# MINUTES – BENSON CITY COUNCIL – REGULAR MEETING
# SEPTEMBER 24, 2007

The meeting was called to order at 5:30 p.m. by Mayor Paul Kittelson. Members present: Sue Fitz, Gary Landmark, and Paul Kittelson. Members absent: Bob Claussen and one vacancy. Also present: City Manager Rob Wolfington, Finance Director Glen Pederson, Mark Ruff, Shelly Aldrich, Michele Papesh, Jon Hawley, Earl Knutson, Paul Beyer, Rob Hoffman, Bob Erdahl, Brad Newhouse, Rod Benjamin, and Janelle Rodahl.

Michele Papesh from the Morris UPS office came before the Council to ask if there is a city ordinance regulating parking of larger vehicles. The Benson Police have informed the UPS drivers that they cannot double park when making deliveries. Ms. Papesh will contact the City Manager to obtain copies.

Jon Hawley informed the Council that a group of individuals are working on keeping the Benson Fitness Center open. They are in the process of forming a board and asked the Council for support. There was a consensus of the Council to allow the new board to operate the fitness center for a year to see how it goes and to have the City Attorney update the lease agreement with the new board. The Council will support the new board as much as possible.

It was moved by Fitz, seconded by Landmark and carried unanimously to approve the following minutes on the consent agenda:

a. September 10, 2007 Regular City Council Meeting
b. June 21, 2007 Pioneerland Library System Board Meeting
c. August 15, 2007 Benson HRA Meeting
d. July 16, 2007 UMVRDC Meeting

It was moved by Fitz, seconded by Landmark and carried unanimously to appoint Bill Hoberg to fill a vacancy on the Benson Park Board with his term expiring December 31, 2009.

Council Member Landmark offered the following Resolution and moved its adoption:

## RESOLUTION APPROVING SUBMITTAL OF BENSON VFW POST 1403 CHARITABLE GAMBLING APPLICATION (RESOLUTION NO. 2007-16)

WHEREAS, the Benson VFW Post 1403 has requested permission to continue charitable gambling for the next two year, and

WHEREAS, this is a renewal Premise Permit for the base organization Premise Permit Number A-00377-001.

NOW, THEREFORE, BE IT RESOLVED that the Benson City Council approves submittal of the application and authorizes the City Clerk to submit a certified copy of the resolution to the Benson VFW Post 1403 to be included in their application to the Gambling Control Division.

Council Member Fitz seconded the foregoing Resolution and the following vote was recorded: AYES: Landmark, Fitz, Kittelson. NAYS: None. ABSENT: Claussen and one vacancy. Whereupon the Mayor declared Resolution No. 2007-16 duly passed and approved.

It was moved by Landmark, seconded by Fitz and carried unanimously to approve a $500 donation to the Prairie Five Heat Share Program. The donation is to come out of the Electric Utility.

It was moved by Fitz, seconded by Landmark and carried unanimously to approve a donation to the Benson High School Renaissance Program the same as previous years.

The Finance Director and Mark Ruff, Ehlers and Associates, came before the Council to review the bids for the sale of Electric Revenue Bonds. Council Member Landmark offered the following Resolution and moved its adoption:

**RESOLUTION RELATING TO $6,740,000 ELECTRIC REVENUE BONDS SERIES 2007A, AUTHORIZING THE ISSUANCE, AWARDING THE SALE, FIXING THE FORM AND DETAILS, PROVIDING FOR THE EXECUTION AND DELIVERY THEREOF AND SECURITY THEREFOR**
**(RESOLUTION NO. 2007-17)**

A. WHEREAS, the City of Benson, Minnesota (the "Issuer") owns and operates the Benson Electric Utility (the "Electric Utility") and has heretofore, pursuant to law, created an Electric Fund into which all revenues of the Electric Utility are paid; and

B. WHEREAS, pursuant to a resolution adopted December 18, 2000 (the "Prior Resolution") the Issuer authorized the issuance and sale of $3,635,000 Electric Revenue Bonds, Series 2000, dated December 19, 2000 (the "Prior Bonds") for the purpose of providing money to finance the purchase and installation of five 1860 KW standby generators at the existing power plant of the Electric Utility. There are presently outstanding $3,055,000 in principal amount of the Prior Bonds and paragraph 4 (a) of the Prior Resolution provides as follows:

| **Year** | **Amount** | **Year** | **Amount** |
|---|---:|---|---:|
| **2008** | **$135,000** | **2016** | **$205,000** |
| **2009** | **140,000** | **2017** | **220,000** |
| **2010** | **150,000** | **2018** | **235,000** |
| **2011** | **155,000** | **2019** | **250,000** |
| **2012** | **165,000** | **2020** | **265,000** |
| **2013** | **175,000** | **2021** | **280,000** |
| **2014** | **185,000** | **2022** | **300,000** |
| **2015** | **195,000** | | |

C. WHEREAS, the City Council has heretofore determined that it is necessary and expedient to provide moneys, by the issuance of its $6,740,000 Electric Revenue Bonds, Series 2007A (the "Bonds" or, individually, a "Bond"), pursuant to Minnesota Statutes, Chapters 453 and 475, to (i) finance improvements to the Electric Utility (the "Improvements") in the amount of $__________ (the "Improvement Portion of the Bonds") and (ii) provide funds for the payment and advance refunding of the outstanding $3,055,000 principal amount of the Prior Bonds (the "Refunding") in the amount of $__________ (the "Refunding Portion of the Bonds"); $2,630,000 principal amount of the Prior Bonds which matures on and after June 1, 2011, is callable on June 1, 2010 (the "Callable Prior Bonds"), as provided in the Prior Resolution, and the refunding of the Callable Prior Bonds is consistent with the covenants made with the holders of the Prior Bonds and is necessary and desirable for the reduction of debt service cost to the Issuer; and the payment of $425,000 aggregate principal amount of the Prior Bonds on their maturity dates of June 1, 2008, June 1, 2009, and June 1, 2010, is also consistent with the covenants made with the holders of the Prior Bonds; and

D. WHEREAS, it is hereby found, determined and declared that the Refunding is pursuant to Minnesota Statutes, Section 475.67, subdivision 12, shall result in a reduction of the present value, as of June 1, 2010 (the "Call Date") of the dollar amount of the debt service to the Issuer from a total dollar amount of $_____________ for the Callable Prior Bonds to a total dollar amount of $_____________ for the Bonds, computed in accordance with the provisions of Minnesota Statutes, Section 475.67, subdivision 12. The dollar amount of such present value of the debt service for the Bonds is lower by at least three percent than the dollar amount of such present value of the debt service for the Prior Bonds as required in Minnesota Statutes, Section 475.67, subdivision 12; and

E. WHEREAS, other than the Prior Bonds, there are no bonds, certificates or other obligations payable out of the net revenues of the Electric Utility constituting a lien or charge upon the revenues thereof; and

F. WHEREAS, the Issuer has retained Ehlers and Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent financial advisor for the competitive negotiated sale of the Bonds and was therefore authorized to sell the Bonds by private negotiation in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9); and

G. WHEREAS, proposals to purchase the Bonds have been solicited by Ehlers and the proposals set forth on Exhibit A attached hereto were received pursuant to the terms established for the Bonds by the Administrator-Finance Director at the City Hall at 10:00 A.M. on this same day; and

H. WHEREAS, it is in the best interests of the Issuer that the Bonds be issued in book-entry form as hereinafter provided:

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

1. Findings. It is hereby found, determined and declared that it is advisable, expedient and necessary to issue the Bonds to finance the Improvements and accomplish the Refunding.

2. Sufficiency of Net Revenues. The City Council reasonably expects that the estimated revenues to be derived from the operation of the Electric Utility during the term of the Bonds will be more than sufficient to produce net revenues after current costs of operation and maintenance adequate to pay principal and interest when due on the Bonds and to maintain reasonable reserves therefor.

3. Acceptance of Proposal. The proposal of ______________________________ ______________________(the "Purchaser"), to purchase the Bonds in accordance with the Terms of Proposal established for the Bonds, at the rates of interest hereinafter set forth, and to pay therefor the sum of $__________, plus interest accrued to settlement, is hereby found, determined and declared to be the most favorable proposal received and is hereby accepted, and the Bonds are hereby awarded to the Purchaser. The Administrator-Finance Director is directed to retain the deposit of the Purchaser and to forthwith return to the unsuccessful bidders any good faith checks or drafts.

4. Bond Terms.

(a) Original Issue Date; Denominations; Maturities; Combining Maturities; Term Bond Option. The Bonds shall be dated October 11, 2007, as the date of original issue and shall be issued in fully registered form, shall be numbered from R-1 upward in the denomination of $5,000 each or in any integral multiple thereof of a single maturity (the "Authorized Denominations") and mature on June 1 in the years and amounts as follows:

| Year | Amount | Year | Amount |
|---|---|---|---|
| 2008 | | 2018 | |
| 2009 | | 2019 | |
| 2010 | | 2020 | |
| 2011 | | 2021 | |
| 2012 | | 2022 | |
| 2013 | | 2023 | |
| 2014 | | 2024 | |
| 2015 | | 2025 | |
| 2016 | | 2026 | |
| 2017 | | 2027 | |

As may be requested by the Purchaser, one or more term Bonds may be issued having mandatory sinking fund redemption and final maturity amounts conforming to the foregoing principal repayment schedule and corresponding additions may be made to the provisions of the applicable Bond(s).

(b) Allocation. The Improvement Portion of the Bonds, being the aggregate principal amount of $_________________ maturing in each of the years and amounts hereinafter set forth, is issued to finance the Improvements. The Refunding Portion of the Bonds, being the aggregate principal amount of $_______________ maturing in each of the years and amounts hereinafter set forth, is issued to finance the Refunding.

| **Year** | **Improvement Portion (Amount)** | **Refunding Portion (Amount)** | **Total Amount** |
|---|---|---|---|
| 2008 | | | |
| 2009 | | | |
| 2010 | | | |
| 2011 | | | |
| 2012 | | | |
| 2013 | | | |
| 2014 | | | |
| 2015 | | | |
| 2016 | | | |
| 2017 | | | |
| 2018 | | | |
| 2019 | | | |
| 2020 | | | |
| 2021 | | | |
| 2022 | | | |
| 2023 | | | |
| 2024 | | | |

2025
2026
2027

If Bonds are prepaid the prepayments shall be allocated to the portions of debt service and hence allocated to the payment of Bonds treated as relating to a particular portion of debt service as provided in this paragraph.

(c) Book Entry Only System. The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York or any of its successors or its successors to its functions hereunder (the "Depository") will act as securities depository for the Bonds, and to this end:

(i) The Bonds shall be initially issued and, so long as they remain in book entry form only (the "Book Entry Only Period"), shall at all times be in the form of a separate single fully registered Bond for each maturity of the Bonds; and for purposes of complying with this requirement under paragraphs 7 and 12 Authorized Denominations for any Bond shall be deemed to be limited during the Book Entry Only Period to the outstanding principal amount of that Bond.

(ii) Upon initial issuance, ownership of the Bonds shall be registered in a bond register maintained by the Bond Registrar (as hereinafter defined) in the name of CEDE & CO., as the nominee (it or any nominee of the existing or a successor Depository, the "Nominee").

(iii) With respect to the Bonds neither the Issuer nor the Bond Registrar shall have any responsibility or obligation to any broker, dealer, bank, or any other financial institution for which the Depository holds Bonds as securities depository (the "Participant") or the person for which a Participant holds an interest in the Bonds shown on the books and records of the Participant (the "Beneficial Owner"). Without limiting the immediately preceding sentence, neither the Issuer, nor the Bond Registrar, shall have any such responsibility or obligation with respect to (A) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any ownership interest in the Bonds, or (B) the delivery to any Participant, any Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption, or (C) the payment to any Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the principal of or premium, if any, or interest on the Bonds, or (D) the consent given or other action taken by the Depository as the Registered Holder of any Bonds (the "Holder"). For purposes of securing the vote or consent of any Holder under this Resolution, the Issuer may, however, rely upon an omnibus proxy under which the Depository assigns its consenting or voting rights to certain Participants to whose accounts the Bonds are credited on the record date identified in a listing attached to the omnibus proxy.

(iv) The Issuer and the Bond Registrar may treat as and deem the Depository to be the absolute owner of the Bonds for the purpose of payment of the principal of and premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to the Bonds, for the purpose of obtaining any consent or other action to be taken by Holders for the purpose of registering transfers with respect to such Bonds, and for all purpose whatsoever. The Bond Registrar, as paying agent hereunder, shall pay all principal of and premium, if any, and interest on the Bonds only to the Holder or the Holders of the Bonds as shown on the bond register, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid.

(v) Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new Nominee in place of the existing Nominee, and subject to the transfer provisions in paragraph 12, references to the Nominee hereunder shall refer to such new Nominee.

(vi) So long as any Bond is registered in the name of a Nominee, all payments with respect to the principal of and premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, by the Bond Registrar or Issuer, as the case may be, to the Depository as provided in the Letter of Representations to the Depository required by the Depository as a condition to its acting as book-entry Depository for the Bonds (said Letter of Representations, together with any replacement thereof or amendment or substitute thereto, including any standard procedures or policies referenced therein or applicable thereto respecting the procedures and other matters relating to the Depository's role as book-entry Depository for the Bonds, collectively hereinafter referred to as the "Letter of Representations").

(vii) All transfers of beneficial ownership interests in each Bond issued in book-entry form shall be limited in principal amount to Authorized Denominations and shall be effected by procedures by the Depository with the Participants for recording and transferring the ownership of beneficial interests in such Bonds.

(viii) In connection with any notice or other communication to be provided to the Holders pursuant to this Resolution by the Issuer or Bond Registrar with respect to any consent or other action to be taken by Holders, the Depository shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action; provided, that the Issuer or the Bond Registrar may establish a special record date for such consent or other action. The Issuer or the Bond Registrar shall, to the extent possible, give the Depository notice of such special record date not less than fifteen calendar days in advance of such special record date to the extent possible.

(ix) Any successor Bond Registrar in its written acceptance of its duties under this Resolution and any paying agency/bond registrar agreement, shall agree to take any actions necessary from time to time to comply with the requirements of the Letter of Representations.

(x) In the case of a partial prepayment of a Bond, the Holder may, in lieu of surrendering the Bonds for a Bond of a lesser denomination as provided in paragraph 7, make a notation of the reduction in principal amount on the panel provided on the Bond stating the amount so redeemed.

(d) Termination of Book-Entry Only System. Discontinuance of a particular Depository's services and termination of the book-entry only system may be effected as follows:

(i) The Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the Issuer and discharging its responsibilities with respect thereto under applicable law. The Issuer may terminate the services of the Depository with respect to the Bond if it determines that the Depository is no longer able to carry out its functions as securities depository or the continuation of the system of book-entry transfers through the Depository is not in the best interests of the Issuer or the Beneficial Owners.

(ii) Upon termination of the services of the Depository as provided in the preceding paragraph, and if no substitute securities depository is willing to undertake the functions of the Depository hereunder can be found which, in the opinion of the Issuer, is willing and able to assume such functions upon reasonable or customary terms, or if the Issuer determines that it is in the best interests of the Issuer or the Beneficial Owners of the Bond that the Beneficial Owners be able to obtain certificates for the Bonds, the Bonds shall no longer be registered as being registered in the bond register in the name of the Nominee, but may be registered in whatever name or names the Holder of the Bonds shall designate at that time, in accordance with paragraph 12. To the extent that the Beneficial Owners are designated as the transferee by the Holders, in accordance with paragraph 12, the Bonds will be delivered to the Beneficial Owners.

(iii) Nothing in this subparagraph (c) shall limit or restrict the provisions of paragraph 12.

(e) Letter of Representations. The provisions in the Letter of Representation are incorporated herein by referenced and made a part of the resolution, and if and to the extent any such provisions are inconsistent with the other provisions of this resolution, the provisions in the Letter of Representation shall control.

5. Purpose. The Improvement Portion of the Bonds shall provide funds to finance the Improvements and the Refunding Portion of the Bonds shall provide funds to finance the Refunding. The Issuer covenants that it shall do all things and perform all acts required of it to assure that work on the Improvements proceeds with due diligence to completion and that any and all permits and studies required under law for the Improvements are obtained. It is hereby found and determined that the Refunding is pursuant to Minnesota Statutes, Section 475.67 and shall result in a reduction of debt service cost to the Issuer. The Improvements and the Refunding are sometimes referred to herein together as the Project. The total cost of the Project, which shall include all costs enumerated in Minnesota Statutes, Section 475.65, is estimated to be at least equal to the amount of the Bonds.

6. Interest. The Bonds shall bear interest payable semiannually on June 1 and December 1 of each year (each, an "Interest Payment Date") commencing June 1, 2008, at the respective rates per annum set forth opposite the maturity years as follows:

| Maturity Years | Interest Rates | Maturity Years | Interest Rates |
|---|---|---|---|
| 2008 | % | 2018 | % |
| 2009 | | 2019 | |
| 2010 | | 2020 | |
| 2011 | | 2021 | |
| 2013 | | 2022 | |
| 2013 | | 2023 | |

| | |
|---|---|
| 2014 | 2024 |
| 2015 | 2025 |
| 2016 | 2026 |
| 2017 | 2027 |

7. Redemption. All Bonds maturing on June 1, 2018, and thereafter, shall be subject to redemption and prepayment at the option of the Issuer on June 1, 2017, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and the principal amounts within each maturity to be redeemed shall be determined by the Issuer; and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Notice of redemption shall be given by first class mail at least thirty days prior to the date fixed for redemption to the paying agent and to each affected registered holder of the Bonds at the address shown on the registration books.

To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar prior to giving notice of redemption shall assign to each Bond having a common maturity date a distinctive number for each $5,000 of the principal amount of the Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers so assigned to the Bonds, as many numbers as, at $5,000 for each number, shall equal the principal amount of the Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each Bond of a denomination of more than $5,000 shall be redeemed as shall equal $5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the Issuer or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the Issuer and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the Issuer shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

8. Bond Registrar. U.S. Bank National Association, in St. Paul, Minnesota, is appointed to act as bond registrar and transfer agent with respect to the Bonds (the "Bond Registrar"), and shall do so unless and until a successor Bond Registrar is duly appointed, all pursuant to any contract the Issuer and Bond Registrar shall execute which is consistent herewith. The Bond Registrar shall also serve as paying agent unless and until a successor paying agent is duly appointed. Principal and interest on the Bonds shall be paid to the registered Holders (or record holders) of the Bonds in the manner set forth in the form of Bond and paragraph 14.

9. Form of Bond. The Bonds, together with the Bond Registrar's Certificate of Authentication, the form of Assignment and the registration information thereon, shall be in substantially the following form:

**UNITED STATES OF AMERICA**
**STATE OF MINNESOTA**

**COUNTY OF SWIFT**
**CITY OF BENSON**

R-______ $_________

**ELECTRIC REVENUE BOND, SERIES 2007A**

| Interest Rate | Maturity Date | Date of Original Issue | CUSIP |
|---|---|---|---|
| | June 1, 20__ | October 11, 2007 | |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The City of Benson, County of Swift, Minnesota (the "Issuer"), hereby certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, unless called for earlier redemption, and to pay interest thereon semiannually on June 1 and December 1 of each year (each, an "Interest Payment Date") commencing June 1, 2008, 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. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest has been paid, from the date of original issue hereof. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the principal office of U.S. Bank National Association in St. Paul, Minnesota (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer. Interest on this Bond will be paid on each Interest Payment Date by check or draft mailed to the person in whose name this Bond is registered (the "Holder" or "Bond Holder") on the registration books of the Issuer maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder hereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given to Bondholders not less than ten days prior to the Special Record Date. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America. So long as this Bond is registered in the name of the Depository or its Nominee as provided in the Resolution hereinafter described, and as those terms are defined therein, payment of principal of, premium, if any, and interest on this Bond and notice with respect thereto shall be made as provided in the Letter of Representations, as defined in the Resolution and surrender of this Bond shall not be required for payment of the redemption price upon a partial redemption of this Bond. Until termination of the book-entry only system pursuant to the Resolution, Bonds may only be registered in the name of the Depository or its Nominee.

Optional Redemption. All Bonds of this issue (the "Bonds") maturing on June 1, 2018, and thereafter, are subject to redemption and prepayment at the option of the Issuer on June 1, 2017, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and the principal amounts within each maturity to be redeemed shall be determined by the Issuer; and if only part of the Bonds having a common maturity date are called for prepayment, the specific

Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Notice of redemption shall be given by first class mail at least thirty days prior to the date fixed for redemption to the paying agent and to each affected Holder of the Bonds at the address shown on the registration books.

Selection of Bonds for Redemption; Partial Redemption. To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar shall assign to each Bond having a common maturity date a distinctive number for each $5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers assigned to the Bonds, as many numbers as, at $5,000 for each number, shall equal the principal amount of the Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of the Bond of a denomination of more than $5,000 shall be redeemed as shall equal $5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the Issuer or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the Issuer and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the Issuer shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Issuance; Purpose; Special Obligations. This Bond is one of an issue in the total principal amount of $6,740,000, all of like date of original issue and tenor, except as to number, maturity, interest rate, redemption privilege and denomination, issued pursuant to and in full conformity with the charter of the Issuer, the Constitution and the laws of the State of Minnesota and pursuant to a resolution adopted by the City Council on September 24, 2007 (the "Resolution"), for the purpose of providing money to finance the cost of improvements to the municipal electric light and power plant and system (the "Electric Utility") and to advance refund the outstanding Electric Revenue Bonds, Series 2000. The Bonds and the interest thereon are payable solely and exclusively from the net revenues of the Electric Utility pledged to the payment thereof, and do not constitute a debt of the Issuer, within the meaning of any constitutional or statutory limitation of indebtedness. In the event of any default hereunder, the Holder of this Bond may exercise any of the rights and privileges granted by the laws of the State of Minnesota subject to the provisions of the Resolution. The Bonds of this issue are a first and prior lien upon the net revenues of the Electric Utility, except that the Issuer is authorized under certain conditions to issue additional revenue obligations on a parity of lien with the Bonds, all as provided in the Resolution.

Remedies. The Holders of twenty percent or more in aggregate principal amount of Bonds at any time outstanding may, either by law or in equity, by suit, action, or other proceedings, protect and enforce the rights of all Holders of Bonds then outstanding, or enforce and compel the performance of any and all of the covenants and duties specified in the Resolution to be performed by the Issuer or its officers and agents; provided, however, that nothing shall affect or impair the right of any Bondholder to enforce the payment of the principal of and interest on any Bond at and after the maturity thereof, or the obligation of the Issuer to pay the principal of and interest on each of the Bonds issued to the respective Holders thereof at the time and place, from the source and in the manner provided in the Resolution.

Denominations; Exchange; Resolution. The Bonds are issuable solely in fully registered form in Authorized Denominations (as defined in the Resolution) and are exchangeable for fully registered Bonds of other Authorized Denominations in equal aggregate principal amounts at the principal office of the Bond Registrar, but only in the manner and subject to the limitations provided in the Resolution. Reference is hereby made to the Resolution for a description of the rights and duties of the Bond Registrar. Copies of the Resolution are on file in the principal office of the Bond Registrar.

Transfer. This Bond is transferable by the Holder in person or by the Holder's attorney duly authorized in writing at the principal office of the Bond Registrar upon presentation and surrender hereof to the Bond Registrar, all subject to the terms and conditions provided in the Resolution and to reasonable regulations of the Issuer contained in any agreement with the Bond Registrar. Thereupon the Issuer shall execute and the Bond Registrar shall authenticate and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee (but not registered in blank or to "bearer" or similar designation), of an Authorized Denomination or Denominations, in aggregate principal amount equal to the principal amount of this Bond, of the same maturity and bearing interest at the same rate.

Fees upon Transfer or Loss. The Bond 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 Bond and any legal or unusual costs regarding transfers and lost Bonds.

Treatment of Registered Owners. The Issuer and the Bond Registrar may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except as provided on the reverse side hereof with respect to the Record Date) and for all other purposes, whether or not this Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

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

Qualified Tax-Exempt Obligations. The Bonds have been designated by the Issuer as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the federal Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the charter of the Issuer, the Constitution and the laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law, and this Bond, 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 charter, constitutional or statutory limitation of indebtedness; and that the Issuer will maintain rates and charges for the electric service furnished by the Electric Utility sufficient in an amount to promptly meet the principal and interest requirements of this issue.

IN WITNESS WHEREOF, the City of Benson, Swift County, Minnesota, has caused this Bond to be executed on its behalf by the facsimile signatures of the Mayor and the Administrator-Finance Director, the corporate seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration:

______________________

BOND REGISTRAR'S CERTIFICATE OF AUTHENTICATION
This Bond is one of the Bonds described in the Resolution mentioned within.

U.S. BANK NATIONAL ASSOCIATION
St. Paul, Minnesota

By__________________________
Authorized Signature

Registrable by: U.S. BANK NATIONAL ASSOCIATION

Payable at: U.S. BANK NATIONAL ASSOCIATION

CITY OF BENSON, SWIFT COUNTY, MINNESOTA

/s/ Facsimile______________________________
Mayor

/s/ Facsimile______________________________
Administrator-Finance Director

**ABBREVIATIONS**

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:
TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common
UTMA - _______ as custodian for _____ under the ________ Uniform Transfers to Minors Act
(Cust) (Minor) (State)

**Additional abbreviations may also be used though not in the above list.**

**ASSIGNMENT**

For value received, the undersigned hereby sells, assigns and transfers unto ________ the within Bond and does hereby irrevocably constitute and appoint ______ attorney to transfer the Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated:__________________________ ________________________________________

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

____________________________

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges or any other "Eligible Guarantor Institution" as defined in 17 CFR 240.17 Ad-15(a)(2).

The Bond Registrar will not effect transfer of this Bond unless the information concerning the transferee requested below is provided.

Name and Address: ________________________________________

________________________________________

________________________________________

**(Include information for all joint owners if the Bond is held by joint account.)**

**PREPAYMENT SCHEDULE**

This Bond has been prepaid in part on the date(s) and in the amount(s) as follows:

| Date | Amount | Authorized Signature of Holder |
|---|---|---|
| ______________ | ______________ | ______________________ |
| ______________ | ______________ | ______________________ |
| ______________ | ______________ | ______________________ |
| ______________ | ______________ | ______________________ |
| ______________ | ______________ | ______________________ |
| ______________ | ______________ | ______________________ |

10. Execution; Temporary Bonds. The Bonds shall be in typewritten form, shall be executed on behalf of the City by the signatures of its Mayor and Administrator-Finance Director and be sealed with the seal of the City; provided, as permitted by law, both signatures may be photocopied facsimiles and the corporate seal has been omitted. In the event of disability or resignation or other absence of either officer, the Bonds may be signed by the manual or facsimile signature of the officer who may act on behalf of the absent or disabled officer. In case either officer whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery.

11. Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless a Certificate of Authentication on such Bond, substantially in the form hereinabove set forth, shall have been duly executed by an authorized representative of the Bond Registrar. Certificates of Authentication on different Bonds need not be signed by the same person. The Bond Registrar shall authenticate the signatures of officers of the Issuer on each Bond by execution of the Certificate of Authentication on the Bond and by inserting as the date of registration in the space provided the date on which the Bond is authenticated, except that for purposes of delivering the original

Bonds to the Purchaser, the Bond Registrar shall insert as a date of registration the date of original issue of October 11, 2007. The Certificate of Authentication so executed on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution.

12. Registration; Transfer; Exchange. The Issuer will cause to be kept at the principal office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the Bond Registrar shall provide for the registration of Bonds and the registration of transfers of Bonds entitled to be registered or transferred as herein provided.

Upon surrender for transfer of any Bond at the principal office of the Bond Registrar, the Issuer shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration (as provided in paragraph 11) and deliver, in the name of the designated transferee or transferees, one or more new Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount, having the same stated maturity and interest rate, as requested by the transferor; provided, however, that no Bond may be registered in blank or in the name of "bearer" or similar designation.

At the option of the Holder, Bonds may be exchanged for Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount and stated maturity, upon surrender of the Bonds to be exchanged at the principal office of the Bond Registrar. Whenever any Bonds are so surrendered for exchange, the Issuer shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration of, and deliver the Bonds which the Holder making the exchange is entitled to receive.

All Bonds surrendered upon any exchange or transfer provided for in this resolution shall be promptly canceled by the Bond Registrar and thereafter disposed of as directed by the Issuer.

All Bonds delivered in exchange for or upon transfer of Bonds shall be valid special obligations of the Issuer evidencing the same debt, and entitled to the same benefits under this resolution, as the Bonds surrendered for such exchange or transfer.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Bond Registrar, duly executed by the Holder thereof or the Holder's attorney duly authorized in writing.

The Bond 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 any Bond and any legal or unusual costs regarding transfers and lost Bonds.

Transfers shall also be subject to reasonable regulations of the Issuer contained in any agreement with the Bond Registrar, including regulations which permit the Bond Registrar to close its transfer books between record dates and payment dates. The Administrator-Finance Director is hereby authorized to negotiate and execute the terms of the agreement.

13. Rights Upon Transfer or Exchange. Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

14. Interest Payment, Record Date. Interest on any Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond is

registered (the "Holder") on the registration books of the Issuer maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such interest payment date (the "Regular Record Date"). Any such interest not so timely paid shall cease to be payable to the person who is the Holder thereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given by the Bond Registrar to the Holders not less than ten days prior to the Special Record Date.

15. Treatment of Registered Owner. The Issuer and the Bond Registrar may treat the person in whose name any Bond is registered as the owner of the Bond for the purpose of receiving payment of principal of and premium, if any, and interest (subject to the payment provisions in paragraph 14) on, the Bond and for all other purposes whatsoever whether or not the Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

16. Delivery; Application of Proceeds. The Bonds when so prepared and executed shall be delivered by the Administrator-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.

17. Fund and Accounts. For the convenience and proper administration of the proceeds derived from the sale of the Bonds and for the payment of principal of and interest on the Bonds, the Electric Fund shall continue to be in effect, subject to the following accounts which are hereby established:

(i) Capital Account. To the Capital Account there shall be credited the proceeds of the sale of the Improvement Portion of the Bonds less the Improvement Portion of the Bonds proceeds deposited in the Reserve Account and any amount paid for the Improvement Portion of the Bonds in excess of the minimum bid. From the Capital Account shall be paid all costs of the Improvements, including the cost of any construction contracts heretofore let and all other costs incurred and to be incurred of the kind authorized in Minnesota Statutes, Section 475.65. Any balance remaining in the Capital Account after the payment of such costs shall be transferred to the Parity Revenue Bond Debt Service Account herein established.

(ii) Escrow Account. The Escrow Account shall be created and maintained as an escrow account with U.S. Bank National Association (the "Escrow Agent") in St. Paul, Minnesota, which is a suitable financial institution within or without the State whose deposits are insured by the Federal Deposit Insurance Corporation and whose combined capital and surplus is not less than $500,000. To the Escrow Account there shall be credited the proceeds of the sale of the Refunding Portion of the Bonds less the Refunding Portion of the Bonds proceeds deposited in the Reserve Account and any amount paid for the Refunding Portion of the Bonds in excess of the minimum bid. The Refunding Portion of the Bonds shall be received by the Escrow Agent and applied to fund the Escrow Account or to pay costs of issuing the Bonds. The Escrow Account shall be invested in securities maturing or callable at the option of the holder on such dates and bearing interest at such rates as shall be required to provide sufficient funds, together with any cash or other funds retained in the Escrow Account, to pay when due the interest to accrue on the Prior Bonds to their maturity or to the Call Date and to pay the principal amount of each Prior Bond at maturity or on the Call Date. The moneys in the Escrow Account shall be used solely for the purposes herein set forth and for no other purpose, except that any surplus in the Escrow Account may be remitted to the Issuer, all in accordance with the Escrow Agreement by and between the Issuer and Escrow Agent (the "Escrow Agreement"), a form of which is on file in the office of the Administrator-Finance Director. Any moneys remitted to the Issuer upon termination of the Escrow Agreement shall be deposited in the Parity Revenue Bond Debt Service Account.

(iii) Operation and Maintenance Account. To the Operation and Maintenance Account shall be paid all gross revenues and earnings derived from the operation of the Electric Utility. From the Operation and Maintenance Account there shall be paid all, but only, current expenses of the Electric Utility. Current expenses shall include the reasonable and necessary costs of administering, operating, maintaining and insuring the Electric Utility, the cost of purchasing power from other utilities and/or power agencies, salaries, wages, costs of materials and supplies, necessary legal, engineering and auditing services, and all other items which, by sound accounting practices constitute normal, reasonable and current costs of operation and maintenance, but excluding any allowance for depreciation, extraordinary repairs and payments into the Parity Revenue Bond Debt Service Account, the Subordinate Revenue Bond Debt Service Account and the Reserve Account. There shall at all times be maintained in the Operation and Maintenance Account a reserve in an amount sufficient to cover the operation and maintenance costs of the Electric Utility for the ensuing two month period. All money remaining in the Operation and Maintenance Account, including interest or other earnings received from the investment of any moneys in the Electric Fund, after paying or providing for the foregoing items shall constitute and are referred to in this resolution as "net revenues."

(iv) Parity Revenue Bond Debt Service Account. To the Parity Revenue Bond Debt Service Account shall be credited and to which there is hereby irrevocably pledged (a) any accrued interest paid by the Purchaser upon delivery of the Bonds, (b) all funds paid for the Bonds in excess of the minimum bid, and (c) from the net revenues of the operation of the Electric Utility, commencing upon delivery of the Bonds, and on or before the tenth day of each month thereafter, an amount not less than one-sixth of the total amount of interest payable on the Bonds and any other bonds issued on a parity therewith (collectively the "Parity Bonds") on the next succeeding Interest Payment Date plus one-twelfth of the total amount of principal payable on the Parity Bonds on the next succeeding June 1 principal payment date; provided, however, that no further payments need be made to the Parity Revenue Bond Debt Service Account when the moneys held therein are sufficient for the payment of all principal and interest due on the Parity Bonds on or before the next maturity date of each issue thereof. No money shall be paid out of the account except to pay principal and interest on the Parity Bonds.

(v) Reserve Account. The Reserve Account shall be used only when and if moneys in the Parity Revenue Bond Debt Service Account or other moneys available therefor are insufficient to pay principal and interest on the Parity Bonds; provided, however, that the moneys in the Reserve Account may be used to prepay the Parity Bonds, when such prepayment will retire all of the Parity Bonds then outstanding. There is hereby pledged and appropriated the sum of $__________ from the proceeds of the Improvement Portion of the Bonds and the sum of $__________ from the Reserve Account of the Prior Bonds. The sums in the Reserve Account allocated to the Bonds shall be maintained in the amount of $__________, and, subject to the requirements and limitations of the Code, shall be maintained in the additional amount of the maximum annual debt service of any additional Parity Bonds. Any amounts in the Reserve Account allocated to the Bonds in excess of $__________ shall be transferred to the Operation and Maintenance Account. Whenever any moneys constituting the Reserve Account shall be used to pay principal and interest, the Reserve Account shall be restored from the next available net revenues, replenished in twelve equal monthly payments immediately succeeding such withdrawal, provided however, that the Reserve Account shall terminate whenever there are sufficient funds in the Parity Revenue Bond Debt Service Account to pay principal and interest on all outstanding Parity Bonds. In no event may sums in the Reserve Account be used to fund the Parity Revenue Bond Debt Service Account so long as there are sufficient net revenues therefor. The balance in the Reserve Account shall be deemed to be the sum of all cash and the cost of all securities held in the account. Any deficiency in the Reserve Account determined upon the annual valuation thereof, shall be replenished in three equal monthly payments immediately succeeding such valuation date.

(vi) Subordinate Revenue Bond Debt Service Account. To the Subordinate Revenue Bond Debt Service Account shall be credited monthly and to which there shall be irrevocably pledged from the net revenues of the operation of the Electric Utility a sum equal to at least one-twelfth of the total principal and interest due during the ensuing twelve months on any obligations secured by a lien on said net revenues second and subordinate to the pledge of net revenues for the security of the Parity Bonds; provided, however, that no further payments need be made to the account when the moneys held therein are sufficient for the payment of all principal and interest due on the subordinate lien bonds payable therefrom on or before the next maturity date of each issue thereof. No money shall be paid out of the account except to pay principal and interest on the Parity Bonds (on a priority of lien) or any subordinate lien bonds payable from said account.

18. Excess Net Revenues. Net revenues in excess of those required for the foregoing purposes may be used for any proper purpose.

19. Investments. Moneys on deposit in the Reserve Account, the Parity Revenue Bond Debt Service Account and the Subordinate Revenue Bond Debt Service Account may be invested in any securities described in Minnesota Statutes, Section 475.66, as from time to time amended. Such investment may at any time be liquidated and the proceeds thereof applied for the purpose or purposes for which the fund was created. All income derived from such investment shall constitute net revenues of the Electric Utility.

20. Allocation of Money. The money in the Electric Utility Fund shall be allotted and paid to the various accounts herein established in the order in which the funds are listed on a cumulative basis, and if in any month the money in the accounts is insufficient to place the required amount in any account, the deficiency shall be made up in the following month or months after payment into all other funds having a prior claim on the revenues have been made in full.

21. Separate Accounting. All money held in any of the accounts created by this resolution shall be kept separate and apart from all municipal funds and accounts and shall be deposited in any bank or banks selected by the Issuer.

22. Arbitrage Covenants. The Reserve Account, the Parity Revenue Bond Debt Service Account and the Subordinate Revenue Bond Debt Service Account shall be used solely to pay the principal and interest and any premiums for redemption of all Parity Bonds. No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (1) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds were issued, (2) as part of a reasonably required reserve or replacement fund not in excess of ten percent of the proceeds of the Bonds, and (3) in addition to the above in an amount not greater than the lesser of five percent of the proceeds of the Bonds or $100,000. To this effect, any proceeds of the Bonds and any sums from time to time held in the Reserve Account, the Parity Revenue Bond Debt Service Account and the Subordinate Revenue Bond Debt Service Account any other Issuer account which will be used to pay principal or interest to become due on the bonds payable therefrom) in excess of amounts which under the applicable federal arbitrage regulations may be invested 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 Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the federal Internal Revenue Code of 1986, as amended (the "Code").

23. Additional Parity Bonds. The Bonds issued hereunder shall be secured by a first charge and lien upon the net revenues of the Electric Utility. No additional obligations shall be hereafter issued unless they are secured by a lien on the net revenues which is expressly made second and subordinate to the lien upon the net revenues securing all Parity Bonds; provided however, that additional obligations may be issued on a parity of lien with the Parity Bonds, if the annual net revenues of the Electric Utility (with adjustments as hereinafter provided) for the completed fiscal year immediately preceding the issuance of such additional obligations were equal to at least (a) one and one-quarter times the maximum annual principal and interest coming due thereafter on all outstanding Parity Bonds, including the additional obligations so to be issued; and (b) equal to the maximum annual principal and interest coming due thereafter on all outstanding obligations payable from the revenues of the Electric Utility Fund, including any subordinate lien obligations and the additional obligations so to be issued; and provided also, that the interest to become due on any such additional Parity Bonds shall commence on June 1 of the year in which such interest first becomes payable and shall be payable semiannually thereafter on June 1 and December 1 of each year and the principal to become due on such additional Parity Bonds shall be payable on June 1 of each year in which any such principal becomes due.

For the purpose of determining the net revenues of the Electric Utility for each of the preceding fiscal year as aforesaid, the amount of the gross revenues of the Electric Utility for such year may be adjusted by a Consulting Engineer or by the independent certified public accountant who prepared the last audit report covering the operations of the Electric Utility so as to reflect any changes in the amount of such revenues which would have resulted if any revision of the schedule of rates and charges imposed at least six months prior to the time of issuance of any additional bonds had been in effect. The amount of the revenues may be further adjusted for such purpose by a Consulting Engineer or such certified public accountant to the extent that either person estimates that: (a) any demand charges (as opposed to charges for the purchase of electric energy paid under any interconnection agreement or contract with another utility system for the interchange of electric service during the preceding fiscal year would have been eliminated or reduced by reason of the improvements and extensions then to be constructed, (b) net revenues of the Electric Utility would have increased if the customers using the Electric Utility as of the date of issuance of the additional obligations had been customers during said preceding year, (c) a reduction in base load energy costs or savings in the cost of purchased power would have been affected if the improvements and extensions then to be constructed had been in operation during said preceding year, (d) the annual net revenues of the Electric Utility during the first fiscal year of operation after completion of the improvements and extensions then to be constructed will increase because of the sale of surplus power resulting from the addition to the Electric Utility of the improvements and extensions; provided, however, that such sale or sales may be considered only to the extent the same are supported by firm contracts requiring the Purchaser to pay for available surplus power or capacity whether or not it is in fact accepted by the Purchaser and (e) the impact of any formally adopted and implemented rate increase that was not in effect for all or some part of the historical fiscal year. The term "Consulting Engineer" means an engineer or firm of engineers who is not an officer or regular employee of the Issuer and is not devoting substantially all time and effort to the affairs of the Electric Utility.

Subject to the provisions of paragraph 28, additional Parity Bonds may also be issued, without complying with the coverage provisions set forth above, to provide funds to:

(1) Finance the Issuer's cost under any agreement entered into between the Issuer and one or more other Electric Utility suppliers for the purchase of excess capacity of the facilities by such other suppliers until such time that the Issuer no longer needs to utilize such excess capacity to meet its own power supply needs, including, but not limited to, any agreement between the Issuer and their power supplier, covering the purchase of additional capacity.

(2) Finance the Issuer's share of any cost incurred pursuant to a joint electrical agreement entered into under the authority of Minnesota Statutes, Sections 453.51 to 453.63.

Nothing herein shall be construed as prohibiting the Issuer from treating the costs referred to in this paragraph as an operating cost payable from the Operation and Maintenance Account so long as the obligation to pay such costs is not treated as debt under generally accepted accounting principles.

No additional Parity Bonds may be issued pursuant to this paragraph unless the conditions and requirements of the resolutions authorizing all respective Parity Bonds are complied with and fully performed.

Any certifications requiring computations establishing that debt service coverage is sufficient to authorize to support the issuance of Parity Debt or that requisite debt service savings are available to support the issuance of refunding bonds shall, in all cases, be evidenced by a certificate of an independent certified public accountant or an independent Consulting Engineer.

No additional bonds, notes, certificates, contracts or any other obligations secured by any charge or lien upon the net revenues of the Electric Utility (the "Additional Debt") shall be issued by the Issuer unless no event of default shall have occurred and be continuing with respect to the Bonds.

24. Refunding Bonds. The Issuer reserves the right and privilege of issuing additional Parity Bonds if and to the extent needed to refund bonds maturing within six months of the issuance of the refunding bonds in case the moneys in the Parity Revenue Bond Debt Service Account, the Subordinate Revenue Bond Debt Service Account and the Reserve Account

of the Electric Utility Fund are insufficient to pay the same at maturity, provided that such refunding Parity Bonds shall mature subsequent to all other Parity Bonds which are still outstanding upon completion of such refunding.

25. Subordinate Lien Bonds. Except as authorized in paragraphs 23 and 24, the Issuer covenants and agrees that it will issue or incur no obligations payable from the net revenues of all or a part of the Electric Utility or constituting in any manner a lien thereon, unless such obligations are secured by a lien on such net revenues which is expressly made junior and subordinate to the lien and charge of the Parity Bonds on the net revenues, except that the Parity Bonds, or any part thereof, may be refunded and the refunding bonds issued shall enjoy complete equality of lien with the portion of any Parity Bonds not refunded, if there are any, provided that if only a portion of the outstanding Parity Bonds shall be so refunded and if such Parity Bonds shall be refunded in such manner that the annual principal and interest to become due on the refunding Parity Bonds shall be greater than the annual principal and interest to become due on the Parity Bonds to be refunded (assuming payment at their maturity), then such Parity Bonds may not be refunded without the consent of the Holders of the unrefunded portion of the outstanding Parity Bonds.

In the event the net revenues are insufficient to pay principal and interest on the Bonds, the Bond Registrar shall transfer, to the extent necessary, from any account relating to any subordinate debt (including the Subordinate Revenue Bond Debt Service Account) monies sufficient to pay principal and interest on the Bonds

26. Application of Funds Upon Default. In the event moneys in the Parity Revenue Bond Debt Service Account, the Subordinate Revenue Bond Debt Service Account and the Reserve Account shall be insufficient at any time to pay the principal then due and interest then accrued on all Parity Bonds payable therefrom, moneys shall first be applied to the payment pro rata of the accrued interest on all such Parity Bonds, and any balance shall be applied in payment pro rata of the principal on all such Parity Bonds; provided further that if it shall ever be determined by a court of competent jurisdiction while any such Parity Bonds remain outstanding that the sums available and to become available for the payment of the principal thereof and interest thereon are insufficient whether or not then due, then the moneys in the Parity Revenue Bond Debt Service Account, the Subordinate Revenue Bond Debt Service Account and the Reserve Account shall be applied in payment of all then outstanding principal whether or not then due and the interest accrued thereon to the date of payment ratably according to the aggregate amount thereof without any preference or priority. Upon an event of default all Revenues shall be immediately deposited with the Bond Registrar.

27. Bondholder Remedies. The Holders of twenty percent or more in aggregate principal amount of all outstanding Parity Bonds may, either at law or in equity, by suit, action, or other proceedings, protect and enforce the rights of all Holders of all outstanding Parity Bonds or enforce or compel the performance of any and all of the covenants and duties specified in this resolution, to be performed by the Issuer or its officers and agents, including the fixing and maintaining of rates and charges and the collection and proper segregation of revenues and the application and use thereof; provided, however, that nothing herein shall affect or impair the right of the Holder of any Parity Bond to enforce the payment of the principal of and interest on any Parity Bond at and after the maturity thereof, or the obligation of the Issuer to pay the principal of and interest on each of the Parity Bonds issued hereunder to the respective Holders thereof at the time and place, from the source and in the manner provided in the Parity Bonds.

28. Additional Covenants. For the protection of the Holders of the Bonds herein authorized and all other Parity Bonds from time to time outstanding, the Issuer herein covenants and agrees to and with the Holders thereof from time to time as follows:

(a) It will at all times adequately maintain and efficiently operate the Electric Utility as a municipal utility. It will from time to time make all needful and proper repairs, replacements, additions and betterments to the equipment and facilities of the Electric Utility so that they may at all times be operated properly and advantageously, and whenever any equipment of the system shall have been worn out, destroyed or otherwise become insufficient for proper use, it shall be promptly replaced or repaired so that the value and efficiency of the Electric Utility shall be at all times fully maintained and its revenues unencumbered by reason thereof.

(b) It will permit no free service to any consumer or utility. The rates for all electric service and the charges for all electricity supplied by the public utilities to the municipality and its residents and to all consumers shall be reasonable and just, taking into account the cost and value of the Electric Utility, the cost of maintaining and operating the Electric Utility and the proper and necessary allowances for depreciation and the amounts required for the payment of principal and interest on the bonds payable from the net revenues of the Electric Utility. The Issuer shall maintain rates sufficient to provide sufficient operating revenues for the payment of (i) operating expenses; (ii) 1.25 times annual debt service on the Bonds and all parity debt, and (iii) all other debt and required deposits to the Parity Revenue Bond Debt Service Account and all other required deposits pursuant to the Resolution.

(c) It will establish, maintain and collect such charges and rates as will produce revenues sufficient to pay the reasonable cost of operation and maintenance of the Electric Utility and to pay one hundred twenty-five percent of the interest on and principal of all Parity Bonds and one hundred percent of the interest on and principal of all subordinate lien bonds as and when they become due as well as to provide sufficient money to make the required appropriations to the various accounts established herein.

(d) The Issuer will not sell, lease, mortgage, or in any manner dispose of the Electric Utility or any part thereof including any and all extensions and additions that may be made thereto until all bonds payable from the revenues of the Electric Utility or a part thereof have been paid in full; provided however, that the Issuer may sell the Electric Utility or any part thereof if simultaneously with or prior to the sale all of the outstanding bonds are discharged in accordance with paragraph 31; and provided further that the Issuer may sell or lease all or any part of the electric generating facilities of the Electric Utility to a municipal power agency of which it is a member provided that the Issuer shall continue to operate and maintain an electric distribution system as part of the Electric Utility. This covenant shall not be construed to prevent the sale by the Issuer at fair market value of real estate, equipment or other non-revenue producing properties which in the judgment of the Issuer have become unnecessary, uneconomical or inexpedient to use in connection with the Electric Utility provided that suitable facilities are obtained in place thereof or in the judgment of the Issuer the sale will not adversely affect the Electric Utility earnings or ability to meet required financial obligations.

(e) It will procure and keep in force insurance upon the Electric Utility, with an insurer or insurers in good standing, of a kind and in an amount which would normally be carried by private companies in a like business, including public liability insurance; provided, that property and casualty coverage shall at all times be maintained in an amount at least equal to the outstanding principal amount of the Bonds. And it will keep in full force and effect fiduciary bonds on employees in charge of the utilities. In the event of any loss, the proceeds from such insurance (including liability insurance) or bonds shall be used to make good such loss or to repair or restore the utility or to discharge all of the outstanding Parity Bonds in accordance with paragraph 31. Insurance premiums shall be paid as a cost of operation. The Issuer shall (i) cause an independent insurance consultant to annually review the insurance coverage and to make recommendations, and (ii) comply with such recommendations. Moneys resulting from the proceeds of casualty insurance or other property insurance shall be held by the Bond Registrar in the Capital Account until the disposition of such funds is decided. The appropriateness of any disposition of such insurance proceeds shall be supported by a certificate of the Consulting Engineer. The Consulting Engineer shall be required to report annually on (i) the condition and operation of the Electric Utility, (ii) on the sufficiency of the Capital Account which shall be required to be funded by any additional amounts recommended by the Consulting Engineer.

(f) The Issuer shall cause to be kept proper books, records and accounts adapted to the Electric Utility separate from other accounts to be audited by a certified public accountant at the end of each fiscal year. A copy of the audit shall be furnished, without cost, to the original purchaser of any outstanding Parity Bonds within ninety days after the close of each fiscal year. If the Issuer fails to provide such audit at such time, the Holders of twenty percent or more of the outstanding Parity Bonds may cause such audit to be made at the expense of the Issuer. The expense of preparing such audit shall be paid as current operating expenses of the utility. The original purchaser of the outstanding Parity Bonds and the Holders thereof, or their duly appointed representatives, from time to time shall have the right at all reasonable times, to inspect the Electric Utility and to inspect and copy the books, records, accounts and data relating thereto. The Issuer agrees to furnish copies of such audit, without cost, to any Holder or Holders of the Parity Bonds at their request within ninety days after the close of each fiscal year.

29. Output Contracts. The Issuer herein covenants that it has not heretofore nor will it hereafter enter into any contract which will obligate any person or persons to purchase electric energy in a total aggregate amount which would cause any of the Parity Bonds herein authorized to become private activity bonds within the meaning of Section 103(b) of the Internal Revenue Code and the regulations promulgated thereunder, and in particular Federal Income Tax Regulations, Section 1.103-7(b)(5).

30. Amendments. No change, amendment, modification or alteration shall be made in the covenants made with Holders of the Parity Bonds without the consent of the Holders of not less than sixty percent in principal amount of then such outstanding Parity Bonds except for changes, amendments, modifications and alterations made (a) to cure any ambiguity or formal defect or omission, or (b) any other change which would not materially prejudice the Holders of such outstanding Parity Bonds; provided, however, that nothing herein contained shall permit or be construed as permitting (i) an extension of the maturity of the principal of or the interest on any such Parity Bonds, or (ii) a reduction in the principal amount of any such Parity Bond or the rate of interest thereon, or (iii) a privilege or priority of any such Parity Bond or Bonds over any other Parity Bond or Bonds except as otherwise provided herein, or (iv) a reduction in the aggregate principal amount of such Parity Bonds required for consent to any change, amendment, modification or alteration, or (v) permit the creation of any lien ranking prior to or on a parity with the lien of such Parity Bonds, except as hereinbefore expressly permitted, or (vi) modify any of the provisions of this paragraph without the consent of the Holders of one hundred percent of the principal amount of Parity Bonds outstanding, or, in the case of any modifications

described in clauses (i) through (v) the Holders of only those outstanding Parity Bonds adversely affected by the modifications.

31. Defeasance. When any Parity Bonds and the interest due thereon, have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the Holders of such Parity Bonds shall cease. The Issuer may discharge any Parity Bonds which are due on any date by depositing with the Bond Registrar for such Bonds on or before that date a sum sufficient for the payment thereof in full; or if any Parity Bond should not be paid when due, it may nevertheless be discharged by depositing with the Bond Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The Issuer may also discharge its obligations with respect to any prepayable Parity Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full, provided that notice of redemption thereof has been duly given as provided in the resolution authorizing the Parity Bonds. The Issuer may also at any time discharge its obligations with respect to any Parity Bonds, 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 provided in the resolution authorizing the Parity Bonds has been duly provided for, to such earlier redemption date. The Issuer may discharge Parity Bonds as herein provided without the consent of the Holders of any outstanding Parity Bonds.

32. Fiscal Year. As used in this resolution the words "Fiscal Year" shall mean the twelve month period beginning on January 1 of each year and ending on December 31 of the same year. Should it be deemed advisable at some later date to change its fiscal yearly basis, the same may be done by proper actions to that effect, with the approval of the original Purchaser of these Bonds, which change shall not constitute an amendment or modification of this resolution.

33. Refunding Requirements.

(a) Refunding. The Issuer will complete the Refunding at a total cost not to exceed the proceeds of the Refunding Portion of the Bonds and net revenues of the Electric Utility or other moneys available and appropriated for the payment thereof.

(b) Escrow Agreement. On or prior to the delivery of the Refunding Portion of the Bonds the Mayor and Administrator-Finance Director shall, and are hereby authorized and directed to, execute on behalf of the Issuer the Escrow Agreement. The Escrow Agreement is hereby approved and adopted and made a part of this resolution and the Issuer covenants that it will promptly enforce all provisions thereof in the event of default thereunder by the Escrow Agent.

(c) Securities Purchased. Securities purchased from moneys in the Escrow Account shall be limited to securities set forth in Minnesota Statutes, Section 475.67, Subdivision 8, and any amendments or supplements thereto. Securities purchased from the Escrow Account shall be purchased simultaneously with the delivery of the Refunding Portion of the Bonds. The Issuer has investigated the facts and hereby finds and determines that the Escrow Agent is a suitable financial institution to act as escrow agent.

(d) Notice of Redemption. The Callable Prior Bonds shall be redeemed and prepaid in accordance with the terms and conditions set forth in the Notice of Call for Redemption substantially in the form attached to the Escrow Agreement, which terms and conditions are hereby approved and incorporated herein by reference. The Notice of Call for Redemption shall be given pursuant to the Escrow Agreement. Failure to give notice by mail to any registered owner, or any defect therein, will not affect the validity of any proceedings for the redemption of the Callable Prior Bonds.

(e) Purchase of Securities for Escrow Account. Ehlers, as agent for the Issuer, is hereby authorized and directed to purchase on behalf of the Issuer and in its name the appropriate United States Treasury Securities, State and Local Government Series, and/or open market securities as provided in paragraph (c), from the proceeds of the Refunding Portion of the Bonds and, to the extent necessary, other available funds, all in accordance with the provisions of this resolution and the Escrow Agreement and to execute all such documents (including the appropriate subscription form) required to effect such purchase in accordance with the applicable U.S. Treasury Regulations.

(f) Prior Bonds; Security. Until retirement of the Prior Bonds, all provisions for the security thereof shall be observed by the Issuer and all of its officers and agents.

34. Compliance With Reimbursement Bond Regulations. The provisions of this paragraph are intended to establish and provide for the Issuer's compliance with United States Treasury Regulations Section 1.150-2 (the "Reimbursement Regulations") applicable to the "reimbursement proceeds" of the Improvement Portion of the Bonds, being those portions thereof which will be used by the Issuer to reimburse itself for any expenditure which the Issuer paid or will have paid prior to the Closing Date (a "Reimbursement Expenditure").

The Issuer hereby certifies and/or covenants as follows:

(a) Not later than sixty days after the date of payment of a Reimbursement Expenditure, the Issuer (or person designated to do so on behalf of the Issuer) has made or will have made a written declaration of the Issuer's official intent (a "Declaration") which effectively (i) states the Issuer'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 Issuer 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 Issuer 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 twenty percent of the "issue price" of the Improvement Portion of the Bonds, 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 Improvement Portion of the Bonds.

(b) Each Reimbursement Expenditure is a capital expenditure or a cost of issuance of the Improvement Portion of the Bonds 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 Improvement Portion of the Bonds and in all events within the period ending on the date which is the later of eighteen months 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, but not more than three years after the date of the Reimbursement Expenditure.

(d) Each such reimbursement allocation will be made in a writing that evidences the Issuer's use of the Improvement Portion of Bond proceeds to reimburse the Reimbursement Expenditure and, if made within thirty days after the Improvement Portion of the Bonds are issued, shall be treated as made on the day the Improvement Portion of the Bonds are issued. Provided, however, that the Issuer may take action contrary to any of the foregoing covenants in this paragraph upon receipt of an opinion of its Bond Counsel stating in effect that such action will not impair the tax-exempt status of the Bonds.

35. Continuing Disclosure. The Issuer is the sole obligated person with respect to the Bonds. The Issuer hereby agrees, in accordance with the provisions of Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended, and a Continuing Disclosure Undertaking (the "Undertaking") hereinafter described to:

(a) Provide or cause to be provided to each nationally recognized municipal securities information repository ("NRMSIR") and to the appropriate state information depository ("SID"), if any, for the State of Minnesota, in each case as designated by the Commission in accordance with the Rule, certain annual financial information and operating data in accordance with the Undertaking. The Issuer reserves the right to modify from time to time the terms of the Undertaking as provided therein.

(b) Provide or cause to be provided, in a timely manner, to (i) each NRMSIR or to the Municipal Securities Rulemaking Board ("MSRB") and (ii) the SID, notice of the occurrence of certain material events with respect to the Bonds in accordance with the Undertaking.

(c) Provide or cause to be provided, in a timely manner, to (i) each NRMSIR or to the MSRB and (ii) the SID, notice of a failure by the Issuer to provide the annual financial information with respect to the Issuer described in the Undertaking.

(d) The Issuer agrees that its covenants pursuant to the Rule set forth in this paragraph and in the Undertaking is intended to be for the benefit of the Holders of the Bonds and shall be enforceable on behalf of such Holders; provided that the right to enforce the provisions of these covenants shall be limited to a right to obtain specific enforcement of the Issuer's obligations under the covenants.

The Mayor and Administrator-Finance Director of the Issuer, or any other officer of the Issuer authorized to act in their place (the "Officers") are hereby authorized and directed to execute on behalf of the Issuer the Undertaking in substantially the form presented to the Issuer Council subject to such modifications thereof or additions thereto as are (i) consistent with the requirements under the Rule, (ii) required by the Purchaser of the Bonds, and (iii) acceptable to the Officers.

36. Tax-Exempt Status of the Bonds; Rebate. The Issuer is subject to the rebate requirement imposed by Section 148(f) of the Code by reason of issuing (together with all subordinate entities thereof, and all entities treated as one issuer with the Issuer) more than $5,000,000 of tax-exempt governmental obligations during this calendar year as provided in Section 148(f)(4)(D) of the Code and Section 1.148-8 of the Regulations.

With respect to the Improvement Portion of the Bonds, the Issuer expects to satisfy the twenty-four month expenditure exemption for gross proceeds of the Improvement Portion of the Bonds as provided in Section 1.148-7(c) of the Regulations.

The Mayor and or Administrator-Finance Director are hereby authorized and directed to make such elections as to arbitrage and rebate matters relating to the Bonds as they deem necessary, appropriate or desirable in connection with the Bonds, and all such elections shall be, and shall be deemed and treated as, elections of the Issuer.

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

(a) the Bonds are issued after August 7, 1986;

(b) the Bonds are not "private activity bonds" as defined in Section 141 of the Code;

(c) the Issuer hereby designates the Bonds 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 Issuer (and all entities treated as one issuer with the Issuer, and all subordinate entities whose obligations are treated as issued by the Issuer) during this calendar year 2007 will not exceed $10,000,000; and

(e) not more than $10,000,000 of obligations issued by the Issuer during this calendar year 2007 have been designated for purposes of Section 265(b)(3) of the Code.

The Issuer 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.

38. Negative Covenant as to Use of Improvements. The Issuer hereby covenants not to use the Improvements or to cause or permit them to be used, or to enter into any deferred payment arrangements for the cost of the Improvements, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

39. 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.

40. Records and Certificates. The Administrator-Finance Director is authorized and directed to prepare and furnish to the original Purchaser of the Bonds, and the attorneys approving the same, certified copies of all orders and resolutions of the Issuer relating to the

Electric Utility, and the issuance of the Bonds, and all other proceedings or records showing the right, power and authority of the Issuer to issue the same and to provide funds for the payment thereof, and such certified copies and certificates shall be deemed representations of the Issuer as to all statements therein.

41. Covenant With Bondholders. Each and all of the terms and provisions of this resolution shall be and constitute a covenant on the part of the Issuer to and with each and every Holder from time to time of the Bonds issued hereunder and any other Parity Bonds from time to time outstanding.

42. 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.

Council Member Fitz seconded the foregoing Resolution and the following vote was recorded: AYES: Landmark, Fitz, Kittelson. NAYS: None. ABSENT: Claussen and one vacancy. Whereupon the Mayor declared Resolution No. 2007-17 duly passed and approved.

The City Manager informed the Council that there were no bids received to purchase the 1986 E350 Rescue Truck.

It was moved by Fitz, seconded by Landmark and carried unanimously to approve two pay requests from TKDA for professional services regarding the Airport 2007 Capital Improvement Projects. ($4,402.603 from 7.29.07 to 8.25.07 and $8,322.84 from 7.1.07 to 7.28.07)

It was moved by Landmark, seconded by Fitz and carried unanimously to approve four pay requests from DGR for professional services through 8.31.07 regarding the Electric System Improvement in the amount of $29,849.92. ($16,800 for 115 kV Substation, $3,424.42 for 115 kV Substation, $7,775.50 for 115 kV Transmission Line, and $1,850 for Distribution Feeders)

It was moved by Landmark, seconded by Fitz and carried unanimously to approve bills and warrants in the amount of $698,641.88.

It was moved by Fitz, seconded by Landmark and carried unanimously to reschedule the November 12 City Council meeting to November 13, 2007 at 5:30 p.m.

Member Fitz informed the Council that she had received a complaint of a junk car and debris on the property across the highway from the Pamida store at 19th Street and Minnesota Avenue. Staff will take care of the complaint.

There was a consensus of the Council to authorize the Mayor to present the following proclamation to the Shelter House organization:

**DOMESTIC VIOLENCE AWARENESS MONTH PROCLAMATION**

WHEREAS, the problem of domestic violence affects all citizens of Minnesota crossing all racial, social, religious, ethnic, geographic, and economic groups;

WHEREAS, at least 20 women, 12 children and one man in Minnesota died last year as a result of domestic violence, according to the Minnesota Coalition for Battered Women’s

Femicide Report;

WHEREAS, domestic violence is an immense problem in Swift County where 62 women, 56 children and four men received advocacy services last year;

WHEREAS, thirty-one percent of all women surveyed in 2003 were homeless, at least in part, because of domestic abuse in the previous 12 months. In addition, 34% of homeless adults reported that they had stayed in an abusive relationship because they had nowhere else to live;

WHEREAS, the issue of domestic violence is not just a family issue. It affects the children who witness the abuse, schools that children are unable to attend due to relocation, healthcare systems that cost over $5.8 billion dollars a year in domestic violence related costs, employers who are faced with absenteeism and low productivity, justice systems that are overloaded by cases of domestic abuse, and family and friends who know someone who is being abused;

WHEREAS, dating violence is becoming more prevalent in our young adults. One in three teenage girls will be involved in a violent relationship in their lifetime. Teenagers model what they see at home. If they are seeing violence, they are more likely to perpetrate violence against their own dating partners, or accept violence as a normal part of a dating relationship.

NOW, THEREFORE in recognition of the impact that domestic violence has on the health and well-being of our community, I, Paul Kittelson, Mayor of Benson, Minnesota do hereby proclaim October, 2007 as Domestic Violence Awareness Month. Further, I reaffirm the commitment of the city of Benson to reducing violence in our homes, as well as on our streets. I urge all citizens to participate in the activities planned by battered women's programs and community organizations during this month. Citizens should also take this opportunity to educate themselves about the impact of domestic violence in Minnesota and to become familiar with resources and programs available. This month let us remember the victims of domestic violence, celebrate the survivors, and work together to eliminate violence against women and children in our community.

It was moved by Landmark, seconded by Fitz and carried unanimously to adjourn the meeting at 6:18 p.m.

________________________________
Mayor

Attest:______________________________
City Clerk