

Extract of Minutes of Meeting
of the City Council of the City of
Shakopee, Scott County, Minnesota

Pursuant to due call and notice thereof, a special meeting of the City Council of the City of Shakopee, Minnesota, was duly held in the City Hall in said City on Monday, December 17, 2015, commencing at 6:30 P.M.

The following members were present:

and the following were absent:

* * *

* * *

* * *

The Mayor announced that the next order of business was consideration of the proposals which had been received for the purchase of the City's General Obligation Tax Abatement Bonds, Series 2016A, to be issued in the aggregate principal amount of \$29,500,000.

The City Administrator presented a tabulation of the proposals that had been received in the manner specified in the Terms of Proposal for the Bonds. The proposals are as set forth in EXHIBIT A attached.

After due consideration of the proposals, Member _____ then introduced the following resolution and moved its adoption:

RESOLUTION NO. 7663

A RESOLUTION AWARDING THE SALE OF GENERAL OBLIGATION TAX ABATEMENT BONDS, SERIES 2016A, IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$29,500,000; FIXING THEIR FORM AND SPECIFICATIONS; DIRECTING THEIR EXECUTION AND DELIVERY; AND PROVIDING FOR THEIR PAYMENT

BE IT RESOLVED by the City Council (the "City Council") of the City of Shakopee, Scott County, Minnesota (the "City"), as follows:

Section 1. Sale of Bonds.

1.01. Authorizations.

(a) On September 22, 2015, following a duly noticed public hearing, the City Council adopted a resolution (the "Abatement Resolution") approving a property tax abatement (the "Abatements") for certain property in the City (the "Abatement Parcels") over a period of twenty (20) years, in an amount sufficient to pay the principal amount of and interest on bonds to be issued to finance the construction and equipping of an expansion of the Community Center in the City, including an expansion of the Shakopee Ice Arena, an aquatics center and related public infrastructure (the "Project"), all pursuant to Minnesota Statutes, Sections 469.1812 through 469.1815, as amended (the "Abatement Act").

(b) Pursuant to a resolution adopted by the City Council on November 17, 2015, the City authorized the sale of its General Obligation Tax Abatement Bonds, Series 2016A (the "Bonds"), to finance the construction and equipping of the Project, pursuant to the Abatement Act and Minnesota Statutes, Chapter 475, as amended (the "Municipal Debt Act").

(c) On the date hereof, the City Council conducted a duly noticed public hearing with respect to the designation of the Bonds as "qualified 501(c)(3) bonds" pursuant to Section 145 of the Internal Revenue Code of 1986, as amended (the "Code"), and the designation of one or more nonprofit organizations from federal income taxation under Section 501(a) of the Code, as a result of the application of Section 501(c)(3) of the Code, as qualified 501(c)(3) users of the Project (collectively, the "Qualified Users"), including but not limited to the Shakopee Valley Amateur Hockey Association, a Minnesota nonprofit corporation and organization described in Section 501(c)(3) of the Code doing business as the Shakopee Youth Hockey Association, and the Prior Lake/Savage Hockey Association, a Minnesota nonprofit corporation and an organization described in Section 501(c)(3) of the Code.

(d) The City Council hereby approves the designation of the Bonds as "qualified 501(c)(3) bonds" pursuant to Section 145 of the Code. Furthermore, the City Council approves the designation of the Qualified Users as qualified 501(c)(3) users of the Project and authorizes the City to enter into one or more long-term use agreements with each Qualified User regarding the use of the Project.

1.02. Award to the Purchaser and Interest Rates. The proposal of Morgan Stanley & Co. LLC, New York, New York (the "Purchaser"), to purchase the Bonds of the City is hereby found and determined to be a reasonable offer and is hereby accepted, the proposal being to purchase the Bonds at a

price of \$31,651,293.92 (par amount of \$29,500,000.00, plus original issue premium of \$2,339,910.60, less original issue discount of \$102,183.50, less underwriter's discount of \$86,433.18), plus accrued interest to date of delivery, if any, for Bonds bearing interest as follows:

<u>Year</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Interest Rate</u>
2018	5.000%	2028	3.000%
2019	5.000	2029	3.000
2020	5.000	2030	3.000
2021	5.000	2031	3.000
2022	5.000	2032	3.000
2023	2.000	2033	3.000
2024	5.000	2034	3.000
2025	5.000	2035	3.000
2026	5.000	2036	3.125
2027	4.000		

True interest cost: 2.6884107%

1.03. Purchase Contract. The sum of \$2,505,293.92, being the amount proposed by the Purchaser in excess of \$29,146,000.00, shall be credited to the Debt Service Fund hereinafter created or deposited in the Construction Fund hereinafter created, as determined by the Finance Director of the City in consultation with the City's municipal advisor. The Finance Director is directed to deposit the good faith check or deposit of the Purchaser, pending completion of the sale of the Bonds, and to return the good faith deposits of the unsuccessful proposers. The Mayor and City Administrator are directed to execute a contract with the Purchaser on behalf of the City.

1.04. Terms and Principal Amounts of the Bonds. The City will forthwith issue and sell the Bonds pursuant to the Abatement Act and the Municipal Debt Act (together, the "Act") in the total principal amount of \$29,500,000, originally dated January 21, 2016, in the denomination of \$5,000 each or any integral multiple thereof, numbered No. R-1, upward, bearing interest as above set forth, and maturing serially on February 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	\$1,040,000	2028	\$1,630,000
2019	1,095,000	2029	1,680,000
2020	1,150,000	2030	1,730,000
2021	1,205,000	2031	1,785,000
2022	1,265,000	2032	1,835,000
2023	1,330,000	2033	1,890,000
2024	1,355,000	2034	1,950,000
2025	1,425,000	2035	2,005,000
2026	1,495,000	2036	2,065,000
2027	1,570,000		

1.05. Optional Redemption. The City may elect on February 1, 2025, and on any day thereafter to prepay Bonds due on or after February 1, 2026. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify DTC (as defined in Section 7 hereof) 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. Prepayments will be at a price of par plus accrued interest.

Section 2. Registration and Payment.

2.01. Registered Form. The Bonds will be issued only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof, is payable by check or draft issued by the Registrar described herein.

2.02. Dates; Interest Payment Dates. Each Bond will be dated as of the last interest payment date preceding the date of authentication to which interest on the Bond has been paid or made available for payment, unless (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Bond will be dated as of the date of authentication, or (ii) the date of authentication is prior to the first interest payment date, in which case the Bond will be dated as of the date of original issue. The interest on the Bonds is payable on February 1 and August 1 of each year, commencing August 1, 2016, to the registered owners of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not that day is a business day.

2.03. Registration. The City will appoint a bond registrar, transfer agent, authenticating agent and paying agent (the "Registrar"). The effect of registration and the rights and duties of the City and the Registrar with respect thereto are as follows:

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

(b) Transfer of Bonds. Upon surrender for transfer of a 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 will authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until that interest payment date.

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

(d) Cancellation. Bonds surrendered upon transfer or exchange will be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When a Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the Bond until the Registrar is satisfied that the endorsement on the Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar will 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 City and the Registrar may treat the person in whose name a Bond is registered in the bond register as the absolute owner of the Bond, whether the Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Bond and for all other purposes and payments so made to registered owner or upon the owner's order will be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums so paid.

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

(h) Mutilated, Lost, Stolen or Destroyed Bonds. If a Bond becomes mutilated or is destroyed, stolen or lost, the Registrar will deliver any new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of the mutilated Bond or in lieu of and in substitution for a 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 the 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 and as provided by law, in which both the City and the Registrar must be named as obligees. Bonds so surrendered to the Registrar will be cancelled by the Registrar and evidence of such cancellation must be given to the City. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it is not necessary to issue a new Bond prior to payment.

(i) Redemption. In the event any of the Bonds are called for redemption, notice thereof identifying the Bonds to be redeemed will be given by the Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) to the registered owner of each Bond to be redeemed at the address shown on the registration books kept by the Registrar and by publishing the notice if required by law. Failure to give notice by publication or by mail to any registered owner, or any defect therein, will not affect the validity of the proceedings for the redemption of Bonds. Bonds so called for redemption will cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the place of payment at that time.

2.04. Appointment of Initial Registrar. The City appoints U.S. Bank National Association, Saint Paul, Minnesota, as the initial Registrar. The Mayor and the City Administrator are authorized to execute and deliver, on behalf of the City, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, the resulting corporation is authorized to act as successor Registrar. The City agrees to pay the reasonable and customary charges of the Registrar for the services performed. The City reserves the right to remove the Registrar upon 30 days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar must deliver all cash and Bonds in its possession to the successor Registrar and must deliver the bond register to the successor Registrar. On or before each principal or interest due date, without further order of this Council, the City Administrator must transmit to the Registrar monies sufficient for the payment of all principal and interest then due.

2.05. Execution, Authentication and Delivery. The Bonds will be prepared under the direction of the City Administrator and executed on behalf of the City by the signatures of the Mayor and the City Administrator, provided that those signatures may be printed, engraved or lithographed facsimiles of the originals. If an officer whose signature or a facsimile of whose signature appears on the Bonds ceases to be such officer before the delivery of a Bond, that signature or facsimile will nevertheless be valid and

sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, a Bond will not 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 an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on a Bond is conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been so prepared, executed and authenticated, the City Administrator will deliver the same to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser is not obligated to see to the application of the purchase price.

2.06. Temporary Bonds. The City may elect to deliver in lieu of printed definitive Bonds one or more typewritten temporary Bonds in substantially the form set forth in EXHIBIT B attached hereto, with such changes as may be necessary to reflect more than one maturity in a single temporary bond. Upon the execution and delivery of definitive Bonds the temporary Bonds will be exchanged therefor and cancelled.

Section 3. Form of Bond.

3.01. Execution of the Bonds. The Bonds will be printed or typewritten in substantially the form as attached hereto as EXHIBIT B.

3.02. Approving Legal Opinion. The City Administrator is directed to obtain a copy of the proposed approving legal opinion of Kennedy & Graven, Chartered, Minneapolis, Minnesota, which is to be complete except as to dating thereof and to cause the opinion to be printed on or accompany each Bond.

Section 4. Payment; Security; Pledges and Covenants.

4.01. Debt Service Fund. The Bonds are payable from the General Obligation Tax Abatement Bonds, Series 2016A Debt Service Fund (the "Debt Service Fund") hereby created. The Debt Service Fund shall be administered by the Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Abatements for the Abatement Parcels are hereby pledged to the Debt Service Fund. There is appropriated to the Debt Service Fund (i) capitalized interest financed from Bond proceeds, if any; and (ii) amounts over the minimum purchase price of the Bonds paid by the Purchaser, to the extent designated for deposit in the Debt Service Fund in accordance with Section 1.03 hereof.

4.02. Construction Fund. The City hereby creates the General Obligation Tax Abatement Bonds, Series 2016A Construction Fund (the "Construction Fund"). Proceeds of the Bonds, less the appropriations made in Section 4.01 hereof, will be deposited in the Construction Fund to be used solely to defray expenses of the Project described herein and in the Abatement Resolution (including costs of issuance of the Bonds). When the Project is completed and the cost thereof paid, the Construction Fund is to be closed and any funds remaining may be deposited in the Debt Service Fund.

4.03. General Obligation Pledge. For the prompt and full payment of the principal of and interest on the Bonds, as the same respectively become due, the full faith, credit and taxing powers of the City will be and are hereby irrevocably pledged. If the balance in the Debt Service Fund is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency will be promptly paid out of monies in the general fund of the City which are available for such purpose, and such

general fund may be reimbursed with or without interest from the Debt Service Fund when a sufficient balance is available therein.

4.04. Debt Service Coverage. It is hereby determined that the estimated collection of Abatements for the payment of principal of and interest on the Bonds will produce at least five percent (5%) in excess of the amount needed to meet, when due, the principal and interest payments on the Bonds and that no tax levy is needed at this time.

4.05. Registration of Resolution. The City Clerk is authorized and directed to file a certified copy of this resolution with the County Auditor of Scott County, Minnesota and to obtain the certificate required by Section 475.63 of the Act.

Section 5. Authentication of Transcript.

5.01. City Proceedings and Records. The officers of the City are authorized and directed to prepare and furnish to the Purchaser and to the attorneys approving the Bonds, certified copies of proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Bonds, and such instruments, including any heretofore furnished, may be deemed representations of the City as to the facts stated therein.

5.02. Certification as to Official Statement. The Mayor, City Administrator, and Finance Director are authorized and directed to certify that they have examined the Official Statement prepared and circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the Official Statement is a complete and accurate representation of the facts and representations made therein as of the date of the Official Statement.

5.03. Other Certificates. The Mayor, City Administrator, and Finance Director are hereby authorized and directed to furnish to the Purchaser at the closing such certificates as are required as a condition of sale. Unless litigation shall have been commenced and be pending questioning the Bonds or the organization of the City or incumbency of its officers, at the closing the Mayor, City Administrator, and Finance Director shall also execute and deliver to the Purchaser a suitable certificate as to absence of material litigation, and the Finance Director shall also execute and deliver a certificate as to payment for and delivery of the Bonds.

Section 6. Tax Covenants.

6.01. Qualified 501(c)(3) Bonds. The City shall not take any action or authorize any action to be taken in connection with the application or investment of the proceeds of the Bonds or any related activity which would cause the Bonds to be deemed to be "private activity bonds," within the meaning of Section 141 of the Code, other than "qualified 501(c)(3) bonds" within the meaning of Section 145 of the Code. The City shall not take any action or authorize any action to be taken in connection with the application or investment of the proceeds of the Bonds or any related activity which would cause the Bonds to be deemed to be "arbitrage bonds," within the meaning of Section 148 of the Code. Furthermore, the City shall take all such actions as may be required under the Code to ensure that interest on the Bonds is not and does not become includable in gross income for federal income tax purposes.

6.02. Costs of Issuance. No more than two percent (2%) of the proceeds of the Bonds will be used for the costs of issuing the Bonds.

6.03. Rebate. The City will comply with requirements necessary under the Code to establish and maintain the exclusion from gross income of the interest on the Bonds under Section 103 of the Code, including without limitation requirements relating to temporary periods for investments, limitations on amounts invested at a yield greater than the yield on the Bonds, and the rebate of excess investment earnings to the United States.

6.04. Not Qualified Tax-Exempt Obligations. The Bonds are not designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

6.05. Procedural Requirements. The City will use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designations made by this section.

Section 7. Book-Entry System; Limited Obligation of City.

7.01. The Depository Trust Company. The Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Bond for each of the maturities set forth in Section 1.04 hereof. Upon initial issuance, the ownership of each Bond will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns (“DTC”). Except as provided in this section, all of the outstanding Bonds will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC.

7.02. Participants. With respect to Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the City, the Registrar and the Paying Agent will have no responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository (the “Participants”) or to any other person on behalf of which a Participant holds an interest in the Bonds, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person (other than a registered owner of Bonds, as shown by the registration books kept by the Registrar) of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered owner of Bonds, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The City, the Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Registrar as the holder and absolute owner of such Bond for the purpose of payment of principal, premium and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bonds, and for all other purposes. The Paying Agent will pay all principal of, premium, if any, and interest on the Bonds only to or on the order of the respective registered owners, as shown in the registration books kept by the Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the City’s obligations with respect to payment of principal of, premium, if any, or interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of Bonds, as shown in the registration books kept by the Registrar, will receive a certificated Bond evidencing the obligation of this resolution. Upon delivery by DTC to the City Administrator of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words “Cede & Co.” will refer to such new nominee of DTC; and upon receipt of such a notice, the City Administrator will promptly deliver a copy of the same to the Registrar and Paying Agent.

7.03. Representation Letter. The City has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (the “Representation Letter”) which shall govern payment of principal of, premium, if any, and interest on the Bonds and notices with respect to the Bonds. Any Paying Agent or Registrar subsequently appointed by the City with respect to the Bonds will agree to take all action

necessary for all representations of the City in the Representation Letter with respect to the Registrar and Paying Agent, respectively, to be complied with at all times.

7.04. Transfers Outside Book-Entry System. In the event the City, by resolution of the City Council, determines that it is in the best interests of the persons having beneficial interests in the Bonds that they be able to obtain Bond certificates, the City will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Bond certificates. In such event the City will issue, transfer and exchange Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this Resolution. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the City will issue and the Registrar will authenticate Bond certificates in accordance with this resolution and the provisions hereof will apply to the transfer, exchange and method of payment thereof.

7.05. Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as a Bond is registered in the name of Cede & Co., as nominee of DTC, payments with respect to principal of, premium, if any, and interest on the Bond and notices with respect to the Bond will be made and given, respectively in the manner provided in DTC's Operational Arrangements, as set forth in the Representation Letter.

Section 8. Continuing Disclosure.

8.01. Execution of Continuing Disclosure Certificate. "Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate executed by the Mayor and City Administrator and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

8.02. City Compliance with Provisions of Continuing Disclosure Certificate. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this resolution, failure of the City to comply with the Continuing Disclosure Certificate is not to be considered an event of default with respect to the Bonds; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this section.

Section 9. Defeasance. When all Bonds and all interest thereon have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the holders of the Bonds will cease, except that the pledge of the full faith and credit of the City for the prompt and full payment of the principal of and interest on the Bonds will remain in full force and effect. The City may discharge all Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full. 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 to the date of such deposit.

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

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

EXHIBIT A
PROPOSALS



Springsted Incorporated
 380 Jackson Street, Suite 300
 Saint Paul, MN 55101-2887
 Tel: 651-223-3000
 Fax: 651-223-3002
 Email: advisors@springsted.com
 www.springsted.com

\$31,845,000^(a)

CITY OF SHAKOPEE, MINNESOTA
 GENERAL OBLIGATION TAX ABATEMENT BONDS, SERIES 2016A

(BOOK ENTRY ONLY)

AWARD: MORGAN STANLEY & CO. LLC

SALE: December 17, 2015 Moody's Rating: Aa1

Bidder	Interest Rates	Price	Net Interest Cost	True Interest Rate
MORGAN STANLEY & CO. LLC	5.00% 2018-2022 2.00% 2023 5.00% 2024-2026 4.00% 2027 3.00% 2028-2035 3.125% 2036	\$34,246,642.77 ^(b)	\$10,444,656.88 ^(b)	2.6689% ^(b)
WELLS FARGO BANK, NATIONAL ASSOCIATION	5.00% 2018-2025 3.00% 2026-2034 3.125% 2035-2036	\$34,095,412.27	\$10,461,973.15	2.6819%
PIPER JAFFRAY & CO.	5.00% 2018-2020 2.00% 2021 5.00% 2022 2.00% 2023-2024 5.00% 2025 4.00% 2026-2030 3.00% 2031-2035 3.125% 2036	\$33,887,164.95	\$10,742,747.20	2.7502%
CITIGROUP GLOBAL MARKETS, INC. J.P. MORGAN SECURITIES LLC SIEBERT BRANDFORD SHANK & CO., LLC WILEY BROS. – AINTREE CAPITAL, LLC DREXEL HAMILTON HILLTOP SECURITIES ROOSEVELT & CROSS, INC. FIFTH THIRD SECURITIES, INC. INTERCOASTAL CAPITAL	5.00% 2018-2020 2.00% 2021 5.00% 2022 2.00% 2023-2024 5.00% 2025 4.00% 2026-2028 3.00% 2029-2034 3.125% 2035-2036	\$33,506,108.31	\$10,702,922.94	2.7592%

(a) Subsequent to bid opening, the issue size decreased from \$31,845,000 to \$29,500,000.

(b) Subsequent to bid opening, the price, net interest cost, and true interest rate have changed to \$31,651,293.92, \$9,968,775.00 and 2.6884%, respectively.

Public Sector Advisors

Bidder	Interest Rates	Price	Net Interest Cost	True Interest Rate
ROBERT W. BAIRD & COMPANY, INCORPORATED	2.00% 2018-2019 3.00% 2020-2022	\$32,994,525.31	\$10,837,144.66	2.8061%
C.L. KING & ASSOCIATES	2.00% 2023-2024			
CRONIN & COMPANY, INC.	5.00% 2025			
EDWARD D. JONES & COMPANY	4.00% 2026-2028			
FIDELITY CAPITAL MARKETS SERVICES	3.00% 2029-2033			
NORTHLAND SECURITIES, INC.	3.125% 2034-2036			
WMJ CAPITAL				
COASTAL SECURITIES L.P.				
ROSS, SINCLAIRE & ASSOCIATES, LLC				
CREWS & ASSOCIATES				
DAVENPORT & COMPANY LLC				
WEDBUSH SECURITIES INC.				
LOOP CAPITAL MARKETS, LLC				
DOUGHERTY & COMPANY LLC				
OPPENHEIMER & CO. INC.				
VINING-SPARKS IBG, LIMITED PARTNERSHIP				
IFS SECURITIES				
SIERRA PACIFIC SECURITIES				
ALAMO CAPITAL				
R. SEELAUS & COMPANY, INC.				
WAYNE HUMMER INVESTMENTS LLC				
SUMRIDGE PARTNERS				
W.H. MELL ASSOCIATES				
BERNARDI SECURITIES, INCORPORATED				
FIRST EMPIRE SECURITIES				
RBC CAPITAL MARKETS				
COUNTRY CLUB BANK				
RAFFERTY CAPITAL MARKETS				
BANK OF AMERICA MERRILL LYNCH	5.00% 2018-2025 4.00% 2026-2027 3.00% 2028-2033 3.125% 2034 3.25% 2035-2036	\$34,078,609.24	\$10,965,180.86	2.8135%
JEFFERIES & COMPANY, INC.	5.00% 2018-2025	\$34,032,778.46	\$10,960,825.88	2.8157%
RAYMOND JAMES & ASSOCIATES, INC.	4.00% 2026-2027			
FTN FINANCIAL CAPITAL MARKETS	3.00% 2028-2033			
RAMIREZ & CO.	3.125% 2034-2035 3.25% 2036			
HUTCHINSON, SHOCKEY, ERLEY & CO.	5.00% 2018-2020 2.00% 2021 5.00% 2022 2.00% 2023-2024 5.00% 2025 4.00% 2026-2029 3.00% 2030-2032 3.10% 2033-2034 3.15% 2035 3.20% 2036	\$33,540,087.66	\$11,004,797.48	2.8343%

Bidder	Interest Rates	Price	Net Interest Cost	True Interest Rate
PNC CAPITAL MARKETS	4.00% 2018-2020 2.00% 2021 5.00% 2022 2.00% 2023-2024 5.00% 2025 4.00% 2026-2036	\$34,695,337.51	\$11,874,388.88	2.9614%

REOFFERING SCHEDULE OF THE PURCHASER

Rate	Year	Yield
5.00%	2018	0.80%
5.00%	2019	1.05%
5.00%	2020	1.20%
5.00%	2021	1.35%
5.00%	2022	1.55%
2.00%	2023	1.70%
5.00%	2024	1.85%
5.00%	2025	1.95%
5.00%	2026	2.00%
4.00%	2027	2.05%
3.00%	2028	2.50%
3.00%	2029	2.60%
3.00%	2030	2.75%
3.00%	2031	2.90%
3.00%	2032	Par
3.00%	2033	3.05%
3.00%	2034	3.10%
3.00%	2035	3.14%
3.125%	2036	3.20%

BBI: 3.57%
Average Maturity: 11.845 Years

EXHIBIT B
FORM OF BOND

No. R- _____

\$ _____

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF SCOTT
CITY OF SHAKOPEE

GENERAL OBLIGATION TAX ABATEMENT BOND
SERIES 2016A

<u>Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	February 1, 20__	January 21, 2016	

Registered Owner: CEDE & CO.

The City of Shakopee, Minnesota, a duly organized and existing municipal corporation in Scott County, Minnesota (the "City"), acknowledges itself to be indebted and for value received hereby promises to pay to the Registered Owner specified above or registered assigns, the principal sum of \$ _____ on the maturity date specified above, with interest thereon from the date hereof at the annual rate specified above, payable February 1 and August 1 in each year, commencing August 1, 2016, 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 immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by U.S. Bank National Association, Saint Paul, Minnesota, as Bond Registrar, Paying Agent, Transfer Agent and Authenticating Agent, or its designated successor under the Resolution described herein. 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 City have been and are hereby irrevocably pledged.

The City may elect on February 1, 2025, and on any day thereafter to prepay Bonds due on or after February 1, 2026. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify The Depository Trust Company ("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. Prepayments will be at a price of par plus accrued interest.

This Bond is one of an issue in the aggregate principal amount of \$29,500,000 all of like original issue date and tenor, except as to number, maturity date, interest rate, and redemption privilege, all issued pursuant to a resolution adopted by the City Council on December 17, 2015 (the "Resolution"), for the purpose of providing money to defray the expenses incurred and to be incurred in financing the construction of public infrastructure in the City, pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Chapter 475, as amended, and Minnesota Statutes, Sections 469.1812 through 469.1815, as amended. The principal hereof and interest

hereon are payable primarily from abatements collected from certain property in the City, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the City are irrevocably pledged for payment of this Bond and the City Council has obligated itself to levy ad valorem taxes on all taxable property in the City in the event of any deficiency in abatements pledged, which taxes may be levied without limitation as to rate or amount. The Bonds of this series are issued only as fully registered Bonds in denominations of \$5,000 or any integral multiple thereof of single maturities.

This Bond is not a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the City at the principal office of the Bond 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 Bond 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 City 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.

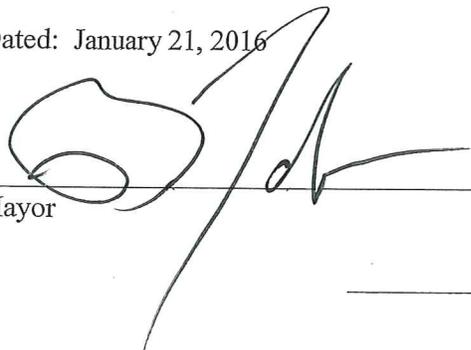
The City and the Bond Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Bond Registrar will be affected by any notice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

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 City in accordance with its terms, have been done, do exist, have happened and have been performed as so required, and that the issuance of this Bond does not cause the indebtedness of the City to exceed any constitutional or statutory limitation of indebtedness.

This Bond is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Bond Registrar by manual signature of one of its authorized representatives.

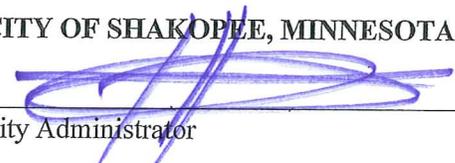
IN WITNESS WHEREOF, the City of Shakopee, Scott County, Minnesota, by its City Council, has caused this Bond to be executed on its behalf by the facsimile or manual signatures of the Mayor and City Administrator and has caused this Bond to be dated as of the date set forth below.

Dated: January 21, 2016



Mayor

CITY OF SHAKOPEE, MINNESOTA



City Administrator

CERTIFICATE OF AUTHENTICATION

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

U.S. BANK NATIONAL ASSOCIATION

By _____
Authorized Representative

ABBREVIATIONS

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

TEN COM -- as tenants in common

UNIF GIFT MIN ACT
_____ Custodian _____

TEN ENT -- as tenants by entireties

(Cust) _____ (Minor)
under Uniform Gifts or Transfers to Minors
Act, State of _____

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

Additional abbreviations may also be used though not in the above list.

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 any change whatever.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP"), the

New York Stock Exchange, Inc. Medallion Signatures Program (“MSP”) or other such “signature guarantee program” as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

The Bond Registrar will not effect transfer of this Bond unless the information concerning the assignee requested below is provided.

Name and Address:

(Include information for all joint owners if this Bond is held by joint account.)

Please insert social security or other identifying number of assignee

PROVISIONS AS TO REGISTRATION

The ownership of the principal of and interest on the within Bond has been registered on the books of the Registrar in the name of the person last noted below.

Date of Registration

Registered Owner

Signature of
Officer of Registrar

Cede & Co.
Federal ID #13-2555119

STATE OF MINNESOTA)
)
COUNTY OF SCOTT) SS.
)
CITY OF SHAKOPEE)

I, the undersigned, being the duly qualified and acting City Clerk of the City of Shakopee, Minnesota (the "City"), do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a special meeting of the City Council of the City held on December 17, 2015, with the original minutes on file in my office and the extract is a full, true and correct copy of the minutes insofar as they relate to the issuance and sale of the City's General Obligation Tax Abatement Bonds, Series 2016A, in the original aggregate principal amount of \$29,500,000.

WITNESS My hand officially as such City Clerk and the corporate seal of the City this 18th day of December, 2015.



City Clerk
City of Shakopee, Minnesota

(SEAL)

STATE OF MINNESOTA
COUNTY OF SCOTT

CERTIFICATE OF COUNTY AUDITOR
AS TO REGISTRATION WHERE NO AD
VALOREM TAX LEVY

I, the undersigned County Auditor of Scott County, Minnesota, hereby certify that a certified copy of a resolution adopted by the governing body of the City of Shakopee, Minnesota (the "City"), on December 17, 2015, levying taxes for the payment of the City's General Obligation Tax Abatement Bonds, Series 2016A, in the original aggregate principal amount of \$29,500,000, dated January 21, 2016, has been filed in my office and said bonds have been entered on the register of obligations in my office.

WITNESS My hand and official seal this _____ day of _____, 2016.

**COUNTY AUDITOR,
SCOTT COUNTY, MINNESOTA**

By _____

Its _____

(SEAL)