

**THE SPECIAL MEETING OF THE PRINCETON EDA BOARD HELD ON JUNE 13, 2013, AT 4:00 P.M.,
AT CITY HALL COUNCIL CHAMBERS**

Mary Chapman called the meeting to order at 4:00 P.M. Members present were Victoria Hallin, Grady Clark, Charles Snustead, and Cindy Riddle. Staff present was Steve Jackson (Finance Director), George Eilertson (City Financial Consultant), Carie Fuhrman (Community Development Director), and Mary Lou DeWitt (Community Development Assistant). Absent were Genny Reynolds and Thom Walker. (Walker arrived at 4:05 P.M.)

RESOLUTION TO AWARD BONDS FOR THE PUBLIC SAFETY BUILDING

Resolution to award bonds for the Public Safety Building

This Resolution authorizing the issuance of \$2,240,000 Public Project Lease Revenue Bonds, Series 2013C (City of Princeton, Minnesota, lease with option to purchase project) and the execution and delivery of a ground lease agreement, a lease agreement and an indenture of trust in connection therewith.

George Eilertson, City Financial Consultant introduced himself to the EDA Board. Eilertson said that he has met with the EDA Board at a few of their meetings to introduce the bond procedures for the Public Safety Building. Today he is here for the bond sale results.

Walker arrived at 4:05 P.M. and resumed his role as Chair of the meeting.

Riddle asked Eilertson to give a breakdown of the funds.

Eilertson handed out a packet he put together with the bond sale results. The sources and the uses were reviewed: Dated 07/01/2013 Delivered 07/09/2013

Sources of Funds:

Par Amount of Bonds - \$2,240,000.00
Reoffering Premium - \$20,864.45
Accrued Interest from 07/01/2013 to 07/09/2013 - \$1,650.61
Planned Issuer Equity Contribution - \$168,022.50
Total Sources - \$2,430,537.56

Uses of Funds:

Total Underwriter's Discount (0.975%) - \$21,840.00
Costs of Issuance - \$59,000.00
Deposit of Debt Service Fund - \$1,650.61
Deposit to Debt Service Reserve Fund (DSRF) - \$168,022.50
Deposit to Project Construction Fund - \$2,178,965.00
Rounding Amount - \$1,059.45
Total Uses - \$2,430,537.56

Riddle asked if this is enough money for this project. There were three options for the City to get the bond funds for this project.

Jackson said that this amount will have to fit for the affordability. We have not gotten the final

numbers yet and the departments can make the changes to make do with the budget. The departments understand the limited amount.

Walker said the Fire Department has some funds set aside.

Jackson said they will have to make do with the funds that are available.

Hallin asked what the deposit to debt service fund of \$168,022.50 is for.

Eilertson said it is a security enhancement that is available if need be to pay one year of the debt. The bond goes to a full 20 years and it will pay the last year. It is City funds and could be put back into the City account.

Chapman asked who will be using the existing Fire Department building.

Jackson said that the assumption is the Public Works Department will have it.

Chapman asked what will happen with the Police Department building.

Jackson said maybe put it up for sale or rent it.

Chapman said revenue could come from that, where would the funds be put.

Riddle said she would like to see any funds made from the sale of either of those buildings put to the EDA land cost.

Chapman asked who makes the decision on the old Fire Department building.

Jackson said the City Council. The EDA could voice their recommendation on it.

Snustead said there was no talk on a tornado prevention shelter.

Jackson said there has not been any talk of a tornado shelter. This Public Safety building will serve as a command center for emergency operations.

Snustead said he hopes the precast walls have been designed and tested for strong winds.

HALLIN MOVED, SECOND BY RIDDLE, TO APPROVE THE RESOLUTION AUTHORIZING THE ISSUANCE OF \$2,240,000 PUBLIC PROJECT LEASE REVENUE BONDS, SERIES 2013C (CITY OF PRINCETON, MINNESOTA, LEASE WITH OPTION TO PURCHASE PROJECT) AND THE EXECUTION AND DELIVERY OF A GROUND LEASE AGREEMENT, A LEASE AGREEMENT AND AN INDENTURE OF TRUST IN CONNECTION THEREWITH. UPON THE VOTE, THERE WERE 6 AYES, 0 NAYS. MOTION CARRIED.

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HALLIN MOVED, SECOND BY RIDDLE, MOVED TO ADJOURN THE MEETING. UPON THE VOTE, THERE WERE 6 AYES, 0 NAYS. MOTION CARRIED TO ADJOURN THE MEETING. THE MEETING ADJOURNED AT 4:20 P.M.

ATTEST:

Thom Walker, President

Mary Lou DeWitt, Comm. Dev. Assistant