



*Resolution*  
*of the*  
**Board of County Commissioners**  
*St. Louis County, Minnesota*  
*Adopted on: February 3, 2015 Resolution No. 15-58*  
*Offered by Commissioner: Nelson*

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**Official Proceedings of the County Board of Commissioners**

RESOLVED That the official proceedings of the St. Louis County Board of Commissioners for the meeting of January 27, 2015, are hereby approved.

Commissioner Nelson moved the adoption of the Resolution and it was declared adopted upon the following vote:  
Yeas – Commissioners Boyle, Dahlberg, Rukavina, Nelson, Raukar and Chair Stauber – 6  
Nays – None  
Absent – Commissioner Jewell – 1

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**STATE OF MINNESOTA**  
Office of County Auditor, ss.  
County of St. Louis

I, **DONALD DICKLICH**, Auditor of the County of St. Louis, do hereby certify that I have compared the foregoing with the original resolution filed in my office on the 3<sup>rd</sup> day of February, A.D. 2015, and that this is a true and correct copy.

WITNESS MY HAND AND SEAL OF OFFICE at Duluth, Minnesota, this 3<sup>rd</sup> day of February, A.D., 2015.

**DONALD DICKLICH, COUNTY AUDITOR**

By

Deputy Auditor/Clerk of the County Board



*Resolution*  
*of the*  
**Board of County Commissioners**  
*St. Louis County, Minnesota*  
*Adopted on: February 3, 2015 Resolution No. 15-59*  
*Offered by Commissioner: Nelson*

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**CY 2015 Forensic Psychological Services**

WHEREAS, The Public Health and Human Services Department (PHHS) wishes to ensure that parents who are involved with Children in Need of Protection and Services will have mental health needs addressed and recommendations presented for permanency planning and termination of parental rights hearings; and

WHEREAS, Arrowhead Psychological Clinic and Dr. Jonathan Beyer are able and willing to provide these services on behalf of the county;

THEREFORE, BE IT RESOLVED That the St. Louis County Board authorizes Professional Service Agreements with Arrowhead Psychological Clinic and Dr. Jonathan Beyer for Forensic Psychological Services for the period January 1, 2015 through December 31, 2015 at a fixed-cost basis for a variety of forensic psychological services that may be needed during CY 2015, to include \$675 per psychological evaluation, \$200 per diagnostic assessment, and related court testimony at a forensic rate of \$200 per hour for psychologists and \$300 per hour for psychiatrists, up to a contract maximum for the two (2) providers combined of \$65,000, payable from Fund 230 (Social Services), Agency 232008 (Children's Services), Expense Object 602000 (Other Children's Services).

Commissioner Nelson moved the adoption of the Resolution and it was declared adopted upon the following vote:  
Yeas – Commissioners Boyle, Dahlberg, Rukavina, Nelson, Raukar and Chair Stauber – 6  
Nays – None  
Absent – Commissioner Jewell – 1

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**STATE OF MINNESOTA**  
Office of County Auditor, ss.  
County of St. Louis

I, **DONALD DICKLICH**, Auditor of the County of St. Louis, do hereby certify that I have compared the foregoing with the original resolution filed in my office on the 3<sup>rd</sup> day of February, A.D. 2015, and that this is a true and correct copy.

WITNESS MY HAND AND SEAL OF OFFICE at Duluth, Minnesota, this 3<sup>rd</sup> day of February, A.D., 2015.

DONALD DICKLICH, COUNTY AUDITOR

By

Deputy Auditor/Clerk of the County Board



*Resolution*  
*of the*  
**Board of County Commissioners**  
*St. Louis County, Minnesota*  
*Adopted on: February 3, 2015 Resolution No. 15-60*  
*Offered by Commissioner: Nelson*

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**CY 2015 Purchase of Service Contract with LSS Bethany Crisis Nursery**

WHEREAS, St. Louis County has need for a Crisis Nursery Service; and

WHEREAS, The Public Health and Human Services Department (PHHS) has contracted with Lutheran Social Service since March 1994 to provide child protection services on behalf of the county; and

WHEREAS, PHHS wishes to renew this agreement for an early intervention service committed to the prevention of child abuse and maltreatment by providing short-term emergency care for children and support services for families during times of crisis;

THEREFORE, BE IT RESOLVED That the St. Louis County Board authorizes a purchase of service contract with Lutheran Social Service Bethany Crisis Nursery for the period January 1, 2015 through December 31, 2015, and authorizes payment of \$37,182 payable from Fund 230 (Social Services); Agency 232008 (Children's Services); Expense Object 601200 (Out-of-Home Placement).

Commissioner Nelson moved the adoption of the Resolution and it was declared adopted upon the following vote:

Yeas – Commissioners Boyle, Dahlberg, Rukavina, Nelson, Raukar and Chair Stauber – 6

Nays – None

Absent – Commissioner Jewell – 1

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**STATE OF MINNESOTA**  
Office of County Auditor, ss.  
County of St. Louis

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WITNESS MY HAND AND SEAL OF OFFICE at Duluth, Minnesota, this 3<sup>rd</sup> day of February, A.D., 2015.

DONALD DICKLICH, COUNTY AUDITOR

By

Deputy Auditor/Clerk of the County Board



*Resolution*  
*of the*  
**Board of County Commissioners**  
*St. Louis County, Minnesota*  
*Adopted on: February 3, 2015 Resolution No. 15-61*  
*Offered by Commissioner: Nelson*

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**CY 2015 Trauma Assessment and Family Treatment Program Contract  
with Human Development Center**

WHEREAS, The St. Louis County Public Health and Human Services Department wishes to purchase intensive Children's Mental Health Adolescent Services, through the Trauma Assessment and Family Treatment Program, as an alternative to Out-of-Home Placement of children; and

WHEREAS, The Human Development Center, Duluth, MN, is able and willing to provide these services;

THEREFORE, BE IT RESOLVED That the St. Louis County Board authorizes the appropriate county officials to enter into a Trauma Assessment and Family Treatment Program contract with the Human Development Center of Duluth, MN, in the amount of \$153,534 for the period January 1, 2015 through December 31, 2015, payable from Fund 230 (Social Services); Agency 232008 (Children's Services); Expense Object 601600 (Children's Mental Health Services).

Commissioner Nelson moved the adoption of the Resolution and it was declared adopted upon the following vote:  
Yeas – Commissioners Boyle, Dahlberg, Rukavina, Nelson, Raukar and Chair Stauber – 6  
Nays – None  
Absent – Commissioner Jewell – 1

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**STATE OF MINNESOTA**  
Office of County Auditor, ss.  
County of St. Louis

I, DONALD DICKLICH, Auditor of the County of St. Louis, do hereby certify that I have compared the foregoing with the original resolution filed in my office on the 3<sup>rd</sup> day of February, A.D. 2015, and that this is a true and correct copy.

WITNESS MY HAND AND SEAL OF OFFICE at Duluth, Minnesota, this 3<sup>rd</sup> day of February, A.D., 2015.

DONALD DICKLICH, COUNTY AUDITOR

By

Deputy Auditor/Clerk of the County Board



*Resolution  
of the  
Board of County Commissioners  
St. Louis County, Minnesota  
Adopted on: February 3, 2015 Resolution No. 15-62  
Offered by Commissioner: Nelson*

**CY 2015 Out-of-Home and Day Treatment Contracts  
for Services to Families and Children**

WHEREAS, St. Louis County has a variety of children's services available in the community that are Federal Title IV-E eligible, with the county paying the entire cost for any child who does not have private insurance coverage or is not eligible for Medical Assistance; and

WHEREAS, The Public Health and Human Services Department has contracted with the providers listed below to provide needed children's services on behalf of the county and wishes to renew these agreements;

THEREFORE, BE IT RESOLVED That the St. Louis County Board authorizes agreements for children's services for the period January 1, 2015 through December 31, 2015 with the following providers at the per diem rates and non-client specific amounts for sole St. Louis County use listed as follows:

**Emergency Shelters:**

Requested Rate                      % Increase

LSS - Bethany Crisis Shelter/Duluth:

Shelter Care and Emergency Foster Care	\$ 169.68/day	5%
Diagnostic – 25-day Evaluation	\$ 176.40/day	5%
Family Assessment Fee for Diagnostic	\$ 86.00/day	0%
Health Screening Fee	\$ 70.00/hour	0%

St. Louis County Shelter/Non-Client Specific                      \$ 469,165.00/year                      5%

LSS Family Resource Center-Range Youth Shelter Services:

Children's Shelter	\$ 194.00/day	0%
Health Screening Fee	\$ 50.00/hour	25%

St. Louis County Shelter/Non-Client Specific                      \$ 430,105.00/year                      5%

**Residential Treatment Centers:**

Requested Rate                      % Increase

St. James Home of Duluth, Inc., d/b/a

Woodland Hills and Cambia Hills:

Residential Treatment – Juvenile Justice	\$ 259.16/day	7.36%
Chisholm House 30 - Short-Term Consequence	\$ 145.04/day	2.5%
Community Transition Program	\$ 188.44/day	7.36%
Residential Treatment – Mental Health	\$ 260.22/day	2.5%

Mesabi Academy:

Long-Term Residential Program	\$ 231.81/day	3.0%
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	<u>Requested Rate</u>	<u>% Increase</u>
Long-Term Secure Residential Program	\$ 244.40/day	3.0%
Sexual Offender Residential Program	\$ 273.83/day	3.0%
Diagnostic Residential Program	\$ 253.40/day	3.0%
Fire Setter Residential Program	\$ 295.36/day	3.0%
Specialized Residential (IQ 50-65)	\$ 300.50/day	3.0%
Chemical Dependency Program	\$ 242.59/day	3.0%
High Impact, Short-Term Secure Program	\$ 249.26/day	3.0%
One on One Services	\$ 16.97/hour	3.0%
Detention Program (For Internal Use Only)	No Additional Cost	

	<u>Requested Rate</u>	<u>% Increase</u>
<u>Northwood Children's Services:</u>		
Residential Services	\$ 250.26/day	2.8%
Diagnostic & Assessment	\$ 250.78/day	2.8%

Budget References for Out-of-Home Placement

Fund	230	Social Services
Agency	232008	Children's Services
Expense Objects	601200	Out-of-Home Placement Costs
	601600	Children's Mental Health Services

RESOLVED FURTHER That the St. Louis County Board authorizes Purchase of Service Agreements for the period January 1, 2015 through December 31, 2015 with Northwood Children's Services, Fond du Lac Foster Care Licensing and Placement Agency, and LSS Bethany Foster Care Program for Child Foster Care Services. These services include: Child Foster Care, Emergency and Respite Child Foster Care, Therapeutic Foster Care and Licensing and Placement Administration. All Child Foster Care rates shall comply with Northstar Care for Children set by the Minnesota Department of Human Services (DHS). Respite Child Foster Care, Emergency Child Foster Care and the Licensing and Placement Administration fees shall be at the per diem rates listed below:

<u>Foster Care:</u>	<u>Requested Rate</u>	<u>% Increase</u>
<u>Northwood Children's Services:</u>		
Therapeutic Foster Care	DHS Northstar Care for Children Guidelines	
Licensing & Placement Administration	\$ 34.36/day	2.8%
<u>Fond du Lac Foster Care Licensing &amp; Placement Agency:</u>		
Foster Care	DHS Northstar Care for Children Guidelines	
Licensing & Placement Administration	\$ 20.00/day	0%
Respite Care (paid to foster home)	\$ 35.00/day	0%

LSS – Bethany Foster Care Program:

Foster Care	DHS Northstar Care for Children Guidelines
Licensing & Placement Administration	\$ 25.00/day                      0%

Budget References for Foster Care

Fund	230	Social Services
Agency	232008	Children’s Services
Expense Objects	601200	Out-of-Home Placement Costs
		Licensing/Resource Development
	603200	Respite Care Licensing & Resource Development

RESOLVED FURTHER That the St. Louis County Board authorizes Purchase of Service Agreements with the following provider at the rates listed below for Child Day Treatment services effective January 1, 2015 through December 31, 2015:

<u>Day Treatment:</u>	<u>Requested Rate</u>	<u>% Increase</u>
<u>St. James Home of Duluth, Inc., d/b/a</u> <u>Woodland Hills and Cambia Hills:</u> Therapeutic Day Treatment	\$ 85.34/day	7.36%

Budget Reference for Day Treatment

Fund	230	Social Services
Agency	232008	Children’s Services
Expense Object	601600	Children’s Mental Health Services

Commissioner Nelson moved the adoption of the Resolution and it was declared adopted upon the following vote:  
Yeas – Commissioners Boyle, Dahlberg, Rukavina, Nelson, Raukar and Chair Stauber – 6  
Nays – None  
Absent – Commissioner Jewell – 1

STATE OF MINNESOTA  
Office of County Auditor, ss.  
County of St. Louis

I, DONALD DICKLICH, Auditor of the County of St. Louis, do hereby certify that I have compared the foregoing with the original resolution filed in my office on the 3<sup>rd</sup> day of February, A.D. 2015, and that this is a true and correct copy.

WITNESS MY HAND AND SEAL OF OFFICE at Duluth, Minnesota, this 3<sup>rd</sup> day of February, A.D., 2015.

DONALD DICKLICH, COUNTY AUDITOR

By

Deputy Auditor/Clerk of the County Board



*Resolution*  
*of the*  
***Board of County Commissioners***  
***St. Louis County, Minnesota***  
*Adopted on: February 3, 2015 Resolution No. 15-63*  
*Offered by Commissioner: Nelson*

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**Agreement with Bois Forte Band of Chippewa for Projects  
near Pelican Lake (Leiding Township)**

RESOLVED That the St. Louis County Board authorizes an agreement, and any amendments approved by the County Attorney, with the Bois Forte Band of Chippewa where the Bois Forte Band will pay its share of projects CP 0515-153447, CP 0516-153448, and CP 0000-243541 (Tribal Road 0019, Indian Point Road), with the funds received into Fund 200, Agency 203342, Object 551592; Agency 203343, Object 551592; and Agency 203344, Object 551592.

Commissioner Nelson moved the adoption of the Resolution and it was declared adopted upon the following vote:  
Yeas – Commissioners Boyle, Dahlberg, Rukavina, Nelson, Raukar and Chair Stauber – 6  
Nays – None  
Absent – Commissioner Jewell – 1

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**STATE OF MINNESOTA**  
Office of County Auditor, ss.  
County of St. Louis

I, **DONALD DICKLICH**, Auditor of the County of St. Louis, do hereby certify that I have compared the foregoing with the original resolution filed in my office on the 3<sup>rd</sup> day of February, A.D. 2015, and that this is a true and correct copy.

WITNESS MY HAND AND SEAL OF OFFICE at Duluth, Minnesota, this 3<sup>rd</sup> day of February, A.D., 2015.

DONALD DICKLICH, COUNTY AUDITOR

By

Deputy Auditor/Clerk of the County Board



*Resolution*  
*of the*  
**Board of County Commissioners**  
*St. Louis County, Minnesota*  
*Adopted on: February 3, 2015 Resolution No. 15-64*  
*Offered by Commissioner: Nelson*

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**Agreement with Rice Lake Township for Reconstruction of Rice Lake Dam Road**

RESOLVED That the St. Louis County Board authorizes the appropriate county officials to enter into an agreement, and approve any amendments authorized by the County Attorney, with Rice Lake Township whereby the township will pay the project cost with Minnesota Department of Natural Resources State Park Road Account funds (or township funds should any overages occur) as listed in the Schedule of Prices in the Proposal/Plan Package for the project listed as CP 0000-215963, SAP 69-600-044;

RESOLVED FURTHER That Rice Lake Township will pay St. Louis County for administration services as stated in the agreement, with funds received from Rice Lake Township receipted into Fund 220, Agency 220340, Object 551521.

Commissioner Nelson moved the adoption of the Resolution and it was declared adopted upon the following vote:  
Yeas – Commissioners Boyle, Dahlberg, Rukavina, Nelson, Raukar and Chair Stauber – 6  
Nays – None  
Absent – Commissioner Jewell – 1

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**STATE OF MINNESOTA**  
Office of County Auditor, ss.  
County of St. Louis

I, **DONALD DICKLICH**, Auditor of the County of St. Louis, do hereby certify that I have compared the foregoing with the original resolution filed in my office on the 3<sup>rd</sup> day of February, A.D. 2015, and that this is a true and correct copy.

WITNESS MY HAND AND SEAL OF OFFICE at Duluth, Minnesota, this 3<sup>rd</sup> day of February, A.D., 2015.

DONALD DICKLICH, COUNTY AUDITOR

By

Deputy Auditor/Clerk of the County Board



*Resolution*  
*of the*  
**Board of County Commissioners**  
*St. Louis County, Minnesota*  
*Adopted on: February 3, 2015 Resolution No. 15-65*  
*Offered by Commissioner: Nelson*

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**Acquisition of Right of Way for the Reconstruction of  
CSAH 9/4th Street (Duluth)**

WHEREAS, The St. Louis County Public Works Department plans to reconstruct a portion of County State Aid Highway 9/4<sup>th</sup> Street within the city of Duluth; and

WHEREAS, The State Aid funded reconstruction is approximately 1.9 miles in length, beginning at 6<sup>th</sup> Avenue East and proceeding northeast to Wallace Avenue; and

WHEREAS, The improvement consists of reconstructing the roadway as determined necessary to provide for the safety and convenience of the traveling public; and

WHEREAS, In addition to the existing highway right of way, certain lands are required for the construction, together with temporary construction easements;

THEREFORE, BE IT RESOLVED That the St. Louis County Board authorizes the Public Works Director to proceed with the acquisition of the necessary lands and temporary easements, payable from Fund 200, Agency 203001;

RESOLVED FURTHER That pursuant to Minn. Stat. § 282.04, Subd. 4, the St. Louis County Board authorizes the County Auditor to grant highway easements across tax forfeited lands for the necessary permanent highway easements and temporary construction easements for the project.

Commissioner Nelson moved the adoption of the Resolution and it was declared adopted upon the following vote:  
Yeas – Commissioners Boyle, Dahlberg, Rukavina, Nelson, Raukar and Chair Stauber – 6  
Nays – None  
Absent – Commissioner Jewell – 1

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**STATE OF MINNESOTA**  
Office of County Auditor, ss.  
County of St. Louis

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WITNESS MY HAND AND SEAL OF OFFICE at Duluth, Minnesota, this 3<sup>rd</sup> day of February, A.D., 2015.

DONALD DICKLICH, COUNTY AUDITOR

By

Deputy Auditor/Clerk of the County Board



*Resolution  
of the  
**Board of County Commissioners**  
St. Louis County, Minnesota  
Adopted on: February 3, 2015 Resolution No. 15-66  
Offered by Commissioner: Nelson*

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**Acceptance of Quote for Purchase of Bridge Materials –  
Bridge 607 on CR 453/White Road (Cherry Township)**

WHEREAS, Quotes have been received by the St. Louis County Public Works Department and the low responsible quote determined for the following project:

CP 0453-242077, BR 607, for wood decking materials for a bridge on County Road 453 in Cherry Township, length 0.1 mile; and

WHEREAS, It is in the best interest of St. Louis County that the award of said contract be made to the low responsible bidder;

THEREFORE, BE IT RESOLVED That the St. Louis County Board approves the following quote for wood decking materials:

<u>LOW QUOTE</u>	<u>ADDRESS</u>	<u>AMOUNT</u>
Bell Structural Solutions	778 1 <sup>st</sup> St. NW New Brighton, MN 55112	\$63,310.00

RESOLVED FURTHER That the appropriate county officials are authorized to approve the contractor's quote for the above listed project, payable from Fund 200, Agency 203345, Object 650800 for Misc. Bridge Materials.

Commissioner Nelson moved the adoption of the Resolution and it was declared adopted upon the following vote:  
Yeas – Commissioners Boyle, Dahlberg, Rukavina, Nelson, Raukar and Chair Stauber – 6  
Nays – None  
Absent – Commissioner Jewell – 1

---

STATE OF MINNESOTA  
Office of County Auditor, ss.  
County of St. Louis

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WITNESS MY HAND AND SEAL OF OFFICE at Duluth, Minnesota, this 3<sup>rd</sup> day of February, A.D., 2015.

DONALD DICKLICH, COUNTY AUDITOR

By

Deputy Auditor/Clerk of the County Board



*Resolution  
of the  
**Board of County Commissioners**  
St. Louis County, Minnesota  
Adopted on: February 3, 2015 Resolution No. 15-67  
Offered by Commissioner:*

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**Abatement List for Board Approval**

RESOLVED That the St. Louis County Board approves the applications for abatements, correction of assessed valuations and taxes plus penalty and interest, and any additional accrual, identified in County Board File No. 60032.

Commissioner Nelson moved the adoption of the Resolution and it was declared adopted upon the following vote:  
Yeas – Commissioners Boyle, Dahlberg, Rukavina, Nelson, Raukar and Chair Stauber – 6  
Nays – None  
Absent – Commissioner Jewell – 1

---

**STATE OF MINNESOTA**  
Office of County Auditor, ss.  
County of St. Louis

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WITNESS MY HAND AND SEAL OF OFFICE at Duluth, Minnesota, this 3<sup>rd</sup> day of February, A.D., 2015.

DONALD DICKLICH, COUNTY AUDITOR

By

Deputy Auditor/Clerk of the County Board



*Resolution  
of the  
Board of County Commissioners  
St. Louis County, Minnesota  
Adopted on: February 3, 2015 Resolution No. 15-68  
Offered by Commissioner: Nelson*

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**Establish Public Hearing to Consider Off-Sale Intoxicating Liquor License  
(Kabetogama Township)**

RESOLVED That the St. Louis County Board establishes a public hearing at 9:40 a.m. on February 17, 2015, in the Chisholm City Hall, 316 West Lake Street, Chisholm, MN, for the purpose of considering an Off-Sale Intoxicating Liquor License for Border Guide Service Base Camp Company of Kabetogama Township, MN.

Commissioner Nelson moved the adoption of the Resolution and it was declared adopted upon the following vote:  
Yeas – Commissioners Boyle, Dahlberg, Rukavina, Nelson, Raukar and Chair Stauber – 6  
Nays – None  
Absent – Commissioner Jewell – 1

---

**STATE OF MINNESOTA**  
Office of County Auditor, ss.  
County of St. Louis

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WITNESS MY HAND AND SEAL OF OFFICE at Duluth, Minnesota, this 3<sup>rd</sup> day of February, A.D., 2015.

DONALD DICKLICH, COUNTY AUDITOR

By

Deputy Auditor/Clerk of the County Board



*Resolution*  
*of the*  
**Board of County Commissioners**  
*St. Louis County, Minnesota*  
*Adopted on: February 3, 2015 Resolution No. 15-69*  
*Offered by Commissioner: Nelson*

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**Workers' Compensation Report**

RESOLVED That the workers' compensation report of claims by employees for work-related injuries, dated January 23, 2015, on file in the office of the County Auditor, identified as County Board File No. 60026, is hereby received and ratified as payable from Fund 730, Agency 730001.

Commissioner Nelson moved the adoption of the Resolution and it was declared adopted upon the following vote:  
Yeas – Commissioners Boyle, Dahlberg, Rukavina, Nelson, Raukar and Chair Stauber – 6  
Nays – None  
Absent – Commissioner Jewell – 1

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**STATE OF MINNESOTA**  
Office of County Auditor, ss.  
County of St. Louis

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WITNESS MY HAND AND SEAL OF OFFICE at Duluth, Minnesota, this 3<sup>rd</sup> day of February, A.D., 2015.

DONALD DICKLICH, COUNTY AUDITOR

By

Deputy Auditor/Clerk of the County Board



*Resolution*  
*of the*  
**Board of County Commissioners**  
*St. Louis County, Minnesota*  
*Adopted on: February 3, 2015 Resolution No. 15-70*  
*Offered by Commissioner: Nelson*

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**Reallocation of an Information Specialist I to Information Specialist II –  
Sheriff's Office**

WHEREAS, A sustained increase in clerical workload necessitates reassignment of higher level clerical duties to a vacant Information Specialist I position in the Sheriff's Office; and

WHEREAS, The Human Resources Department has determined that reallocation of a vacant Information Specialist I to Information Specialist II will assist in this sustained increase in higher level workload; and

WHEREAS, County Fiscal Policies specify that any position change greater than three pay grades must go to the County Board for approval; and

WHEREAS, Funding for this reallocation is available in the Sheriff's Office budget;

THEREFORE, BE IT RESOLVED That the St. Louis County Board authorizes the reallocation of an Information Specialist I (Civil Service Basic Unit Pay Plan, pay grade 04) to an Information Specialist II (Civil Service Basic Unit Pay Plan, pay grade 10) in the Sheriff's Office. Funding for this reallocation is available in Fund 100, Agency 129003.

Commissioner Nelson moved the adoption of the Resolution and it was declared adopted upon the following vote:  
Yeas – Commissioners Boyle, Dahlberg, Rukavina, Nelson, Raukar and Chair Stauber – 6  
Nays – None  
Absent – Commissioner Jewell – 1

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STATE OF MINNESOTA  
Office of County Auditor, ss.  
County of St. Louis

I, DONALD DICKLICH, Auditor of the County of St. Louis, do hereby certify that I have compared the foregoing with the original resolution filed in my office on the 3<sup>rd</sup> day of February, A.D. 2015, and that this is a true and correct copy.

WITNESS MY HAND AND SEAL OF OFFICE at Duluth, Minnesota, this 3<sup>rd</sup> day of February, A.D., 2015.

DONALD DICKLICH, COUNTY AUDITOR

By

Deputy Auditor/Clerk of the County Board



*Resolution*  
*of the*  
**Board of County Commissioners**  
*St. Louis County, Minnesota*

*Adopted on: February 3, 2015 Resolution No. 15-71*

*Offered by Commissioner: Nelson*

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**RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. LOUIS COUNTY, MINNESOTA PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF \$2,360,000 GENERAL OBLIGATION CAPITAL IMPROVEMENT REFUNDING BONDS, SERIES 2015A; ESTABLISHING THE TERMS AND FORM THEREOF; CREATING A DEBT SERVICE FUND THEREFOR; AND AWARDING 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, Chapter 475 (the "Act") and Section 475.67, Subdivisions 1 through 3 and 13 of the Act, the County previously issued its General Obligation Capital Improvement Crossover Refunding Bonds, Series 2006A, dated March 1, 2006 (the "2006 Bonds"), as authorized by a Resolution adopted by the Board on February 28, 2006 (the "2006 Resolution"). The 2006 Bonds were issued to refund, on an advance refunding basis, the 2010 through 2016 maturities of the County's \$14,270,000 General Obligation Capital Improvement Bonds, Series 2001, dated May 1, 2001 (the "2001 Bonds"). The outstanding 2006 Bonds maturing in 2015 and thereafter are subject to prepayment and redemption at the option of the County on December 1, 2014, and on any date thereafter.

1.02 Under and pursuant to the provisions of the Act, specifically Section 475.67, Subd. 1 through 4 of the Act, the County is authorized to issue and sell its general obligation refunding bonds to refund the 2006 Bonds in advance of their scheduled maturities on a current refunding basis, if consistent with covenants made with the holders thereof, when determined by the Board to be necessary or desirable for the reduction of debt service costs to the County or for the extension or adjustment of maturities in relation to the resources available for their payment.

1.03 The Board hereby finds and determines that it is necessary and desirable, in order to extend and adjust maturities in relation to the resources available for their payment and to reduce debt service costs, that the County issue its \$2,360,000 General Obligation Capital Improvement Refunding Bonds, Series 2015A (the "Bonds"), to provide for the refunding of the 2015 and 2016 maturities of the 2006 Bonds, of which \$2,445,000 in principal amount is outstanding and subject to prepayment and redemption on April 15, 2015 (the "Refunded Bonds") (April 15, 2015 is herein referred to as the "Redemption Date").

1.04 The County has solicited proposals for the sale of the Bonds and has received and considered all proposals presented pursuant to the Terms of Proposal and has determined that the most favorable proposal is that of Jefferies LLC of New York, New York (the "Purchaser"), to purchase the Bonds at a cash price of \$2,512,445.21, and upon condition that the Bonds mature and bear interest at the times and annual rates set forth in Section 2. The County, after due consideration, finds such offer reasonable and proper and the offer of the Purchaser is hereby accepted. The Chair is authorized and directed to execute on the part of the County a contract for the sale of the Bonds in accordance with the Purchaser's proposal. All actions of the Chair, the County Auditor, the Administrator and Springsted Incorporated, independent financial advisor to the County, taken with regard to the sale of the Bonds are hereby ratified and approved.

Section 2. Terms, Execution, and Delivery of the Bonds.

2.01 The Bonds to be issued hereunder shall be dated the date of issuance of the Bonds, as the date of original issue, shall be issued in the denomination of \$5,000, or any integral multiple thereof, in fully registered form and lettered and numbered R-1 and upward. The Bonds shall mature on December 1 in the respective years and amounts stated and shall bear interest at the annual rates as follows:

Year	Amount	Interest Rate
2015	\$1,170,000	5.000%
2016	\$570,000	5.000%
2017	\$620,000	5.000%

2.02 The Bonds shall not be subject to redemption and prepayment before maturity.

2.03 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 December 1, 2015. 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 15th 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.

2.04 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.

2.05 A. The Board hereby appoints the County Auditor, as registrar, paying agent, authenticating 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.

2.06 Book-Entry System.

A. In order to make the Bonds eligible for the services provided by DTC, the County has previously agreed to the applicable provisions set forth in the Blanket Issuer Letter of Representations which has been executed by the County and DTC (the "Representation Letter").

B. Notwithstanding any provision herein to the contrary, so long as the Bonds shall be in Book-Entry Form, the provisions of this Section 2.06 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 deliver, 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 manner 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.

2.07 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.

2.08 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.

2.09 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 CAPITAL IMPROVEMENT REFUNDING BOND,  
SERIES 2015A

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

		<u>Date of</u> <u>Original</u>	
<u>Rate</u>	<u>Maturity</u>	<u>Issue</u>	<u>CUSIP</u>
_____%	December 1, 20__	March 4, 2015	

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 December 1, 2015. 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, authenticating 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 15th 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 \$2,360,000, all of like date and tenor, except as to number, amount, maturity date and interest rate, pursuant to the authority contained in Minnesota Statutes, Chapter 475, Section 475.67, Subd. 1 through 4, and all other laws thereunto enabling, and pursuant to an authorizing resolution adopted by the governing body of the County on February 3, 2015 (the "Resolution"). This Bond is issued for the purpose of providing funds to refund in advance of maturity the 2015 and 2016 maturities of the County's \$7,845,000 General Obligation Capital Improvement Crossover Refunding Bonds, Series 2006A, dated March 1, 2006 (the "Refunded Bonds"). The County has levied a direct, annual ad valorem tax upon all taxable property within the County which shall be extended upon the tax rolls for the years and in the amounts sufficient to produce sums not less than five percent in excess of the amounts of principal and interest on the Bonds, as such principal and interest respectively come due.

The Bonds of this series are not subject to optional redemption before maturity.

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

Certificate as to Legal Opinion

I certify that the above is a full, true and correct copy of the legal opinion rendered by Bond Counsel on the issuance of the Bonds, dated as of the date of delivery of and payment for the Bonds.

(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 County Auditor</u>
3/4/2015	Cede & Co. c/o The Depository Trust Company 570 Washington Blvd. Jersey City, New Jersey 07310 Federal Taxpayer I.D. No. 13-2555119	<i>(form-no signature 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 in 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.     Refunding; Findings; Redemption of Refunded Bonds.

4.01    A.     Refunded Bonds Debt Service Fund. Proceeds of the Bonds in the amount of \$2,479,128.13 are hereby irrevocably appropriated to the Debt Service Account within the 2006 General Obligation Capital Improvement Crossover Refunding Bonds Debt Service Fund (the "2006 Bonds Debt Service Account"), which funds and the monies previously appropriated and deposited in the 2006 Bonds Debt Service Account (\$0.00) shall be segregated and shall constitute a separate trust fund to be used for no purpose other than the prepayment and redemption of the Refunded Bonds maturing on and after December 1, 2015, on the Redemption Date. Such proceeds, together with the other monies on deposit in the 2006 Bonds Debt Service Account, may be invested only in direct obligations of the United States of America maturing in time to pay the principal of and interest on the entire outstanding Refunded Bonds on the Redemption Date.

B.       It is hereby found and determined that the proceeds of the Bonds in the amount of \$2,479,128.13, together with funds on deposit in the 2006 Bonds Debt Service Account in the amount of \$0.00, will be sufficient (i) to pay the interest (\$34,128.13) due on the Refunded Bonds on the Redemption Date; and (ii) to prepay and redeem the outstanding principal (\$2,445,000) of the Refunded Bonds maturing on and after December 1, 2015 on the Redemption Date.

C.       The County Auditor or the designee thereof is hereby authorized and directed to send the Notice of Call for Redemption attached hereto as Exhibit A no later than March 16, 2015, to the holders of the Refunded Bonds to be redeemed, in accordance with its terms and in accordance with the Representation Letter.

D.       The County Auditor or the designee thereof is hereby authorized and directed to cause to be provided a material event notice regarding the Refunded Bonds in accordance with the Continuing Disclosure Certificate of the County dated as of March 1, 2006, and delivered in connection with the 2006 Bonds.

E.       There is hereby appropriated any balance of the monies in the 2006 Bonds Debt Service Account to the Debt Service Fund after payment of the Refunded Bonds.

Section 5.     Covenants; Accounts and Tax Levies.

5.01    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 2015A General Obligation Capital Improvement Refunding 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) any balance remaining after the Redemption Date in the 2006 Bonds Debt Service Account; (ii) all investment earnings on funds in the Debt Service Fund; (iii) accrued interest, if any; (iv) any taxes levied to pay the principal and interest on the Bonds; (v) any taxes levied and collected for the 2006 Bonds after the Redemption Date; and (vi) 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.

5.02 A. For the prompt and full payment of the principal and interest on the Bonds, the full faith and credit and taxing power of the County are hereby irrevocably pledged. To assure sufficient monies for the payment of principal and interest on the Bonds, there is hereby levied a direct, annual, ad valorem tax upon all taxable property in the County which shall be extended upon the tax rolls and collected with and as part of the other general property taxes in the County for the years and in the amounts as follows:

Levy Year	Collection Year	Tax Levy
2014	2015	*\$1,320,393
2015	2016	\$660,975
2016	2017	\$683,550

\* The levy Collection Year 2015 is the levy for the 2006 Bonds and \$127.08 from the rounding amount and shall be deposited into the Debt Service Fund.

B. The tax levies are such that if collected in full they, together with the accrued interest, if any, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Bonds. Such tax receipts shall be deposited in the Debt Service Fund. If the tax receipts from such levies are ever insufficient to pay all principal and interest on the Bonds when due, the County Auditor shall, nevertheless, provide sufficient monies from other funds of the County which are available and such other funds shall be reimbursed from such tax collections when received.

C. Such tax levies shall be irrevocable as long as any of the Bonds issued hereunder are outstanding and unpaid; provided, however, that prior to November 30 of each year, while any Bonds issued hereunder remain outstanding, the Board may reduce or cancel the above levies to the extent of the amount on deposit in and which has been appropriated to the Debt Service Fund to pay the principal of and interest on the Bonds, and may direct the County Auditor to reduce the levy for such year by that amount.

5.03 Monies on deposit 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.

5.04 Proceeds of the Bonds in the amount of \$33,190.00 shall be used by the County to pay costs of issuance of the Bonds.

Section 6. Tax Covenants.

6.01 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.

6.02 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 if 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.

6.03 The County covenants and certifies to and for the benefit of the owners of the Bonds that no use will be made of the proceeds of the Bonds which will cause the Bonds to be arbitrage bonds within the meaning of Section 148(a) of the Code and the Treasury Regulations promulgated thereunder.

6.04 A. In addition to the Bonds, the County is selling, pursuant to a single offering document and on the same date, its General Obligation Capital Improvement Refunding Bonds, Series 2015B (the "Series 2015B Bonds"). The Bonds will be paid out of substantially the same source as the Series 2015B Bonds; consequently, the Bonds and the Series 2015B Bonds are a single issue under Treasury Regulations Section 1.150-1(c).

B. The bonds issued consisting of the Bonds and the Series 2015B Bonds are a "multi-purpose issue" within the meaning of Treasury Regulation, Section 1.148-9(h) as the Bonds and the Series 2015B Bonds are issued for refunding separate bond issues. For purposes of the arbitrage regulations, where permitted, the Bonds and the Series 2015B Bonds are treated as separate issues.

C. The County expects all proceeds of the Bonds will be spent within six months of the date of closing and delivery of the Bonds and no rebate of arbitrage profits will be required. In the event proceeds of the Bonds are not so spent, the County will compute and cause the payment to the United States of all amounts required under the rebate requirement of Section 148(f) of the Code and the Regulations issued thereunder.

Section 7. Miscellaneous.

7.01 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.

7.02 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.

7.03 The Chair and the County Auditor 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.

7.04 In the event of the absence or disability of the Chair or the County Auditor, 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 8. 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 9. 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: February 3, 2015.

Commissioner Nelson moved the adoption of the Resolution and it was declared adopted upon the following vote:  
Yeas – Commissioners Boyle, Dahlberg, Rukavina, Nelson, Raukar and Chair Stauber – 6  
Nays – None  
Absent – Commissioner Jewell – 1

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**STATE OF MINNESOTA**  
Office of County Auditor, ss.  
County of St. Louis

I, **DONALD DICKLICH**, Auditor of the County of St. Louis, do hereby certify that I have compared the foregoing with the original resolution filed in my office on the 3<sup>rd</sup> day of February, A.D. 2015, and that this is a true and correct copy.

WITNESS MY HAND AND SEAL OF OFFICE at Duluth, Minnesota, this 3<sup>rd</sup> day of February, A.D., 2015.

**DONALD DICKLICH, COUNTY AUDITOR**

By

Deputy Auditor/Clerk of the County Board

**EXHIBIT A**

**NOTICE OF CALL FOR REDEMPTION**

**\$7,845,000 General Obligation Capital Improvement Crossover Refunding Bonds,  
Series 2006A  
of St. Louis County, Minnesota**

NOTICE IS HEREBY GIVEN that, by order of the Board of Commissioners of St. Louis County, Minnesota (the "Board"), there have been called for redemption and prepayment on

April 15, 2015

all outstanding bonds of the County designated as the \$7,845,000 General Obligation Capital Improvement Crossover Refunding Bonds, Series 2006A, dated March 1, 2006, which mature on the following dates:

<b>Number</b>	<b>Maturity Date (December 1)</b>	<b>Principal Amount*</b>	<b>Interest Rate</b>	<b>CUSIP Number**</b>
R-6	2015	\$1,200,000	3.75%	791230 NF8
R-7	2016	\$1,245,000	3.75%	791230 NG6

The Bonds are being called at a price of par plus accrued interest to April 15, 2015, on which date they will cease to bear interest. Holders of the Bonds hereby called for redemption should present their Bonds for payment at the office of the County Auditor, St. Louis County, Minnesota, 100 North 5th Avenue West, Duluth, Minnesota 55802.

**BY ORDER OF THE BOARD OF COMMISSIONERS  
OF ST. LOUIS COUNTY, MINNESOTA**

It is recommended that you mail your Bond registered or certified mail to guard against loss.

Important Notice: In compliance with the Economic Growth and Tax Relief Reconciliation Act of 2001, federal backup withholding tax will be withheld at the applicable backup withholding rate in effect at the time the payment by the redeeming institutions if they are not provided with your social security number or federal employer identification number, properly certified. This requirement is fulfilled by submitting a W-9 Form, which may be obtained at a bank or other financial institution.

\* Indicates full call of stated maturity.

\*\* Neither the Issuer nor the Bond Registrar shall be responsible for the selection of or use of the CUSIP number, and no representation is made as to its correctness indicated in the Notice of Call for Redemption. CUSIP numbers are included solely for the convenience of the Holders.



*Resolution*  
*of the*  
**Board of County Commissioners**  
*St. Louis County, Minnesota*  
*Adopted on: February 3, 2015 Resolution No. 15-72*  
*Offered by Commissioner: Nelson*

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**RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. LOUIS COUNTY, MINNESOTA PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF \$5,355,000 GENERAL OBLIGATION CAPITAL IMPROVEMENT REFUNDING BONDS, SERIES 2015B; ESTABLISHING THE TERMS AND FORM THEREOF; CREATING A DEBT SERVICE FUND THEREFOR; AND AWARDING 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 373.40 and Minnesota Statutes, Chapter 475 (the "Act"), the County previously issued its \$11,380,000 General Obligation Capital Improvement Bonds, Series 2008B, dated October 21, 2008 (the "2008 Bonds"), to finance certain capital improvements pursuant to the County's Capital Improvement Plan, and as authorized by a Resolution adopted by the Board on October 7, 2008 (the "2008 Resolution").

1.02 Under and pursuant to the Act and Section 475.67, Subdivisions 1 through 3 and 13 of the Act, the County is authorized to issue and sell its general obligation refunding bonds to refund obligations and the interest thereon before the due date of the obligations, if consistent with covenants made with the holders thereof, when determined by the County to be necessary or desirable for the reduction of debt service cost to the County or for the extension or adjustment of maturities in relation to the resources available for their payment.

1.03 The Board hereby finds and determines it is necessary and desirable, in order to reduce debt service costs, that the County issue, sell and deliver its general obligation refunding bonds, as hereinafter provided, for the refunding, on an advance refunding basis, of the 2018 through 2023 maturities of the 2008 Bonds (the "Refunded Bonds"), and for payment of the costs of issuance of the Bonds, as hereinafter described.

1.04 The Board hereby finds and determines that it is necessary and desirable, in order to reduce debt service costs, that the County authorize the issuance of general obligation bonds in an amount of \$5,758,552.80, consisting of the County's issuance of its \$5,355,000 General Obligation Capital Improvement Refunding Bonds, Series 2015B (the "Bonds"), with original issue premium in the amount of \$403,552.80 for a total of \$5,758,552.80, to provide for the refunding of the 2018 through 2023 maturities of the 2008 Bonds, of which \$5,420,000 in principal amount is outstanding and subject to prepayment and redemption on December 1, 2017 (the "Refunded Bonds") (December 1, 2017 is herein referred to as the "Redemption Date").

1.05 The County has solicited proposals for the sale of the Bonds and has received and considered all proposals presented pursuant to the Terms of Proposal and has determined that the most favorable proposal is that of Robert W. Baird & Co., Inc. of Milwaukee, Wisconsin (the "Purchaser"), to purchase the Bonds at a cash price of \$5,735,160.28, and upon condition that the Bonds mature and bear interest at the times and annual rates set forth in Section 2. The County, after due consideration, finds such offer reasonable and proper and the offer of the Purchaser is hereby accepted. The Chair is authorized and directed to execute on the part of the County a contract for the sale of the Bonds in accordance with the Purchaser's proposal. All actions of the Chair, the County Auditor, the Administrator and Springsted Incorporated, independent financial advisor to the County, taken with regard to the sale of the Bonds are hereby ratified and approved.

Section 2. Terms, Execution, and Delivery of the Bonds.

2.01 The Bonds to be issued hereunder shall be dated the date of issuance of the Bonds, as the date of original issue, shall be issued in the denomination of \$5,000, or any integral multiple thereof, in fully registered form and lettered and numbered R-1 and upward. The Bonds shall mature on December 1 in the respective years and amounts stated and shall bear interest at the annual rates as follows:

Year	Amount	Interest Rate
2018	\$845,000	2.000%
2019	\$860,000	2.000%
2020	\$880,000	2.000%
2021	\$895,000	3.000%
2022	\$925,000	3.000%
2023	\$950,000	3.000%

2.02 The Bonds shall not be subject to redemption and prepayment before maturity.

2.03 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 December 1, 2015. 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 15th 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.

2.04 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.

2.05 A. The Board hereby appoints the County Auditor, as registrar, paying agent, authenticating 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.

2.06 Book-Entry System.

A. In order to make the Bonds eligible for the services provided by DTC, the County has previously agreed to the applicable provisions set forth in the Blanket Issuer Letter of Representations which has been executed by the County and DTC (the "Representation Letter").

B. Notwithstanding any provision herein to the contrary, so long as the Bonds shall be in Book-Entry Form, the provisions of this Section 2.06 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 deliver, 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 manner 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.

2.07 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.

2.08 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.

2.09 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 CAPITAL IMPROVEMENT REFUNDING BOND,  
SERIES 2015B

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

<u>Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
_____%	December 1, 20__	March 4, 2015	

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 December 1, 2015. 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, authenticating 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 15th 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 \$5,355,000, all of like date and tenor, except as to number, amount, maturity date and interest rate, pursuant to the authority contained in Minnesota Statutes, Chapter 475, Section 475.67, Subd. 1 through 3 and 13, and all other laws thereunto enabling, and pursuant to an authorizing resolution adopted by the governing body of the County on February 3, 2015 (the "Resolution"). This Bond is issued for the purpose of providing funds to refund in advance of maturity the 2018 through 2023 maturities of the County's \$11,380,000 General Obligation Capital Improvement Bonds, Series 2008B, dated October 21, 2008 (the "Refunded Bonds"). The debt service on the Bonds is payable through December 1, 2017 (the "Redemption Date"), solely out of the Escrow Account in the County's 2015B General Obligation Capital Improvement Refunding Bonds Debt Service Fund, and after the Redemption Date from ad valorem taxes levied upon all taxable property within the County. Reference is hereby made to the Resolution for a full statement of rights and powers thereby conferred.

The Bonds of this series are not subject to optional redemption before maturity.

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

Certificate as to Legal Opinion

I certify that the above is a full, true and correct copy of the legal opinion rendered by Bond Counsel on the issuance of the Bonds, dated as of the date of delivery of and payment for the Bonds.

(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 County Auditor</u>
3/4/2015	Cede & Co. c/o The Depository Trust Company 570 Washington Blvd. Jersey City, New Jersey 07310 Federal Taxpayer I.D. No. 13-2555119	<u>(form-no signature required)</u>

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 in 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. Escrow Agreement; Escrow Agent.

4.01 U.S. Bank National Association of St. Paul, Minnesota, which is a suitable financial institution within the State of Minnesota whose deposits are insured by the Federal Deposit Insurance Corporation whose combined capital and surplus is not less than \$500,000, is hereby designated escrow agent (the "Escrow Agent") with respect to the Bonds and the Refunded Bonds.

4.02 On or prior to the delivery of the Bonds, the Chair, the Clerk of the County Board and the County Auditor are hereby authorized and directed to execute on behalf of the County an escrow agreement (the "Escrow Agreement") with the Escrow Agent in substantially the form now on file with the County Auditor. The execution and delivery of the Escrow Agreement by the Chair, the Clerk of the County Board and the County Auditor, in the form presented to the Board with such changes, omissions, insertions and revisions as the Chair and the County Auditor deem advisable is hereby approved, and the execution by such officers shall be conclusive evidence of such approval. All essential terms and conditions of the Escrow Agreement, including payment by the County of reasonable charges for the services of the Escrow Agent, are hereby approved and adopted and made a part of this Resolution, and the County covenants that it will promptly enforce all provisions thereof in the event of default thereunder by the Escrow Agent.

Section 5. Covenants; Accounts; Tax Levies and Costs of Issuance.

5.01 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 2015B General Obligation Capital Improvement Refunding 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. There shall be maintained in the Debt Service Fund two separate accounts, to be designated the Escrow Account and the Debt Service Account.

B. Debt Service Account. To the Debt Service Account there is hereby pledged and irrevocably appropriated and there shall be credited: (i) any balance remitted to the County upon termination of the Escrow Agreement; (ii) any balance remaining on the Redemption Date in the General Obligation Capital Improvement Bonds, Series 2008 Debt Service Fund created in the 2008 Resolution after the Redemption Date; (iii) all investment earnings on funds in the Debt Service Account; (iv) accrued interest, if any, received from the Purchaser upon delivery of the Bonds to the extent not required to fund the Escrow Account (the "Accrued Interest"); (v) any amount of additional interest permitted by Section 475.56 of the Act paid by the Purchaser (the "Additional Interest"), to the extent not required to fund the Escrow Account; (vi) all taxes pledged to repayment of the 2008 Bonds collected after the Redemption Date which levies shall not be cancelled except as permitted by Section 475.61, Subdivision 3 of the Act; (vii) any taxes levied to pay the principal and interest on the Bonds; (viii) \$2,315.12, the rounding amount of the Bonds; (ix) any and all other monies which are properly available and are appropriated by the County to the Debt Service Account; and (x) all investment earnings on funds in the Debt Service Account.

The money in the Debt Service Account 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 Account 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 Account when the balance therein is sufficient.

C. Escrow Account.

(i) To the Escrow Account there is hereby pledged and irrevocably appropriated and there shall be credited: (a) the proceeds of the Bonds received from the Purchaser in the amount of \$5,675,860.16; (b) Accrued Interest in the amount of \$0.00; (c) Additional Interest in the amount of \$0.00 [amounts referenced in clauses (a), (b) and (c) are herein referred to as the "Proceeds"]; (d) funds of the County in an amount sufficient to meet the requirements of the Escrow Account (the "Funds"); and (e) investment earnings on such monies referenced in clauses (a), (b), (c) and (d), for the payment and redemption on the Redemption Date of the Refunded Bonds and for payment of the interest to become due on the Bonds through the Redemption Date.

(ii) The Escrow Account shall be maintained with the Escrow Agent pursuant to the Escrow Agreement and this Resolution. The Escrow Account shall be invested in accordance with the Act, the Escrow Agreement and this Section, in securities specified in Section 475.67, Subdivision 8 of the Act or in an investment contract or similar agreement with a bank or insurance company meeting the requirements of Minnesota Statutes, Section 118A.05, Subdivision 5, which investments will provide sufficient funds together with any cash or other funds retained in the Escrow Account to pay when due the interest to accrue on each Bond to and including the Redemption Date, and to pay on the Redemption Date, the principal amount of each of the Refunded Bonds then outstanding.

(iii) From the Escrow Account there shall be paid: (a) all interest paid or to be paid on the Bonds to and including the Redemption Date; and (b) the principal of the Refunded Bonds due by reason of redemption on the Redemption Date.

iv) The Escrow Account is irrevocably appropriated to the payment of the interest on the Bonds until the monies therein are applied to prepayment of the Refunded Bonds. The monies in the Escrow Account shall be used solely for the purposes herein set forth and for no other purpose, except that any surplus in the Escrow Account may be remitted to the County all in accordance with the Escrow Agreement. Any monies remitted to the County upon termination of the Escrow Agreement shall be deposited in the Debt Service Account.

(v) Securities purchased for the Escrow Account shall be purchased simultaneously with the delivery of and payment for the Bonds. The Chair and County Auditor or their designee are authorized and directed to purchase such securities.

5.02 A. For the prompt and full payment of the principal and interest on the Bonds coming due after the Redemption Date, the full faith and credit and taxing power of the County are hereby irrevocably pledged. There is hereby levied a direct annual ad valorem tax upon all taxable property in the County which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the County. Said levies are for the years and in the amounts as follows:

Levy Year	Collection Year	Tax Levy
2017	2018	\$1,028,790
2018	2019	\$1,026,795
2019	2020	\$1,029,735
2020	2021	\$1,027,005
2021	2022	\$1,030,313
2022	2023	\$1,027,425

B. The tax levies are such that if collected in full, they will produce at least 5% in excess of the amount needed to meet when due the principal and interest payments on the Bonds after the Redemption Date.

C. The tax levies shall be irrevocable so long as any of the Bonds are outstanding and unpaid; provided, however, that on November 30 of each year, while any Bonds issued hereunder remain outstanding, the Board shall reduce or cancel the above levies to the extent of funds available in the Debt Service Account to pay principal and interest due during the ensuing year.

5.03 Proceeds of the Bonds in the amount of \$56,985.00 shall be used by the County to pay costs of issuance of the Bonds.

Section 6. Refunding of 2008 Refunded Bonds; Findings; Redemption of Refunded Bonds.

6.01 A. It is hereby found and determined, based upon information presently available from the County's financial advisers, that as of the Redemption Date, the issuance of the Bonds will result in a reduction of debt service cost to the County on the Refunded Bonds. In accordance with Section 475.67 of the Act, as of the Redemption Date, the present value of the dollar amount of the debt service on the Bonds, computed to their stated maturity dates, after deducting any premium, is lower by at least three percent than the present value of the dollar amount of debt service on the Refunded Bonds, exclusive of any premium, computed to their stated maturity dates. (Present value of the dollar amount of debt service means the dollar amount of debt service to be paid, discounted to the nominal date of the Bonds at a rate equal to the yield on the Bonds.)

B. It is hereby found and determined that the Proceeds and Funds available and appropriated to the Escrow Account will be sufficient, together with the permitted earnings on the investment of the Escrow Account, to pay all of the principal of the Refunded Bonds on the Redemption Date, and all interest coming due on the Bonds through the Redemption Date.

C. The proceeds of the 2008 Bonds have been fully expended for the governmental purposes for which such bonds were issued.

6.02 A. The County Auditor or his designee is hereby authorized and directed to provide, or cause to be provided, a material event notice regarding the Refunded Bonds in accordance with the Continuing Disclosure Certificate of the County dated October 21, 2008, and delivered in connection with the 2008 Bonds.

B. The Refunded Bonds shall be redeemed and prepaid in accordance with: (i) their terms; (ii) with the terms and conditions set forth in the form of Notice of Call for Redemption attached to the Escrow Agreement; and (iii) with the terms and conditions of the Representation Letter, all of which terms and conditions are hereby approved and incorporated herein by reference. The County Auditor shall send such Notice of Call for Redemption to DTC within 30 days of issuance of the Bonds.

Section 7. Defeasance.

7.01 When all Bonds and all interest thereon have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this Resolution to the holders of the Bonds shall cease, except that the pledge of the full faith and credit of the County for the prompt and full payment of the principal of and interest on the Bonds shall remain in full force and effect. The County may discharge all Bonds which are due on any date by depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full. If any Bond should not be paid when due, it may nevertheless be discharged by depositing with an escrow agent a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The County may also at any time discharge and cause defeasance of the Bonds in their entirety by complying with the provisions of Section 475.67 of the Act, except that the funds deposited in escrow in accordance with said provisions may (to the extent permitted by law) but need not be, in whole or in part, proceeds of bonds as therein provided, without the consent of any bondholders.

Section 8. Certificate of Proceedings.

8.01 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 the Auditor's register.

8.02 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 authorization and issuance of the Bonds and other affidavits and certificates as may reasonably be requested to show the facts relating to the legality and marketability of the Bonds as such facts appear from the official books and records of the officers' custody or otherwise known to them. All of such certified copies, certificates and affidavits, including any heretofore furnished, constitute representations of the County as to the correctness of facts recited therein and the actions stated therein to have been taken.

8.03 The Chair and County Auditor 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.

8.04 In the event of the absence or disability of the Chair or the County Auditor, such officers or members of the Board as in the opinion of the County's attorney may act in their behalf shall, without further act or authorization, execute and deliver the Certificates, and do all things and execute all instruments and documents required to be done or executed by such absent or disabled officers.

Section 9. Tax Covenants.

9.01 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.

9.02 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 if 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.

9.03 The County covenants and certifies to and for the benefit of the owners of the Bonds that no use will be made of the proceeds of the Bonds which will cause the Bonds to be arbitrage bonds within the meaning of Section 148(a) of the Code and the Treasury Regulations promulgated thereunder.

9.04 A. In addition to the Bonds, the County is selling, pursuant to a single offering document and on the same date, its General Obligation Capital Improvement Refunding Bonds, Series 2015A (the "Series 2015A Bonds"). The Bonds will be paid out of substantially the same source as the Series 2015A Bonds; consequently, the Bonds and the Series 2015A Bonds are a single issue under Treasury Regulations Section 1.150-1(c).

B. The bonds issued consisting of the Bonds and the Series 2015A Bonds are a "multi-purpose issue" within the meaning of Treasury Regulation, Section 1.148-9(h) as the Bonds and the Series 2015A Bonds are issued for refunding separate bond issues. For purposes of the arbitrage regulations, where permitted, the Bonds and the Series 2015A Bonds are treated as separate issues.

9.05 A. The Board covenants and certifies to and for the benefit of the owners of the Bonds that no use will be made of the proceeds of the Bonds, which will cause the Bonds to be arbitrage bonds within the meaning of Section 148(a) of the Code and the Treasury Regulations promulgated thereunder. Pursuant to such covenant, the Board hereby agrees to comply throughout the term of the issue of the Bonds with the requirements of Section 148 of the Code and any Treasury Regulations promulgated thereunder; to this end, the Board shall:

(1) maintain records identifying all “gross proceeds” (as defined in Section 148(f)(6)(B) of the Code) 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 as of the end of each Bond Year, the annual determinations of the amount, if any, of excess arbitrage required to be paid to the United States by the County (hereinafter, the “Rebate Amount”);

(3) pay, or cause to be paid, to the United States at least once every five Bond Years the amount, if any, which is required to be paid to the United States, including the last installment which shall be made no later than 60 days after the day on which the Bonds are paid in full;

(4) not invest, or permit to be invested, “gross proceeds” in any acquired non-purpose obligations so as to deflect arbitrage otherwise payable to the United States as a “prohibited payment” to a third party;

(5) retain all records of the annual determinations of the foregoing amounts until six years after the Bonds have been fully paid; and

(6) in order to comply with the foregoing paragraph, the Board shall determine the Rebate Amount within 30 days after the close of each Bond Year and upon payment in full of the Bonds; upon each such determination, the Board shall deposit in the Rebate Fund the Rebate Amount so determined; the Board shall separately account for the earnings from the investment of the Rebate Amount and such earnings shall become part of the Rebate Amount.

B. For purposes of this Section, “Bond Year” shall mean the 12-month period beginning on the date of issuance of the Bonds or such other 12-month period designated by the Board which is permitted by the Code or any Treasury Regulation promulgated thereunder.

Section 10. 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 11. 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: February 3, 2015.

Commissioner Nelson moved the adoption of the Resolution and it was declared adopted upon the following vote:  
Yeas – Commissioners Boyle, Dahlberg, Rukavina, Nelson, Raukar and Chair Stauber – 6  
Nays – None  
Absent – Commissioner Jewell – 1

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**STATE OF MINNESOTA**  
Office of County Auditor, ss.  
County of St. Louis

I, **DONALD DICKLICH**, Auditor of the County of St. Louis, do hereby certify that I have compared the foregoing with the original resolution filed in my office on the 3<sup>rd</sup> day of February, A.D. 2015, and that this is a true and correct copy.

WITNESS MY HAND AND SEAL OF OFFICE at Duluth, Minnesota, this 3<sup>rd</sup> day of February, A.D., 2015.

**DONALD DICKLICH, COUNTY AUDITOR**

By

Deputy Auditor/Clerk of the County Board