



## **AGENDA**

### **REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF ST. LOUIS COUNTY, MINNESOTA**

**Tuesday, September 1, 2020, 9:30 A.M.**

**St. Louis River Room  
Government Services Center  
320 West 2<sup>nd</sup> Street  
Duluth, Minnesota**

**NOTE:** Due to the COVID-19 pandemic, this meeting is being conducted in accordance with Minnesota Statutes § 13D.021. Members of the St. Louis County Board may attend the meeting by telephone or other electronic means. For information on how to view or participate in the County Board meeting, please visit the county website at [www.stlouiscountymn.gov](http://www.stlouiscountymn.gov), scroll to the County Board Meeting section, and click on the meeting date. Remote attendance by the public is not practical, so the only way the public can monitor is in person or after the fact by Duluth PACTv.

Subd. 3. Monitoring from remote site; costs. If telephone or another electronic means is used to conduct a meeting, to the extent practical, the body shall allow a person to monitor the meeting electronically from a remote location. The body may require the person making a connection to pay for the documented additional cost that the body incurs as a result of the additional connection.

**FRANK JEWELL**  
First District

**PATRICK BOYLE**  
Second District

**BETH OLSON – VICE CHAIR**  
Third District

**PAUL McDONALD**  
Fourth District

**KEITH MUSOLF**  
Fifth District

**KEITH NELSON**  
Sixth District

**MIKE JUGOVICH - CHAIR**  
Seventh District

County Auditor  
Nancy Nilsen

County Administrator  
Kevin Gray

County Attorney  
Mark Rubin

Clerk of the Board  
Phil Chapman

The St. Louis County Board of Commissioners welcomes you to this meeting. This agenda contains a brief description of each item to be considered. The Board encourages your participation. Because all meetings are closed to public attendance until further notice, citizens can submit comments for the public comment portion or for specific Board agenda items prior to the meeting by e-mailing them to [publiccomment@stlouiscountymn.gov](mailto:publiccomment@stlouiscountymn.gov) or by raising your “virtual hand” while using the WebEx software during the Board meeting. When using the “virtual hand” feature, wait for the Board Chair to recognize you. Once the Chair yields the floor to you, state your name and home address at the beginning of your comment or testimony. Except as otherwise provided by the Standing Rules of the County Board, no action shall be taken on any item not appearing in the agenda.

Comments to individual Commissioners or staff are not permitted. The St. Louis County Board promotes adherence to civility in conducting the business of the County. Civility will provide increased opportunities for civil discourse in order to find positive resolutions to the issue before the Board. Tools of civility include: pay attention, listen, be inclusive, do not gossip, show respect, be agreeable, apologize, give constructive criticism and take responsibility [County Board Resolution No. 560, adopted on September 9, 2003]. Speakers will be limited to five (5) minutes.

**\*\*In compliance with the Americans with Disabilities Act, those requiring accommodation for this meeting should notify the Administration Department 72 hours prior to the meeting at (218)726-2450.\*\***

All supporting documentation is available for public review in the County Auditor’s Office, 100 North 5th Avenue West - Room No. 214, St. Louis County Courthouse, Duluth, MN, during regular business hours 8:00 A.M. - 4:30 P.M., Monday through Friday. Agenda is also available on our website at <http://www.stlouiscountymn.gov/GOVERNMENT/BoardofCommissioners.aspx>

**AGENDA**  
**St. Louis County Board**  
**September 1, 2020**  
**Page 2**

**Meetings Attended by Telephone due to COVID-19 Pandemic: Overview by County Attorney Mark Rubin.**

9:30 A.M.      Moment of Silence  
                    Pledge of Allegiance  
                    Roll Call

***Proclamation: Recovery Month – September, 2020***

AT THIS TIME CITIZENS WILL BE ALLOWED TO ADDRESS THE BOARD ON ITEMS NOT ON THE AGENDA. [Speakers will be limited to 5 minutes each.]

FOR ITEMS LISTED ON THE BOARD AGENDA OR COMMITTEE OF THE WHOLE AGENDA, CITIZENS WILL BE ALLOWED TO ADDRESS THE BOARD AT THE TIME A MOTION IS ON THE FLOOR.

- 9:40 A.M.      PUBLIC HEARING, pursuant to Resolution No. 20-363, adopted July 28, 2020, to receive public comment on the Petition to Revoke Certain County Highways filed by EIP Minnesota, LLC, and revert to McDavitt Township. **{20-304}**
- 9:45 A.M.      PUBLIC HEARING, pursuant to Resolution No. 20-404, adopted August 11, 2020, to receive public comment on an amendment to the St. Louis County Transportation Sales and Use Tax Transportation Improvement Plan. **{20-305}**
- 9:50 A.M.      PUBLIC HEARING, pursuant to Resolution No. 20-405, adopted August 11, 2020, to receive public comment on an amendment to the Capital Improvement Plan and on the Intent to Issue General Obligation Transportation Sales and Use Tax Revenue Bonds. **{20-306}**
- 9:55 A.M.      PUBLIC HEARING, pursuant to Resolution No. 20-406, adopted August 11, 2020, to consider the issuance of an Off-Sale Intoxicating Liquor License to AKN, LLC d/b/a Ash-Ka-Nam Resort & Lodge, Unorganized Township 68-19. **{20-307}**

**CONSENT AGENDA**

Approval of business submitted on the consent agenda.

**AGENDA**  
**St. Louis County Board**  
**September 1, 2020**  
**Page 3**

**REGULAR AGENDA**

**Finance & Budget Committee – Commissioner Nelson, Chair**

1. Providing for the Issuance, Sale and Delivery of General Obligation Transportation Sales and Use Tax Revenue Bonds, Series 2020A; Establishing the Terms and Form Thereof; Creating a Debt Service Fund Therefore, and Providing for Awarding the Sale Thereof. **{20-308} [Has not been to committee; requires consent of the Board for consideration.]**

**Central Management & Intergovernmental Committee – Commissioner Jewell, Chair**

2. Reschedule location for the September 8, 2020 County Board meeting. **{20-309} [Has not been to committee; requires consent of the Board for consideration.]**

**ADJOURNED:**





S A I N T  
**LOUIS**  
**COUNTY**  
MINNESOTA

## - Proclamation -

### RECOVERY MONTH

September, 2020

**WHEREAS**, people can and do recover from substance use disorders; and

**WHEREAS**, although barriers exist to finding the right path to recovery, coalitions like Chemical Abuse Prevention and Education (CAPE) serving the Quad Cities; Ely Prevention, Awareness, & Recovery Coalition (EPARC) serving Ely, and Community Solutions for Substance Use and Recovery (CSSUR) serving the Duluth region are working each and every day to help those who are ready to find their path towards recovery; and

**WHEREAS**, we recognize mental health disorders commonly co-exist with substance use disorders and that treating both is essential to overall wellness; and

**WHEREAS**, a harm reduction approach saves lives and serves as an opportunity for more people to define what recovery means to them; and

**WHEREAS**, Recovery Alliance Duluth (RAD) has trained 46 peer recovery specialists in 2020 who are passionately providing support to people in our community who are in or seeking recovery; and

**WHEREAS**, we honor the strength, courage, and persistence of those seeking recovery and living in recovery; acknowledging they are our friends, family, neighbors, co-workers, and fellow community members; and

**WHEREAS**, St. Louis County joins many voices across the nation in inviting our shared community to participate in *National Recovery Month*;

**THEREFORE BE IT RESOLVED**, that the St. Louis County Board declares its steadfast commitment to supporting St. Louis County's residents living with a substance use disorder so they may find opportunities to build and strengthen their wellbeing through a collaboration with St. Louis County and our community resources. Today, we hereby proclaim the month of September, 2020, **RECOVERY MONTH** in St. Louis County, Minnesota.

# BOARD LETTER NO. 20 - 304

## CENTRAL MANAGEMENT & INTERGOVERNMENTAL COMMITTEE

SEPTEMBER 1, 2020 BOARD AGENDA 9:40 A.M.  
PUBLIC HEARING

**DATE:** September 1, 2020      **RE:** Public Hearing Regarding EIP  
Petition to Revert/Vacate  
Certain Roads in McDavitt Twp,  
Establishment of Public  
Hearing in McDavitt Twp

**FROM:** Kevin Z. Gray  
County Administrator

James T. Foldesi  
Public Works Director/Highway Engineer

### **RELATED DEPARTMENT GOAL:**

To provide a safe, well maintained road and bridge system.

### **ACTION REQUESTED:**

The St. Louis County Board is requested to hold a public hearing to receive input from Public Works and any other interested parties regarding EIP's petition to revoke certain roads and schedule a public hearing in McDavitt Township regarding the petition for revocation of portions of Dibble Road, Ellsmere Road and Sax Road.

### **BACKGROUND:**

On June 22, 2020, Petitioner EIP Minnesota, LLC ("EIP") submitted a petition to revoke certain highways within McDavitt Township pursuant to Minn. Stat. § 163.11, subd. 5. The petition erroneously states it is in Ellsberg Township.

The roads to be vacated are portions of Dibble Road, Ellsmere Road and Sax Road, lying east of County Road No. 7 in McDavitt Township, St. Louis County, in Sections 10, 11, 34 and 35, Township 55, Range 18.

On August 11, 2020, McDavitt Township adopted a resolution agreeing to vacate said roads immediately upon reversion by St. Louis County. Said resolution waived all of the town's rights, damages, and claims under Minn. Stat. § 163.11. A copy of the McDavitt Township Resolution is attached.

Minn. Stat. § 163.11, subd. 5(a), requires the County hold a public hearing in the town where revocation is requested.



The County Board is now requested to receive input regarding the petitioned revocation from Public Works and any other interested parties, as well as to set a public hearing in McDavitt Township for September 15, 2020. Upon completion of the September 15 hearing, the County Board would then be able to act on the Petition on September 22, 2020, at the regularly scheduled County Board meeting.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board schedule a public hearing for September 15, 2020, at 1:30 p.m., at the McDavitt Town Hall, located at 9042 Zim Rd., Forbes, Minnesota, 55738, and direct the Public Works Department to receive input regarding the petition and adopt the attached resolution scheduling a hearing to consider said revocation.

For said hearing, it is recommended the Board specifically waive the following Standing Rules in order to properly and effectively delegate responsibility for the hearing to Public Works staff:

Article III, Sections 4.01-4.03 (Conduct of Hearing; General, Quorum Needed, Order of Hearing), 4.05 (Examination of Witnesses) and 5.04 (Voting).

**Public Hearing Regarding EIP Petition to Revert/Vacate Certain Roads in  
McDavitt Township, Establishment of Public Hearing in McDavitt Township**

BY COMMISSIONER \_\_\_\_\_

WHEREAS, St. Louis County has received a petition for revocation of portions of Dibble Road, Ellsmere Road and Sax Road, lying east of County Road No. 7 in McDavitt Township, St. Louis County, in Sections 10, 11, 34 and 35, Township 55, Range 18; and

WHEREAS, The County Board may, by resolution, revoke any County highway and the highway shall thereupon revert to the town in which it is located; and

WHEREAS, Pursuant to Minn. Stat. § 163.11, subd. 5(a), and before adopting a resolution revoking a county highway that would revert to a town, the County Board shall fix a date, time and place of hearing in the town where the highway is located to consider the revocation; and

WHEREAS, St. Louis County Board Standing Rules require hearings be conducted in a certain manner, but said manner is impractical for this type of hearing.

THEREFORE, BE IT RESOLVED, The County Board hereby schedules a hearing to consider the revocation of portions of Dibble Road, Ellsmere Road and Sax Road, lying east of County Road No. 7 in McDavitt Township, St. Louis County, in Sections 10, 11, 34 and 35, Township 55, Range 18, for September 15, 2020, at 1:30 p.m., at the McDavitt Town Hall located at 9042 Zim Road Forbes, MN, 55738, and directs the Public Works Department to represent the County at said hearing and report back to the County Board.

RESOLVED FURTHER, The County Board hereby waives Standing Rules Article III, Sections 4.01-4.03 (Conduct of Hearing; General, Quorum Needed, Order of Hearing), 4.05 (Examination of Witnesses) and 5.04 (Voting) for purposes of the September 15, 2020, hearing in McDavitt Township.

**MCDAVITT TOWNSHIP  
ST. LOUIS COUNTY, MINNESOTA  
RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION TO VACATE PUBLIC ROAD RIGHTS OF WAY**

On August 11, 2020, at a regular Town Board meeting, the McDavitt Town Board adopted the following Resolution:

**FINDINGS**

1. The following described right of way roads are county roads located within McDavitt Township:

A. Dibble Road

All of the public road right of way located in the South half of Section 2 and the North half of Section 11, all in Township 55, Range 18.

B. Ellsmere Road

All of the public road right of way located in the North half of Sections 14 and 15, and the South half of Sections 10 and 11, all in Township 55, Range 18, lying East of the Easterly Right of Way of County Road No. 7.

C. Sax Road

All of the public road right of way located in the South half of Sections 26 and 27, the North half of Sections 34 and 35, all in Township 55, Range 18, lying East of the Easterly Right of Way of County Road No. 7.

2. Except for Todd Erickson and Deborah Erickson, who own land in the Southeast Quarter of the Southeast Quarter of Section 10, EIP Minnesota LLC and EIP Credit Co. LLC



(together: EIP) own the several tracts of land over which the road rights of way pass and the only tracts of land benefitted by these roads. The affected landowners: EIP and the Ericksons, have signed the attached Petition and Consent to vacate these roads. No property would be landlocked if these roads were vacated.

3. EIP has asked the St. Louis County Board to vacate these roads. The St. Louis County Board proposes that it revoke the County Highway status, and revert the rights of way to the McDavitt Township under Minnesota Statutes Section 163.11, Subd. 5-5b.

4. McDavitt Township does not wish to own, control, maintain or use these road rights of way. The Board finds that it is in the best interest of the Town to immediately vacate the roads under Minnesota Statutes Section 164.07. The Town is willing to waive all of its rights, damages and claims under Section 163.11 in order to immediately vacate these roads.

5. Since the affected landowners have signed a Petition and Consent to vacate these roads, there is no need for this Board to hold a formal Public Hearing or to inspect these roads.

**THEREFORE**, McDavitt Township resolves as follows:

A. McDavitt Township waives all rights, damages and claims under Section 163.11, including their right to a joint Hearing between the Town Board and County Board to be held in the Township, for the County to repair and upgrade the roads to County standards and to maintain the roadways for two years after revocation.


B. Upon revocation by the County, McDavitt Township hereby immediately vacates these rights of way under Minnesota Statutes Section 164.07. The Township does not wish to own, control, maintain or use these roads. It is in the best interest of the Town that upon revocation by the County and reversion to the Town that the rights of way be immediately vacated.

C. To the best knowledge of the Town Board members these rights of way do not terminate at any public water. They are not essential for drainage of adjacent lands or roads and no public utility easements are affected by these roads.

Adopted August 11, 2020

MCDAVITT TOWNSHIP

By   
Its Chair

By   
Its Clerk

## PETITION TO VACATE COUNTY ROAD RIGHT OF WAY

To the County Board of St. Louis County, Minnesota:

The undersigned owns real estate along the County Road Rights of Way described below, and hereby petitions for vacation of the following described Road Right of Way:

1. Dibble Road

All of the public road right of way located in the South half of Section 2 and the North half of Section 11, all in Township 55, Range 18.

2. Ellsmere Road

All of the public road right of way located in the North half of Sections 14 and 15, and the South half of Sections 10 and 11, all in Township 55, Range 18, lying East of the Easterly Right of Way of County Road No. 7.

3. Sax Road

All of the public road right of way located in the South half of Sections 26 and 27, the North half of Sections 34 and 35, all in Township 55, Range 18, lying East of the Easterly Right of Way of County Road No. 7.

Except for Todd Erickson and Deborah Erickson who own land in the Southeast Quarter of the Southeast Quarter of Section 10, Petitioner owns the several tracts of land over which the Road Right of Way passes and the only tracts benefited by these roads. The Ericksons have signed the attached Consent to this vacation. No property will be landlocked if the vacation request is granted. (See: Minn. Stat. Sec. 160.09.)

Petitioner asks that you proceed with the vacation pursuant to Minn. Stat. Sec. 163.11, Subd. 1 and 4. In the alternative, Petitioner requests that the Board extinguish the Road Rights of Way under Minn. Stat. Sec. 163.11, Subd. 7.

The Road Rights of Way to be vacated do not abut or terminate at any public water. (See: Minn. Stat. Sec. 163.11, Subd. 8)

Lateral ditches, if any, in the Rights of Way, are not essential for surface drainage of adjacent lands or other public highways, are no longer needed for drainage purposes. (See: Minn. State. Sec. 163.111.)

No Utility Easements are affected by vacating these Road Rights of Way. (See: Minn. Stat. Sec. 160.29.)

Dated: March 3, 2020

EIP MINNESOTA LLC

By   
Its Manager

Dated: March 3, 2020

EIP CREDIT CO LLC

By   
Its Manager

## CONSENT OF PETITION TO VACATE


We own real property on Ellsmere Road located in the South half of the Southeast Quarter of the Southeast Quarter of Section 10, Township 55, Range 18, lying East of Mesaba Road, now County Road No. 7. We consent to the Petition of EIP Minnesota LLP to vacate Ellsmere Road, East of the Right of Way of County Road No. 7 in Sections 10, 11, 14 and 15, Township 55, Range 18, all the way to the East Section line of Sections 11 and 14.

We waive all claims for damages and any other right to compensation.

Dated: JANUARY 21, 2020

  
\_\_\_\_\_  
Todd Erickson

Dated: JANUARY 21, 2020

  
\_\_\_\_\_  
Deborah Erickson



# BOARD LETTER NO. 20 - 305

## FINANCE & BUDGET COMMITTEE

SEPTEMBER 1, 2020 BOARD AGENDA 9:45 A.M.  
PUBLIC HEARING

**DATE:** September 1, 2020      **RE:** Public Hearings on an  
Amendment to the  
Transportation Sales and Use  
Tax Transportation  
Improvement Plan

**FROM:** Kevin Z. Gray  
County Administrator

Nancy J. Nilsen  
County Auditor/Treasurer

**RELATED DEPARTMENT GOAL:**

To provide for effective, efficient government.

**ACTION REQUESTED:**

The St. Louis County Board is requested to consider an Amendment to the Transportation Sales and Use Tax Transportation Improvement Plan.

**BACKGROUND:**

The St. Louis County Board has previously implemented the Greater Minnesota Transportation Sales Use Tax. As required under Minnesota Statute the County has adopted a Transportation Sales and Use Tax Transportation Improvement Plan (Plan). This five-year plan details the various projects proposed to be under taken by the County during that period of time.

The County is proposing to issue bonds in the amount of \$25,400,000 to finance additional projects detailed in the Plan. As a result, the County has proposed amendments to the Plan which includes both additional projects and adjusts the estimated cost of these projects. The amended Plan was provided to the Commissioners in an electronic format for its review as part of the County's Capital Improvement Plan document.

The formal amendment of this plan must take place after a public hearing in order for the issuance of General Obligation Transportation Sales Tax Revenue Bonds to be considered.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board, upon receiving input from the general public, approve the 2020-2024 Amendment to the Transportation Sales and Use Tax Transportation Improvement Plan.

**RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF  
ST. LOUIS COUNTY, MINNESOTA, APPROVING AN AMENDMENT  
TO THE TRANSPORTATION SALES AND USE TAX  
TRANSPORTATION IMPROVEMENT PLAN**

WHEREAS, under and pursuant to Minnesota Statutes, Section 297A.993 (the “Act”), the St. Louis County Board (the “County Board”) has previously approved Resolution No. 14-665 on December 2, 2014, implementing the Greater Minnesota Transportation Sales and Use Tax and approving the projects to be funded with such sales and use tax as set forth in the transportation improvement plan identified as the St. Louis County Greater MN Transportation Sales and Use Tax Transportation Plan dated November 25, 2014, and approved on December 2, 2014 (the “Transportation Improvement Plan”); and

WHEREAS, the County Board amended the Transportation Improvement Plan on July 5, 2016, which includes within the proposed amendment the additional projects to be funded from local option sales and use tax for transportation and an increase in the estimated cost of the projects to be financed under the Transportation Improvement Plan, as amended, from \$642,000,000 to \$894,916,448; and

WHEREAS, the County Board has proposed a further amendment to the Transportation Improvement Plan, as amended, which includes within the proposed amendment additional projects to be funded from such local option sales and use tax for transportation and an adjustment in the estimated cost of the projects under the Transportation Improvement Plan, as amended; and

WHEREAS, pursuant to the Act and County Board Resolution No. 14-665 and following published notice of the public hearing, the County Board held a public hearing for the purpose of receiving comments on the proposed amendment to the Transportation Improvement Plan, as amended, on Tuesday, September 1, 2020, in the St. Louis County Courthouse, Duluth, Minnesota.

THEREFORE, BE IT RESOLVED, that the St. Louis County Board of Commissioners hereby approves the St. Louis County Greater MN Transportation Sales and Use Tax Transportation Improvement Plan, dated November 25, 2014, as amended on July 5, 2016, and as further amended on September 1, 2020 (County Board Document File No. 61341), and approves the funding of such transportation improvements identified in the Transportation Improvement Plan, as amended, by the local option sales and use tax for transportation authorized by County Board Resolution No. 14-665 adopted December 2, 2014.

Adopted: September 1, 2020.

# BOARD LETTER NO. 20 - 306

## FINANCE & BUDGET COMMITTEE

SEPTEMBER 1, 2020 BOARD AGENDA 9:50 A.M.  
PUBLIC HEARING

**DATE:** September 1, 2020

**RE:** Public Hearing on an Amendment  
to the Capital Improvement Plan  
and Stating the Intent to Issue  
General Obligation Transportation  
Sales and Use Tax Revenue  
Bonds Under Minnesota Statutes,  
Section 297A.993

**FROM:** Kevin Z. Gray  
County Administrator

Nancy J. Nilsen  
County Auditor/Treasurer

### **RELATED DEPARTMENT GOAL:**

To provide for effective, efficient government.

### **ACTION REQUESTED:**

The St. Louis County Board is requested to consider an Amendment to the Capital Improvement Plan and Intent to Issue Transportation Sales and Use Tax Revenue Bonds and Incorporate the Amended Transportation Improvement Plan.

### **BACKGROUND:**

The St. Louis County Board is authorized under Minn. Stat. § 373.40, Subd. 3, to adopt a five year capital improvement plan and prepare annual amendments. The plan must set forth the estimated schedule, timing, and details of specific capital improvements by year, together with the estimated cost, the need for the improvement, and sources of revenues to pay for the improvement. The process, as outlined in the statute, is as follows:

1. A public hearing is held to allow public input into the capital improvement plan.
2. The Board of Commissioners considers approval of the capital improvement plan after the public hearing.

The county has amended its Capital Improvement Plan to include updates on the improvements to roads and bridges throughout the county as set forth in the Amended

St. Louis County Greater MN Transportation Sales and Use Tax Transportation Improvement Plan. The proposed 2020-2024 Capital Improvement Plan was previously provided to commissioners in electronic format for review.

Further, the County Board is considering the issuance of capital improvement bonds in an amount not to exceed \$25,400,000 for the purpose of implementing the Amended Transportation Improvement Plan.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board, upon receiving input from the general public, approve the 2020-2024 Amendment to the Capital Improvement Plan to include updates as set forth in the Amended St. Louis County Greater MN Transportation Sales and Use Tax Transportation Improvement Plan.

It is further recommended that the St. Louis County Board state its intent to issue General Obligation Transportation Sales and Use Tax Revenue Bonds, Under Minn. Stat. Section 297A.993.



**RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF  
ST. LOUIS COUNTY, MINNESOTA APPROVING THE CAPITAL  
IMPROVEMENT PLAN, AS AMENDED, AND STATING THE INTENT  
TO ISSUE GENERAL OBLIGATION TRANSPORTATION SALES AND  
USE TAX REVENUE BONDS UNDER MINNESOTA STATUTES,  
SECTION 297A.993**

BE IT RESOLVED, by the Board of County Commissioners (the “Board”) of St. Louis County, Minnesota (the “County”), as follows:

Section 1. The Board, pursuant to Minnesota Statutes, Section 373.40 (the “Act”), previously approved a Capital Improvement Plan, as amended (the “Capital Improvement Plan”). Following a public hearing on September 1, 2020, as required by the Act, the Board considered a proposed amendment to the Capital Improvement Plan, and the Board has considered the following for each project described in the proposed amendment and the overall plan:

- (i) the condition of the County’s existing infrastructure, including the projected need for repair or replacement;
- (ii) the likely demand for the improvement;
- (iii) the estimated cost of the improvement;
- (iv) the available public resources;
- (v) the level of overlapping debt in the County;
- (vi) the relative benefits and costs of alternative uses of the funds;
- (vii) operating costs of the proposed improvements; and
- (viii) alternatives for providing services more efficiently through shared facilities with other cities or local government units.

The Board, based on the considerations set forth in the amendment and overall plan and as set forth herein, hereby approves the Capital Improvement Plan, as further amended for the years 2020 through 2024, as presented to the Board, and on file as County Board Document File No. 61342 (the “Plan”).

Section 2. Under and pursuant to the authority contained in Minnesota Statutes, Section 297A.993 and Minnesota Statutes, Chapter 475, the County is authorized to issue general obligation transportation sales and use tax revenue bonds to provide funds for capital improvements for road and bridge projects pursuant to the Plan.

Section 3. Following a public hearing on September 1, 2020, regarding the issuance of capital improvement bonds, the Board hereby finds and determines that it is necessary,

expedient, and in the best interests of the County's residents that the County issue, sell and deliver general obligation transportation sales and use tax revenue bonds in a maximum amount of \$25,400,000, together with up to two percent of additional amount as authorized by Minnesota Statutes, Section 475.56 (the "Bonds"), for the purpose of providing funds for the following capital improvements under the Plan and for the payment of costs of issuance of the Bonds:

Road and Bridge Improvements – a portion of the road and bridge improvements identified in the St. Louis County Greater MN Transportation Sales and Use Tax Transportation Improvement Plan dated November 25, 2014, and approved on December 2, 2014, as amended, which is a part of the County's Capital Improvement Plan, as amended.

Adopted September 1, 2020

# BOARD LETTER NO. 20 - 307

## FINANCE & BUDGET COMMITTEE

SEPTEMBER 1, 2020 BOARD AGENDA 9:55 A.M.  
PUBLIC HEARING

**DATE:** September 1, 2020                      **RE:** Public Hearing to Consider Off-Sale Intoxicating Liquor License (Unorganized Township 68-19)

**FROM:** Kevin Z. Gray  
County Administrator

Nancy J. Nilsen  
County Auditor/Treasurer

### **RELATED DEPARTMENT GOAL:**

To provide mandated and discretionary licensing services in a timely manner.

### **ACTION REQUESTED:**

The St. Louis County Board is requested to consider an Off-Sale Intoxicating Liquor License for AKN, LLC d/b/a Ash-Ka-Nam Resort & Lodge, Unorganized Township 68-19.

### **BACKGROUND:**

AKN, LLC has made application for an Off-Sale Intoxicating Liquor License for the establishment known as Ash-Ka-Nam Resort & Lodge, Unorganized Township 68-19. Minn. Stat. § 340A.405, Subdivision 2(d), relating to the issuance of off-sale intoxicating liquor licenses provides that "No license may be issued under this subdivision unless a public hearing is held on the issuance of the license. Notice must be given to all interested parties and to any city located within three miles of the premises to be licensed. At the hearing the county board shall consider testimony and exhibits presented by interested parties and may base its decision to issue or deny a license upon the nature of the business to be conducted and its impact upon any municipality, and the character and reputation of the applicant, and the propriety of the location."

The County Liquor Licensing Committee considered and approved the application and recommends Board approval. According to the St. Louis County Fee Schedule, this establishment is applying for an Off-Sale Intoxicating Liquor License located in Area 3 and the annual license fee is \$150.00.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board consider the testimony at the public hearing and barring any valid objection, approve the issuance of the off-sale license.

**Public Hearing to Consider Off-Sale Intoxicating Liquor License  
(Unorganized Township 68-19)**

BY COMMISSIONER \_\_\_\_\_

WHEREAS, AKN, LLC d/b/a Ash-Ka-Nam Resort & Lodge, Unorganized Township 68-19, St. Louis County, Minnesota, has applied for an Off-Sale Intoxicating liquor license; and

WHEREAS, Minn. Stat. § 340A.405, Subdivision 2(d), requires that a public hearing be held prior to the issuance of an Off-Sale Intoxicating liquor license; and

WHEREAS, A public hearing was held on September 1, 2020, at 9:55 a.m., in the Government Services Center, Duluth, Minnesota, for the purpose of considering the granting of the Off-Sale Intoxicating liquor license; and

WHEREAS, With regard to the application for said license, Ash-Ka-Nam Resort & Lodge has complied in all respects with the requirements of Minnesota Law and St. Louis County Ordinance No. 28; and

WHEREAS, The Liquor Licensing Committee of the St. Louis County Board of Commissioners has considered the nature of the business to be conducted and the propriety of the location and has recommended approval of the application.

THEREFORE, BE IT RESOLVED, That an Off-Sale Intoxicating Liquor License shall be issued to AKN, LLC d/b/a Ash-Ka-Nam Resort & Lodge, Unorganized Township, located in Area 3, and in accordance with the St. Louis County Fee Schedule the annual fee is \$150.00.

RESOLVED FURTHER, That said liquor license shall be effective through June 30, 2021.

RESOLVED FURTHER, That said license is approved contingent upon payment of real estate taxes when due.

RESOLVED FURTHER, That if the named license holder sells the licensed place of business, the County Board may, at its discretion and after an investigation, transfer the license to a new owner, but without pro-rated refund of license fee to the license holder.



# BOARD LETTER NO. 20 - 308

## FINANCE & BUDGET COMMITTEE NO. 1

### BOARD AGENDA NO. 1

**DATE:** September 1, 2020

**RE:** Providing for the Issuance,  
Sale and Delivery of General  
Obligation Transportation  
Sales and Use Tax Revenue  
Bonds, Series 2020A;  
Establishing the Terms and  
Form Thereof; Creating a Debt  
Service Fund Therefore,  
and Providing for Awarding the  
Sale Thereof

**FROM:** Kevin Z. Gray  
County Administrator

Nancy J. Nilsen  
County Auditor/Treasurer

#### **RELATED DEPARTMENT GOAL:**

To provide for effective, efficient government.

#### **ACTION REQUESTED:**

The St. Louis county Board is requested to approve the sale of General Obligation Transportation Sales and Use Tax Revenue Bonds and related terms and Conditions.

#### **BACKGROUND:**

The St. Louis County Board is authorized under Minn. Stat. § 297A.993 and Minn. Stat. § 475 to issue General Obligation Transportation Sales and Use Tax Revenue Bonds to provide funds for Capital Improvements consisting of road and bridge improvements. The Board previously called for and held public hearings related to amendments to the Transportation Improvement Plan (TIP) and Capital Improvement Plan (CIP). Following those hearings the Board adopted resolutions amending both the TIP and CIP.

In order to accommodate the need to undertake those projects detailed in the Plans, it has been determined that the issuance of Sales and Use Tax Revenue Bonds, Series 2020A, in the amount of \$25,400,000 is appropriate. The County has worked with its fiscal and legal representatives of Baker, Tilly and Fryberger, Buchanan, Smith & Frederick, P.A., to analyze market conditions and prepare for the issuance and sale of such bonds.

It is proposed to issue these bonds with a twenty (20) year term at an estimated true interest cost of 2.035%. Proposals on the sale of the bonds will be received on October 5, 2020.

**RECOMMENDATION:**

It is recommended that the St. Louis County Board approve the issuance, sale and delivery of General Obligation Transportation Sales and Use Tax Revenue Bonds, Series 2020A, establish the terms and form, create a debt serve fund, and provide for the sale of such bonds.

**RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF  
ST. LOUIS COUNTY, MINNESOTA PROVIDING FOR THE ISSUANCE,  
SALE AND DELIVERY OF GENERAL OBLIGATION  
TRANSPORTATION SALES AND USE TAX REVENUE BONDS, SERIES  
2020A; ESTABLISHING THE TERMS AND FORM THEREOF;  
CREATING A DEBT SERVICE FUND THEREFORE; AND PROVIDING  
FOR AWARDED THE SALE THEREOF**

BE IT RESOLVED, by the Board of Commissioners (the “Board”) of St. Louis County, Minnesota (the “County”), as follows:

Section 1.     Purpose and Authorization.

1.01 Under and pursuant to the authority contained in Minnesota Statutes, Section 297A.993, and Minnesota Statutes, Chapter 475 (collectively the “Act”), the County is authorized to issue general obligation transportation sales and use tax revenue bonds to provide funds for capital improvements consisting of road and bridge improvements pursuant to an approved capital improvement plan authorized under Minnesota Statutes, Section 373.40.

1.02 Pursuant to Resolution Nos. 20-404 and 20-405 adopted by the Board on August 11, 2020, the Board proposed amendments to the County’s Transportation Improvement Plan and Capital Improvement Plan, stated that it was considering issuing general obligation transportation sales and use tax revenue bonds to finance capital improvements consisting of road and bridge improvements under the Capital Improvement Plan, as amended, and called for public hearings to be held on September 1, 2020, regarding the plan amendments.

1.03 Following published notices and public hearings according to the Act and Minnesota Statutes, Section 373.40, the Board, pursuant to a resolution adopted on September 1, 2020, approved the Capital Improvement Plan, as amended for the years 2020 through 2024 (the “Plan”), as presented to the Board and on file as County Board Document File No. 61342, and authorized the issuance of general obligation transportation sales and use tax revenue bonds in the maximum amount of \$25,400,000, together with up to two percent of additional amount as authorized by Minnesota Statutes, Section 475.60, for the purpose of providing funds for the following capital improvements under the Plan and for the payment of costs of issuance of such bonds:

Road and Bridge Improvements – a portion of the road and bridge improvements identified in the St. Louis County Greater MN Transportation Sales and Use Tax Transportation Improvement Plan dated November 25, 2014, and approved on December 2, 2014, as amended, which is a part of the County’s Capital Improvement Plan, as amended (the “Project”).

1.04 The Board hereby determines that it is necessary and expedient to issue its General Obligation Transportation Sales and Use Tax Revenue Bonds, Series 2020A (the “Bonds”) in the approximate amount of \$25,400,000, pursuant to the above-described authority to provide funds to finance the Project and for payment of costs of issuing the Bonds. The sale of the Bonds shall

be contingent upon favorable market conditions, as determined by the County Auditor or the Finance Director, as further described below. The County reserves the right and privilege of issuing additional general obligation bonds pledging the Transportation Sales and Use Tax Revenues described in Section 4.02 hereof.

1.05 The Board hereby finds and determines as follows:

A. The Bonds shall be dated the date of issuance and shall bear interest at the rates determined by the successful bidder. Interest shall be payable on June 1 and December 1 (each an "Interest Payment Date") commencing on June 1, 2021.

B. The Bonds shall mature on the dates and in the amounts set forth in the Terms of Proposal attached hereto as Exhibit A (as may be adjusted) and as described in a Certificate as to Terms of Bond Sale to be executed by any two of the following: the County Auditor, the Finance Director or the Administrator; provided, however, the total amount of the Bonds shall not exceed \$25,400,000, subject to adjustment for a premium sale price as permitted by Section 475.60 of the Act and the final maturity of the Bonds shall not be later than December 1, 2040. The County, through the County Auditor or the Finance Director, reserves the right to issue or to not issue the Bonds based on applicable market conditions.

1.06 The Terms of Proposal as set forth on Exhibit A hereto are approved, subject to the changes permitted below. Bids or proposals for the Bonds will be received on a date and time determined by the County Auditor or the Finance Director on the terms and conditions set forth in the Terms of Proposal, which terms and conditions may be modified by the County Auditor or the Finance Director after consulting with the County's municipal advisor, based on market conditions, so long as the sale of the Bonds occurs on or before December 31, 2020, and so long as the true interest cost of the Bonds does not exceed 3.75%. As authorized by Section 475.60 of the Act, the Board hereby delegates to the County Auditor, the Finance Director and the Administrator, or any two of them, authority to consider the bids or proposals and award the sale of the Bonds, and upon acceptance of the best bid or proposal meeting the requirements of this resolution, the County Auditor, the Finance Director and the Administrator, or any two of them, shall execute on behalf of the County an agreement to sell the Bonds to the successful bidder.

1.07 The County has retained Baker Tilly Municipal Advisors, LLC, St. Paul, Minnesota ("Baker Tilly MA"), as an independent municipal advisor to the County, and pursuant to Section 475.60, Subd. 2, paragraph (9) of the Act, Baker Tilly MA is hereby authorized to solicit bids or proposals for the sale of the Bonds on behalf of the County in accordance with the directions of the County Auditor or the Finance Director.

1.08 The County staff, in cooperation with Baker Tilly MA, is authorized and directed to prepare on behalf of the County an official statement for the sale of the Bonds and to obtain ratings of the Bonds.

## Section 2. Terms of Bonds.

2.01 The Bonds maturing in the years 2021 through 2029 shall not be subject to redemption and prepayment before maturity, but those maturing in the year 2030 and in subsequent years shall each be subject to redemption and prepayment at the option of the County on

December 1, 2029, and on any day thereafter, in whole or in part, and if in part, at the option of the County and in such manner as the County shall determine. If less than all the Bonds of a maturity are called for redemption, the County, through the Bond Registrar, will notify The Depository Trust Company, New York, New York ("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 interest in such maturity to be redeemed. All payments shall be at a price equal to the principal amount thereof plus accrued interest. No more than 60 days and no fewer than 30 days prior to the date fixed for redemption and prepayment of any Bonds, notice of redemption shall be mailed to each registered owner of a Bond to be redeemed, at the address shown on the registration books of the County.

2.02 The interest shall be payable semiannually on June 1 and December 1 in each year (each referred to herein as an "Interest Payment Date"), commencing June 1, 2021. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The Bond Registrar designated below shall make all interest payments with respect to the Bonds by check or draft mailed to the registered owners of the Bonds shown on the bond registration records maintained by the Bond Registrar at the close of the business on the 15<sup>th</sup> day (whether or not on a business day) of the month next preceding the Interest Payment Date at such owners' addresses shown on such bond registration records.

2.03 A. The Bonds shall be prepared for execution in accordance with the approved form and shall be signed by the facsimile or manual signature of the Chair and attested by the manual or facsimile signature of the Clerk of the County Board and the County Auditor. In case any officer whose signature shall appear on the Bonds shall cease to be an officer before delivery of the Bonds, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

B. The County Auditor is authorized and directed to obtain a copy of the proposed approving legal opinion of Fryberger, Buchanan, Smith & Frederick, P.A., Duluth, Minnesota, which is to be complete except as to dating thereof and cause the opinion to be printed on or attached to each Bond.

2.04 A. The Board hereby appoints the County Auditor as registrar, paying agent and transfer agent for the Bonds (the "Bond Registrar"). The County reserves the right to name a substitute, successor Bond Registrar upon giving prompt written notice to each registered bond holder. The manual signature of the County Auditor on the Bonds shall be conclusive evidence that it has been executed and delivered under this Resolution.

B. The County shall cause to be kept by the Bond Registrar at its principal office, a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the County shall provide for the registration of the Bonds and the registration of transfers of the Bonds entitled to be registered or transferred as herein provided. In the event of the resignation or removal of the Bond Registrar or its incapability of acting as such, the bond registration records shall be maintained at the office of the successor Bond Registrar as may be appointed by the Board.

## 2.05 Book-Entry System.

A. On November 28, 1995, the County executed a Blanket Issuer Letter of Representations (the "Representation Letter") setting forth various matters relating to The Depository Trust Company ("DTC") and its role with respect to bonds. DTC is recommending that if Representation Letters were executed over 10 years ago, a new Representation Letter should be submitted. The County Auditor is authorized and directed to execute the new Representation Letter in substantially the form on file in the office of the County Auditor.

B. Notwithstanding any provision herein to the contrary, so long as the Bonds shall be in Book-Entry Form, the provisions of this Section 2.05 shall govern.

C. All of the Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Payment of interest on and principal of any Bond registered in the name of Cede & Co. shall be made by wire transfer or New York Clearing House or equivalent same day funds by 10:00 a.m. CT or as soon as possible thereafter following the Bond Registrar's receipt of funds from the County on each Interest Payment Date to the account of Cede & Co. on each Interest Payment Date at the address indicated in or pursuant to the Representation Letter.

D. DTC (or its nominees) shall be and remain recorded on the Bond Register as the holder of all Bonds which are in Book-Entry Form. No transfer of any Bond in Book-Entry Form shall be made, except from DTC to another depository (or its nominee) or except to terminate the Book-Entry Form. All Bonds of such stated maturity of any Bonds in Book-Entry Form shall be issued and remain in a single Bond certificate registered in the name of DTC (or its nominee); provided, however, that upon termination of the Book-Entry Form pursuant to the Representation Letter, the County shall, upon delivery of all Bonds of such series from DTC, promptly execute, and the Bond Registrar shall thereupon authenticate and delivery, Bonds of such series to all persons who were beneficial owners thereof immediately prior to such termination; and the Bond Registrar shall register such beneficial owners as holders of the applicable Bonds.

The Bond Registrar shall maintain accurate books and records of the principal balance, if any, of each such outstanding Bond in Book-Entry Form, which shall be conclusive for all purposes whatsoever. Upon the execution or the authentication of any new Bond in Book-Entry Form in exchange for a previous Bond, the Bond Registrar shall designate thereon the principal balance remaining on such bond according to the Bond Registrar's books and records.

No beneficial owner (other than DTC) shall be registered as the holder on the Bond Register for any Bond in Book-Entry Form or entitled to receive any bond certificate. The beneficial ownership interest in any Bond in Book-Entry Form shall be recorded, evidenced and transferred solely in accordance with the Book-Entry System.

Except as expressly provided to the contrary herein, the County and the Bond Registrar may treat and deem DTC to be the absolute owner of all Bonds of each series which are in Book-Entry Form (i) for the purpose of payment of the principal of and interest on such Bond, (ii) for the purpose of giving notices hereunder, and (iii) for all other purposes whatsoever.

E. The County and the Bond Registrar shall each give notices to DTC of such matters and at such times as are required by the Representation Letter, including the following:

- (i) with respect to notices of redemption; and
- (ii) with respect to any other notice required or permitted under this Bond Resolution to be given to any holder of a Bond.

All notices of any nature required or permitted hereunder to be delivered to a holder of a Bond in Book-Entry Form shall be transmitted to beneficial owners of such Bonds at such times and in such manners as shall be determined by DTC, the participants and indirect participants in accordance with the Book-Entry System and the Representation Letter.

F. All payments of principal, redemption price of and interest on any Bonds in Book-Entry Form shall be paid to DTC (or Cede & Co.) in accordance with the Book-Entry System and the Representation Letter in same day funds by wire transfer.

2.06 The principal of and interest on the Bonds shall be payable by the Bond Registrar in such funds as are legal tender for the payment of debts due the United States of America. The County shall pay the reasonable and customary charges of the Bond Registrar for the disbursement of principal and interest.

2.07 If a Bond becomes mutilated or is destroyed, stolen or lost, the Bond Registrar will deliver a 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 any Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Bond Registrar and the County in connection therewith, including the cost of printing new Bonds; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Bond Registrar and the County of evidence satisfactory to it and the County that the Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Bond Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it and the County and as provided by law, in which both the County and the Bond Registrar must be named as obligees. Bonds so surrendered to the Bond Registrar will be canceled by the Bond Registrar and evidence of such cancellation must be given to the County. 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.

2.08 Delivery of the Bonds and payment of the purchase price shall be made at a place mutually satisfactory to the County and the Purchaser. Executed Bonds shall be furnished by the County without cost to the Purchaser. The Bonds, when prepared in accordance with this Resolution and executed, shall be delivered by or under the direction of the County Auditor to the Purchaser thereof upon receipt of the purchase price plus accrued interest.

### Section 3. Form of the Bonds.

3.01 The Bonds shall be printed or typewritten in substantially the following form:

UNITED STATES OF AMERICA  
STATE OF MINNESOTA

ST. LOUIS COUNTY

GENERAL OBLIGATION TRANSPORTATION SALES AND USE TAX  
REVENUE BOND, SERIES 2020A

R-\_\_\_\_\_ \$\_\_\_\_\_

| <u>Rate</u> | <u>Maturity</u>  | <u>Date of Original Issue</u> | <u>CUSIP</u> |
|-------------|------------------|-------------------------------|--------------|
| _____%      | December 1, 20__ | _____, 2020                   |              |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

St. Louis County, Minnesota (the "County"), for value received, promises to pay to the registered owner specified above, or registered assigns, the principal amount specified above, on the maturity date specified above, and to pay interest on said principal amount to the registered owner hereof from the Date of Original Issue, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, until the principal amount is paid or discharged, said interest being at the rate per annum specified above. Interest is payable semiannually on June 1 and December 1 of each year (each referred to herein as an "Interest Payment Date") commencing on June 1, 2021. Both principal hereof and interest hereon are payable in lawful money of the United States of America by check or draft at the main office of the County Auditor, as registrar, paying agent and transfer agent (the "Bond Registrar"), or at the office of such successor registrar as may be designated by the Board of Commissioners. The Bond Registrar shall make all interest payments with respect to this Bond directly to the registered owner hereof shown on the bond registration records maintained on behalf of the County by the Bond Registrar at the close of business on the 15<sup>th</sup> day of the month next preceding the Interest Payment Date (whether or not a business day) at such owner's address shown on said bond registration records, without, except for payment of principal on the Bond, the presentation or surrender of this Bond, and all such payments shall discharge the obligations of the County to the extent of the payments so made. Payment of principal shall be made upon presentation and surrender of this Bond to the Bond Registrar when due. For the prompt and full payment of such principal and interest as they become due, the full faith and credit of the County are irrevocably pledged.

This Bond is one of a series issued by the County in the aggregate amount of \$\_\_\_\_\_, all of like date and tenor, except as to number, amount, maturity date and interest rate, pursuant to the authority contained in Minnesota Statutes, Section 297A.993 and Minnesota Statutes, Chapter 475, amendments to



the County's Capital Improvement Plan approved by the governing board of the County on September 1, 2020 (the "Plan") and all other laws thereunto enabling, and pursuant to an authorizing resolution adopted by the governing body of the County on September 1, 2020, and the award of the sale of the Bonds by the County Auditor, Finance Director and the Administrator, or any two of them (the "Resolution"). This Bond is issued for the purpose of providing funds to finance road and bridge improvements described in the County's Transportation Improvement Plan, as more fully set forth in the Plan. The Bonds are payable from the revenue of the transportation sales tax and use tax imposed by the County pursuant to Minnesota Statutes, Section 297A.993, as further described in the Resolution (the "Transportation Sales and Use Tax Revenues"). The County has pledged and appropriated the Transportation Sales and Use Tax Revenues for the payment of principal and interest on the Bonds and any additional general obligation transportation sales and use tax revenue bonds issued by the County.

The Bonds maturing in the years 20\_\_ and 20\_\_ shall be subject to mandatory redemption and redeemed in installments as provided in the Resolution, at par plus accrued interest to the date of redemption.

The Bonds of this series maturing in the years 2021 through 2029 are not subject to optional redemption before maturity, but those maturing in the year 2030 and in subsequent years are each subject to redemption and prepayment at the option of the County on December 1, 2029, and on any day thereafter, in whole or in part, and if in part at the option of the County and in such manner as the County shall determine and by lot as to Bonds maturing in the same year, at a price of par plus accrued interest.

Not less than 30 days nor more than 60 days prior to the date fixed for redemption and prepayment of any Bonds, notice of redemption shall be mailed to each registered owner of a Bond to be redeemed; however, so long as the Bonds are registered in the name of Cede & Co., as nominee for The Depository Trust Company, Jersey City, New Jersey ("DTC"), notice of redemption shall be given in accordance with the terms of the Blanket Issuer Letter of Representations executed by the County and DTC. If any Bond is redeemed in part, upon surrender of the Bond being redeemed, the County shall deliver or cause to be delivered to the registered owner of such Bond, a Bond in like form in the principal amount equal to that portion of the Bond so surrendered not being redeemed.

The Bonds of this series are issued as fully registered obligations without coupons, in the denomination of \$5,000 or any integral multiple thereof. Subject to limitations set forth in the Resolution, the County will, at the request of the registered owner, issue one or more new fully registered Bonds in the name of the registered owner in the aggregate principal amount equal to the unpaid principal balance of this Bond, and of like tenor except as to number and principal amount. This Bond is transferable by the registered owner hereof upon surrender of this Bond for transfer at the principal corporate office of the Bond Registrar, duly endorsed or accompanied by a written instrument of transfer in form satisfactory to

the Bond Registrar and executed by the registered owner hereof or the owner's attorney duly authorized in writing. Thereupon the County shall execute and the Bond Registrar shall authenticate if required by law or the Resolution, and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee, of an authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of this Bond, of the same maturity, and bearing interest at the same rate. No service charge shall be made for any transfer or exchange hereinbefore referred to but the County may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

IT IS CERTIFIED AND RECITED that all acts and conditions required by laws and the Constitution of the State of Minnesota to be done and to exist precedent to and in the issuance of this Bond, in order to make it a valid and binding general obligation of the County in accordance with its terms, have been done and do exist in form, time and manner as so required; that all taxable property within the corporate limits of the County is subject to the levy of ad valorem taxes to the extent needed to pay the principal hereof and the interest thereon when due, without limitation as to rate or amount; and that the issuance of this Bond does not cause the indebtedness of the County to exceed any charter, constitutional or statutory limitation.

IN WITNESS WHEREOF, St. Louis County, Minnesota, by its governing body, has caused this Bond to be executed in its name by the manual or facsimile signatures of the Chair, the Clerk of the County Board and the County Auditor.

ATTEST:

(form-no signature required)  
Clerk of the County Board

(form-no signature required)  
Chair

(form-no signature required)  
County Auditor

Date of Execution: \_\_\_\_\_

#### REGISTRATION CERTIFICATE

This Bond must be registered as to both principal and interest in the name of the owner on the books to be kept by the County Auditor of St. Louis County, Minnesota, as Bond Registrar. No transfer of this Bond shall be valid unless made on said books by the registered owner or the owner's attorney thereunto duly authorized and similarly noted on the registration books. The ownership of the unpaid principal balance of this Bond and the interest accruing thereon is registered on the books of the County Auditor in the name of the registered owner last noted below.

| <u>Date</u> | <u>Registered Owner</u>   | <u>Signature of<br/>County Auditor</u>  |
|-------------|---|---|
| __/__/2020  | Cede & Co.<br>c/o The Depository Trust Company<br>570 Washington Blvd.<br>Jersey City, NJ 07310<br>Federal Taxpayer I.D. No. 13-2555119 | <i>(form-no signature<br/>required)</i> |

### ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(Name and Address of Assignee)

|       |                                |
|-------|--------------------------------|
| _____ | Social Security or Other       |
| _____ | Identifying Number of Assignee |

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 thereof with full power of substitution in the premises.

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

\_\_\_\_\_

\_\_\_\_\_

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

Signature Guaranteed:

\_\_\_\_\_

(Bank, Trust Company, member of  
National Securities Exchange)

*Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the County or its agent for registration of transfer, exchange or payment, and any Bond issued is*

*registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL, inasmuch as the registered owner hereof, Cede & Co., has an interest herein.*

Section 4. Revenues, Accounts and Covenants.

4.01 The County hereby creates a separate construction fund, which is designated as the “Series 2020A Transportation Improvement Bonds Construction Account” in the Capital Projects Fund (the “Construction Fund”), to which there shall be credited the proceeds of the Bonds, less underwriter’s discount. The Construction Fund shall be used solely to pay costs of construction of the Project, and costs of issuance of the Bonds, as such payments become due.

4.02 The County imposes (i) a transportation sales tax at the rate of one-half of one percent on retail sales and uses taxable under Chapter 297A; and (ii) an excise tax of \$20.00 per motor vehicle purchased or acquired from any person engaged in the business of selling motor vehicles at retail within the County pursuant to and in accordance with Minnesota Statutes, Section 297A.993, Subd. 1 (the “Transportation Sales and Use Tax Revenues”). Transportation Sales and Use Tax Revenues may be pledged for payment of principal and interest on general obligation bonds issued to finance road and bridge projects authorized in the Plan or to pay the costs of such road and bridge projects. The County has established and maintains the Local Option Transportation Sales and Use Tax Fund (the “Revenue Fund”) into which the Transportation Sales and Use Tax Revenues are credited. The County hereby pledges the Transportation Sales and Use Tax Revenues to the repayment of the principal of and interest on the Bonds and on any additional bonds issued pursuant to the Act. Any remaining Transportation Sales and Use Tax Revenues after annually funding the Debt Service Fund may be used to pay other costs of such road and bridge projects.

4.03 A. Debt Service Fund. For the convenience and proper administration of the monies to be borrowed and repaid on the Bonds and to provide adequate and specific security for the Purchaser and holders from time to time of the Bonds, there is hereby created a special fund to be designated the 2020A General Obligation Transportation Sales and Use Tax Revenue Bonds Debt Service Fund (the “Debt Service Fund”) to be administered and maintained by the County Auditor as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the County. The Debt Service Fund shall be maintained in the manner herein specified until all of the Bonds and interest thereon have been fully paid.

B. To the Debt Service Fund there is hereby pledged and irrevocably appropriated and there shall be credited: (i) the Transportation Sales and Use Tax Revenues which shall be periodically deposited into the Debt Service Fund in such amounts sufficient to provide payment of all interest and principal when due on the Bonds; (ii) all investment earnings on funds in the Debt Service Fund; (iii) any taxes levied to pay the principal and interest on the Bonds; and (iv) any and all other monies which are properly available and are appropriated by the County to the Debt Service Fund.

The money in the Debt Service Fund shall be used for no purpose other than the payment of principal of and interest on the Bonds. If the balances in the Debt Service Fund are ever insufficient to pay all principal and interest then due on the Bonds, the County Auditor shall nevertheless provide sufficient money from any other funds of the County which are available for that purpose, and such other funds shall be reimbursed from the Debt Service Fund when the balance therein is sufficient.

4.04 If the balance in the Debt Service Fund is ever insufficient to pay all principal and interest then due on the Bonds, the County Auditor shall nevertheless provide sufficient money from any other funds of the County which are available for that purpose, and such other funds shall be reimbursed from the Debt Service Fund when the balance therein is sufficient. It is estimated that the Transportation Sales and Use Tax Revenues pledged and appropriated to said Debt Service Fund will be received at the times and in amounts not less than five percent in excess of the amounts needed to meet when due the principal and interest payments thereon and, accordingly, no tax is presently levied for this purpose. It is recognized, however, that the County's liability on the Bonds is not limited to the revenues so pledged, and the Board covenants and agrees that it will levy upon all taxable property within the County, and cause to be extended, levied and collected, any taxes found necessary for full payment of the principal of and interest on the Bonds, without limitation as to rate or amount.

4.05 The full faith and credit and taxing power of the County are irrevocably pledged for the prompt and full payment of the Bonds and the interest thereon, in accordance with the terms set forth in this Resolution.

4.06 Monies on deposit in the Construction Fund and in the Debt Service Fund may, at the discretion of the County, be invested in securities permitted by Minnesota Statutes, Chapter 118A; provided, that any such investments shall mature at such times and in such amounts as will permit for payment of the principal and interest on the Bonds when due.

#### Section 5. Tax Covenants.

5.01 The County covenants and agrees with the holders of the Bonds that the County will (i) take all action on its part necessary to cause the interest on the Bonds to be exempt from federal income taxes including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Bonds and investment earnings thereon, making required payments to the federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Bonds to be subject to federal income taxes, including, without limitation, refraining from spending the proceeds of the Bonds and investment earnings thereon on certain specified purposes.

5.02 A. No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (i) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds were issued, and (ii) in addition to the above, in an amount not greater than the lesser of five percent of the proceeds of the Bonds or \$100,000. To this effect, any proceeds of the Bonds and any sums from time to time held in the

Debt Service Fund (or any other County account which will be used to pay principal and interest to become due on the Bonds) in excess of amounts which under the applicable federal arbitrage regulations may be invested without regard as to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by the arbitrage regulations on such investments after taking into account any applicable temporary periods of minor portion made available under the federal arbitrage regulations.

B. In addition, the proceeds of the Bonds and money in the Debt Service Fund shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof it and to the extent that such investment would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Internal Revenue code of 1986, as amended (the "Code").

C. The County hereby covenants not to use the proceeds of the Bonds, or to cause or permit them to be used, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

5.03 Unless the proceeds are spent pursuant to an arbitrage rebate spending exception, the County covenants to compute and cause the payment to the United States of all amounts required under the rebate requirement of Code Section 148(f), the regulations issued thereunder with regard to the Bonds. To this end, the County agrees to:

(1) maintain records identifying all "gross proceeds" as defined in Code Section 148(f)(6)(B) attributable to the Bonds, the yield at which such gross proceeds are invested, any arbitrage profit derived therefrom (earnings in excess of the yield on the Bonds) and any earnings derived from the investment of such arbitrage profit;

(2) make, or cause to be made within 30 days after the close of each fifth bond year, the annual determination of the amount, if any, of excess arbitrage required to be paid to the United States by the County (the "Rebate Amount");

(3) pay, or cause to be paid, to the United States at least once every five bond years the Rebate Amount, if any, including the last installment which must be made no later than 60 days after the day on which the Bonds are paid in full;

(4) retain all records of the annual determination of the foregoing amounts until six years after the Bonds have been fully paid.

5.04 The County shall use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designation made by this section.

#### Section 6. Miscellaneous.

6.01 The County Auditor is directed to file a certified copy of this Resolution and such other information as may be required, and to provide to bond counsel a certificate stating that the Bonds herein authorized have been duly entered on his register.

6.02 The officers of the County are authorized and directed to prepare and furnish to the Purchaser and to bond counsel, certified copies of all proceedings and records of the County relating to the legality and marketability of the Bonds, as such facts appear from the official books and records in the officers' custody or are otherwise known to them. All such certified copies, Bonds and affidavits, including any heretofore furnished, constitute representations of the County as to the correctness of the facts recited therein and the action stated therein to have been taken.

6.03 The Chair, the Clerk of the County Board, the County Auditor and the Finance Director are hereby 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.

6.04 In the event of the absence or disability of the Chair, the Clerk of the County Board, the County Auditor or the Finance Director, such officers as in the opinion of the County Attorney, may act in their behalf, shall without further act or authorization, execute and deliver the Bonds and do all things and execute all instruments and documents required to be done or executed by such absent or disabled officers.

Section 7. Continuing Disclosure. The County acknowledges that the Bonds are subject to the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12) (the "Rule"). The Rule governs the obligations of certain underwriters to require that issuers of municipal bonds enter into agreements for the benefit of the bondholders to provide continuing disclosure with respect to the bonds. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit underwriters of the Bonds to comply with the Rule, which will enhance the marketability of the Bonds, the Chair and the County Auditor are hereby authorized and directed to execute a Continuing Disclosure Certificate substantially in the form of the Certificate currently on file in the office of the County Auditor.

Section 8. Post-Issuance Compliance Policy and Procedures. The Board has previously approved a Post-Issuance Debt Compliance Policy and Post-Issuance Debt Compliance Procedures which applies to qualifying obligations to provide for compliance with all applicable federal regulations for tax-exempt obligations or tax-advantaged obligations (collectively, the "Policy and Procedures"). The Board hereby approves the Policy and Procedures for the Bonds. The County Auditor continues to be designated to be responsible for post-issuance compliance in accordance with the Policy and Procedures.

Adopted: September 1, 2020

*M:\DOCS\07535\000065\ROL\18X2616.DOCX*

## **EXHIBIT A**

**THE COUNTY HAS AUTHORIZED BAKER TILLY MUNICIPAL ADVISORS, LLC TO NEGOTIATE THIS ISSUE ON ITS BEHALF. PROPOSALS WILL BE RECEIVED ON THE FOLLOWING BASIS:**

## TERMS OF PROPOSAL

\$25,400,000\*

### ST. LOUIS COUNTY, MINNESOTA

### GENERAL OBLIGATION TRANSPORTATION SALES AND USE TAX REVENUE BONDS, SERIES 2020A (BOOK ENTRY ONLY)

Proposals for the above-referenced obligations (the “Bonds”) will be received by St. Louis County, Minnesota (the “County”) on Monday, October 5, 2020 (the “Sale Date”) until 1:00 P.M., Central Time (the “Sale Time”) at the offices of Baker Tilly Municipal Advisors, LLC (“Baker Tilly MA”), 380 Jackson Street, Suite 300, Saint Paul, Minnesota, 55101, after which time proposals will be opened and tabulated. Consideration for award of the Bonds will immediately follow the opening of proposals.

### SUBMISSION OF PROPOSALS

Baker Tilly MA will assume no liability for the inability of a bidder or its proposal to reach Baker Tilly MA prior to the Sale Time, and neither the County nor Baker Tilly MA shall be responsible for any failure, misdirection or error in the means of transmission selected by any bidder. All bidders are advised that each proposal shall be deemed to constitute a contract between the bidder and the County to purchase the Bonds regardless of the manner in which the proposal is submitted.

(a) **Sealed Bidding.** Completed, signed proposals may be submitted to Baker Tilly MA by email to [bondservice@bakertilly.com](mailto:bondservice@bakertilly.com) or by fax (651) 223-3046, and must be received prior to the Sale Time.

**OR**

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

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 and will bear interest payable on June 1 and December 1 of each year, commencing June 1, 2021. 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:

|      |             |      |             |      |             |      |             |      |             |
|------|-------------|------|-------------|------|-------------|------|-------------|------|-------------|
| 2021 | \$1,105,000 | 2025 | \$1,160,000 | 2029 | \$1,210,000 | 2033 | \$1,295,000 | 2037 | \$1,410,000 |
| 2022 | \$1,140,000 | 2026 | \$1,170,000 | 2030 | \$1,230,000 | 2034 | \$1,325,000 | 2038 | \$1,440,000 |
| 2023 | \$1,145,000 | 2027 | \$1,185,000 | 2031 | \$1,250,000 | 2035 | \$1,350,000 | 2039 | \$1,475,000 |
| 2024 | \$1,155,000 | 2028 | \$1,195,000 | 2032 | \$1,270,000 | 2036 | \$1,380,000 | 2040 | \$1,510,000 |

\* *The County reserves the right, after proposals are opened and prior to award, to increase or reduce the principal amount of the Bonds or the amount of any maturity or maturities in multiples of \$5,000. In the event the amount of any maturity is modified, the aggregate purchase price will be adjusted to result in the same gross spread per \$1,000 of Bonds as that of the original proposal. Gross spread for this purpose is the differential between the price paid to the County for the new issue and the prices at which the proposal indicates the securities will be initially offered to the investing public.*

Proposals for the Bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds. All term bonds shall be subject to mandatory sinking fund redemption at a price of par plus accrued interest to the date of redemption scheduled to 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 for 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 lowest bidder (the “Purchaser”), as a condition of delivery of the Bonds, will be required to deposit the Bonds with DTC.

## REGISTRAR

The County will name the registrar, which may be the County Auditor of the County, and shall be

subject to applicable regulations of the Securities and Exchange Commission. The County will pay for the services of the registrar.

#### OPTIONAL REDEMPTION

The County may elect on December 1, 2029, and on any day thereafter, to redeem Bonds due on or after December 1, 2030. Redemption may be in whole or in part and if in part at the option of the County and in such manner as the County shall determine. If less than all Bonds of a maturity are called for redemption, the County will notify DTC of the particular amount of such maturity to be redeemed. 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 redemptions shall be at a price of par plus accrued interest.

#### SECURITY AND PURPOSE

The Bonds will be general obligations of the County for which the County will pledge its full faith and credit and power to levy direct general ad valorem taxes. In addition, the County will pledge a transportation sales and use tax at a rate of one-half of one percent on taxable retail sales and uses, and an excise tax of \$20 per motor vehicle purchased or acquired from any person or business engaged in the business of selling motor vehicles at retail, occurring within the taxing jurisdiction of the County (the "Transportation Sales and Use Tax Revenues"). The proceeds of the Bonds will be used to for the purpose of financing various County road and bridge projects, as authorized in amendments to the County's 2020-2024 Capital Improvement Plan and the Transportation Improvement Plan.

#### NOT BANK QUALIFIED TAX-EXEMPT OBLIGATIONS

The County will not designate the Bonds as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

#### BIDDING PARAMETERS

Proposals shall be for not less than \$25,095,200 (98.8%) or more than \$25,908,000 (102%) plus accrued interest, if any, on the total principal amount of the Bonds. No proposal can be withdrawn or amended after the time set for receiving proposals on the Sale Date unless the meeting of the County 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 1/100 or 1/8 of 1%. The initial price to the public for each maturity as stated on the proposal must be 98.0% or greater. 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.

#### ESTABLISHMENT OF ISSUE PRICE

In order to provide the County with information necessary for compliance with Section 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder (collectively, the "Code"), the Purchaser will be required to assist the County in

establishing the issue price of the Bonds and shall complete, execute, and deliver to the County prior to the closing date, a written certification in a form acceptable to the Purchaser, the County, and Bond Counsel (the "Issue Price Certificate") containing the following for each maturity of the Bonds (and, if different interest rates apply within a maturity, to each separate CUSIP number within that maturity): (i) the interest rate; (ii) the reasonably expected initial offering price to the "public" (as said term is defined in Treasury Regulation Section 1.148-1(f) (the "Regulation")) or the sale price; and (iii) pricing wires or equivalent communications supporting such offering or sale price. Any action to be taken or documentation to be received by the County pursuant hereto may be taken or received on behalf of the County by Baker Tilly MA.

The County intends that the sale of the Bonds pursuant to this Terms of Proposal shall constitute a "competitive sale" as defined in the Regulation based on the following:

- (i) the County shall cause this Terms of Proposal to be disseminated to potential bidders in a manner that is reasonably designed to reach potential bidders;
- (ii) all bidders shall have an equal opportunity to submit a bid;
- (iii) the County reasonably expects that it will receive bids from at least three bidders that have established industry reputations for underwriting municipal bonds such as the Bonds; and
- (iv) the County anticipates awarding the sale of the Bonds to the bidder who provides a proposal with the lowest true interest cost, as set forth in this Terms of Proposal (See "AWARD" herein).

Any bid submitted pursuant to this Terms of Proposal shall be considered a firm offer for the purchase of the Bonds, as specified in the proposal. The Purchaser shall constitute an "underwriter" as said term is defined in the Regulation. By submitting its proposal, the Purchaser confirms that it shall require any agreement among underwriters, a selling group agreement, or other agreement to which it is a party relating to the initial sale of the Bonds, to include provisions requiring compliance with the provisions of the Code and the Regulation regarding the initial sale of the Bonds.

If all of the requirements of a "competitive sale" are not satisfied, the County shall advise the Purchaser of such fact prior to the time of award of the sale of the Bonds to the Purchaser. **In such event, any proposal submitted will not be subject to cancellation or withdrawal.** Within twenty-four (24) hours of the notice of award of the sale of the Bonds, the Purchaser shall advise the County and Baker Tilly MA if 10% of any maturity of the Bonds (and, if different interest rates apply within a maturity, to each separate CUSIP number within that maturity) has been sold to the public and the price at which it was sold. The County will treat such sale price as the "issue price" for such maturity, applied on a maturity-by-maturity basis. The County will not require the Purchaser to comply with that portion of the Regulation commonly described as the "hold-the-offering-price" requirement for the remaining maturities, but the Purchaser may elect such option. If the Purchaser exercises such option, the County will apply the initial offering price to the public provided in the proposal as the issue price for such maturities. If the Purchaser does not exercise that option, it shall thereafter promptly provide the County and Baker Tilly MA the prices at which 10% of such maturities are sold to the public; provided such determination shall be made and the

County and Baker Tilly MA notified of such prices whether or not the closing date has occurred, until the 10% test has been satisfied as to each maturity of the Bonds or until all of the Bonds of a maturity have been sold.

#### GOOD FAITH DEPOSIT

To have its proposal considered for award, the Purchaser is required to submit a good faith deposit via wire transfer to the County in the amount of \$254,000 (the "Deposit") no later than 1:30 P.M., Central Time on the Sale Date. The Purchaser shall be solely responsible for the timely delivery of its Deposit, and neither the County nor Baker Tilly MA have any liability for delays in the receipt of the Deposit. If the Deposit is not received by the specified time, the County may, at its sole discretion, reject the proposal of the lowest bidder, direct the second lowest bidder to submit a Deposit, and thereafter award the sale to such bidder.

A Deposit will be considered timely delivered to the County upon submission of a federal wire reference number by the specified time. Wire transfer instructions will be available from Baker Tilly MA following the receipt and tabulation of proposals. The successful bidder must send an e-mail including the following information: (i) the federal reference number and time released; (ii) the amount of the wire transfer; and (iii) the issue to which it applies.

Once an award has been made, the Deposit received from the Purchaser will be retained by the County and no interest will accrue to the Purchaser. The amount of the Deposit will be deducted at settlement from the purchase price. In the event the Purchaser fails to comply with the accepted proposal, said amount will be retained by the County.

#### AWARD

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

The County 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 County determines to have failed to comply with the terms herein.

#### BOND INSURANCE AT PURCHASER'S OPTION

The County has **not** applied for or pre-approved a commitment for any policy of municipal bond insurance with respect to the Bonds. If the Bonds qualify for municipal bond insurance and a bidder desires to purchase a policy, such indication, the maturities to be insured, and the name of the desired insurer must be set forth on the bidder's proposal. The County specifically reserves the right to reject any bid specifying municipal bond insurance, even though such bid may result

in the lowest TIC to the County. All costs associated with the issuance and administration of such policy and associated ratings and expenses (other than any independent rating requested by the County) shall be paid by the successful bidder. Failure of the municipal bond insurer to issue the policy after the award of the Bonds shall not constitute cause for failure or refusal by the successful bidder to accept delivery of the Bonds.

#### CUSIP NUMBERS

If the Bonds qualify for the assignment of CUSIP numbers such numbers will be printed on the Bonds; however, 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. Baker Tilly MA will apply for CUSIP numbers pursuant to Rule G-34 implemented by the Municipal Securities Rulemaking Board. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the Purchaser.

#### SETTLEMENT

On or about November 5, 2020, 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 Fryberger, Buchanan, Smith & Frederick P.A., Duluth, 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 County 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 County, or its agents, the Purchaser shall be liable to the County for any loss suffered by the County by reason of the Purchaser's non-compliance with said terms for payment.

#### CONTINUING DISCLOSURE

In accordance with SEC Rule 15c2-12(b)(5), the County 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 County has authorized the preparation of a Preliminary Official Statement containing pertinent information relative to the Bonds, and said Preliminary Official Statement has been deemed final by the County as of the date thereof within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. For an electronic copy of the Preliminary Official Statement or for any additional information prior to sale, any prospective purchaser is referred to the Municipal Advisor to the County, Baker Tilly Municipal Advisors, LLC, by telephone (651) 223-3000, or by email

[bondservice@bakertilly.com](mailto:bondservice@bakertilly.com). The Preliminary Official Statement will also be made available at <https://go.bakertilly.com/bond-sales-calendar>.

A Final Official Statement (as that term is defined in Rule 15c2-12) will be prepared, specifying the maturity dates, principal amounts, and interest rates of the Bonds, together with any other information required by law. By awarding the Bonds to the Purchaser, the County agrees that, no more than seven business days after the date of such award, it shall provide to the Purchaser an electronic copy of the Final Official Statement. The County designates the Purchaser as its agent for purposes of distributing the Final Official Statement to each syndicate member, if applicable. The Purchaser agrees that if its proposal is accepted by the County, (i) it shall accept designation and (ii) it shall enter into a contractual relationship with its syndicate members for purposes of assuring the receipt of the Final Official Statement by each such syndicate member.

Dated September 1, 2020

BY ORDER OF THE COUNTY BOARD

/s/ Kevin Gray

County Administrator

# BOARD LETTER NO. 20 - 309

## CENTRAL MANAGEMENT & INTERGOVERNMENTAL COMMITTEE

SEPTEMBER 1, 2020 BOARD AGENDA NO. 2

**DATE:** September 1, 2020

**RE:** Reschedule Location for  
September 8, 2020 County  
Board Meeting

**FROM:** Kevin Z. Gray  
County Administrator

**RELATED DEPARTMENT GOAL:**

To provide effective and efficient government.

**ACTION REQUESTED:**

The St. Louis County Board is requested to reschedule the location of the September 8, 2020 County Board meeting.

**BACKGROUND:**

Due to pandemic-related concerns and technology constraints, it is proposed that the September 8, 2020 County Board meeting, including all public hearings scheduled on that day, be changed to a location better suited to accommodate those concerns and constraints. The meeting will begin at 9:30 a.m. as previously scheduled.

**RECOMMENDATION:**

Should the Board concur, Administration will take the necessary steps to reschedule the location of its September 8, 2020 Board Meeting to the Government Services Center in Duluth.

## **Reschedule Location for September 8, 2020 County Board Meeting**

BY COMMISSIONER \_\_\_\_\_

RESOLVED, That the St. Louis County Board will adjust its 2020 Board Meeting Schedule to reschedule the meeting location of its September 8, 2020 meeting from the St. Louis County Board Room to the St. Louis River Room in the Government Services Center, Duluth, MN.

RESOLVED FURTHER, That all public hearings scheduled for September 8, 2020, will be held in the St. Louis River Room in the Government Services Center, Duluth, MN.



**ST. LOUIS COUNTY BOARD  
2020 BOARD MEETING SCHEDULE  
All meetings begin at 9:30 a.m.**

| <b>BOARD MEETING DATE</b> | <b>MEETING LOCATION</b>   |
|---------------------------|---|
| January 7                 | Courthouse-Duluth   |
| January 14                | Midway Town Hall, 3230 Midway Road, Duluth                                    |
| January 28                | Gilbert City Hall, 16 S. Broadway, Gilbert                                    |
| February 11               | Courthouse-Duluth   |
| February 25               | Hibbing City Hall, 401 E. 21 <sup>st</sup> Street, Hibbing                    |
| March 10                  | Courthouse - Duluth   |
| March 24                  | Courthouse - Duluth   |
| April 14                  | Duluth Government Services Center, 320 W 2 <sup>nd</sup> Street, Duluth       |
| April 28                  | Duluth Government Services Center, 320 W 2 <sup>nd</sup> Street, Duluth       |
| May 5                     | Duluth Government Services Center, 320 W 2 <sup>nd</sup> Street, Duluth       |
| May 12                    | Duluth Government Services Center, 320 W 2 <sup>nd</sup> Street, Duluth       |
| May 26                    | GSC-Virginia, 201 S. 3 <sup>rd</sup> Avenue West, Virginia                    |
| June 2                    | Duluth Government Services Center, 320 W 2 <sup>nd</sup> Street, Duluth       |
| June 9                    | GSC-Virginia, 201 S. 3 <sup>rd</sup> Avenue West, Virginia                    |
| June 23                   | Voyagaire Lodge, 7576 Gold Coast Road, Crane Lake                             |
| July 7                    | Courthouse-Duluth   |
| July 14                   | Courthouse-Duluth   |
| July 28                   | GSC-Virginia, 201 S. 3 <sup>rd</sup> Avenue West, Virginia                    |
| August 4                  | Courthouse-Duluth   |
| August 11                 | St. Louis County Courthouse Jury Lounge, 1810 12 <sup>th</sup> Ave E, Hibbing |
| September 1               | Duluth Government Services Center, 320 W 2 <sup>nd</sup> Street, Duluth       |
| September 8               | Duluth Government Services Center, 320 W 2 <sup>nd</sup> Street, Duluth       |
| September 22              | Aurora City Hall, 16 W. 2 <sup>nd</sup> Avenue North, Aurora                  |
| October 6                 | Courthouse-Duluth   |
| October 13                | Solway Town Hall, 4029 Munger Shaw Road, Cloquet                              |
| October 27                | Mt. Iron City Hall, 8586 Enterprise Drive South, Mt. Iron                     |
| November 3                | Courthouse-Duluth   |
| November 10               | Courthouse-Duluth   |
| November 24               | Meadowlands Community Center, 7758 Western Avenue, Meadowlands                |
| December 1                | Courthouse-Duluth   |
| December 15               | Ault Town Hall, 1839 Brimson Road, Brimson                                    |

**AMC Legislative Conference  
NACo Legislative Conference  
Duluth & SLC at the Capitol  
NACo Annual Conference  
AMC Annual Conference**

**Feb. 26-27, 2020, St. Paul  
Feb. 29-March 4, 2020, Washington, DC  
March 18-19, 2020, St. Paul  
July 17-20, 2020, Orlando, FL  
December 7-9, 2020, Minneapolis, MN**