

ORDINANCE NO. 450

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF CRESCO, IOWA, BY AMENDING PROVISIONS PERTAINING TO WATER RATES

BE IT ENACTED by the City Council of the City of Cresco, Iowa, as follows:

SECTION 1. Chapter 92, Section 02, of the Code of Ordinances of the City of Cresco, Iowa, is repealed and the following adopted in lieu thereof:

**92.02 RATES FOR SERVICE.** Water service shall be furnished at the following monthly rates within the City:

(Code of Iowa, Section 384.84)

1. Effective July 1, 2014:

- A. First 7,000 gallons used per month @ \$4.04 per 1000 gallons. (Minimum bill is \$6.06 based on 1,500 gallons.)
- B. Next 60,000 gallons used per month @ \$3.70 per 1000 gallons.
- C. All over 67,000 gallons used per month @ \$3.38 per 1000 gallons.

SECTION 2. Chapter 92, Section 03, of the Code of Ordinances of the City of Cresco, Iowa, is repealed and the following adopted in lieu thereof:

**92.03 RATES OUTSIDE THE CITY:** Water service shall be provided at the following monthly rates, based upon water used and furnished, outside the City limits and such rates shall apply to all cases except where there was in existence a pre-existing written contract:

(Code of Iowa, Section 384.84)

1. Effective July 1, 2014:

- A. First 7,000 gallons used per month @ \$8.08 per 1000 gallons. (Minimum Bill is \$12.12 based on 1,500 gallons.)
- B. Next 60,000 gallons used per month @ \$7.40 per 1000 gallons.
- C. All over 67,000 gallons used per month @ \$6.76 per 1000 gallons.

SECTION 3. SEVERABILITY CLAUSE. If any section, provision or part of this ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

SECTION 4. WHEN EFFECTIVE. This ordinance shall be in effect from and after its final passage, approval and publication as provided by law.

PASSED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2014.

\_\_\_\_\_  
Mayor Mark Bohle

ATTEST: \_\_\_\_\_  
City Clerk Michelle Girolamo

1<sup>st</sup> Reading \_\_\_\_\_ 2<sup>nd</sup> Reading \_\_\_\_\_ 3<sup>rd</sup> Reading \_\_\_\_\_

I certify that the foregoing was published as Ordinance No. 450 on the \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
City Clerk Michelle Girolamo

ORDINANCE NO. 451

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE  
CITY OF CRESCO, IOWA, BY AMENDING  
PROVISIONS PERTAINING TO SEWER SERVICE CHARGES

BE IT ENACTED by the City Council of the City of Cresco, Iowa, as follows:

SECTION 1. Chapter 99, Section 02, of the Code of Ordinances of the City of Cresco, Iowa, is repealed and the following adopted in lieu thereof:

**99.02 RATES FOR SERVICE.** Each customer shall pay a sewer service charge for the use of and for the service supplied by the municipal sanitary sewer system based upon the amount and rate of water consumed. Sewer service shall be furnished at the following monthly rates:  
(Code of Iowa, Section 384.84)

1. Effective July 1, 2014:

- A. \$7.50 per 1,000 gallons within City limits. (Minimum bill is \$11.25 based on 1,500 gallons.)
- B. \$15.00 per 1,000 gallons outside City limits. (Minimum bill is \$22.50 based on 1,500 gallons.)
- C. \$2.00 per month for Capital Improvement fund for the extension and maintenance of the sewer, storm sewer and water lines.

SECTION 2. SEVERABILITY CLAUSE. If any section, provision or part of this ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

SECTION 3. WHEN EFFECTIVE. This ordinance shall be in effect from and after its final passage, approval and publication as provided by law.

PASSED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2014.

\_\_\_\_\_  
Mayor Mark Bohle

ATTEST: \_\_\_\_\_  
City Clerk Michelle Girolamo

1<sup>st</sup> Reading \_\_\_\_\_ 2<sup>nd</sup> Reading \_\_\_\_\_ 3<sup>rd</sup> Reading \_\_\_\_\_

I certify that the foregoing was published as Ordinance No. 451 on the \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
City Clerk Michelle Girolamo

ORDINANCE NO. 452

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE  
CITY OF CRESCO, IOWA, BY AMENDING  
PROVISIONS PERTAINING TO TREES

BE IT ENACTED by the City Council of the City of Cresco, Iowa, as follows:

SECTION 1. Chapter 151, Section 02, Section 05, Section 06, Section 07 and Section 08 of the Code of Ordinances of the City of Cresco, Iowa, is repealed and the following adopted in lieu thereof:

**151.02 PERMITS FOR PLANTING TREES IN BOULEVARDS.** A permit must be secured at the office of the Director of Public Works before planting any tree in any in any boulevard within the corporate limits of the City. Trees are to be purchased and planted by the property owner of the land abutting the boulevard, or by a person retained by the property owner. Varieties of trees approved are those trees of the hard wood variety, having good appearance, adaptability to the climate, being long lived and generally free from injurious insects and diseases. Following are listed the approved varieties:

Crabapple  
Japanese Lilac  
Serviceberry  
Oak (Red, White)  
Hackberry  
Linden  
Elm (Disease Resistant)  
Cork

**151.05 REMOVAL OF BOULEVARD TREES.**

1. The City will remove trees that are determined by the Director of Public Works to be diseased, dangerous or a public nuisance.
2. Ordinary removal by the City will leave the stump in the ground, cut off at about boulevard level, then ground to below the surface of the boulevard.
3. Removal of any boulevard tree is to be approved by the Director of Public Works before starting removal.
4. Upon approval to remove a nuisance tree from the boulevard, the property owner may hire a licensed tree surgeon to remove this tree if the property owner takes full responsibility for the hauling, chipping, stump removal, replacement of the tree, and replacement of the lawn. Any income from the sale of the tree would then go to the property owner instead of the City.

**151.06 REMOVAL OF TREES ON PRIVATE PROPERTY**

1. A property owner may remove a tree that is on personal property as long as the property owner does the actual work. Otherwise, the property owner must hire a licensed tree surgeon to remove the tree.

**151.07 ABUSE OR MUTILATION OF TREES.** No person shall willfully damage, injure, mar, deface or destroy any tree on any boulevard in the City.

**151.08 DISEASE CONTROL.** Any dead, diseased, or damaged tree or shrub that may harbor serious insect or disease pests or disease injurious to other trees is hereby declared to be a nuisance.

SECTION 2. SEVERABILITY CLAUSE. If any section, provision or part of this ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

SECTION 3. WHEN EFFECTIVE. This ordinance shall be in effect from and after its final passage, approval and publication as provided by law.

PASSED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2014.

\_\_\_\_\_  
Mayor Mark Bohle

ATTEST: \_\_\_\_\_  
City Clerk Michelle Girolamo

1<sup>st</sup> Reading \_\_\_\_\_ 2<sup>nd</sup> Reading \_\_\_\_\_ 3<sup>rd</sup> Reading \_\_\_\_\_

I certify that the foregoing was published as Ordinance No. 452 on the \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
City Clerk Michelle Girolamo

Council Member \_\_\_\_\_ introduced the following Resolution entitled "RESOLUTION APPROVING CONTRACT AND BOND" and moved its adoption. Council Member \_\_\_\_\_ seconded the motion to adopt. The roll was called and the vote was,

AYES: \_\_\_\_\_

\_\_\_\_\_

NAYS: \_\_\_\_\_

Whereupon, the Mayor declared the following Resolution duly adopted:

RESOLUTION APPROVING CONTRACT AND BOND

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CRESCO, STATE OF IOWA:

That the construction contract and bond executed for the 3rd Street West (Granger Road) Reconstruction, as described in the plans and specifications and which have been signed by the Mayor and Clerk on behalf of the City and proof of insurance coverage be and the same are hereby approved as follows:

Contractor: Skyline Construction Inc of Decorah, Iowa

Date of contract: April 22, 2014

Bond surety: United Fire & Casualty Company of Cedar Rapids, IA

Date of Bond: April 22, 2014

Portion of Project: All construction work

## CONTRACT

This contract, made as of the 22<sup>nd</sup> day of April, 2014, by and between the City of Cresco, Iowa, hereinafter called the Owner, and Skyline Construction, Inc., hereinafter called the Contractor.

WITNESSETH:

That whereas the Owner intends to have constructed 3<sup>rd</sup> Street West (Granger Road) Reconstruction hereinafter called the Project, in accordance with the Plans, Specifications, Addenda and other Contract Documents prepared by WHKS & Co., Consulting Engineers and Planners, Rochester, MN.

Now, therefore, the Owner and Contractor for the considerations hereinafter set forth, agree as follows:

The Contractor agrees to furnish all the necessary labor, materials, equipment, tools and services necessary to perform and complete in an acceptable manner all work required for the construction of the Project, in strict compliance with the Contract Documents.

The Owner agrees to pay and the Contractor agrees to accept, in full payment for the performance of this contract, the contract amount of: Two Million Four Hundred Fifty Five Thousand Five Hundred Fifty Six Dollars and 86/100 (\$2,455,556.86) in accordance with the provisions of the Contract Documents.

This Contract and all of the covenants hereof shall insure to the benefit of and be binding upon the Owner and the Contractor respectively and his/her partners, successors, assigns and legal representatives. Neither the Owner nor the Contractor shall have the right to assign, transfer or sublet his interest or obligations hereunder without written consent of the other party.

By virtue of statutory authority, preference will be given to Iowa domestic labor and products, provisions and coal produced in the State of Iowa.

IN WITNESS WHEREOF, the parties have made and executed this contract the day and year first written.

Skyline Construction, Inc.  
Contractor

*A. J. Bunn*  
By *JCC-TREAS*

Decorah IA  
City State

City of Cresco  
Owner

ATTEST:

\_\_\_\_\_  
By

\_\_\_\_\_  
City Clerk

Cresco IA  
City State

PERFORMANCE AND MAINTENANCE BOND

KNOWN BY ALL THESE PRESENTS, That we, the undersigned

Skylline Construction, Inc.

(Hereinafter called the "Principal")

of PO Box 127, Decorah, IA 52101

a/an Corporation

duly authorized by the law to do business as a Construction Contractor in the State of Iowa and United Fire & Casualty Company of Cedar Rapids, Iowa (hereinafter called the "Surety") a Corporation duly authorized to do a Surety business under the laws of the State of Iowa, are held and firmly bound unto City of Cresco, IA (hereinafter called the "Obligee") in the penal sum of Two Million, Four Hundred Fifty Five Thousand Five Hundred Fifty Six Dollars and 86/100 (\$2,455,556.86), lawful money of the United States, for the payment of which well and truly to be made unto said Obligee, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents, as follows:

The conditions of this obligation are such that, whereas on the 22<sup>nd</sup> day of April, 2014, the said Principal entered into a written agreement with said Obligee for the construction of 3<sup>rd</sup> Street West (Granger Road) Reconstruction as set forth in detail in the Bid Announcement, Proposal, Plans, Specifications, and other related contract documents referred to in said Agreement, all of which are hereby made a part hereof as if written herein at length.

NOW, THEREFORE, if the said Principal shall well and truly perform and complete said project in strict accordance with said agreement, Bid Announcement, Proposal, Plans, Specifications, and related documents shall comply with all the requirements of the Laws of the State of Iowa, shall pay as they become due all just claims for work or requirements performed and materials furnished in connection with said Agreement, and shall defend, indemnify and save harmless said Obligee, against any and all liens, encumbrances, damages, claims, demands, expenses, costs and charges of every kind, including patent infringement claims arising out of or in relation to the performance of said work and the provisions of said Agreement, and shall guarantee the work against defects in workmanship and material during the construction and for two (2) years after the time of acceptance of the work, and make good such guarantee; then these presents shall be void; otherwise they shall remain in full force and effect.

This obligation is made for the use of said Obligee and also for use and benefit of all persons who may perform any work or labor or furnish any material in the execution of said Agreement.

The Principal and Sureties on this bond hereby agree to pay to all persons, firms, or corporations having contracts directly with the principal or with subcontractors all just claims due them for labor performed or materials furnished, in the performance of the contract on account of which this bond is given when the same are not satisfied out of the portion of the contract price which the public corporation retains until completion of the public improvement but the Principal and Sureties shall not be liable to said persons, firms, or corporations unless the claims of said claimants against said portion of the contract price shall have been established as provided by law.

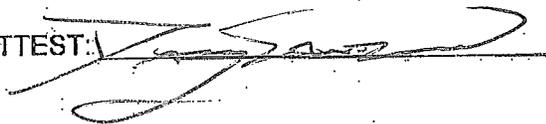
Every Surety on this bond shall be deemed and held, any contract to the contrary notwithstanding, to consent without notice:

1. To the extension of time to the Contractor in which to perform the contract.
2. To any change in the plans, specifications, or contract, when such change does not involve an increase of more than twenty percent (20%) of the total contract price, and shall be released only as to such excess increase.

The said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Agreement or to the work to be performed thereunder or the specifications accompanying the same; shall in anywise affect its obligation on this Bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Agreement or to the work or to the specifications.

IN TESTIMONY WHEREOF, the parties hereunto have caused the execution hereof as of the 22<sup>nd</sup> day of April, 2014.

(SEAL)

ATTEST: 

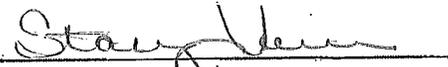
Skyline Construction, Inc.

Principal

By: 

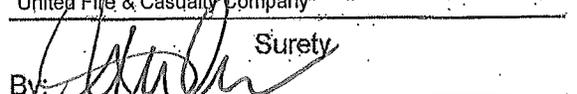
Title: SEC-TREAS

(SEAL)

ATTEST:   
Stacy Venn, Account Manager

United Fire & Casualty Company

Surety

By:   
Anne Crowner, Attorney-in-Fact

**PAYMENT BOND**

KNOWN BY ALL THESE PRESENTS, That we, the undersigned

Skyline Construction, Inc.

(Hereinafter called the "Principal")

of PO Box 127, Decorah, IA 52101

a/an Corporation

duly authorized by the law to do business as a Construction Contractor in the State of Iowa and United Fire & Casualty Company of Cedar Rapids, Iowa (hereinafter called the "Surety") a

Corporation duly authorized to do a Surety business under the laws of the State of Iowa, are held and firmly bound unto City of Cresco, Iowa (hereinafter called the "Obligee,") in the penal sum of Two Million Four Hundred Fifty Five Thousand Five Hundred Fifty Six Dollars and 86/100 (\$2,455,556.86), lawful money of the United States, for the payment of which well and truly to be made unto said Obligee, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents, as follows:

The conditions of this obligation are such that, whereas on the 22<sup>nd</sup> day of April, 2014, the said Principal entered into a written agreement with said Obligee for the construction of 3<sup>rd</sup> Street West (Granger Road) Reconstruction as set forth in detail in the Bid Announcement, Proposal, Plans, Specifications, and other related contract documents referred to in said Agreement, all of which are hereby made a part hereof as if written herein at length.

NOW, THEREFORE, if the Principal shall promptly make payment to all persons, firms, Subcontractors, and corporations furnishing materials for or performing labor in the prosecution of the WORK provided for in such contract, and any authorized extension or modification thereof, including all amounts due for materials, lubricants, oil, gasoline, coal and coke, repairs on machinery, equipment and tools, consumed or used in connection with the construction of such work, and all insurance premiums on said work, and for all labor, performed in such work whether by Subcontractor or otherwise, then this obligation shall be void; otherwise to remain in full force and effect.

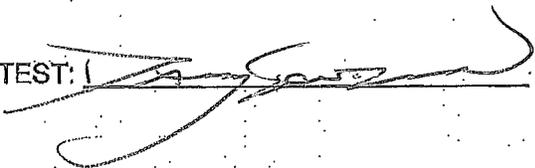
PROVIDED, FURTHER, that the said Surety for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to the work to be performed thereunder or the specifications accompanying the same shall in any wise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract or to the work or to the specifications.

PROVIDED, FURTHER, that no final settlement between the Owner and the Principal shall abridge the right of any beneficiary hereunder, whose claim may be unsatisfied.

IN WITNESS WHEREOF, this instrument is executed in five counterparts, each one of which shall be deemed an original, this the 22<sup>nd</sup> day of April, 2014.

(SEAL)

ATTEST: |



Skyline Construction, Inc.

Principal

By:



Title:

SEC-TEAM

(SEAL)

ATTEST: |



Stacy Venn, Account Manager

United Fire & Casualty Company

Surety

By:



Anne Crowner, Attorney-in-Fact

UNITED FIRE & CASUALTY COMPANY  
HOME OFFICE - CEDAR RAPIDS, IOWA  
CERTIFIED COPY OF POWER OF ATTORNEY  
(Original on file at Home Office of Company - See Certification)

KNOW ALL MEN BY THESE PRESENTS, That the UNITED FIRE & CASUALTY COMPANY, a corporation duly organized and existing under the laws of the State of Iowa, and having its principal office in Cedar Rapids, State of Iowa, does make, constitute and appoint KEVIN J. KNUTSON, OR JACQUELINE M. DEVINE, OR JODY A. DECKER, ALL INDIVIDUALLY OF THE CEDAR RAPIDS, IA OFFICE, OR CRAIG E. HANSEN, OR JAY D. FREIERMUTH, OR BRIAN M. DEIMERLY, OR CINDY BENNETT, OR ANNE CROWNER, OR TIM MCCULLOH, OR STACY VENN, OR LACEY CRAMBLIT, OR SHIRLEY S. BARTENHAGEN, OR KYLEE HEUSI, OR DIONE R. YOUNG, ALL INDIVIDUALLY OF DES MOINES IA

its true and lawful attorney-in-Fact with power and authority hereby conferred to sign, seal and execute in its behalf all lawful bonds, undertakings and other obligatory instruments of similar nature as follows: Any and All Bonds and to bind UNITED FIRE & CASUALTY COMPANY thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of UNITED FIRE & CASUALTY COMPANY and all the acts of said Attorney, pursuant to the authority hereby given are hereby ratified and confirmed.

The Authority hereby granted is continuous and shall remain in full force and effect until revoked by United Fire & Casualty Company.

This power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by Board of Directors of the Company on May 16, 2012.

**"Article VI - Surety Bonds and Undertakings"**

Section 2, Appointment of Attorney-in-Fact. "The President or any Vice President, or any other officer of the Company may, from time to time, appoint by written certificates attorneys-in-fact to act in behalf of the Company in the execution of policies of insurance, bonds, undertakings and other obligatory instruments of like nature. The signature of any officer authorized hereby, and the Corporate seal, may be affixed by facsimile to any power of attorney or special power of attorney or certification of either authorized hereby; such signature and seal, when so used, being adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed. Such attorneys-in fact, subject to the limitations set forth in their respective certificates of authority shall have full power to bind the Company by their signature and execution of any such instruments and to attach the seal of the Company thereto. The President or any Vice President, the Board of Directors or any other officer of the Company may at any time revoke all power and authority previously given to any attorney-in-fact.

IN WITNESS WHEREOF, the UNITED FIRE & CASUALTY COMPANY has caused these presents to be signed by its vice president and its corporate seal to be hereto affixed this 3rd day of January, 2013



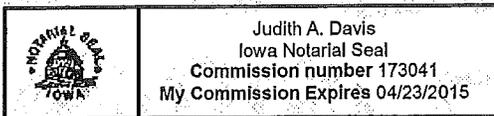
UNITED FIRE & CASUALTY COMPANY

By *Dennis J. Richmann* Vice President

State of Iowa, County of Linn, ss:

On 3rd day of January, 2013, before me personally came Dennis J. Richmann

to me known, who being by me duly sworn, did depose and say; that he resides in Cedar Rapids, State of Iowa; that he is a Vice President of the UNITED FIRE & CASUALTY COMPANY, the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.



*Judith A. Davis*  
Notary Public  
My commission expires: 04-23-2015

I, the undersigned officer of the UNITED FIRE & CASUALTY COMPANY, do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the by-laws of said Company as set forth in said Power of Attorney, with the ORIGINALS ON FILE IN THE HOME OFFICE OF SAID COMPANY, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

In testimony whereof I have hereunto subscribed my name and affixed the corporate seal of the said Company this 22nd day of April 2014.



*David A. Gage*  
Secretary



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
04/28/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Holmes Murphy & Assoc - CR 500 1st Avenue NE, Suite 300 Cedar Rapids, IA 52401	1-800-300-0325	CONTACT NAME: PHONE (A/C, No, Ext): E-MAIL ADDRESS:	FAX (A/C, No):
INSURED Skyline Construction, Inc. PO Box 127 Decorah, IA 52101		INSURER(S) AFFORDING COVERAGE INSURER A: Bituminous Insurance Companies INSURER B: Lexington Insurance Company INSURER C: BITUMINOUS FIRE & MARINE INS CO INSURER D: INSURER E: INSURER F:	
		NAIC # 20109	

**COVERAGES**

CERTIFICATE NUMBER: 39450088

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR VVVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC			CLP3589609	07/01/13	07/01/14	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			CAP3589608	07/01/13	07/01/14	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$ 10,000			013136459	07/01/13	07/01/14	EACH OCCURRENCE \$ 15,000,000 AGGREGATE \$ 15,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	WC3589607	07/01/13	07/01/14	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
C	Cargo Liability			CLP3589609	07/01/13	07/01/14	Any One Vehicle 150,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

The City of Cresco and WHKS are Additional Insureds on General Liability on a primary and non-contributory basis as required by written contract with the insured, per policy terms and conditions. The General Liability and Workers Compensation include a Waiver of Subrogation in favor of The City of Cresco and WHKS as required by written contract with the insured, per policy terms and conditions. The policies contain a Notice of Cancellation in endorsement in favor of The City of Cresco.

RE: 3rd Street West (Grand Road) Reconstruction

**CERTIFICATE HOLDER****CANCELLATION**

WHKS Attn: Daren Sikink 2905 South Broadway Rochester, MN 55904 USA	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
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RESOLUTION NUMBER \_\_\_\_\_

**RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO A  
FINANCIAL SERVICES AGREEMENT WITH PIPER JAFFRAY & CO.**

WHEREAS, the City of Cresco wishes to issue Tax Exempt General Obligation Capital Loan Notes, Series 2014 to finance capital improvement projects, Granger Road Project, and related cost of issuance; and

WHEREAS, the City of Cresco, Iowa requires the assistance of financial services and has selected Piper Jaffray & Co to assist with the issuance and render the services in the agreement.

NOW THEREFORE BE IT RESOLVED THAT the Mayor is authorized and directed to sign the Financial Services Agreement with Piper Jaffray & Co.

Council Person \_\_\_\_\_ moved the adoption of the foregoing Resolution and Council Person \_\_\_\_\_ seconded said Motion. Following discussion, a roll call vote was requested by Mayor and said roll call resulted as follows:

Ayes: \_\_\_\_\_  
Nays: \_\_\_\_\_  
Absent: \_\_\_\_\_

Thereupon, the Mayor declared said Resolution duly passed and announced that the Financial Service Agreement between the City of Cresco and Piper Jaffray & Co., is approved and that the Mayor is authorized to execute the agreement on behalf of the City of Cresco.

PASSED AND APPROVED THIS 19<sup>TH</sup> DAY OF MAY, 2014.

BY: \_\_\_\_\_  
Mayor Mark Bohle

ATTEST: \_\_\_\_\_  
City Clerk Michelle Girolamo

## FINANCIAL SERVICES AGREEMENT

This Financial Services Agreement, (the "Agreement") is entered into the 19th day of May 2014, by and between the City of Cresco, Iowa (the "Issuer"), and Piper Jaffray & Co. (the "Financial Services Provider").

### RECITALS

WHEREAS, the Issuer requires the provision of financial services in connection with the issuance by the Issuer of approximately \$3,000,000 of Tax Exempt General Obligation Capital Loan Notes, Series 2014, to finance the Issuer's upcoming capital improvement projects, Granger Road Project, and related cost of issuance (the "Project"); and

WHEREAS, the Issuer desires to engage the Financial Services Provider to render the services; and

WHEREAS, the Issuer has selected Ahlers & Cooney P.C. as bond counsel ("Bond Counsel") and has not relied on Financial Services Provider for any assistance selecting Bond Counsel, Financial Services Provider is not party to the engagement agreement between Issuer and Bond Counsel, including having a working knowledge of any limitations under said agreement; and Financial Services Provider shall assume no responsibility for the work or opinions provided by Bond Counsel.

NOW THEREFORE, in consideration of the mutual covenants and stipulations hereinafter set forth, the parties agree as follows:

**Section 1. Scope of Services** The Scope of Services shall include assistance in the following areas with respect to the Project.

**The Financial Services Provider shall:**

- a) As requested by the Issuer, provide alternative debt retirement schedules including estimates of interest cost savings associated with the refinancing
- b) Comment on the value and recommend as to the use of credit ratings; coordinate the process securing credit rating
- c) Propose bond terms for the securities being sold
- d) Develop a timeline with respect to the issuance of proposed securities
- e) Upon completion of the official statement by the Issuer, distribute Issuer's official statement to potential bidders via I-Deal (to national bidders and information repositories) and printed copies (for local banks and other local financial institutions)
- f) Evaluate and recommend the bids received to the Board for consideration
- g) Coordinate the closing of the transaction

**The Issuer shall:**

- h) Allow the Financial Services Provider to rely on the Issuer's representations that the disclosure provided with respect to the Project is not misleading, and direct counsel to include the Financial Services Provider as addressee on all certifications and communications therein
- i) Approve the form of official statement and direct its dissemination to interested bidders
- j) Participate in all calls, discussions and requests for information necessary to complete the credit rating process, if a rating is recommended as discussed herein
- k) Take all usual and customary steps necessary to complete the Project,

Both the Issuer and Financial Services Provider acknowledge that a timeline for the Project has been circulated and is acceptable to both parties.

**The Issuer Acknowledges its responsibility for disclosure pursuant to Securities Laws**

The antifraud provisions of the federal securities laws apply to statements made by issuers, whether made in a Preliminary Official Statement, a final Official Statement, (collectively, "Offering Documents") on a website or in a rating agency presentation (if reasonably expected to reach investors) or if made by issuers in connection with secondary market information required to be disseminated under relevant contracts. Under Rule 10b-5 (adopted pursuant to Section 10(b) of the Securities Exchange Act of 1934), it is unlawful for any person, in connection with the disclosures made above, to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading. The Issuer hereby acknowledges its responsibility with respect to compliance with federal securities laws and represents its intention to comply in all respects with federal securities laws.

#### Extent of Duties Arising under this Agreement

The Issuer and the Financial Services Provider intend and agree that, to the extent the performance of services by the Financial Services Provider with respect to a Project constitutes municipal advisory activities within the meaning of proposed rule 15Ba1 of the Securities Exchange Act of 1934 or otherwise creates a duty of the Financial Services Provider under Section 15B(c)(1) of the Securities Exchange Act of 1934 or Rule G-23 of the Municipal Securities Rulemaking Board, such duty does not extend beyond the services to be provided with respect to that Project and such duty does not extend to any other contract, agreement, relationship, or understanding of any nature between the Issuer and the Financial Services Provider.

#### Section 2. Compensation.

0.5% of the par amount of securities sold; with a minimum fee of \$11,000 and a maximum fee of \$15,000 per issue of securities sold.

Section 3. Expenses. The Issuer will reimburse the Financial Services Provider in addition to the fees outlined in Section 2 for the preparation, printing and mailing costs associated with the official statement, and any other related costs, for the Project to be implemented as contemplated herein at a cost of \$2,500. The Financial Services Provider will be responsible for all of the Financial Services Provider's out-of-pocket expenses, including communication, cost of financial analysis and reports prepared in fulfilling its duties outlined herein. If attendance at more than three meetings of the Issuer's board is required, the Issuer shall reimburse the Financial Services Provider at the rate of \$200 per hour, and the hours shall be counted including travel time, and reasonable time allocations for meals. If out-of-state travel is directed by the Issuer, the Issuer will reimburse the Financial Services Provider for those expenses. The Issuer will be responsible for the payment of all fees and expenses commonly known as Costs of Issuance, including but not limited to: CUSIP numbers, publication expenses, local legal counsel, bond counsel, ratings, credit enhancement, travel associated with securing any rating or credit enhancement, printing of bonds, printing and distribution of required disclosure documents, trustee fees, paying agent fees, CUSIP registration, and the like.

Section 4. Term of Agreement. The term of this Agreement shall begin on the date of execution set forth above or on the date of any amendment hereto respecting a Project and shall terminate on completion of the Project. Neither the Issuer nor the Financial Services Provider may terminate this Agreement at any time prior to completion of the Project other than for non performance on the part of the Financial Services Provider, in which case the Issuer may terminate this agreement, and upon such termination, all fees due to the Financial Services Provider shall be due and payable immediately by the Issuer. The provisions of Sections 3, 10, 11, 14 and 15 shall survive termination of this Agreement.

Section 5. Independent Contractor. The Financial Services Provider is an independent contractor and nothing herein contained shall constitute or designate the Financial Services Provider or any of its employees or agents as employees or agents of the Issuer.

**Section 6. Assignment.** Neither the Financial Services Provider nor the Issuer shall have the right or power to assign this Agreement or parts thereof, or its respective duties, without the express written consent of the other party. In the event of acquisition of the Financial Services Provider by a third party firm, notice shall be given to the Issuer regarding the acquisition and the Issuer shall have the opportunity to consent to the assignment of this Agreement, which consent shall not be unreasonably withheld.

**Section 7. Entire Agreement/Amendments.** This Agreement, including any amendments hereto which are expressly incorporated herein, constitute the entire Agreement between the parties hereto and sets forth the rights, duties, and obligations of each to the other as of this date. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. This Agreement may not be modified except by a writing executed by both the Financial Services Provider and the Issuer.

**Section 8. Not Liable for Advice of Third Party Financial Services Providers.** Should the Issuer seek advice from third party Financial Services Providers, bankers or legal advisors or others providing guidance similar in scope to that contemplated herein, the Issuer agrees that the Financial Services Provider shall not be held liable for advice or recommendations made to the Issuer by third party Financial Services Providers, banker or legal advisors.

**Section 9. Legal Advice.** The Financial Services Provider is not legal counsel or an accountant and is not providing legal or accounting guidance. None of the Services contemplated in this Agreement shall be construed as or a substitute for legal services.

**Section 10. Indemnification.** The Issuer will indemnify and hold harmless the Financial Services Provider, each individual, corporation, partnership, trust, association or other entity controlling the Financial Services Provider, any affiliate of the Financial Services Provider or any such controlling entity and their respective directors, officers, employees, partners, incorporators, shareholders, servants, trustees and agents (hereinafter the "Indemnitees") against any and all liabilities, penalties, suits, causes of action, losses, damages, claims, costs and expenses (including, without limitation, fees and disbursements of counsel) or judgments of whatever kind or nature (each a "Claim"), imposed upon, incurred by or asserted against the Indemnitees arising out of or based upon (i) any allegation that the Official Statement, the information about the Issuer or any information provided by the Issuer to the Underwriter included (as of any relevant time) or includes an untrue statement of a material fact or omitted (as of any relevant time) or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading or (ii) arising out of or based upon the breach by the Issuer of any agreement, covenant or representation made in or pursuant to this Bond Issuance Resolution, Tax Exemption Certificate, or any purchase agreement between the Issuer and the purchaser of the Bonds

The Issuer acknowledges and understands that state and federal laws relating to disclosure in connection with municipal securities, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer and that the failure of the Financial Services Provider to advise the Issuer respecting these laws shall not constitute a breach by the Financial Services Provider or any of its duties and responsibilities under this Agreement.

**Section 11. Notices.** Any written notice or communications required or permitted by this Agreement or by law to be served on, given to, or delivered to either party hereto, by the other party shall be in writing and shall be deemed duly served, given, or delivered when personally delivered to the party to whom it is addressed or in lieu of such personal services, when deposited in the United States' mail, first-class postage prepaid, addressed to the Issuer at:

City of Cresco  
Attn: City Clerk  
130 North Park Place  
Cresco, IA 52136-1594

or to the Financial Services Provider at:

Piper Jaffray & Co.  
3900 Ingersoll Ave. Suite 110  
Des Moines, IA 50312  
Attention Public Finance Department

**Section 12. Consent to Jurisdiction; Service of Process.** The parties each hereby (a) submits to the jurisdiction of the Federal court sitting in Des Moines, Iowa with respect to any actions and proceedings arising out of or relating to this Agreement, (b) agrees that all claims with respect to such actions or proceedings may be heard and determined in such court, (c) waives the defense of an inconvenient forum, (d) agrees not to commence any action or proceeding relating to this Agreement other than in the Federal court sitting in Des Moines, Iowa and (e) agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

**Section 13. Counterparts; Severability.** This Agreement may be executed in two or more separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction.

**Section 14. Parties in Interest.** This Agreement, including rights to indemnity and contribution hereunder, shall be binding upon and inure solely to the benefit of each party hereto, any Indemnitee and their respective successors, heirs and assigns, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

**Section 15. Waiver of Jury Trial.** The parties each hereby agree to waive any right to a trial by jury with respect to any claim, counterclaim or action arising out of or in connection with this agreement or the transactions contemplated hereby.

**Section 16. Issuer intends to issue Tax Exempt Bonds** The Issuer acknowledges it intends to issue the Bonds on a tax exempt basis and further acknowledges the Issuer's continuing covenants and responsibilities regarding tax exemption that will be contained in the Bond Documents, including the Tax Exemption Certificate and Bond Resolution. Issuer acknowledges that the services provided by the Financial Services Provider are not intended to be construed as tax advice with respect to the issuance of the Bonds.

**Section 17. Waiver of attorney client privilege.** The Issuer hereby recognizes that all correspondence received from legal counsel to the Issuer, other than correspondence specifically protected by the Code of Iowa, is considered open records and available for inspection by any and all who would request such inspection. As such, the Issuer hereby waives any attorney client privilege and agrees not to assert such privilege now or in the future with respect to any correspondence from any firm providing legal counsel to the Issuer with respect to this Agreement or the services provided by the Financial Services Provider covered by this Agreement with respect to the Project or any future Project Amendment.

**Section 18. General.** The failure of either of the parties to enforce any right or provision under this Agreement shall not constitute a waiver of such right or provision unless acknowledged and agreed to by such party in writing. No waiver shall be implied from a failure of either party to exercise a right or remedy. In addition, no waiver of a party's right or remedy will affect the other provisions of this Agreement.

The captions in this Agreement are included for convenience of reference only and are in no way meant to define or limit any of the provisions contained in this Agreement or otherwise affect their construction or effect. When a word or phrase is enclosed in parenthesis and quotation marks, i.e., ("Word"), then that word or phrase shall be interpreted as if fully written out in the following format: "(hereinafter referred to as the 'Word')," and thereafter in this Agreement, that word or phrase shall stand as an abbreviation of the longer phrase to which it relates.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written. By the signature of its representative below, each party affirms (a) that it has taken all necessary action to authorize said representative to execute this Agreement, and (b) that it has read the attached DISCLOSURE OF CONFLICTS OF INTEREST WITH VARIOUS FORMS OF COMPENSATION, and has asked any questions or sought any clarification about the disclosure, with no further questions about said disclosure.

CITY OF CRESCO

By: \_\_\_\_\_  
Title:

PIPER JAFFRAY & CO.

By: \_\_\_\_\_  
Title: Senior Vice President

## DISCLOSURE OF CONFLICTS OF INTEREST WITH VARIOUS FORMS OF COMPENSATION

The Municipal Securities Rulemaking Board (MSRB) requires us, as your municipal advisor, to provide written disclosure to you about the actual or potential conflicts of interest presented by various forms of compensation. We must provide this disclosure even if you have already chosen a particular form of compensation. The municipal advisor's client should select a form of compensation that best meets its needs and the agreed upon scope of services.

Forms of Compensation; Potential Conflicts. The forms of compensation for municipal advisors vary according to the nature of the engagement and requirements of the client, among other factors. Various forms of compensation present actual or potential conflicts of interest because they may create an incentive for an advisor to recommend one course of action over another if it is more beneficial to the advisor to do so. This document discusses various forms of compensation and the timing of payments to the advisor.

Fixed fee. Under a fixed fee form of compensation, the municipal advisor is paid a fixed amount established at the outset of the transaction. The amount is usually based upon an analysis by the client and the advisor of, among other things, the expected duration and complexity of the transaction and the agreed-upon scope of work that the advisor will perform. This form of compensation presents a potential conflict of interest because, if the transaction requires more work than originally contemplated, the advisor may suffer a loss. Thus, the advisor may recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives. There may be additional conflicts of interest if the municipal advisor's fee is contingent upon the successful completion of a financing, as described below.

Hourly fee. Under an hourly fee form of compensation, the municipal advisor is paid an amount equal to the number of hours worked by the advisor times an agreed-upon hourly billing rate. This form of compensation presents a potential conflict of interest if the client and the advisor do not agree on a reasonable maximum amount at the outset of the engagement, because the advisor does not have a financial incentive to recommend alternatives that would result in fewer hours worked. In some cases, an hourly fee may be applied against a retainer (e.g., a retainer payable monthly), in which case it is payable whether or not a financing closes. Alternatively, it may be contingent upon the successful completion of a financing, in which case there may be additional conflicts of interest, as described below.

Fee contingent upon the completion of a financing or other transaction. Under a contingent fee form of compensation, payment of an advisor's fee is dependent upon the successful completion of a financing or other transaction. Although this form of compensation may be customary for the client, it presents a conflict because the advisor may have an incentive to recommend unnecessary financings or financings that are disadvantageous to the client. For example, when facts or circumstances arise that could cause the financing or other transaction to be delayed or fail to close, an advisor may have an incentive to discourage a full consideration of such facts and circumstances, or to discourage consideration of alternatives that may result in the cancellation of the financing or other transaction.

Fee paid under a retainer agreement. Under a retainer agreement, fees are paid to a municipal advisor periodically (e.g., monthly) and are not contingent upon the completion of a financing or other transaction. Fees paid under a retainer agreement may be calculated on a fixed fee basis (e.g., a fixed fee per month regardless of the number of hours worked) or an hourly basis (e.g., a minimum monthly payment, with additional amounts payable if a certain number of hours worked is exceeded). A retainer agreement does not present the conflicts associated with a contingent fee arrangement (described above).

Fee based upon principal or notional amount and term of transaction. Under this form of compensation, the municipal advisor's fee is based upon a percentage of the principal amount of an issue of securities (e.g., bonds) or, in the case of a derivative, the present value of or notional amount and term of the derivative. This form of compensation presents a conflict of interest because the advisor may have an incentive to advise the client to increase the size of the securities issue or modify the derivative for the purpose of increasing the advisor's compensation.

RESOLUTION NUMBER \_\_\_\_\_

**RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO A FORM OF LETTER AMENDMENT AGREEMENT TO SERVE AS DISSEMINATION AGENT FOR SECONDARY MARKET DISCLOSURE WITH PIPER JAFFRAY & CO.**

WHEREAS, the City of Cresco is required to provide to the marketplace certain secondary market disclosure information with outstanding bonds, in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934; and

WHEREAS, in the Dissemination Agreement dated December 17, 2012 Piper Jaffray & Co. agrees to act as the Dissemination Agent for the City of Cresco; and

WHEREAS, the parties to the Dissemination Agreement hereby agree to amend the Dissemination Agreement to add Series 2014, General Obligation Capital Loan Notes, Series 2014 dated July 8, 2014.

NOW THEREFORE BE IT RESOLVED that the Mayor is authorized and directed to sign the Agreement to serve as Dissemination Agent for Secondary Market Disclosure with Piper Jaffray & Co.

Council Person \_\_\_\_\_ moved the adoption of the foregoing Resolution and Council Person \_\_\_\_\_ seconded said Motion. Following discussion, a roll call vote was requested by Mayor and said roll call resulted as follows:

Ayes: \_\_\_\_\_  
Nays: \_\_\_\_\_  
Absent: \_\_\_\_\_

Thereupon, the Mayor declared said Resolution duly passed and announced that the Agreement between the City of Cresco and Piper Jaffray & Co., is approved and that the Mayor is authorized to execute the agreement on behalf of the City of Cresco.

PASSED AND APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2014.

BY: \_\_\_\_\_  
Mayor Mark Bohle

ATTEST: \_\_\_\_\_  
City Clerk Michelle Girolamo

**Exhibit B – Form of Letter Amendment Agreement to Serve as Dissemination Agent for  
Secondary Market Disclosure**

May 14, 2014

Ms. Michelle Girolamo, City Clerk  
City of Cresco  
130 North Park Place  
Cresco, IA 52136-1594

Re: Agreement to Serve as Dissemination Agent for Secondary Market Disclosure, dated December 17, 2012 (the “Dissemination Agreement”) between Piper Jaffray & Co. (“Piper”) and the City of Cresco, Iowa (the “Issuer”)

Pursuant to the Agreement between Piper the Issuer, Piper agreed to provide certain dissemination services to the Issuer respecting its contractual obligation to disseminate certain continuing financial and operating information to the marketplace. The parties to the Dissemination Agreement hereby agree to amend the Dissemination Agreement to add the following subject securities:

<u>Name of Issue</u>	<u>Dated Date of Bonds</u>
<b>General Obligation Debt</b>	
Series 2014, General Obligation Capital Loan Notes, Series 2014	July 8, 2014

A copy of the Undertaking is in the final transcript with respect to the Bonds.

The parties hereto agree that this letter amendment amends the Dissemination Agreement and is fully incorporated therein in all its terms.

Entered into on behalf of Piper by

\_\_\_\_\_ Date: \_\_\_\_\_  
Title: Senior Vice President

Entered into on behalf of Issuer by

\_\_\_\_\_ Date: \_\_\_\_\_  
Title:

Council Member \_\_\_\_\_ introduced the following Resolution entitled "RESOLUTION FIXING DATE FOR A MEETING ON THE AUTHORIZATION OF A LOAN AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED \$3,000,000 GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2014, OF THE CITY OF CRESCO, STATE OF IOWA, AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF", and moved that the same be adopted. Council Member \_\_\_\_\_ seconded the motion to adopt. The roll was called and the vote was,

AYES: \_\_\_\_\_

\_\_\_\_\_

NAYS: \_\_\_\_\_

Whereupon, the Mayor declared the resolution duly adopted as follows:

RESOLUTION FIXING DATE FOR A MEETING ON THE AUTHORIZATION OF A LOAN AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED \$3,000,000 GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2014, OF THE CITY OF CRESCO, STATE OF IOWA, AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF

WHEREAS, it is deemed necessary and advisable that the City of Cresco, State of Iowa, should provide for the authorization of a Loan Agreement and the issuance of General Obligation Capital Loan Notes, Series 2014, to the amount of not to exceed \$3,000,000, as authorized by Sections 384.24, 384.24A and 384.25, Code of Iowa, as amended, for the purpose of providing funds to pay costs of carrying out an essential corporate purpose project as hereinafter described; and

WHEREAS, the Loan Agreement and Notes shall be payable from the Debt Service Fund; and

WHEREAS, before a Loan Agreement may be authorized and General Obligation Capital Loan Notes, Series 2014, issued to evidence the obligation of the City thereunder, it is necessary to comply with the provisions of the City Code of Iowa, as amended, and to publish a notice of the proposal and of the time and place of the meeting at which the Council proposes to take action for the authorization of the Loan Agreement and Notes and to receive oral and/or written objections from any resident or property owner of the City to such action;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CRESCO, STATE OF IOWA:

Section 1. That this Council meet in the Council Chambers, City Hall, 130 N. Park Place, Cresco, Iowa, at \_\_\_\_\_ o'clock \_\_\_\_\_.M., on the 2nd day of June, 2014, for the purpose of taking action on the matter of the authorization of a Loan Agreement and the issuance of not to exceed \$3,000,000 General Obligation Capital Loan Notes, Series 2014, to evidence the obligations of the City thereunder for an essential corporate purpose of the City, the proceeds of which will be used to pay costs of the opening, widening, extending, grading, and draining of the right-of-way of streets, highways, avenues, alleys and public grounds; the construction, reconstruction, and repairing of any street improvements; the acquisition, installation, and repair of sidewalks, storm sewers, sanitary sewers, water service lines and traffic control devices; and the acquisition of any real estate needed for any of the foregoing purposes.

Section 2. To the extent any of the projects or activities described in this resolution may be reasonably construed to be included in more than one classification under Division III of Chapter 384 of the City Code of Iowa, the Council hereby elects the "essential corporate purpose" classification and procedure with respect to each such project or activity, pursuant to Section 384.28 of the City Code of Iowa.

Section 3. The Clerk is authorized and directed to proceed on behalf of the City with the negotiation of terms of a Loan Agreement and the issuance of General Obligation Capital Loan Notes, Series 2014, evidencing the City's obligations to a principal amount of not to exceed \$3,000,000, to select a date for the final approval thereof, to cause to be prepared such notice and sale information as may appear appropriate, to publish and distribute the same on behalf of the City and this Council and otherwise to take all action necessary to permit the completion of a loan on a basis favorable to the City and acceptable to the Council.

Section 4. That the Clerk is hereby directed to cause at least one publication to be made of a notice of the meeting, in a legal newspaper, printed wholly in the English language, published at least once weekly, and having general circulation in the City. The publication to be not less than four clear days nor more than twenty days before the date of the public meeting on the issuance of the Notes.

Section 5. The notice of the proposed action shall be in substantially the following form:

NOTICE OF MEETING OF THE CITY COUNCIL OF THE  
CITY OF CRESCO, STATE OF IOWA, ON THE MATTER OF  
THE PROPOSED AUTHORIZATION OF A LOAN  
AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED  
\$3,000,000 GENERAL OBLIGATION CAPITAL LOAN  
NOTES, SERIES 2014, (FOR AN ESSENTIAL CORPORATE  
PURPOSE) AND THE PUBLIC HEARING ON THE  
AUTHORIZATION AND ISSUANCE THEREOF

PUBLIC NOTICE is hereby given that the Council of the City of Cresco, State of Iowa, will hold a public hearing on the 2nd day of June, 2014, at 7:00 o'clock P.M., in the Council Chambers, City Hall, 130 N. Park Place, Cresco, Iowa, at which meeting the Council proposes to take additional action for the authorization of a Loan Agreement and the issuance of not to exceed \$3,000,000 General Obligation Capital Loan Notes, Series 2014, for an essential corporate purpose of the City, in order to pay costs of the opening, widening, extending, grading, and draining of the right-of-way of streets, highways, avenues, alleys and public grounds; the construction, reconstruction, and repairing of any street improvements; the acquisition, installation, and repair of sidewalks, storm sewers, sanitary sewers, water service lines and traffic control devices; and the acquisition of any real estate needed for any of the foregoing purposes. Principal and interest on the proposed Loan Agreement will be payable from the Debt Service Fund.

At the above meeting the Council shall receive oral or written objections from any resident or property owner of the City, to the above action. After all objections have been received and considered, the Council will at this meeting or at any adjournment thereof, take additional action for the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder or will abandon the proposal.

This Notice is given by order of the Council of the City of Cresco, State of Iowa, as provided by Sections 384.24, 384.24A and 384.25 of the City Code of Iowa, as amended.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

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City Clerk, City of Cresco, State of Iowa

(End of Notice)

Council Member \_\_\_\_\_ introduced the following Resolution entitled "RESOLUTION DIRECTING THE ADVERTISEMENT FOR SALE OF \$3,000,000 (DOLLAR AMOUNT SUBJECT TO CHANGE) GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2014, AND APPROVING ELECTRONIC BIDDING PROCEDURES AND OFFICIAL STATEMENT" and moved its adoption. Council Member \_\_\_\_\_ seconded the Resolution to adopt. The roll was called and the vote was,

AYES: \_\_\_\_\_

\_\_\_\_\_

NAYS: \_\_\_\_\_

Whereupon, the Mayor declared the resolution duly adopted as follows:

RESOLUTION DIRECTING THE ADVERTISEMENT FOR  
SALE OF \$3,000,000 (DOLLAR AMOUNT SUBJECT TO  
CHANGE) GENERAL OBLIGATION CAPITAL LOAN  
NOTES, SERIES 2014, AND APPROVING ELECTRONIC  
BIDDING PROCEDURES AND OFFICIAL STATEMENT

WHEREAS, the City of Cresco, State of Iowa, is in need of funds to pay costs of the opening, widening, extending, grading, and draining of the right-of-way of streets, highways, avenues, alleys and public grounds; the construction, reconstruction, and repairing of any street improvements; the acquisition, installation, and repair of sidewalks, storm sewers, sanitary sewers, water service lines and traffic control devices; and the acquisition of any real estate needed for any of the foregoing purposes, an essential corporate purpose project, and it is deemed necessary and advisable that a form of Loan Agreement be approved and authorized and that the City issue General Obligation Capital Loan Notes for such purpose to the amount of \$3,000,000 (dollar amount subject to change) as authorized by Sections 384.24, 384.24A and 384.25 of the City Code of Iowa; and

WHEREAS, pursuant to notice published as required by Sections 384.24, 384.24A and 384.25 this Council will hold a public meeting and hearing on June 2, 2014, upon the proposal to institute proceedings for the issuance of the Notes, and all objections, if any, to such Council action made by any resident or property owner of the City will be received and considered by the Council; and it is the decision of the Council that additional action be taken for the issuance of \$3,000,000 (dollar amount subject to change) General Obligation Capital Loan Notes, Series 2014, and that such action is considered to be in the best interests of the City and the residents thereof; and

WHEREAS, in conjunction with its financial advisor, Piper Jaffray & Co., the City has caused a Preliminary Official Statement to be prepared outlining the details of the proposed sale of the Note; and

WHEREAS, the Council has received information from its Financial Consultant evaluating and recommending the procedure hereinafter described for electronic, facsimile and internet bidding to maintain the integrity and security of the competitive bidding process and to facilitate the delivery of bids by interested parties; and

WHEREAS, the Council deems it in the best interests of the City and the residents thereof to receive bids to purchase such Notes by means of both sealed and electronic internet communication.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CRESCO, STATE OF IOWA:

Section 1. That the preliminary Official Statement in the form presented to this meeting be and the same hereby is approved as to form and deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission, subject to such revisions, corrections or modifications as the Mayor and City Clerk, upon the advice of bond counsel and the City's Financial Advisor, shall determine to be appropriate, and is authorized to be distributed in connection with the offering of the Notes for sale.

Section 2. Bids for the sale of General Obligation Capital Loan Notes, Series 2014, of the City of Cresco, State of Iowa, will be received at the office of the City Clerk, City Hall, 130 N. Park Place, Cresco, Iowa 52136; Telephone: 563-547-3101 (the "Issuer") before 1:00 o'clock P.M., on the 2nd day of June, 2014. The bids will then be publicly opened and referred for action to the meeting of the City Council in conformity with the TERMS OF OFFERING.

Section 3. The notes to be offered are the following:

GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2014, in the amount of \$3,000,000\*to be dated July 8, 2014 (the "Notes")

\*Adjustment to Principal Amount After Determination of Best Bid. Each scheduled maturity of the Notes is subject to increase or decrease. Such adjustments shall be made promptly after the sale and prior to the award of bids by the issuer and shall be in the sole discretion of the Issuer. To cooperate with any adjustment in the principal amounts, the Successful Bidder is required, as a part of its bid, to indicate its Initial Reoffering yield and Initial Reoffering price on each maturity of the Notes (said price shall be calculated to the date as indicated by the Issuer).

Section 4. Open bids will not be received. Bids will be received in any of the following methods:

- Sealed Bidding: Sealed bids may be submitted and will be received at the office of the City Clerk at City Hall, 130 North Park Place, Cresco, Iowa 52136.
- Electronic Internet Bidding: Electronic internet bids will be received at the office of the City Clerk at City Hall, 130 North Park Place, Cresco, Iowa 52136. The bids must be submitted through the PARITY® competitive bidding system.
- Electronic Facsimile Bidding: Electronic facsimile bids will be received at the office of the City Clerk at City Hall, 130 North Park Place, Cresco, Iowa 52136 (facsimile number: 563-547-4525). Electronic facsimile bids will be sealed and treated as sealed bids.

Section 5. After the time for receipt of bids has passed, the close of sealed bids will be announced. Sealed bids will then be publicly opened and announced. Finally, electronic internet bids will be accessed and announced.

Section 6. The sale and award of the Notes will be held at the Council Chambers, City Hall, 130 N. Park Place, Cresco, Iowa at a meeting of the City Council on the above date at 7:00 o'clock P.M.

Section 7. The Issuer has issued an Official Statement of information pertaining to the Notes to be offered, including a statement of the Terms of Offering and an Official Bid Form. The Official Statement may be obtained by request addressed to the City Clerk, City Hall, 130 N. Park Place, Cresco, Iowa 52136; Telephone: 563-547-3101 or the Issuer's Financial Consultant, Piper Jaffray & Co., 3900 Ingersoll Avenue, Suite 110, Des Moines, Iowa, 50312; Telephone: 515-247-2340.

Section 8. All bids shall be in conformity with and the sale shall be in accord with the Terms of Offering as set forth in the Official Statement.

Section 9. The notes will be sold subject to the opinion of Ahlers & Cooney, P.C., Attorneys of Des Moines, Iowa, as to the legality and their opinion will be furnished together with the printed notes without cost to the purchaser and all bids will be so conditioned. Except to the extent necessary to issue their opinion as to the legality of the notes, the attorneys will not examine or review or express any opinion with respect to the accuracy or completeness of documents, materials or statements made or furnished in connection with the sale, issuance or marketing of the bonds.

Section 10. The right is reserved to reject any or all bids, and to waive any irregularities as deemed to be in the best interests of the public.