supplement thereto.

“Property” means Lot 1-A Eastern Star Home Addition, City of Redfield, Spink County South Dakota (clinic and hospital parking lot), East 345.63’ of Lot 2 Eastern Star Home Addition, City of Redfield, Spink County South Dakota (hospital and clinic), West 100’ of Lot 2 Eastern Star Home Addition, City of Redfield, Spink County South Dakota (Sunset Court), and First Replat of Lot 1, Lot 3 Eastern Star Home Addition City of Redfield, Spink County South Dakota (Heliport, Hospital Driveway to west and Hospital entrance).

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

“Refunded Certificates” means the Certificates of Participation (Community Memorial Hospital Project), Series 2008 Evidencing Proportionate Interest of the Owners in a Lease Agreement between Wells Fargo Bank, National Association and the City of Redfield.

“Refunding Certificates” means the Refunding Certificates of Participation (Community Memorial Hospital Project), Series 2015 Evidencing Proportionate Interest of the Owners in a First Supplemental Lease Agreement between Wells Fargo Bank, National Association and the City of Redfield.

“Trust Agreement” means the Declaration of Trust dated December 29, 2008 by the Trustee, and joined in by the City and any amendment thereof or supplement thereto.

“Trustee” means Wells Fargo Bank, National Association, Minneapolis, Minnesota and its successors and assigns, in its capacity as trustee under the Trust Agreement.

“Underwriter” means Dougherty & Company, Inc., Pierre, South Dakota acting for and on behalf of itself and such securities dealers as it may designate.

Declaration of Necessity and Approval of Refunding. The governing body of the City in accordance with the Act does hereby declare a necessity to enter into the First Supplemental Ground Lease, First Supplemental Lease Agreement and First Supplemental Trust Indenture; and approves the refunding of the Refunded Certificates.

Authorization and Approval of Transactions. Subject to the terms and conditions set forth herein, the City hereby (i) authorizes the lease of the Property to the Trustee for a period not to exceed 40 years pursuant to the First Supplemental Ground Lease, (ii) authorizes the lease of the Property from the Trustee pursuant to the First Supplemental Lease on an annual appropriation basis for an initial lease term and renewal terms not to exceed in the aggregate 30 years, (iii) approves the Trustee's execution of the First Supplemental Trust Agreement, (iv) approves the Trustee's execution and delivery of the Refunding Certificates, payable as to principal in an aggregate original amount not exceeding \$8,000,000 pursuant to the First Supplemental Trust Agreement and a Certificate Purchase Agreement between the City and the Underwriter and the use of the proceeds thereof to

refund the Refunded Certificates, fund a reserve and to pay the expenses incurred in connection with the execution and delivery of the Refunding Certificates.

Approval of Documents and Legal Description. The Authorized Officers of the City are hereby authorized and empowered for and on behalf of the City to approve and execute (i) the First Supplemental Trust Agreement, (ii) the First Supplemental Ground Lease, (iii) the First Supplemental Lease Agreement, (iv) the Certificate Purchase Agreement, and (v) a Continuing Disclosure Certificate in substantially the respective forms to be filed with the City Finance Officer and open to public inspection during regular business hours. The Authorized Officers are authorized and directed to approve the entire legal description or a partial legal description of the Property to be included in the Ground Lease and Lease Agreement.

Certificates of Participation. The Refunding Certificates shall be executed and delivered in fully-registered form, shall be dated and numbered, shall be payable as to principal in the denominations of \$5,000 and integral multiples thereof and in such amounts (not exceeding in the aggregate \$8,000,000) and on such dates (not later than thirty (30) years), shall be payable as to interest at such rate or rates to be negotiated by the Authorized Officer and shall be subject to prepayment upon such terms and conditions, in such amounts and on such dates as may be specified in the Trust Agreement and in the executed Certificate Purchase Agreement. The Authorized Officers are hereby authorized and empowered for and on behalf of the City to approve the Certificate Purchase Agreement, his or her execution and delivery thereof to evidence conclusively the City's approval thereof.

Annual Appropriation and Opt Out. The Lease Agreement is an annual appropriation lease subject to an annual appropriation by the City for each fiscal year. The City has passed an opt out resolution which authorizes the City to spread, in any fiscal year, for 30 years a \$750,000 tax levy if the governing body of the City deems it necessary to be used to pay the annual lease payment.

Bond Counsel. The Authorized Officers are authorized to retain the Bond Counsel upon such terms as they approve.

Bond Insurer. The Authorized Officers are authorized to retain the Bond Insurer upon such terms as they approve.

Rating Agency. The Authorized Officers are authorized to retain the Rating Agency upon such terms as they approve.

Trustee. The Authorized Officers are authorized to retain the Trustee upon such terms as they approve.

Underwriter. The Authorized Officers are authorized to retain the Underwriter upon such terms as they approve.

Certificate Purchase Agreement. The Refunding Certificates shall be sold to the Underwriter at a price to be set forth in the Certificate Purchase Agreement. The Authorized Officers in consultation with the Underwriter, are authorized to make such changes in the structuring of the terms and sale of the Refunding Certificates as they shall deem necessary. In this regard, they, or either of them, in consultation with the Underwriter, are authorized to cause to be sold an aggregate principal amount of the Refunding Certificates less than that authorized herein, to sell any or all of the Refunding Certificates as term certificates with annual mandatory redemption requirements which will produce substantially the same annual principal reductions as authorized herein, to change the dated date of the, and to adjust principal and interest payment dates and redemption dates of the Refunding Certificates. The form of the Certificate shall be conformed to reflect any changes, if any, as hereinbefore mentioned. The Mayor is hereby authorized to execute and the Finance Officer is authorized to attest the Certificate Purchase Agreement with the Underwriter providing for the purchase and sale of the Refunding Certificates. The Certificate Purchase Agreement shall be in form and content acceptable to the Mayor and Finance Officer, the execution thereof by either of them to constitute conclusive evidence thereof, and approved as to form and legality by the District's attorney; provided the Certificate Purchase Agreement effects the sale of the Refunding Certificates in accordance with the provisions of this Resolution, and is not

inconsistent with the terms hereof. The Mayor and Finance Officer are authorized to cause the Refunding Certificates to be authenticated and delivered by the Trustee to the Underwriter and to execute, publish, and deliver all certificates and documents, including the Official Statement, and closing certificates and documents, as they shall deem necessary in connection with the sale and delivery of the Refunding Certificates.

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

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

Tax Matters. The City covenants and agrees with the registered owners from time to time of the Refunding Certificates that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest component or interest on the First Supplemental Lease Agreement and Refunding Certificates to become includable in gross income for federal income tax purposes under the Code and applicable Treasury Regulations (the "Regulations"), and covenants to take any and all actions within its powers to ensure that the basic interest on the Refunding Certificates will not become includable in gross income for federal income tax purposes under the Code and the Regulations.

The Authorized Officers charged with the responsibility for issuing the Refunding Certificates pursuant to this Resolution are hereby authorized and directed to execute and deliver to the Underwriter thereof a certificate in accordance with the provisions of Section 148 of the Code, and Section 1.148-2(b) of the Regulations, stating that on the basis of facts, estimates and circumstances in existence on the date of issue and delivery of the Refunding Certificates, it is reasonably expected that the proceeds of the Refunding Certificates will be used in a manner that would not cause the Refunding Certificates to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations.

The City hereby designates the First Supplemental Lease and Refunding Certificates as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code relating to the disallowance of interest expense for financial institutions, and hereby finds that the reasonably anticipated amount of qualified tax-exempt obligations (within the meaning of Section 265(b)(3) of the Code) which will be issued by the City and all subordinate entities during calendar year 2015 including the issuance of the First Supplemental Lease does not exceed \$10,000,000.

Miscellaneous. Each Authorized Officer and any other agent or employee of the City is hereby authorized and empowered to take such other actions and execute and deliver such other instruments and agreements, including appropriate tax certifications and other closing certificates, as may be necessary or appropriate for the purposes of consummating the transactions contemplated herein, the necessity therefor and the appropriateness thereof to be evidenced conclusively by any such Authorized Officer's taking any such action or executing and delivering any such instrument, agreement or certificate and all actions taken heretofore and hereafter pursuant to the authority hereof are hereby authorized, ratified and approved for and as the actions of the City.

Invalidity. If any one or more of the provisions of this Resolution, or of any exhibit or attachment thereto, shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, or of any exhibit or attachment thereto, but this Resolution, and the exhibits and attachments thereto, shall be construed the same as

if such invalid, illegal, or unenforceable provision had never been contained herein, or therein, as the case may be.

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

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

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

PASSED, ADOPTED AND APPROVED this _____ day of _____ 2015.

CITY OF REDFIELD, SOUTH DAKOTA

(SEAL)

Mayor

ATTEST:

Finance Officer

(SEAL)

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

Definitions

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

“Issuer” means the City of Redfield.

Statement of Purpose

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

- (i) with applicable provisions of the Internal Revenue Code of 1986, as amended (the “Code”), and regulations promulgated thereunder (“Treasury Regulations”) for obligations issued by the Issuer on tax-exempt or tax-advantaged basis (“Obligations”); and
- (ii) with applicable requirements set forth in certificates and agreement(s) (“Continuing Disclosure Agreements”) providing for ongoing disclosure in connection with the offering of obligations to investors (“Offerings”), for

obligations (whether or not tax- exempt I tax-advantaged) subject to the continuing disclosure requirements of Rule 15c2-12(b)(5) (the “Rule”) promulgated by the Securities and Exchange Commission (“SEC”) under the Securities Exchange Act of 1934.

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

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

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

General Policies and Procedures

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

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

Issuance of Obligations - Documents and Records

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

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

Arbitrage

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

The Compliance Officer will:

- A. Confirm that a certification of the initial offering prices of the Obligations with such supporting data, if any, required by bond counsel, is included in the Transcript.
- B. Confirm that a computation of the yield on such issue from the Issuer's financial advisor or bond counsel (or an outside arbitrage rebate specialist) is contained in the Transcript.
- C. Maintain a system for tracking investment earnings on the proceeds of the Obligations.
- D. Coordinate the tracking of expenditures, including the expenditure of any investment earnings. If the project(s) to be financed with the proceeds of the Obligations will be funded with multiple sources of funds, confirm that the Issuer has adopted an accounting methodology that maintains each source of financing separately and monitors the actual expenditure of proceeds of the Obligations.
- E. Maintain a procedure for the allocation of proceeds of the issue and investment earnings to expenditures, including the reimbursement of pre-issuance expenditures. This procedure shall include an examination of the expenditures made with proceeds of the Obligations within 18 months after each project financed by the Obligations is placed in service and, if necessary, a reallocation of expenditures in accordance with Section 1.148-6(d) of the Treasury Regulations.
- F. Monitor compliance with the applicable "temporary period" (as defined in the Code and Treasury Regulations) exceptions for the expenditure of proceeds of the issue, and provide for yield restriction on the investment of such proceeds if such exceptions are not satisfied.
- G. Ensure that investments acquired with proceeds of such issue are purchased at fair market value. In determining whether an investment is purchased at fair market value, any applicable Treasury Regulation safe harbor may be used.
- H. Avoid formal or informal creation of funds reasonably expected to be used to pay debt service on such issue without determining in advance whether such funds must be invested at a restricted yield.
- I. Consult with bond counsel prior to engaging in any post-issuance credit enhancement transactions or investments in guaranteed investment contracts.
- J. Identify situations in which compliance with applicable yield restrictions depends upon later investments and monitor implementation of any such restrictions.
- K. Monitor compliance with six-month, 18-month or 2-year spending exceptions to the rebate requirement, as applicable.
- L. Procure a timely computation of any rebate liability and, if rebate is due, to file a Form 8038-T and to arrange for payment of such rebate liability.
- M. Arrange for timely computation and payment of "yield reduction payments" (as such term is defined in the Code and Treasury Regulations), if applicable.

Private Activity Concerns

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

The Compliance Officer will:

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

- B. Maintain records, which should be consistent with those used for arbitrage purposes, to allocate the proceeds of an issue and investment earnings to expenditures, including the reimbursement of pre-issuance expenditures.
- C. Maintain records allocating to a project financed with Obligations any funds from other sources that will be used for otherwise non-qualifying costs.
- D. Monitor the expenditure of proceeds of an issue and investment earnings for qualifying costs.
- E. Monitor private use of financed facilities to ensure compliance with applicable limitations on such use. Examples of potential private use include:
 - 1. Sale of the facilities, including sale of capacity rights;
 - 2. Lease or sub-lease of the facilities (including leases, easements or use arrangements for areas outside the four walls, e.g., hosting of cell phone towers) or leasehold improvement contracts;
 - 3. Management contracts (in which the Issuer authorizes a third party to operate a facility, e.g., cafeteria) and research contracts;
 - 4. Preference arrangements (in which the Issuer permits a third party preference, such as parking in a public parking lot);
 - 5. Joint-ventures, limited liability companies or partnership arrangements;
 - 6. Output contracts or other contracts for use of utility facilities (including contracts with large utility users);
 - 7. Development agreements which provide for guaranteed payments or property values from a developer;
 - 8. Grants or loans made to private entities, including special assessment agreements; and
 - 9. Naming rights arrangements.

Monitoring of private use should include the following:

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

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

Qualified Tax-Exempt Obligations

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

Federal Subsidy Payments

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

Reissuance

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

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

Record Retention

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

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

Continuing Disclosure

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

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

- A. Assist in the preparation or review of annual reports ("Annual Reports") in the form required by the related Continuing Disclosure Agreements.

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

PASSED and ADOPTED by the City of Redfield, this _____ day of _____, 2015.

Mayor

ATTEST:

Finance Officer

Motion by Schwartz, seconded by Moeller to approve Resolution No. 2015-09. Motion carried on a roll call vote with all members voting "Yes."

INFORMATION AND DISCUSSION ITEMS:

After School Program – Hansen discussed the proposed After School Program that Redfield Public School is considering.

Depot Donation - Mayor Akin informed the Council on a possible donation to the Depot.

COUNCIL MEMBER REPORTS:

Schwartz inquired about the location of property lines at Legler Park.

Kearney inquired about property lines by the alley north of her residence.

Ronfeldt commented that the new sidewalk has been installed at the library.

There being no further business, meeting was adjourned at 9:13 p.m.

Jayne Akin
Mayor

Adam L. Hansen
Finance Officer

Recorder: Adam L. Hansen