



AGENDA
CLEARWATER CITY COUNCIL SPECIAL MEETING
MONDAY, JULY 27, 2020

- 1. Call to Order: 7:00 p.m. via Zoom Web Conference**
- 2. Res 2020-46 – Approval of Preliminary Plat – Clearwater Estates Plat 8**
- 3. Res 2020-47 – Approving Sale of Bonds for Fire Truck Purchase**
- 4. Res 2020-48 – Approving Hire of Accountant**
- 5. Adjournment**

- 1. Call to Order: Closed Session – See Separate Zoom Invite**
- 2. City Administrator 6-Month Review**
- 3. Adjournment**

**CITY OF CLEARWATER
WRIGHT AND STEARNS COUNTIES, MINNESOTA**

A special meeting of the City Council of the City of Clearwater, Minnesota, was called to order by Mayor Lawrence at 7:00 p.m. via Zoom web conference on Monday, July 27th, 2020.

The following Council Members were present:

The following Council Members were absent:

A motion to adopt the following resolution was made by _____ and seconded by _____.

.....

**RESOLUTION 2020-46
RESOLUTION RECOMMENDING APPROVAL OF A PRELIMINARY PLAT TO
CREATE 22 NEW LOTS FROM THREE EXISTING LOTS (PID# 104019000040,
104019000052 and 104022000011)**

WHEREAS, Gohman Development, Inc. (“the applicant”) has requested approval of a preliminary plat to create 22 new lots from three existing lots on property legally described as follows:

See Exhibit A

WHEREAS, the Planning Commission conducted a public hearing on the preliminary plat request on July 14, 2020 and accepted input on the preliminary plat request; and

WHEREAS, the Clearwater Planning Commission adopted Resolution PZ20-07 outlining their findings and recommending approval of the Preliminary Plat, subject to the following conditions:

1. The applicant shall work with City staff to address comments from the City Engineer’s memo dated July 7, 2020.
2. The applicant shall work with the Clearwater Fire Department and Building Official to ensure that the project meets State Fire and Building Codes.
3. All home elevations shall be consistent in size and appearance to the existing Clearwater Estates homes and shall be reviewed and approved by the Architectural review committee for Clearwater Estates.
4. The plat should be revised to eliminate the matching Block 1 labels to differentiate between the blocks.
5. The plan should be revised to include drainage and utility easement over all lots. The city requires 10-foot easements on the front and rear lot lines and 5-foot easements on the side lot lines. The shared lot lines for the twin homes do not need to provide easements.
6. A final plat shall be submitted within one year of approval for the preliminary plat or the preliminary plat will expire.

7. No signage has been approved. The applicant must submit a sign permit to city staff for any signage.

Prior to Grading Permit:

1. The applicant shall submit a wetland delineation to the city for review. Any wetland fill will require additional review and permits.
2. The applicant should provide more information on the FEMA floodplain areas. If any floodplain impacts are proposed, additional permits will be needed to review the fill and mitigation.
3. The applicant shall submit the appropriate park dedication fees;

and

WHEREAS, staff recommends the city council approve the preliminary plat with the conditions required by the planning commission.

NOW, THEREFORE, BE IT RESOLVED, that the Clearwater City Council hereby adopts the findings and recommendations as shown in the Planning Commission Resolution PX20-07 and incorporates them by reference.

BE IT FURTHER RESOLVED that the Clearwater City Council hereby approves the Preliminary Plat subject to compliance with the conditions outlined in Resolution PX20-07 but with the adjustments recommended by the city staff as outlined above.

Council members voting in favor:

Opposed or Abstained:

Adopted by the City Council this 27th day of July, 2020.

ATTEST:

APPROVED BY:

Annita M. Smythe, City Administrator

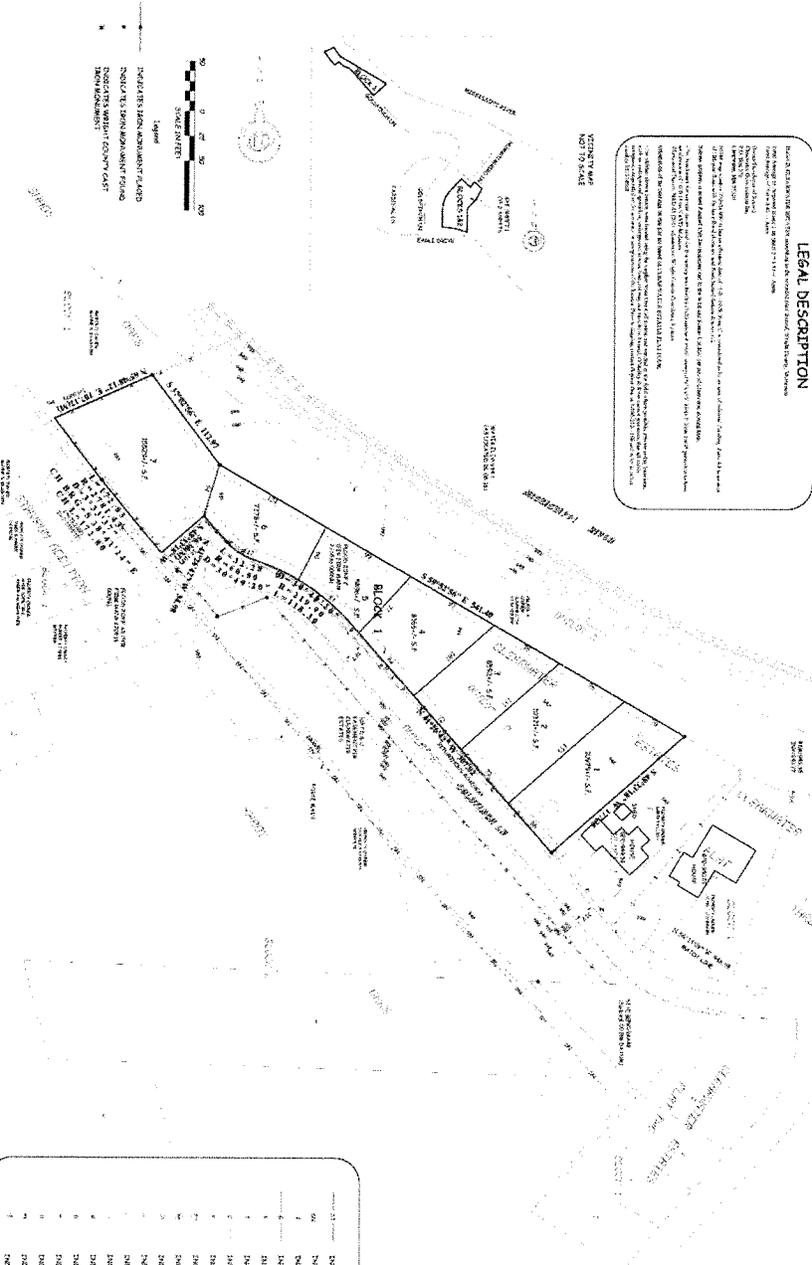
Andrea Lawrence, Mayor

EXHIBIT A
PLAT
(See attached)

PRELIMINARY PLAT OF: CLEARWATER ESTATES PLAT EIGHT

LEGAL DESCRIPTION

Block 1, Clearwater Estates Plat Eight, City of Clearwater, Pinellas County, Florida, is a subdivision of land in the County of Pinellas, State of Florida, and is bounded by the following: North by the Clearwater River, East by the Clearwater River, South by the Clearwater River, and West by the Clearwater River. The total area of the Block is approximately 100,000 square feet. The Block is divided into 10 lots, each of which is approximately 10,000 square feet in area. The Block is located in the City of Clearwater, Pinellas County, Florida. The Block is bounded by the Clearwater River to the north, east, and south, and by the Clearwater River to the west. The Block is divided into 10 lots, each of which is approximately 10,000 square feet in area. The Block is located in the City of Clearwater, Pinellas County, Florida.



NOTE: THIS SURVEY IS INTENDED ONLY FOR THE PURPOSE OF THE PRELIMINARY PLAT. IT IS NOT TO BE USED FOR ANY OTHER PURPOSE. THE SURVEYOR'S OFFICE IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS. THE SURVEYOR'S OFFICE IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS.

100 CLEARWATER BLVD, SUITE 200
CLEARWATER, FL 34617
TEL: 727-299-5000
FAX: 727-299-5000

PRELIMINARY PLAT PREPARED BY
O'MALLEY & KRON
LAND SURVEYORS, INC.

100 S. 4th St.
WILLOWDALE, FL 34620
TEL: 727-299-5000
FAX: 727-299-5000

CONTRACT NO. 14-00000000000000000000
THIS SURVEY IS INTENDED ONLY FOR THE PURPOSE OF THE PRELIMINARY PLAT. IT IS NOT TO BE USED FOR ANY OTHER PURPOSE. THE SURVEYOR'S OFFICE IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS. THE SURVEYOR'S OFFICE IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS.

100 CLEARWATER BLVD, SUITE 200
CLEARWATER, FL 34617
TEL: 727-299-5000
FAX: 727-299-5000

SHEET 2 OF 2

- LEGEND**
- 1. INDICATES STREAM CENTERLINE
 - 2. INDICATES SURVEY POINTS
 - 3. INDICATES ADJACENT WATERS
 - 4. INDICATES ADJACENT LOTS
 - 5. INDICATES ADJACENT BLOCKS
 - 6. INDICATES ADJACENT TOWNSHIPS
 - 7. INDICATES ADJACENT COUNTIES
 - 8. INDICATES ADJACENT STATES
 - 9. INDICATES ADJACENT COUNTRIES
 - 10. INDICATES ADJACENT OCEANS
 - 11. INDICATES ADJACENT LAKES
 - 12. INDICATES ADJACENT RIVERS
 - 13. INDICATES ADJACENT BAYS
 - 14. INDICATES ADJACENT GULFS
 - 15. INDICATES ADJACENT STRAITS
 - 16. INDICATES ADJACENT CHANNELS
 - 17. INDICATES ADJACENT TRENCHES
 - 18. INDICATES ADJACENT CUTS
 - 19. INDICATES ADJACENT DAMS
 - 20. INDICATES ADJACENT BRIDGES
 - 21. INDICATES ADJACENT TUNNELS
 - 22. INDICATES ADJACENT TOWNSHIPS
 - 23. INDICATES ADJACENT COUNTIES
 - 24. INDICATES ADJACENT STATES
 - 25. INDICATES ADJACENT COUNTRIES
 - 26. INDICATES ADJACENT OCEANS
 - 27. INDICATES ADJACENT LAKES
 - 28. INDICATES ADJACENT RIVERS
 - 29. INDICATES ADJACENT BAYS
 - 30. INDICATES ADJACENT GULFS
 - 31. INDICATES ADJACENT STRAITS
 - 32. INDICATES ADJACENT CHANNELS
 - 33. INDICATES ADJACENT TRENCHES
 - 34. INDICATES ADJACENT CUTS
 - 35. INDICATES ADJACENT DAMS
 - 36. INDICATES ADJACENT BRIDGES
 - 37. INDICATES ADJACENT TUNNELS

JOB NO. 2018-19
FILE NAME: 2018-19.DWG
LOCATION: 2-122-27 & 35-123-27

PRELIMINARY PLAT PREPARED FOR:
CLEARWATER DEVELOPMENT INC.



**BOLTON
& MENK**

Real People. Real Solutions.

2040 Highway 12 East
Willmar, MN 56201-5818

Ph: (320) 231-3956
Fax: (320) 231-9710
Bolton-Menk.com

MEMORANDUM

Date: July 7, 2020
To: Honorable Mayor Lawrence-Wheeler and Members of the City Council
Clearwater, Minnesota
From: Justin L. Kannas, P.E.
City Engineer
Subject: Clearwater Estates Plat Eight
Clearwater, Minnesota
BMI Project No: W13.121138

I have reviewed the preliminary plat, preliminary plans dated June 5, 2020 and storm water management plan dated June 8, 2020 for the above referenced project and have the following comments:

- 1) All proposed sanitary sewer, watermain, storm sewer, ponds, and streets will be private infrastructure owned and maintained by a homeowner's association (HOA). The Developer shall provide written agreement from the existing homeowner's association regarding details of maintenance and ownership responsibilities for the sanitary sewer, watermain, storm sewer, ponds, streets, common areas and any other commonly held interest within the development area. The City Planner should provide further review and comment pertaining to HOA documents and requirements.
- 2) The proposed plat shall be revised to eliminate duplication of labeling Block 1 on both the north area and south area.
- 3) Goldfinch Lane shall be a minimum of 26 feet wide as per State Fire Code requirements. The turn-around on the dead end shall be expanded to meet State Fire Code minimum requirements for a turn-around. Goldfinch Lane shall be signed "No Parking" along one side of the street from Bluebird Lane to the dead end. Hummingbird Lane shall be signed "No Parking" along both sides of the street. Homeowner's association documents shall include the No Parking requirement along Goldfinch Lane and Hummingbird Lane and shall include means for enforcement of the No Parking requirement.
- 4) A 30' wide drainage and utility easement shall be provided along the southerly side lot line of Lot 1, Block 1 (north area) to reserve space for a future storm sewer pipe from the Clearwater Estates Pond.
- 5) Public drainage and utility easements shall be dedicated over all drainage swales and utility lines (specifically noted is the drainage swale between Lots 2 and 3, Block 1 (north area)). Drainage and utility easements at least ten feet wide and centered on rear and side lot lines (five feet on each side of the property line) and ten feet wide abutting street right-of-way shall be dedicated on the plat.
- 6) Provide additional detail on driveway slopes and proposed garage floor and home styles/elevations. Minimum slope on driveways shall be 2%.

- 7) The driveway slopes for Block 1 and Block 2 (south area) shall be modified to meet a 10% maximum slope. A lighting plan and photometric plan shall be submitted for review and comment by the City Planner and City Engineer.
- 8) Additional detail shall be provided on the grading plan for Block 1 (north area) showing proposed grades and how drainage will be provided around all sides of the proposed building pads. All yard areas shall have slopes of 2% or greater away from the building pads.
- 9) Add storm sewer rim elevations to the grading plan.
- 10) Swales within the south plat area shall be modified to obtain a minimum 2% slope.
- 11) Additional detail shall be provided on the grading plan for the south area showing elevations east of the plat boundary to show a clear drainage path that will not back up onto the proposed lots. Include localized EOF elevations as applicable.
- 12) Additional drainage detail shall be provided near the intersection of Cardinal Lane and Hummingbird Lane showing the minimum 2% slope drainage path. The feasibility of constructing storm sewer to drain this intersection should be explored.
- 13) The developer shall be responsible for paying all development fees including but not limited to Trunk Area Fees and Park Dedication Fees.
- 14) A wetland delineation and report shall be completed by a certified wetland delineator.
- 15) A stormwater pollution prevention plan shall be submitted meeting all MPCA NPDES Construction stormwater requirements.
- 16) The FEMA floodplain locations shall be more clearly shown on the plans by utilizing hatching or other means depicting the areas within and outside of the floodplain. The plans shall show both the floodway district and flood fringe district as defined in City Ordinance 109.70. The regulatory flood protection elevations shall be noted on the plan. All proposed improvements shall comply with City Ordinance 109 Floodplain Management and all state and federal requirements.
- 17) A fire hydrant shall be installed near the dead end of Goldfinch Lane. Additional hydrant comments shall be subject to review and comment by the Fire Chief and Fire Marshall.
- 18) Manholes shall be installed on the sanitary sewer line at locations required per the MPCA Sanitary Sewer Extension permit to allow for adequate inspection and jetting by HOA hired contractors. Maintenance access routes to the manholes shall be provided and shown on the plans.
- 19) The plans shall include a profile view of all proposed sanitary sewer and watermain.
- 20) A gate valve shall be installed at both connections to the existing watermain near Hummingbird Lane.
- 21) The proposed sanitary sewer for the south area is less than 4 feet deep at some locations. These sewer mains and services will have a high risk of freezing even with proposed insulation. The Developer shall modify the sanitary sewer to either add a lift station or install grinder stations to eliminate the shallow gravity sanitary sewer.
- 22) All watermain and sanitary sewer shall be constructed and tested according to City standards. Upon completion, the Developer shall provide a certification to the City that all improvements have been completed according to the approved plans and meet all local and state requirements.

- 23) Watermain and Sanitary Sewer standard details from the City of Clearwater Development Guidelines shall be added to the plans.
- 24) Storm Water Management Plan Comments:
 - a. Label the drainage figures to match the HCAD nodal diagrams (include pond labeling).
 - b. Special attention is required during construction to keep construction sediment out of the infiltration basins. The SWPPP shall be designed accordingly.
 - c. Sign the SWMP
 - d. The provided water quality volume for the south lots is not clear. Please clarify.
 - e. Provide a comment in the SWMP regarding depth of ground water at each BMP location.
 - f. Provide additional detail regarding the existing regional pond which the south area of the south lots drain into. Provide pond inlet, outlet and EOF information and low opening elevation of all adjacent structures around the pond. Show the storm sewer path into the pond on the plan.
- 25) The Developer shall execute a Development Agreement prepared by the City.
- 26) The Developer shall be responsible for obtaining all permits including but not limited to the MPCA Sanitary Sewer Extension Permit, MDH Watermain Permit, and an MPCA NPDES Construction Stormwater Permit. Please forward a copy of all permits to the City Engineer prior to construction.

I recommend approval of the preliminary plat contingent upon the above comments and comments as submitted by other City Staff. The applicant shall submit revised plans and storm water calculations for approval by the City Engineer prior to final plan approval.

JLK/jk

**COMMON INTEREST COMMUNITY NO. 13
PLANNED COMMUNITY
CLEARWATER ESTATES
AMENDMENT TO
DECLARATION AND GENERAL PROTECTIVE COVENANTS
FOR CLEARWATER ESTATES, A COMMON INTEREST COMMUNITY**

Clearwater Estates Inc., a Minnesota nonprofit corporation (the “**Association**”) and **Clearwater Development, Inc.**, a Minnesota corporation (the “**Declarant**”) make this Amendment to Declaration and General Protective Covenants for Clearwater Estates, A Common Interest Community (this “**Amendment**”) effective as of May 22, 2020 (the “**Effective Date**”).

RECITALS

A. Clearwater Development, Inc., a Minnesota corporation (the “**Declarant**”) executed a Declaration and General Protective Covenants for Clearwater Estates, a Common Interest Community dated June 24, 1994, recorded in the Office of County Recorder, Wright County, Minnesota on July 11, 1994 as Document No. 554935, as amended by an Amendment to the Declaration and General Protective Covenants for Clearwater Estates, a Common Interest Community dated October 6, 1994, an Amendment to the Declaration and General Protective Covenants for Clearwater Estates, Common Interest Community No. 13 dated January 9, 1996, recorded in the Office of County Recorder, Wright County, Minnesota on January 31, 1996, as Document No. 587577, an Amendment to the Declarations and Protective Covenants of Clearwater Estates, Inc. CIC #13 dated May 13, 1996, recorded in the Office of County Recorder, Wright County, Minnesota on July 9, 1996, as Document No. 597879, an Amendment to the Declarations and Protective Covenants of Clearwater Estates, Inc., CIC #13 dated June 20, 1997, recorded in the Office of County Recorder, Wright County, Minnesota on June 24, 1997, as Document No. 620866, an Amendment of the Declarations and General Protective Covenants for Clearwater Estates, a Common Interest Community dated February 15, 2000, recorded in the Office of County Recorder, Wright County, Minnesota on May 10, 2000, as Document No. 708609, an Amendment of Declarations and General Protective Covenants for Clearwater Estates, a Common Interest Community dated October 22, 2001, recorded in the Office of County Recorder, Wright County, Minnesota on October 24, 2001, as Document No. 762048; and Seventh Amendment to Declaration and General Protective Covenants for Clearwater Estates, a Common Interest Community dated December 17, 2018, recorded in the Office of the

County Recorder, Wright County, Minnesota, on December 20, 2018, as Document No. A1386801 (collectively, the “**Declaration**”).

B. The Period of Declarant Control has ended and the operation and administration of the Association is governed by the Association’s Board of Directors (the “**Board**”).

C. The Declarant desires to plat a portion of the Additional Property as shown on the plat known as “Clearwater Estates Plat Eight,” a copy of which is attached as Exhibit A (the “**Plat**”), develop such property with residential homes and add it to the Declaration.

D. The Declarant desires to acquire, and the Association desires to convey to the Declarant, a portion of Outlot E, Clearwater Estates as shown on the attached Exhibit A (the “**Outlot E Parcel**”), which Outlot E Parcel is currently undeveloped land owned by the Association.

E. The Declarant desires to add to the Declaration and convey to the Association Outlot A, Clearwater Estates Plat Eight (“**Outlot A**”) to be part of the Common Elements and used as a private road.

F. The Declarant and Association wish to amend the Declaration to extend the time period during which the Declarant may add Additional Property.

G. The Declaration provides that it may be so amended with the consent of Owners (other than the Declarant) that are collectively allocated at least 67% of the votes in the Association.

H. The Association has obtained the requisite approval of the Owners required for this Amendment as acknowledged in the attached Secretary’s Affidavit.

For good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Association makes this Amendment as follows:

1. **Additional Property.** As of the Effective Date of this Amendment, Section 2.16(a) of the Declaration is amended and replaced in its entirety with the following:

a) The Declarant reserves the right to add additional real estate (the “**Additional Property**”) to the Common Interest Community. The time limit during which the Declarant may add Additional Property shall expire on December 31, 2025. The time limit may be extended by amendment of this Declaration, approved by the Declarant and by the vote or written agreement of the Owners (other than the Declarant) representing at least 67 percent of the votes of the Association.

2. **Plat and Conveyance of Outlot E Parcel.** The Association shall plat Outlot E Parcel as shown on the Plat and shall convey the Outlot E Parcel to the Declarant. Declarant shall pay for all costs to prepare, obtain governmental approvals for and record the Plat.

3. **Conveyance of Outlot A.** Following recording of the Plat, the Declarant shall convey Outlot A to the Association reserving an easement thereupon for ingress and egress on

and over Outlot A for construction purposes and an easement on and under Outlot A for the installation of a road and utilities. Declarant shall be responsible at its cost to extend roads and street lights, and a new postal pedestal if required, to serve any portion of the Additional Property which is added to the Common Interest Community.

4. **Garbage Enclosure Area Lease.** Declarant will lease the Association a designated area of approximately 50' x 15' (the "**Garbage Enclosure Area**") on Declarant's property adjacent to Eagle Drive south of the lots in the Plat for the location of a garbage enclosure. The lease will have a 10-year term and a total rent of \$1. The Association will be solely responsible at its cost to obtain any and all required permits or approvals and for all costs relating to the construction, maintenance, repair and insuring of the garbage enclosure and related improvements, all of which will meet all city and other legal requirements. The lease will terminate if the Association acquires a more suitable area for garbage in the future. The Declarant and Association will enter into a separate mutually acceptable lease consistent with this Section's terms regarding the Garbage Enclosure Area.

5. **Association's Attorneys' Fees.** Declarant will reimburse the Association for its reasonable legal fees incurred in reviewing and approving this Amendment in an amount of up to \$5,000 following presentation of applicable invoices and supporting documentation.

6. **Remaining Terms.** Except as expressly modified in this Amendment, all other terms and provisions of the Declaration shall remain in full force and effect and shall apply to the Units and all of the Committed Property.

7. **Capitalized Terms.** Except as otherwise specifically provided in this Amendment, all capitalized terms shall have the meanings provided to them in the Declaration.

8. **Counterparts.** This Amendment may be signed in any number of counterparts, all of which taken together shall constitute one and the same instrument.

[Remainder of page intentionally left blank. Signature page follows.]

**EXHIBIT A
PLAT**

(See attached)

SECRETARY'S AFFIDAVIT

STATE OF MINNESOTA)
) SS
COUNTY OF Wright)

The undersigned Secretary of Clearwater Estates Inc., a Minnesota nonprofit corporation (the "Association"), being first duly sworn on oath, states and alleges that the attached Amendment to Declaration and General Protective Covenants for Clearwater Estates, A Common Interest Community (the "Amendment") was approved by the vote or written agreement of the Owners (other than the Declarant) representing at least 67% of the votes of the Association.

Dated Effective: May 20th, 2020

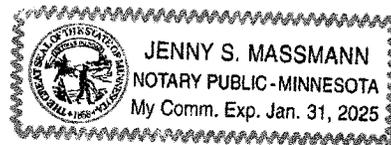
Clearwater Estates Inc.

By Geraldine J. Fierick
Its Secretary

STATE OF MINNESOTA)
) SS
COUNTY OF Wright)

On this 20th day of May, 2020, before me, a Notary Public for this County, personally appeared Geraldine J. Fierick, who, being by me duly sworn, did say that he/she is the Secretary of Clearwater Estates Inc., and that this instrument was signed on behalf of said corporation by authority of its Board of Directors and acknowledged said instrument to be the free act and deed of said corporation.

Jenny S. Massmann
Notary Public



EXTRACT OF MINUTES OF A MEETING
OF THE CITY COUNCIL OF THE
CITY OF CLEARWATER, MINNESOTA

HELD: JULY 27, 2020

Pursuant to due call and notice thereof, a regular or special meeting of the City Council of the City of Clearwater, Wright County, Minnesota, was duly called and held at the City Hall on July 27, 2020, at 7:00 P.M., for the purpose, in part, of authorizing the issuance and awarding the sale of \$790,000 General Obligation Equipment Certificates of Indebtedness, Series 2020A.

The following members were present:

and the following were absent:

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. 2020-47

**PROVIDING FOR THE ISSUANCE AND SALE OF \$790,000 GENERAL
OBLIGATION EQUIPMENT CERTIFICATES OF INDEBTEDNESS, SERIES 2020A
AND LEVYING A TAX FOR THE PAYMENT THEREOF**

A. WHEREAS, the City of Clearwater, Minnesota (the "City"), has heretofore determined and declared that it is necessary and expedient to issue a \$790,000 General Obligation Equipment Certificates of Indebtedness, Series 2020A (the "Certificates"), pursuant to Minnesota Statutes, Chapter 475 and Minnesota Statutes, Section 412.301, to finance the purchase of a fire truck for the City (the "Equipment"); and

B. WHEREAS, the equipment has an expected useful life at least as long as the term of the Certificate; and

C. WHEREAS, the amount of the Certificates exceeds one-quarter of one percent (0.25%) of the market value of the taxable property in the City (\$146,032,200 times 0.25% is \$365,081); and

D. WHEREAS, on _____, there was published in the official newspaper a resolution duly adopted by the City Council on December 19, 2019, determining to issue the Certificates and no petition asking for an election on the proposition signed by voters equal to ten percent of the number of voters at the last regular municipal election was filed with the Administrator within ten days after the date the resolution was published; and

E. WHEREAS, no other obligations have been sold pursuant to a private sale within the last twelve calendar months of the date hereof which when combined with this issue would exceed the \$1,200,000 limitations on negotiated sales as required by Minnesota Statutes, Section 475.60, Subdivision 2(2); and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Clearwater, Minnesota, as follows:

1. Acceptance of Offer. The offer of _____, _____, Minnesota, to purchase the Certificates and to pay therefor the sum of \$790,000, all in accordance with the terms and at the rate of interest hereinafter set forth, is hereby accepted.

2. Certificate Terms; Original Issue Date; Denominations; Maturities; Interest. The Certificates shall be dated August 19, 2020, as the date of original issue, be issued forthwith on or after such date in fully registered form, be numbered R-1 in the denomination of \$425,000, maturing on December 15, 2025 and bearing interest at ____%, and R-2 in the denomination of \$365,000, maturing on December 15, 2029 and bearing interest at ____%. The Certificates shall bear interest payable semiannually on June 15 and December 15 of each year (each, an "Interest Payment Date"), commencing June 15, 2021, calculated on the basis of a 360-day year of twelve 30-day months.

3. Purpose. The Certificates shall provide funds to finance the Equipment. The total cost of the Equipment, which shall include all costs enumerated in Minnesota Statutes, Section 475.65, is estimated to be at least equal to the amount of the Certificates.

4. Registrar. The Finance Director of the City of Clearwater, Minnesota, is appointed to act as registrar with respect to the Certificates (the "Registrar"), and shall do so unless and until a successor Registrar is duly appointed, all pursuant to any contract the City and Registrar shall execute which is consistent herewith. The Registrar shall also serve as paying agent unless and until a successor paying agent is duly appointed. Principal and interest on the Certificates shall be paid to the registered holders (or record holders) of the Certificates in the manner set forth in the form of Certificate.

5. Form of Certificate. The Certificates, together with the Registrar's Certificate of Registration, shall be in substantially the following forms:

UNITED STATES OF AMERICA
STATE OF MINNESOTA
WRIGHT COUNTY
CITY OF CLEARWATER

R-1

\$425,000

GENERAL OBLIGATION EQUIPMENT CERTIFICATE OF INDEBTEDNESS,
SERIES 2020A

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>
_____ %	December 15, 2025	August 19, 2020

REGISTERED OWNER:

PRINCIPAL AMOUNT: FOUR HUNDRED TWENTY-FIVE THOUSAND DOLLARS

THE CITY OF CLEARWATER, WRIGHT COUNTY, MINNESOTA (the "Issuer"), certifies that it is indebted and for value received promises to pay to the registered holder specified above, or assigns, duly certified on the Certificate of Registration attached to and made a part of this Certificate (the "Owner"), in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, and to pay interest thereon semiannually on June 15 and December 15 of each year (each, an "Interest Payment Date"), commencing June 15, 2021, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. On the maturity date of this Certificate, the principal of this Certificate shall be paid only upon presentation and surrender of such Certificate to the Finance Director of the City of Clearwater, Minnesota (the "Registrar"). The principal of and premium, if any, and interest on this Certificate are payable in lawful money of the United States of America.

Optional Redemption. The Certificate is subject to optional redemption and prepayment at the option of the Issuer on any date at the option of the Issuer, in whole or in part, upon written notice to the registered holder of the Certificate at a redemption price of par plus accrued interest to date of prepayment.

Mandatory Redemption. This Certificate shall be redeemed by lot on December 15 in the following years and principal amounts, without any premium, plus accrued interest thereon to such redemption dates:

Mandatory Redemption Schedule

<u>Year</u>	<u>Principal Amount</u>
2021	\$80,000
2022	84,000
2023	86,000
2024	87,000

2025 (maturity)

88,000

or, if less than such amount is then outstanding, an amount equal to the aggregate principal amount of the Certificate then outstanding.

The Issuer may, at its option to be exercised on or before the thirtieth day next preceding any date specified in the Mandatory Redemption Schedule above, shall (i) specify a principal amount of the Certificate previously redeemed (otherwise than pursuant to the above Mandatory Redemption Schedule) or purchased and cancelled by the Registrar and not theretofore applied as a credit against any redemption of Certificate pursuant to the above Mandatory Redemption Schedule, and (ii) apply the principal amount of the Certificate so delivered or previously redeemed or purchased and cancelled for credit against the principal installments to be prepaid pursuant to the Mandatory Redemption Schedule and selected by the Issuer.

Prior to the date on which the Certificate is directed by the Issuer to be optionally redeemed in advance of maturity, the Issuer will cause notice of the call thereof for redemption identifying the Certificate to be redeemed to be mailed to the Registered Owner, at the address shown on the Register. The Certificate so called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption have been duly deposited.

Issuance; Purpose; General Obligation. This Certificate is one of an issue in the total principal amount of \$790,000, all of like date of original issue and tenor, except as to number, maturity, interest rate, denomination and redemption privilege, issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota and pursuant to a resolution adopted by the City Council on July 27, 2020 (the "Resolution"), for the purpose of providing money to finance the purchase of a fire truck for the Issuer. This Certificate is payable out of the General Obligation Equipment Certificates of Indebtedness, Series 2020A Fund of the Issuer. This Certificate constitutes a general obligation of the Issuer and to provide moneys for the prompt and full payment of its principal, premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Payment Instructions. Interest and principal shall be paid by the Finance Director of the City of Clearwater, Minnesota (the "Registrar") by check, ACH debit, wire transfer or draft mailed to the Owner at the address listed on the Certificate of Registration attached to and made a part of this Certificate. On the maturity date or final redemption payment, the Owner shall surrender this Certificate to the Registrar.

Date of Payment Not a Business Day. If the nominal date for payment of any principal of or interest on this Certificate shall not be a business day of the Issuer or of the Owner, then the date for such payment shall be the next such business day and payment on such business day shall have the same force and effect as if made on the nominal date of payment.

Transfer. This Certificate is transferable, as provided in the Resolution, upon the Register kept by the Finance Director upon surrender of this Certificate together with a written instrument of transfer duly executed by the Owner or the Owner's attorney duly authorized in writing, and thereupon a new, fully registered Certificate in the same principal amount shall be

issued to the transferee in exchange therefor (or the transfer shall be duly recorded on the Register and the Certificate of Registration hereof), upon the payment of charges and satisfaction of applicable conditions, if any, as therein prescribed; provided that such transfer may occur only with respect to the entire Certificate. The Issuer may treat and consider the person in whose name this Certificate is registered as the absolute Owner hereof for the purpose of receiving payment of or on account of the principal of and interest on this Certificate and for all other purposes whatsoever.

Fees upon Transfer or Loss. The Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Certificate and any legal or unusual costs regarding transfers and lost Certificate.

Authentication. This Certificate shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Registration hereon shall have been executed by the Registrar.

Qualified Tax-Exempt Obligation. This Certificate has been designated by the Issuer as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Certificate, have been done, have happened and have been performed, in regular and due form, time and manner as required by law and that this Certificate, together with all other debts of the Issuer outstanding on the date of original issue hereof and the date of its issuance and delivery to the original purchaser, does not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of Clearwater, Wright County, Minnesota, by its City Council has caused this Certificate to be executed on its behalf by the facsimile signatures of its Mayor and its City Administrator, the corporate seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration:

August 19, 2020

CITY OF CLEARWATER
WRIGHT COUNTY
MINNESOTA

REGISTRABLE BY AND
PAYABLE AT:

Finance Director
City of Clearwater, Minnesota

Mayor

City Administrator

UNITED STATES OF AMERICA
STATE OF MINNESOTA
WRIGHT COUNTY
CITY OF CLEARWATER

R-2

\$365,000

GENERAL OBLIGATION EQUIPMENT CERTIFICATE OF INDEBTEDNESS,
SERIES 2020A

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>
_____ %	December 15, 2029	August 19, 2020

REGISTERED OWNER:

PRINCIPAL AMOUNT: THREE HUNDRED SIXTY-FIVE THOUSAND DOLLARS

THE CITY OF CLEARWATER, WRIGHT COUNTY, MINNESOTA (the "Issuer"), certifies that it is indebted and for value received promises to pay to the registered holder specified above, or assigns, duly certified on the Certificate of Registration attached to and made a part of this Certificate (the "Owner"), in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, and to pay interest thereon semiannually on June 15 and December 15 of each year (each, an "Interest Payment Date"), commencing June 15, 2021, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. On the maturity date of this Certificate, the principal of this Certificate shall be paid only upon presentation and surrender of such Certificate to the Finance Director of the City of Clearwater, Minnesota (the "Registrar"). The principal of and premium, if any, and interest on this Certificate are payable in lawful money of the United States of America.

Optional Redemption. The Certificate is subject to optional redemption and prepayment at the option of the Issuer on any date at the option of the Issuer, in whole or in part, upon written notice to the registered holder of the Certificate at a redemption price of par plus accrued interest to date of prepayment.

Mandatory Redemption. This Certificate shall be redeemed by lot on December 15 in the following years and principal amounts, without any premium, plus accrued interest thereon to such redemption dates:

Mandatory Redemption Schedule

<u>Year</u>	<u>Principal Amount</u>
2026	\$89,000
2027	90,000
2028	92,000
2029 (maturity)	94,000

or, if less than such amount is then outstanding, an amount equal to the aggregate principal amount of the Certificate then outstanding.

The Issuer may, at its option to be exercised on or before the thirtieth day next preceding any date specified in the Mandatory Redemption Schedule above, shall (i) specify a principal amount of the Certificate previously redeemed (otherwise than pursuant to the above Mandatory Redemption Schedule) or purchased and cancelled by the Registrar and not theretofore applied as a credit against any redemption of the Certificate pursuant to the above Mandatory Redemption Schedule, and (ii) apply the principal amount of the Certificate so delivered or previously redeemed or purchased and cancelled for credit against the principal installments to be prepaid pursuant to the Mandatory Redemption Schedule and selected by the Issuer.

Prior to the date on which the Certificate is directed by the Issuer to be optionally redeemed in advance of maturity, the Issuer will cause notice of the call thereof for redemption identifying the Certificate to be redeemed to be mailed to the Registered Owner, at the address shown on the Register. The Certificate so called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption have been duly deposited.

Issuance; Purpose; General Obligation. This Certificate is one of an issue in the total principal amount of \$790,000, all of like date of original issue and tenor, except as to number, maturity, interest rate, denomination and redemption privilege, issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota and pursuant to a resolution adopted by the City Council on July 27, 2020 (the "Resolution"), for the purpose of providing money to finance the purchase of a fire truck for the Issuer. This Certificate is payable out of the General Obligation Equipment Certificates of Indebtedness, Series 2020A Fund of the Issuer. This Certificate constitutes a general obligation of the Issuer and to provide moneys for the prompt and full payment of its principal, premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Payment Instructions. Interest and principal shall be paid by the Finance Director of the City of Clearwater, Minnesota (the "Registrar") by check, ACH debit, wire transfer or draft mailed to the Owner at the address listed on the Certificate of Registration attached to and made a part of this Certificate. On the maturity date or final redemption payment, the Owner shall surrender this Certificate to the Registrar.

Date of Payment Not a Business Day. If the nominal date for payment of any principal of or interest on this Certificate shall not be a business day of the Issuer or of the Owner, then the date for such payment shall be the next such business day and payment on such business day shall have the same force and effect as if made on the nominal date of payment.

Transfer. This Certificate is transferable, as provided in the Resolution, upon the Register kept by the Finance Director upon surrender of this Certificate together with a written instrument of transfer duly executed by the Owner or the Owner's attorney duly authorized in writing, and thereupon a new, fully registered Certificate in the same principal amount shall be issued to the transferee in exchange therefor (or the transfer shall be duly recorded on the

Register and the Certificate of Registration hereof), upon the payment of charges and satisfaction of applicable conditions, if any, as therein prescribed; provided that such transfer may occur only with respect to the entire Certificate. The Issuer may treat and consider the person in whose name this Certificate is registered as the absolute Owner hereof for the purpose of receiving payment of or on account of the principal of and interest on this Certificate and for all other purposes whatsoever.

Fees upon Transfer or Loss. The Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Certificate and any legal or unusual costs regarding transfers and lost Certificate.

Authentication. This Certificate shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Registration hereon shall have been executed by the Registrar.

Qualified Tax-Exempt Obligation. This Certificate has been designated by the Issuer as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Certificate, have been done, have happened and have been performed, in regular and due form, time and manner as required by law and that this Certificate, together with all other debts of the Issuer outstanding on the date of original issue hereof and the date of its issuance and delivery to the original purchaser, does not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of Clearwater, Wright County, Minnesota, by its City Council has caused this Certificate to be executed on its behalf by the facsimile signatures of its Mayor and its City Administrator, the corporate seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration:

August 19, 2020

CITY OF CLEARWATER
WRIGHT COUNTY
MINNESOTA

REGISTRABLE BY AND
PAYABLE AT:

Finance Director
City of Clearwater, Minnesota

Mayor

City Administrator

6. Execution. The Certificates shall be executed on behalf of the City by the facsimile signature of its Mayor and Administrator, the seal having been omitted as permitted by law. In the event of disability or resignation or other absence of either such officer, the Certificates may be signed by the signature of that officer who may act on behalf of such absent or disabled officer. In case either such officer whose signature shall appear on the Certificates shall cease to be such officer before the delivery of the Certificates, such signature shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery.

7. Delivery; Application of Proceeds. The Certificates when so prepared and executed shall be delivered by the Finance Director to the Purchaser upon receipt of the purchase price and the Purchaser shall not be obliged to see to the proper application thereof.

8. Funds and Accounts. There is hereby created a special fund to be designated the "General Obligation Equipment Certificates of Indebtedness, Series 2020A Fund" (the "Fund") to be administered and maintained by the Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Fund shall be maintained in the manner herein specified until the Certificates and the interest thereon have been fully paid. There shall be maintained in the Fund the following separate accounts:

(a) Capital Account. To the Capital Account there shall be credited the proceeds of the sale of the Certificates. From the Capital Account there shall be paid all costs and expenses of the acquisition of the Equipment and costs of issuance of the Certificates, including all costs incurred and to be incurred of the kind authorized in Minnesota Statutes, Section 475.65. The moneys in the Capital Account shall be used for no other purpose except as otherwise provided by law; provided that the proceeds of the Certificates may also be used to the extent necessary to pay interest on the Certificates due prior to the anticipated date of commencement of the collection of taxes herein levied.

(b) Debt Service Account. There are hereby irrevocably appropriated and pledged to, and there shall be credited to, the Debt Service Account: (i) any collections of all taxes heretofore, herein or hereafter levied for the payment of the Certificates and interest thereon; (ii) all funds remaining in the Capital Account after the payment of all costs of the Equipment; (iii) all investment earnings on funds held in the Debt Service Account; and (iv) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Debt Service Account. The Debt Service Account shall be used solely to pay the principal and interest of the Certificates and any other general obligation certificates of the City hereafter issued by the City and made payable from said account as provided by law.

No portion of the proceeds of the Certificates 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 (1) for a reasonable temporary period until such proceeds are needed for the purpose for which the Certificates were issued and (2) in addition to the above in an amount not greater than the lesser of five percent of the proceeds of the Certificates or \$100,000. To this effect, any proceeds of the Certificates and any sums from time to time held in the Capital Account or Debt Service Account (or any other City account which will be used to pay principal or interest to become due on the certificates payable therefrom) in

excess of amounts which under then applicable federal arbitrage regulations may be invested without regard to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. Money in the 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 Certificates to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

9. Tax Levy; Coverage Test. To provide moneys for payment of the principal and interest on the Certificates there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

<u>Year of Tax Levy</u>	<u>Year of Tax Collection</u>	<u>Amount</u>
See Attached Schedule		

The tax levies are such that if collected in full they will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Certificates. The tax levies shall be irrevocable so long as the Certificates are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

10. General Obligation Pledge. For the prompt and full payment of the principal and interest on the Certificates, as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the balance in the Debt Service Account is ever insufficient to pay all principal and interest then due on the Certificates and any other certificates payable therefrom, the deficiency shall be promptly paid out of any other funds of the City which are available for such purpose, and such other funds may be reimbursed with or without interest from the Debt Service Account when a sufficient balance is available therein.

11. Certificate of Registration and Tax Levy. The City Administrator is hereby directed to file a certified copy of this resolution with the County Auditor of Wright County, Minnesota, together with such other information as each such County Auditor shall require, and to obtain the County Auditor's certificate that the Certificates have been entered in the County Auditor's Register and that the tax levy required by law has been made.

12. Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser, and to the attorneys approving the legality of the issuance of the Certificates, certified copies of all proceedings and records of the City relating to the Certificates and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the Certificates as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and

affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

13. Compliance With Reimbursement Certificate Regulations. The provisions of this paragraph are intended to establish and provide for the City's compliance with United States Treasury Regulations Section 1.150-2 (the "Reimbursement Regulations") applicable to the "reimbursement proceeds" of the Certificates, being those portions thereof which will be used by the City to reimburse itself for any expenditure which the City paid or will have paid prior to the closing date (a "Reimbursement Expenditure").

The City hereby certifies and/or covenants as follows:

(a) Not later than sixty days after the date of payment of a Reimbursement Expenditure, the City (or person designated to do so on behalf of the City) has made or will have made a written declaration of the City's official intent (a "Declaration") which effectively (i) states the City's reasonable expectation to reimburse itself for the payment of the Reimbursement Expenditure out of the proceeds of a subsequent borrowing; (ii) gives a general and functional description of the property, project or program to which the Declaration relates and for which the Reimbursement Expenditure is paid, or identifies a specific fund or account of the City and the general functional purpose thereof from which the Reimbursement Expenditure was to be paid (collectively the "Project"); and (iii) states the maximum principal amount of debt expected to be issued by the City for the purpose of financing the Project; provided, however, that no such Declaration shall necessarily have been made with respect to: (i) "preliminary expenditures" for the Project, defined in the Reimbursement Regulations to include engineering or architectural, surveying and soil testing expenses and similar prefatory costs, which in the aggregate do not exceed 20% of the "issue price" of the Certificates, and (ii) a de minimis amount of Reimbursement Expenditures not in excess of the lesser of \$100,000 or five percent of the proceeds of the Certificates.

(b) Each Reimbursement Expenditure is a capital expenditure or a cost of issuance of the Certificates or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Reimbursement Regulations.

(c) The "reimbursement allocation" described in the Reimbursement Regulations for each Reimbursement Expenditure shall and will be made forthwith following (but not prior to) the issuance of the Certificates and in all events within the period ending on the date which is the later of three years after payment of the Reimbursement Expenditure or one year after the date on which the Project to which the Reimbursement Expenditure relates is first placed in service.

Each such reimbursement allocation will be made in a writing that evidences the City's use of Certificate proceeds to reimburse the Reimbursement Expenditure and, if made within thirty days after the Certificates are issued, shall be treated as made on the day the Certificates are issued.

Provided, however, that the City may take action contrary to any of the foregoing covenants in this paragraph upon receipt of an opinion of its Bond Counsel for the Certificates stating in effect that such action will not impair the tax-exempt status of the Certificates.

14. Defeasance. When all Certificates have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the registered holders of the Certificates shall, to the extent permitted by law, cease. The City may discharge its obligations with respect to any Certificates which are due on any date by irrevocably depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; or if any Certificate should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also at any time discharge its obligations with respect to any Certificates, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a suitable banking institution qualified by law as an escrow agent for this purpose, cash or securities described in Minnesota Statutes, Section 475.67, Subdivision 8, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without regard to sale and/or reinvestment, to pay all amounts to become due thereon to maturity or, if notice of redemption as herein required has been duly provided for, to such earlier redemption date.

15. Negative Covenant as to Use of Proceeds and Equipment. The City hereby covenants not to use the proceeds of the Certificates or the Equipment financed thereby, or to cause or permit them to be used, or to enter into any deferred payment arrangements for the cost of the equipment, in such a manner as to cause the Certificates to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

16. Tax-Exempt Status of the Certificate; Rebate. The City shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Certificates, including without limitation (i) requirements relating to temporary periods for investments, (ii) limitations on amounts invested at a yield greater than the yield on the Certificates, and (iii) the rebate of excess investment earnings to the United States, if the Certificates (together with other obligations reasonably expected to be issued and outstanding at one time in this calendar year) exceed the small issuer exception amount of \$5,000,000.

For purposes of qualifying for the exception to the federal arbitrage rebate requirements for governmental units issuing \$5,000,000 or less of bonds, the City hereby finds, determines and declares that (i) the Certificates are issued by a governmental unit with general taxing powers, (ii) no Certificate is a private activity bond, (iii) ninety-five percent or more of the net proceeds of the Certificates are to be used for local governmental activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City), and (iv) the aggregate face amount of all tax exempt bonds (other than private activity bonds) issued by the City (and all subordinate entities thereof, and all entities treated as one issuer with the City) during the calendar year in which the Certificates are issued and outstanding at one time is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code.

17. Designation of Qualified Tax-Exempt Obligations. In order to qualify the Certificates as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the City hereby makes the following factual statements and representations:

- (a) the Certificates are issued after August 7, 1986;
- (b) the Certificates are not "private activity bonds" as defined in Section 141 of the Code;
- (c) the City hereby designates the Certificates as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;
- (d) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the City (and all entities treated as one issuer with the City, and all subordinate entities whose obligations are treated as issued by the City) during this calendar year 2020 will not exceed \$10,000,000; and
- (e) not more than \$10,000,000 of obligations issued by the City during this calendar year 2020 have been designated for purposes of Section 265(b)(3) of the Code, and
- (f) the aggregate face amount of the Certificates does not exceed \$10,000,000.

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

18. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

19. Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

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

and the following voted against the same:

Whereupon the resolution was declared duly passed and adopted.

STATE OF MINNESOTA
COUNTY OF WRIGHT
CITY OF CLEARWATER

I, the undersigned, being the duly qualified and acting City Administrator of the City of Clearwater, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council duly called and held on the date therein indicated, insofar as such minutes relate to providing for the issuance and sale of a \$790,000 General Obligation Equipment Certificates of Indebtedness, Series 2020A.

WITNESS my hand on July 27, 2020.

City Administrator

ATTACHMENT TO RESOLUTION

TAX LEVY SCHEDULE

City of Clearwater, Minnesota

\$790,000.00 G.O. Equipment Certificates of Indebtedness, Series 2020A

American Heritage National Bank

Final

Table of Contents

Report

Sources & Uses	1
Debt Service Schedule	2
Pricing Summary	3
Proof Of Bond Yield @ 1.2787247%	4
Derivation Of Form 8038 Yield Statistics	5
Detail Costs Of Issuance	6
105% Levy	7

City of Clearwater, Minnesota

\$790,000.00 G.O. Equipment Certificates of Indebtedness, Series 2020A

American Heritage National Bank

Final

Sources & Uses

Dated 08/19/2020 | Delivered 08/19/2020

Sources Of Funds

Par Amount of Bonds	\$790,000.00
---------------------	--------------

Total Sources	\$790,000.00
----------------------	---------------------

Uses Of Funds

Deposit to Project Construction Fund	771,714.00
--------------------------------------	------------

Costs of Issuance	17,500.00
-------------------	-----------

Rounding Amount	786.00
-----------------	--------

Total Uses	\$790,000.00
-------------------	---------------------

City of Clearwater, Minnesota

\$790,000.00 G.O. Equipment Certificates of Indebtedness, Series 2020A

American Heritage National Bank

Final

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
08/19/2020	-	-	-	-	-
06/15/2021	-	-	7,659.00	7,659.00	-
12/15/2021	82,000.00	0.950%	4,657.50	86,657.50	94,316.50
06/15/2022	-	-	4,268.00	4,268.00	-
12/15/2022	85,000.00	0.950%	4,268.00	89,268.00	93,536.00
06/15/2023	-	-	3,864.25	3,864.25	-
12/15/2023	86,000.00	0.950%	3,864.25	89,864.25	93,728.50
06/15/2024	-	-	3,455.75	3,455.75	-
12/15/2024	87,000.00	0.950%	3,455.75	90,455.75	93,911.50
06/15/2025	-	-	3,042.50	3,042.50	-
12/15/2025	88,000.00	0.950%	3,042.50	91,042.50	94,085.00
06/15/2026	-	-	2,624.50	2,624.50	-
12/15/2026	89,000.00	1.450%	2,624.50	91,624.50	94,249.00
06/15/2027	-	-	1,979.25	1,979.25	-
12/15/2027	90,000.00	1.450%	1,979.25	91,979.25	93,958.50
06/15/2028	-	-	1,326.75	1,326.75	-
12/15/2028	91,000.00	1.450%	1,326.75	92,326.75	93,653.50
06/15/2029	-	-	667.00	667.00	-
12/15/2029	92,000.00	1.450%	667.00	92,667.00	93,334.00
Total	\$790,000.00	-	\$54,772.50	\$844,772.50	-

Date And Term Structure

Dated	8/19/2020
Delivery Date	8/19/2020
First available call date	12/15/2027
Call Price	100.000%

Yield Statistics

Bond Year Dollars	\$4,272.56
Average Life	5.408 Years
Average Coupon	1.2819611%

Net Interest Cost (NIC)	1.2819611%
True Interest Cost (TIC)	1.2787247%
All Inclusive Cost (AIC)	1.7125851%

IRS Form 8038

Net Interest Cost (NIC)	1.2819611%
Weighted Average Maturity	5.408 Years
Bond Yield for Arbitrage Purposes	1.2787247%

City of Clearwater, Minnesota

\$790,000.00 G.O. Equipment Certificates of Indebtedness, Series 2020A

American Heritage National Bank

Final

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
12/15/2025	Term 1 Coupon	0.950%	0.950%	428,000.00	100.000%	428,000.00
12/15/2029	Term 2 Coupon	1.450%	1.450%	362,000.00	100.000%	362,000.00
Total	-	-	-	\$790,000.00	-	\$790,000.00

Bid Information

Par Amount of Bonds	\$790,000.00
Gross Production	\$790,000.00
Bid (100.000%)	790,000.00
Total Purchase Price	\$790,000.00
Bond Year Dollars	\$4,272.56
Average Life	5.408 Years
Average Coupon	1.2819611%
Net Interest Cost (NIC)	1.2819611%
True Interest Cost (TIC)	1.2787247%

City of Clearwater, Minnesota

\$790,000.00 G.O. Equipment Certificates of Indebtedness, Series 2020A

American Heritage National Bank

Final

Proof Of Bond Yield @ 1.2787247%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
08/19/2020	-	1.0000000x	-	-
06/15/2021	7,659.00	0.9895742x	7,579.15	7,579.15
12/15/2021	86,657.50	0.9832875x	85,209.23	92,788.38
06/15/2022	4,268.00	0.9770406x	4,170.01	96,958.39
12/15/2022	89,268.00	0.9708335x	86,664.36	183,622.76
06/15/2023	3,864.25	0.9646658x	3,727.71	187,350.47
12/15/2023	89,864.25	0.9585373x	86,138.23	273,488.70
06/15/2024	3,455.75	0.9524477x	3,291.42	276,780.12
12/15/2024	90,455.75	0.9463968x	85,607.03	362,387.15
06/15/2025	3,042.50	0.9403843x	2,861.12	365,248.27
12/15/2025	91,042.50	0.9344100x	85,071.03	450,319.29
06/15/2026	2,624.50	0.9284737x	2,436.78	452,756.07
12/15/2026	91,624.50	0.9225751x	84,530.48	537,286.56
06/15/2027	1,979.25	0.9167140x	1,814.41	539,100.96
12/15/2027	91,979.25	0.9108901x	83,782.99	622,883.95
06/15/2028	1,326.75	0.9051032x	1,200.85	624,084.80
12/15/2028	92,326.75	0.8993531x	83,034.35	707,119.15
06/15/2029	667.00	0.8936395x	596.06	707,715.21
12/15/2029	92,667.00	0.8879622x	82,284.79	790,000.00
Total	\$844,772.50	-	\$790,000.00	-

Derivation Of Target Amount

Par Amount of Bonds	\$790,000.00
Original Issue Proceeds	\$790,000.00

City of Clearwater, Minnesota

\$790,000.00 G.O. Equipment Certificates of Indebtedness, Series 2020A

American Heritage National Bank

Final

Derivation Of Form 8038 Yield Statistics

Maturity	Issuance Value	Price	Issuance Price	Exponent	Bond Years
08/19/2020	-	-	-	-	-
12/15/2021	82,000.00	100.000%	82,000.00	1.3222222x	108,422.22
12/15/2022	85,000.00	100.000%	85,000.00	2.3222222x	197,388.89
12/15/2023	86,000.00	100.000%	86,000.00	3.3222222x	285,711.11
12/15/2024	87,000.00	100.000%	87,000.00	4.3222222x	376,033.33
12/15/2025	88,000.00	100.000%	88,000.00	5.3222222x	468,355.56
12/15/2026	89,000.00	100.000%	89,000.00	6.3222222x	562,677.78
12/15/2027	90,000.00	100.000%	90,000.00	7.3222222x	659,000.00
12/15/2028	91,000.00	100.000%	91,000.00	8.3222222x	757,322.22
12/15/2029	92,000.00	100.000%	92,000.00	9.3222222x	857,644.44
Total	\$790,000.00	-	\$790,000.00	-	\$4,272,555.56

IRS Form 8038

Weighted Average Maturity = Bond Years/Issue Price	5.408 Years
Total Interest from Debt Service	54,772.50
Total Interest	54,772.50
NIC = Interest / (Issue Price * Average Maturity)	1.2819611%
Bond Yield for Arbitrage Purposes	1.2787247%

City of Clearwater, Minnesota

\$790,000.00 G.O. Equipment Certificates of Indebtedness, Series 2020A

American Heritage National Bank

Final

Detail Costs Of Issuance

Dated 08/19/2020 | Delivered 08/19/2020

COSTS OF ISSUANCE DETAIL

Consulting Fees	\$10,000.00
Bond Counsel	\$7,500.00
TOTAL	\$17,500.00

City of Clearwater, Minnesota

\$790,000.00 G.O. Equipment Certificates of Indebtedness, Series 2020A

American Heritage National Bank

Final

105% Levy

Date	Total P+I	105% Levy	Levy Year	Collection Year
12/15/2020	-	-		
12/15/2021	94,316.50	99,032.33	2020	2021
12/15/2022	93,536.00	98,212.80	2021	2022
12/15/2023	93,728.50	98,414.93	2022	2023
12/15/2024	93,911.50	98,607.08	2023	2024
12/15/2025	94,085.00	98,789.25	2024	2025
12/15/2026	94,249.00	98,961.45	2025	2026
12/15/2027	93,958.50	98,656.43	2026	2027
12/15/2028	93,653.50	98,336.18	2027	2028
12/15/2029	93,334.00	98,000.70	2028	2029
Total	\$844,772.50	\$887,011.13		

FINAL BANK TERM SHEET

City of Clearwater, Minnesota General Obligation Equipment Certificates of Indebtedness, Series 2020A

City of Clearwater: Clearwater, primarily situated in Wright County, is located in the central portion of Minnesota. The City lies approximately 15 miles southeast of St. Cloud and 58 miles northwest of the Twin Cities Metropolitan Area. Access to the City is provided via Interstate Highway 94, State Highway 24, as well as County Roads 7 and 75.

Purchaser: American Heritage National Bank
P.O. Box 160
St. Cloud, MN 56302
Jeramie Steinert, Vice President/General Counsel
Telephone: 320-654-9555
jeramies@logbank.com

Issuer Contact: City of Clearwater, Minnesota
P.O. Box 9
Clearwater, MN 55320
Anita Smythe, City Administrator
Telephone: 320-558-2428
asmythe@clearwatercity.com

Placement Agent: Northland Securities, Minneapolis, Minnesota
Jessica Green, Managing Director
Telephone: 612-851-5930
jgreen@northlandsecurities.com
Jenny Broden, Closer
Telephone: 612-851-4954
jbroden@northlandsecurities.com

Bond Counsel: Taft, Stettinius & Hollister LLP, Minneapolis, Minnesota

Principal Amount: \$790,000

Purchase Price: Par (100% of Principal Amount)

Pricing Date: July 20, 2020

Award Meeting: July 27, 2020

Dated Date: August 19, 2020

Closing Date: August 19, 2020

Interest Due: June 15 and December 15, commencing June 15, 2021.

7/22/2020

Term Certificate:

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>Average Life</u>
12/15/2025	0.95%	\$428,000	3.355 years
12/15/2029	1.45%	\$362,000	7.836 years

Mandatory Sinking

Fund:

<u>2025 Term Certificate</u>		<u>2029 Term Certificate</u>	
12/15/21	\$82,000	12/15/26	\$89,000
12/15/22	85,000	12/15/27	90,000
12/15/23	86,000	12/15/28	91,000
12/15/24	87,000	12/15/29	92,000
12/15/25	88,000		

Optional Redemption: The Certificates are subject to prepayment on any date at a price of par plus accrued interest.

Rating: Not Rated

Authority and Purpose: The Certificates are being issued pursuant to Minnesota Statutes, Section 412.301 and Chapter 475, as amended. Proceeds of the Certificates will be used to finance the purchase of a fire truck and to pay costs associated with issuance of the Certificates.

Security: The Certificates are a valid and binding general obligation of the City and are payable from ad valorem taxes. All taxable property within the corporate boundaries of the City is subject to the levy of taxes to pay the principal of and interest on the Certificates without constitutional or statutory limitation as to rate or amount.

Bank Qualified: The Certificates will be designated as a bank qualified tax-exempt obligation.

No Continuing Disclosure The City will not enter into an undertaking to annually provide continuing disclosure information with respect to the Certificates.

Tax Exemption: In the opinion of Bond Counsel to be delivered at closing, interest on the Certificates is excluded from gross income for state of Minnesota and federal income tax purposes and is not an item of tax preference for purposes of the federal minimum tax.

APPROVED ONLY FOR DISTRIBUTION TO FINANCIAL INSTITUTIONS. Information is based on sources considered to be reliable, but is not warranted by Northland Securities, Inc.

Northland Securities, Inc., 150 South 5th Street, Suite 3300, Minneapolis, MN 55402 800-851-2920

Member FINRA and SIPC | Registered with SEC and MSRB



7/22/2020

Additional Provisions:

The Certificates will be held with the Purchaser and not reoffered to the public.

The Certificates will be issued in \$1,000 denominations.

One typewritten Certificate per term Certificate maturity will be printed.

Paying Agent:

City of Clearwater, Minnesota

APPROVED ONLY FOR DISTRIBUTION TO FINANCIAL INSTITUTIONS. Information is based on sources considered to be reliable, but is not warranted by Northland Securities, Inc.

Northland Securities, Inc., 150 South 5th Street, Suite 3300, Minneapolis, MN 55402 800-851-2920

Member FINRA and SIPC | Registered with SEC and MSRB



**CITY OF CLEARWATER
WRIGHT AND STEARNS COUNTIES, MINNESOTA**

A special meeting of the City Council of the City of Clearwater, Minnesota, was called to order by Mayor Lawrence at 7:00 p.m. via Zoom Web Conference on Monday, July 27, 2020.

The following Council Members were present: Lawrence, Scott, Crandall, Petty, and Kruchten.

The following Council Members were absent: None.

A motion to adopt the following resolution was made by _____ and seconded by _____.

.....

**RESOLUTION 2020-48
APPROVING HIRE OF ACCOUNTANT**

WHEREAS, the City Council previously authorized the posting of an Accountant position to replace vacancies at City Hall; and

WHEREAS, following a public posting and scoring of applicants, staff completed interviews of several candidates; and

WHEREAS, staff recommends that the City Council appoint candidate _____ to the position subject to the following conditions:

- Position is full-time, 36 hours per week, and eligible for city benefits.
- Salary will be at Step ____ on the step scale for the position with a starting salary of \$____/hr.
- Hire is subject to a criminal background check.
- Hire is subject to a 90-day training period.
- PTO is earned in accordance with the Personnel Policy.

NOW, THEREFORE, BE IT RESOLVED, that the City Council hereby appoints _____ to the position of Accountant and subject to the conditions outlined above.

Council members voting in favor:

Opposed or Abstained:

Adopted by the City Council this 27th day of July, 2020.

ATTEST:

APPROVED BY:

Annita M. Smythe, City Administrator

Andrea Lawrence, Mayor