

MINUTES TO SET DATE FOR HEARING  
ON A LOAN AGREEMENT

420024-35

Knoxville, Iowa

February 1, 2016

The City Council of the City of Knoxville, Iowa, met on February 1, 2016, at \_\_\_\_\_ o'clock \_\_.m., at the \_\_\_\_\_, Knoxville, Iowa. The Mayor presided and the roll was called showing the following members of the City Council present and absent:

Present: \_\_\_\_\_

Absent: \_\_\_\_\_.

Council Member \_\_\_\_\_ introduced the resolution hereinafter next set out and moved its adoption, seconded by Council Member \_\_\_\_\_; and after due consideration thereof by the City Council, the Mayor put the question upon the adoption of the said resolution and the roll being called, the following named Council Members voted:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_.

Whereupon, the Mayor declared the resolution duly adopted as hereinafter set out.

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At the conclusion of the meeting and upon motion and vote, the City Council adjourned.

\_\_\_\_\_  
Mayor

Attest:

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

RESOLUTION NO. 02-05-16

Resolution setting the date for a public hearing on proposal to enter into a General Obligation Corporate Purpose and Refunding Loan Agreement and to borrow money thereunder in a principal amount not to exceed \$2,100,000

WHEREAS, the City of Knoxville (the “City”), in Marion County, State of Iowa, previously issued its \$1,765,000 General Obligation Refunding Capital Loan Notes, Series 2007A, dated September 19, 2007 (the “2007 Notes”) a portion of which currently remains outstanding maturing on such dates and in such amounts and bearing interest at such rates as follows as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2016	\$140,000	3.95%
2017	\$150,000	4.00%
2018	\$150,000	4.05%
2019	\$160,000	4.05%

;and

WHEREAS, pursuant to the resolution (the “2007 Note Resolution”) authorizing the issuance of the 2007 Notes, the City reserved the right to call the portion of the 2007 Notes maturing in the years 2016 through 2019 for early redemption on any date on or after June 1, 2015, subject to the provisions of the 2007 Note Resolution; and

WHEREAS, the City now proposes to enter into a Loan Agreement (the “Essential Purpose Loan Agreement”), pursuant to the provisions of Section 384.24A of the Code of Iowa, and to borrow money thereunder in a principal amount not to exceed \$2,100,000 for the purpose of paying the costs, to that extent, of (1) current refunding the 2007 Notes; and (2) constructing street improvements, including incidental water, sanitary sewer, sidewalk and storm water drainage infrastructure (the “Street Project”), and it is necessary to fix a date of meeting of the City Council at which it is proposed to take action to enter into the Essential Purpose Loan Agreement and to give notice thereof as required by such law; and

WHEREAS, the City has heretofore proposed to enter into a General Obligation Recreational Trails Improvement Loan Agreement (the “Rec Trails Loan Agreement”) and to borrow money thereunder in a principal amount not to exceed \$700,000, pursuant to the provisions of Section 384.24A of the Code of Iowa, for the purpose of paying the cost, to that extent, of constructing public recreation trails and related improvements, and in lieu of calling an election upon such proposal, has published notice of the proposed action and has held a hearing thereon, and as of July 20, 2015, no petition had been filed with the City asking that the question of entering into the Rec Trails Loan Agreement be submitted to the registered voters of the City;

NOW, THEREFORE, Be It Resolved by the City Council of the City of Knoxville, Iowa, as follows:

Section 1. The City Council shall meet on February 15, 2016, at the \_\_\_\_\_, Knoxville, Iowa, at \_\_\_\_\_ o'clock \_\_.m., at which time and place a hearing will be held and proceedings will be instituted and action taken to enter into the Essential Purpose Loan Agreement and to combine the same with the Rec Trails Loan Agreement.

Section 2. The City Clerk is hereby directed to give notice of the proposed action on the Essential Purpose Loan Agreement setting forth the amount and purpose thereof, the time when and place where the said meeting will be held by publication at least once and not less than four (4) and not more than twenty (20) days before the date of said meeting, in a legal newspaper which has a general circulation in the City. The notice shall be in substantially the following form:

NOTICE OF PROPOSED ACTION TO INSTITUTE PROCEEDINGS TO  
ENTER INTO A LOAN AGREEMENT AND TO BORROW MONEY  
THEREUNDER IN A PRINCIPAL AMOUNT NOT TO EXCEED \$2,100,000

(GENERAL OBLIGATION)

The City Council of the City of Knoxville, Iowa, will meet on February 15, 2016, at the \_\_\_\_\_, Knoxville, Iowa, at \_\_\_\_\_ o'clock \_\_\_\_m., for the purpose of instituting proceedings and taking action on a proposal to enter into a loan agreement (the "Loan Agreement") and to borrow money thereunder in a principal amount not to exceed \$2,100,000 for the purpose of paying the costs, to that extent of (1) current refunding the outstanding balance of the City's General Obligation Refunding Capital Loan Notes, Series 2007A, dated September 19, 2007; and (2) constructing street improvements, including incidental water, sanitary sewer, sidewalk and storm water drainage infrastructure.

The Loan Agreement is proposed to be entered into pursuant to authority contained in Section 384.24A of the Code of Iowa and will constitute a general obligation of the City.

At that time and place, oral or written objections may be filed or made to the proposal to enter into the Loan Agreement. After receiving objections, the City may determine to enter into the Loan Agreement, in which case, the decision will be final unless appealed to the District Court within fifteen (15) days thereafter.

By order of the City Council of the City of Knoxville, Iowa.

Heather Ussery  
City Clerk

Section 3. Pursuant to Section 1.150-2 of the Income Tax Regulations (the “Regulations”) of the Internal Revenue Service, the City declares (a) that it intends to undertake the Street Project which is reasonably estimated to cost approximately \$1,615,000, (b) that other than (i) expenditures to be paid or reimbursed from sources other than the issuance of bonds, notes or other obligations (the “Bonds”), or (ii) expenditures made not earlier than 60 days prior to the date of this Resolution or a previous intent resolution of the City, or (iii) expenditures amounting to the lesser of \$100,000 or 5% of the proceeds of the Bonds, or (iv) expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Regulations, no expenditures for the Street Project have heretofore been made by the City and no expenditures will be made by the City until after the date of this Resolution or a prior intent resolution of the City, and (c) that the City reasonably expects to reimburse the expenditures made for costs of the City out of the proceeds of the Bonds. This declaration is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 4. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved February 1, 2016.

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Mayor

Attest:

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City Clerk

**ATTESTATION CERTIFICATE:**

STATE OF IOWA  
COUNTY OF MARION  
SS:  
CITY OF KNOXVILLE

I, the undersigned, City Clerk of the City of Knoxville, do hereby certify that attached hereto is a true and correct copy of the proceedings of the City Council relating to fixing a date for a hearing on the City's proposal to take action in connection with a certain loan agreement, as referred to therein.

WITNESS MY HAND this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

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

**ORGANIZATION CERTIFICATE:**

STATE OF IOWA  
COUNTY OF MARION                   SS:  
CITY OF KNOXVILLE

I, the undersigned City Clerk, do hereby certify that the City of Knoxville is organized and operating under the provisions of Title IX of the Code of Iowa and not under any special charter and that the City is operating under the Mayor-Council form of government and that there is not pending or threatened any question or litigation whatsoever touching the incorporation of the City, the inclusion of any territory within its limits or the incumbency in office of any of the officials hereinafter named.

And I do further certify that the following named parties are officials of the City as indicated:

- \_\_\_\_\_, Mayor
- \_\_\_\_\_, City Administrator
- \_\_\_\_\_, City Clerk/Treasurer
- \_\_\_\_\_, Council Member/Mayor Pro-Tem
- \_\_\_\_\_, Council Member
- \_\_\_\_\_, Council Member
- \_\_\_\_\_, Council Member
- \_\_\_\_\_, Council Member

WITNESS MY HAND this \_\_\_\_ day of \_\_\_\_\_, 2016.

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

**PUBLICATION CERTIFICATE:**

STATE OF IOWA  
COUNTY OF MARION                   SS:  
CITY OF KNOXVILLE

I, the undersigned, City Clerk of the City of Knoxville, do hereby certify that pursuant to the resolution of the City Council fixing a date of meeting at which it is proposed to take action to enter into a certain loan agreement, the notice, of which the printed slip attached to the publisher's affidavit hereto attached is a true and complete copy, was published on the date and in the newspaper specified in such affidavit, which newspaper has a general circulation in the City.

WITNESS MY HAND this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

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

**(Attach here the publisher's original affidavit with clipping of the notice, as published.)**

**(PLEASE NOTE: Do not date and return this certificate until you have received the publisher's affidavit and have verified that the notice was published on the date indicated in the affidavit but please return all other completed pages to us as soon as they are available.)**

January 29, 2016

**Via Email**

Aaron Adams  
City Administrator/City Hall  
Knoxville, Iowa

Re: General Obligation Corporate Purpose and Refunding Loan Agreement  
Our File No. 420024-35

Dear Aaron:

We have prepared and attach proceedings for the February 1, 2016 City Council meeting to fix February 15, 2016 as the date for a hearing on the proposal to enter into the General Obligation Corporate Purpose and Refunding Loan Agreement.

The documents attached include the following items:

1. Resolution fixing the date, time and place of the meeting at which time it is proposed to hold a hearing and take action to enter into the Loan Agreement. The form of notice of hearing is set out under Section 2 of the resolution. Please print an extra copy for delivery to the publisher. Please insert the time and place of the hearing in both the resolution and the notice.
2. Attestation Certificate attesting to the validity of the transcript.
3. Organization Certificate.
4. Publication Certificate with respect to publication of the notice, to which must be attached the publisher's affidavit of publication with the clipping of the notice as published.

The notice of hearing must be published at least once not less than four (4) and not more than twenty (20) days before the February 15<sup>th</sup> meeting date in a legal newspaper which has a general circulation in Knoxville. As soon as the notice appears in the newspaper, please have a copy faxed to our office at (515) 283-1060, or scan and email a copy to [lemke.susan@dorsey.com](mailto:lemke.susan@dorsey.com).

As soon as possible after the City Council meeting, please return one fully executed copy of these proceedings.

If you have any questions, please contact Emily Hammond or me.

Best regards,

John P. Danos

Attachments

cc: Heather Ussery  
Susanne Gerlach  
Diana Van Vleet