



CITY OF CLINTON, IOWA
CITY COUNCIL AGENDA

**** AMENDED ****

December 18, 2015 – 9:30 A.M.

CITY HALL COUNCIL CHAMBER

PLEDGE:

ROLL CALL:

READ MINUTES: Determann

** PRESENTATION: From the City of Clinton, Iowa to Council Member John Rowland

PUBLIC HEARINGS

AUDIENCE COMMENT

The purpose of the audience comment portion of the agenda is to provide an opportunity for citizens to address the Council on any issue of that citizen's concern. The audience comment opportunity is not a forum for debate with the Mayor, any Council member, or any staff member. Citizens with questions which require answers or concerns which require discussion are encouraged to contact the appropriate individual City official or staff member at another time. Individuals are limited to three minutes to make their comments. Prior to making their address to the City Council, citizens are requested to complete an *audience participation form* that contains name, address, and topic to be discussed.

CONSENT AGENDA

Determann **Motion** - approve the Consent Agenda as presented on the attachment.

MOTIONS, RESOLUTIONS, AND ORDINANCES

Allesee **Ordinance 2nd & 3rd consideration and adopt** - AMENDING CHAPTER 159, ZONING REGULATIONS OF THE CITY OF CLINTON, IOWA, BY CHANGING THE ZONING CLASSIFICATION OF LOTS 10 THROUGH 18, VALLEY BLUFF HORIZONS SECOND ADDITION FROM C-2M, GENERAL COMMERCIAL-LIGHT MANUFACTURING DISTRICT, TO C-2, GENERAL COMMERCIAL DISTRICT.

Wilke **Resolution** – approving an agreement with the Clinton Area Chamber of Commerce for the Convention and Visitors Bureau.

McGraw **Resolution** – establish a public hearing for the rezoning of Lots 1 and 14 in Block 3 of Curtis and Leslie's Addition and Blocks 1 and 2 in Lambertson's Subdivision (former Washington Middle School & current Jefferson Elementary School).

** **Rowland** **Resolution** – appointing Bankers Trust Company of Des Moines, Iowa, as paying agent, note registrar, and transfer agent, approving the paying agent and note registrar and transfer agent agreement and authorizing the execution of the agreement.

**** Allesee** **Resolution** – approving and authorizing a form of loan agreement and authorizing and providing for the issuance of \$3,305,000 General Obligation Capital Loan Notes, Series 2016A, and levying a tax to pay said notes, approval of the Tax Exemption Certificate, and Continuing Disclosure Certificate.

Gassman **Resolution** – cancelling the December 22, 2015 Council Meeting and Committee of the Whole.

UNFINISHED BUSINESS

Determann **Adjourn to 7:00 PM January 12, 2016**

**CONSENT AGENDA
December 18, 2015**

1. Claims – receive, approve and place on file.
2. Tree Commission – minutes 11/12/2015 – receive, approve and place on file.
3. Work Orders – November & December, 2015 – receive, approve and place on file.
4. Clinton Fire & Rescue – September, 2015 PCC Ambulance Billing Report & Financial Summary 9/1/2015 – 11/30/2015 – receive, approve and place on file.
5. Plans & Specs – TSIP Project T-2015, 8th Avenue South & South 4th Street Intersection Improvements – receive, approve and place on file.
6. Contract & Bond - 19th Avenue Northwest Sidewalk & Trail Construction Project L-20115 - Eastern Iowa Excavating & Concrete, LLC \$ 124,607.75.
7. Resolution – approving a land use agreement with E80 Plus Contractors.
8. Resolution – approving Persons with Disabilities Residential Parking Applications.
9. Resolution – denying Persons with Disabilities Residential Parking Applications.
10. Resolution – approving Professional Services Agreement with McClure Engineering Associates Inc. for construction layout services for Basin 10 Sewer Separation Project F-2014.
11. Resolution – approving change order #1 for Project F-2015, Iowa Avenue, 16th Place to 22nd Place Rehabilitation – Clinton Engineering Company - \$32,736.16.
12. Resolution – recommending payment No. 6 for the 44th Avenue South Resurfacing Project B-2015 – Determann Asphalt Paving, LLC - \$16,426.91.
13. Resolution – recommending payment No. 7 to Determann Asphalt Paving for the HMA Resurfacing Project E-2015 - \$25,451.44.
14. Resolution – recommending payment No. 7 for the Project F-2015, Iowa Avenue & 16th – 22nd Place Rehabilitation Project – Clinton Engineering Company - \$86,330.75.
15. Resolution – recommending payment No. 9 to BWC Excavating LC for the 19th Avenue Northwest Tech Park Extension Project H-2014 - \$13,896.12.
16. Resolution – approving liquor license renewal, Sunday sales privilege and outdoor service area for McKinley Street Taverne and issuance of a Class I Letter of Exemption for allowing persons under 21 in licensed premises.
17. Resolution – approving liquor license renewal application with Sunday sales privilege for Humphrey's Midway Lounge and Sports Bar.

RESOLUTION APPOINTING BANKERS TRUST COMPANY
OF DES MOINES, IOWA, TO SERVE AS PAYING AGENT,
NOTE REGISTRAR, AND TRANSFER AGENT, APPROVING
THE PAYING AGENT AND NOTE REGISTRAR AND
TRANSFER AGENT AGREEMENT AND AUTHORIZING THE
EXECUTION OF THE AGREEMENT

WHEREAS, \$3,305,000 General Obligation Capital Loan Notes, Series 2016A, dated January 12, 2016, have been sold and action should now be taken to provide for the maintenance of records, registration of certificates and payment of principal and interest in connection with the issuance of the Notes; and

WHEREAS, this Council has deemed that the services offered by Bankers Trust Company of Des Moines, Iowa, are necessary for compliance with rules, regulations, and requirements governing the registration, transfer and payment of registered notes; and

WHEREAS, a Paying Agent, Bond Registrar and Transfer Agent Agreement (hereafter "Agreement") has been prepared to be entered into between the City and Bankers Trust Company.

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

Section 1. That Bankers Trust Company of Des Moines, Iowa, is hereby appointed to serve as Paying Agent, Bond Registrar and Transfer Agent in connection with the issuance of \$3,305,000 General Obligation Capital Loan Notes, Series 2016A, dated January 12, 2016.

Section 2. That the Agreement with Bankers Trust Company of Des Moines, Iowa, is hereby approved and that the Mayor and Clerk are authorized to sign the Agreement on behalf of the City.

PASSED AND APPROVED this 18th day of December, 2015.

Mayor

ATTEST:

City Clerk

RESOLUTION APPROVING AND AUTHORIZING A FORM OF LOAN AGREEMENT AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF \$3,305,000 GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2016A, AND LEVYING A TAX TO PAY SAID NOTES, APPROVAL OF THE TAX EXEMPTION CERTIFICATE, AND CONTINUING DISCLOSURE CERTIFICATE

WHEREAS, the Issuer is duly incorporated, organized and exists under and by virtue of the laws and Constitution of the State of Iowa; and

WHEREAS, pursuant to notice published as required by Sections 384.24A and 384.25 of the Code of Iowa, this Council has held a public meeting and hearing upon the proposal to institute proceedings for the issuance of General Obligation Capital Loan Notes for the purposes of paying costs of sewer and storm sewer utility improvements including Camanche Avenue, Beaver Channel Interceptor Repairs, 20th Avenue North Sewer Separation, Main Avenue Green Infrastructure and 20th Avenue North Pumping Station & Force Main, essential corporate purpose(s), to the amount of not to exceed \$7,500,000 be issued for said purpose(s); and

WHEREAS, the Issuer previous issued its \$4,050,000 General Obligation Capital Loan Notes, Series 2015B for certain of the above projects, including 20th Avenue North Sewer Separation, Main Avenue Green Infrastructure and 20th Avenue North Pumping Station & Force Main; and

WHEREAS, the Issuer is in need of funds to pay costs of sewer and storm sewer utility improvements including Camanche Avenue and 20th Avenue North Pumping Station & Force Main, essential corporate purpose(s), and it is deemed necessary and advisable that General Obligation Capital Loan Notes, to the amount of \$3,305,000 be issued for said purpose(s); and

WHEREAS, the above mentioned notes were heretofore sold and action should now be taken to issue said notes conforming to the terms and conditions of the best bid received at the sale.

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

Section 1. Definitions. The following terms shall have the following meanings in this Resolution unless the text expressly or by necessary implication requires otherwise:

- "Authorized Denominations" shall mean \$5,000 or any integral multiple thereof.
- "BAM" shall mean Build America Mutual Assurance Company, or any successor thereto.

- "Beneficial Owner" shall mean, whenever used with respect to a Note, the person in whose name such Note is recorded as the beneficial owner of such Note by a Participant on the records of such Participant or such person's subrogee.
- "Blanket Issuer Letter of Representations" shall mean the Representation Letter from the Issuer to DTC, with respect to the Note.
- "Cede & Co." shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Notes.
- "Continuing Disclosure Certificate" shall mean that certain Continuing Disclosure Certificate approved under the terms of this Resolution and to be executed by the Issuer and dated the date of issuance and delivery of the Notes, as originally executed and as it may be amended from time to time in accordance with the terms thereof.
- "Depository Notes" shall mean the Notes as issued in the form of one global certificate for each maturity, registered in the Registration Books maintained by the Registrar in the name of DTC or its nominee.
- "DTC" shall mean The Depository Trust Company, New York, New York, which will act as securities depository for the Notes pursuant to the Representation Letter.
- "Issuer" and "City" shall mean the City of Clinton, State of Iowa.
- "Loan Agreement" shall mean a Loan Agreement between the Issuer and a lender or lenders in substantially the form attached to and approved by this Resolution.
- "Note Fund" shall mean the fund created in Section 3 of this Resolution.
- "Notes" shall mean \$3,305,000 General Obligation Capital Loan Notes, Series 2016A, authorized to be issued by this Resolution.
- "Participants" shall mean those broker-dealers, banks and other financial institutions for which DTC holds Notes as securities depository.
- "Paying Agent" shall mean Bankers Trust Company, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein as Issuer's agent to provide for the payment of principal of and interest on the Notes as the same shall become due.
- "Policy" shall mean the Municipal Bond Insurance Policy issued by BAM that guarantees the scheduled payment of principal of and interest on the Notes when due.

- "Project" shall mean the costs of sewer and storm sewer utility improvements including Camanche Avenue and 20th Avenue North Pumping Station & Force Main.
- "Project Fund" shall mean the fund required to be established by this Resolution for the deposit of the proceeds of the Notes.
- "Rebate Fund" shall mean the fund so defined in and established pursuant to the Tax Exemption Certificate.
- "Registrar" shall mean Bankers Trust Company of Des Moines, Iowa, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein with respect to maintaining a register of the owners of the Notes. Unless otherwise specified, the Registrar shall also act as Transfer Agent for the Notes.
- "Resolution" shall mean this resolution authorizing the Notes.
- "Security Documents" shall mean the resolution, trust agreement, ordinance, loan agreement, bond, note and/or any additional or supplemental document executed in connection with the Notes.
- "Tax Exemption Certificate" shall mean the Tax Exemption Certificate approved under the terms of this Resolution and to be executed by the Treasurer and delivered at the time of issuance and delivery of the Notes.
- "Treasurer" shall mean the Finance Director or such other officer as shall succeed to the same duties and responsibilities with respect to the recording and payment of the Notes issued hereunder.

Section 2. Levy and Certification of Annual Tax; Other Funds to be Used.

a) Levy of Annual Tax. That for the purpose of providing funds to pay the principal and interest of the Notes hereinafter authorized to be issued, there is hereby levied for each future year the following direct annual tax on all of the taxable property in the City of Clinton, State of Iowa, to-wit:

AMOUNT	FISCAL YEAR (JULY 1 TO JUNE 30) YEAR OF COLLECTION
\$175,700.94*	2015/2016
\$236,362.50	2016/2017
\$237,312.50	2017/2018
\$233,112.50	2018/2019
\$233,912.50	2019/2020
\$234,562.50	2020/2021
\$235,062.50	2021/2022
\$235,412.50	2022/2023
\$235,612.50	2023/2024
\$235,662.50	2024/2025
\$235,562.50	2025/2026
\$233,562.50	2026/2027
\$236,362.50	2027/2028
\$235,662.50	2028/2029
\$234,812.50	2029/2030
\$233,562.50	2030/2031
\$236,900.00	2031/2032
\$234,912.50	2032/2033
\$237,762.50	2033/2034

*Payable from cash on hand.

(NOTE: For example the levy to be made and certified against the taxable valuations of January 1, 2014, will be collected during the fiscal year commencing July 1, 2015).

b) Resolution to be Filed With County Auditor. A certified copy of this Resolution shall be filed with the Auditor of Clinton County, Iowa and the Auditor is hereby instructed in and for each of the years as provided, to levy and assess the tax hereby authorized in Section 3 of this Resolution, in like manner as other taxes are levied and assessed, and such taxes so levied in and for each of the years aforesaid be collected in like manner as other taxes of the City are collected, and when collected be used for the purpose of paying principal and interest on said Notes issued in anticipation of the tax, and for no other purpose whatsoever.

c) Additional City Funds Available. Principal and interest coming due at any time when the proceeds of said tax on hand shall be insufficient to pay the same shall be promptly paid when due from current funds of the City available for that purpose and reimbursement shall be made from such special fund in the amounts thus advanced.

Section 3. Note Fund. Said tax shall be assessed and collected each year at the same time and in the same manner as, and in addition to, all other taxes in and for the City, and when collected they shall be converted into a special fund within the Debt Service Fund to be known as the "GENERAL OBLIGATION CAPITAL LOAN NOTE FUND NO. 1" (the "Note Fund"), which is hereby pledged for and shall be used only for the payment of the principal of and

interest on the Notes hereinafter authorized to be issued; and also there shall be apportioned to said fund its proportion of taxes received by the City from property that is centrally assessed by the State of Iowa.

Section 4. Application of Note Proceeds. Proceeds of the Notes, other than accrued interest except as may be provided below, shall be credited to the Project Fund and expended therefrom for the purposes of issuance. Any amounts on hand in the Project Fund shall be available for the payment of the principal of or interest on the Notes at any time that other funds shall be insufficient to the purpose, in which event such funds shall be repaid to the Project Fund at the earliest opportunity. Any balance on hand in the Project Fund and not immediately required for its purposes may be invested not inconsistent with limitations provided by law or this Resolution.

Section 5. Investments of Note Fund Proceeds. All moneys held in the Note Fund and the Project Fund, shall be invested in investments permitted by Chapter 12B, Code of Iowa, 2015, as amended, or deposited in financial institutions which are members of the Federal Deposit Insurance Corporation and the deposits in which are insured thereby and all such deposits exceeding the maximum amount insured from time to time by FDIC or its equivalent successor in any one financial institution shall be continuously secured in compliance with Chapter 12C of the Code of Iowa, 2015, as amended, or otherwise by a valid pledge of direct obligations of the United States Government having an equivalent market value. All such interim investments shall mature before the date on which the moneys are required for payment of principal of or interest on the Notes as herein provided.

Section 6. Note Details, Execution and Redemption.

a) Note Details. General Obligation Capital Loan Notes, Series 2016A, of the City in the total amount of \$3,305,000, shall be issued to evidence the obligations of the Issuer under the Loan Agreement pursuant to the provisions of Sections 384.24A, and 384.25 of the Code of Iowa, as amended, for the aforesaid purpose. The Notes shall be issued in one or more series and shall be on a parity and secured equally and ratably from the sources provided in Section 3 of this Resolution. The Notes shall be designated "\$3,305,000 GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2016A", be dated January 12, 2016, and bear interest from the date thereof, until payment thereof, at the office of the Paying Agent, said interest payable on June 1, 2016, and semiannually thereafter on the 1st day of June and December in each year until maturity at the rates hereinafter provided.

The Notes shall be executed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the City Clerk, and impressed or printed with the seal of the City and shall be fully registered as to both principal and interest as provided in this Resolution; principal, interest and premium, if any, shall be payable at the office of the Paying Agent by mailing of a check to the registered owner of the Note. The Notes shall be in the denomination of \$5,000 or multiples thereof and shall mature and bear interest as follows:

Principal Amount	Interest Rate	Maturity June 1 st
\$135,000	3.000%	2016
\$135,000	3.000%	2017
\$140,000	3.000%	2018
\$140,000	3.000%	2019
\$145,000	3.000%	2020
\$150,000	3.000%	2021
\$155,000	3.000%	2022
\$160,000	3.000%	2023
\$165,000	3.000%	2024
\$170,000	3.000%	2025
\$175,000	4.000%	2026
\$180,000	4.000%	2027
\$190,000	3.000%	2028
\$195,000	3.000%	2029
\$200,000	3.125%	2030
\$205,000	3.250%	2031
\$215,000	3.250%	2032
\$220,000	3.250%	2033
\$230,000	3.375%	2034

b) Redemption.

i. Optional Redemption. Notes maturing after June 1, 2023, may be called for optional redemption by the Issuer on that date or any date thereafter, from any funds regardless of source, in whole or from time to time in part, in any order of maturity and within an annual maturity by lot. The terms of redemption shall be par, plus accrued interest to date of call.

Thirty days' written notice of redemption shall be given to the registered owner of the Note. Failure to give written notice to any registered owner of the Notes or any defect therein shall not affect the validity of any proceedings for the redemption of the Notes. All Notes or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment. Written notice will be deemed completed upon transmission to the owner of record.

If less than all of a maturity is called for redemption, the Issuer will notify DTC of the particular amount of such maturity to be redeemed prior to maturity. DTC will determine by lot the amount of each Participant's interest in such maturity to be redeemed and each Participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All prepayments shall be at a price of par plus accrued interest.

Section 7. Issuance of Notes in Book-Entry Form; Replacement Notes.

a) Notwithstanding the other provisions of this Resolution regarding registration, ownership, transfer, payment and exchange of the Notes, unless the Issuer determines to permit the exchange of Depository Notes for Notes in Authorized Denominations, the Notes shall be issued as Depository Notes in denominations of the entire principal amount of each maturity of Notes (or, if a portion of said principal amount is prepaid, said principal amount less the prepaid amount). The Notes must be registered in the name of Cede & Co., as nominee for DTC. Payment of semiannual interest for any Notes registered in the name of Cede & Co. will be made by wire transfer or New York Clearing House or equivalent next day funds to the account of Cede & Co. on the interest payment date for the Notes at the address indicated or in the Representation Letter.

b) The Notes will be initially issued in the form of separate single authenticated fully registered bonds in the amount of each stated maturity of the Notes. Upon initial issuance, the ownership of the Notes will be registered in the registry books of the Bankers Trust Company kept by the Paying Agent and Registrar in the name of Cede & Co., as nominee of DTC. The Paying Agent and Registrar and the Issuer may treat DTC (or its nominee) as the sole and exclusive owner of the Notes registered in its name for the purposes of payment of the principal or redemption price of or interest on the Notes, selecting the Notes or portions to be redeemed, giving any notice permitted or required to be given to registered owners of Notes under the Resolution of the Issuer, registering the transfer of Notes, obtaining any consent or other action to be taken by registered owners of the Notes and for other purposes. The Paying Agent, Registrar and the Issuer have no responsibility or obligation to any Participant or Beneficial Owner of the Notes under or through DTC with respect to the accuracy of records maintained by DTC or any Participant; with respect to the payment by DTC or Participant of an amount of principal or redemption price of or interest on the Notes; with respect to any notice given to owners of Notes under the Resolution; with respect to the Participant(s) selected to receive payment in the event of a partial redemption of the Notes, or a consent given or other action taken by DTC as registered owner of the Notes. The Paying Agent and Registrar shall pay all principal of and premium, if any, and interest on the Notes only to Cede & Co. in accordance with the Representation Letter, and all payments are 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 Notes to the extent of the sum paid. DTC must receive an authenticated Bond for each separate stated maturity evidencing the obligation of the Issuer to make payments of principal of and premium, if any, and interest. Upon delivery by DTC to the Paying Agent and Registrar of written notice that DTC has determined to substitute a new nominee in place of Code & Co., the Notes will be transferable to the new nominee in accordance with this Section.

c) In the event the Issuer determines that it is in the best interest of the Beneficial Owners that they be able to obtain Notes certificates, the Issuer may notify DTC and the Paying Agent and Registrar, whereupon DTC will notify the Participants, of the availability through DTC of Notes certificates. The Notes will be transferable in accordance with this Section. DTC may determine to discontinue providing its services

with respect to the Notes at any time by giving notice to the Issuer and the Paying Agent and Registrar and discharging its responsibilities under applicable law. In this event, the Notes will be transferable in accordance with this Section.

d) Notwithstanding any other provision of the Resolution to the contrary, so long as any Note is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of and premium, if any, and interest on the Note and all notices must be made and given, respectively to DTC as provided in the Representation letter.

e) In connection with any notice or other communication to be provided to Noteholders by the Issuer or the Paying Agent and Registrar with respect to a consent or other action to be taken by Noteholders, the Issuer or the Paying Agent and Registrar, as the case may be, shall establish a record date for the consent or other action and give DTC notice of the record date not less than 15 calendar days in advance of the record date to the extent possible. Notice to DTC must be given only when DTC is the sole Noteholder.

f) The Representation Letter is on file with DTC and sets forth certain matters with respect to, among other things, notices, consents and approvals by Noteholders and payments on the Notes. The execution and delivery of the Representation Letter to DTC by the Issuer is ratified and confirmed.

g) In the event that a transfer or exchange of the Notes is permitted under this Section, the transfer or exchange may be accomplished upon receipt by the Registrar from the registered owners of the Notes to be transferred or exchanged and appropriate instruments of transfer. In the event Note certificates are issued to holders other than Cede & Co., its successor as nominee for DTC as holder of all the Notes, or other securities depository as holder of all the Notes, the provisions of the Resolution apply to, among other things, the printing of certificates and the method of payment of principal of and interest on the certificates. Any substitute depository shall be designated in writing by the Issuer to the Paying Agent. Any such substitute depository shall be a qualified and registered "clearing agency" as provided in Section 17A of the Securities Exchange Act of 1934, as amended. The substitute depository shall provide for (i) immobilization of the Depository Notes, (ii) registration and transfer of interests in Depository Notes by book entries made on records of the depository or its nominee and (iii) payment of principal of, premium, if any, and interest on the Notes in accordance with and as such interests may appear with respect to such book entries.

h) The officers of the Issuer are authorized and directed to prepare and furnish to the purchaser, and to the attorneys approving the legality of Notes, certified copies of proceedings, ordinances, resolutions and records and all certificates and affidavits and other instruments as may be required to evidence the legality and marketability of the Notes, and all certified copies, certificates, affidavits and other instruments constitute representations of the Issuer as to the correctness of all stated or recited facts.

Section 8. Registration of Notes; Appointment of Registrar; Transfer; Ownership; Delivery; and Cancellation.

a) Registration. The ownership of Notes may be transferred only by the making of an entry upon the books kept for the registration and transfer of ownership of the Notes, and in no other way. Bankers Trust Company is hereby appointed as Registrar under the terms of this Resolution and under the provisions of a separate agreement with the Issuer filed herewith which is made a part hereof by this reference. Registrar shall maintain the books of the Issuer for the registration of ownership of the Notes for the payment of principal of and interest on the Notes as provided in this Resolution. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code subject to the provisions for registration and transfer contained in the Notes and in this Resolution.

b) Transfer. The ownership of any Note may be transferred only upon the Registration Books kept for the registration and transfer of Notes and only upon surrender thereof at the office of the Registrar together with an assignment duly executed by the holder or his duly authorized attorney in fact in such form as shall be satisfactory to the Registrar, along with the address and social security number or federal employer identification number of such transferee (or, if registration is to be made in the name of multiple individuals, of all such transferees). In the event that the address of the registered owner of a Note (other than a registered owner which is the nominee of the broker or dealer in question) is that of a broker or dealer, there must be disclosed on the Registration Books the information pertaining to the registered owner required above. Upon the transfer of any such Note, a new fully registered Note, of any denomination or denominations permitted by this Resolution in aggregate principal amount equal to the unmatured and unredeemed principal amount of such transferred fully registered Note, and bearing interest at the same rate and maturing on the same date or dates shall be delivered by the Registrar.

c) Registration of Transferred Notes. In all cases of the transfer of the Notes, the Registrar shall register, at the earliest practicable time, on the Registration Books, the Notes, in accordance with the provisions of this Resolution.

d) Ownership. As to any Note, the person in whose name the ownership of the same shall be registered on the Registration Books of the Registrar shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Notes and the premium, if any, and interest thereon shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note, including the interest thereon, to the extent of the sum or sums so paid.

e) Cancellation. All Notes which have been redeemed shall not be reissued but shall be cancelled by the Registrar. All Notes which are cancelled by the Registrar shall be destroyed and a certificate of the destruction thereof shall be furnished promptly to the Issuer; provided that if the Issuer shall so direct, the Registrar shall forward the cancelled Notes to the Issuer.

f) Non-Presentation of Notes. In the event any payment check representing payment of principal of or interest on the Notes is returned to the Paying Agent or if any Note is not presented for payment of principal at the maturity or redemption date, if funds sufficient to pay such principal of or interest on Notes shall have been made available to the Paying Agent for the benefit of the owner thereof, all liability of the Issuer to the owner thereof for such interest or payment of such Notes shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the owner of such Notes who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Resolution or on, or with respect to, such interest or Notes. The Paying Agent's obligation to hold such funds shall continue for a period equal to two years and six months following the date on which such interest or principal became due, whether at maturity, or at the date fixed for redemption thereof, or otherwise, at which time the Paying Agent, shall surrender any remaining funds so held to the Issuer, whereupon any claim under this Resolution by the Owners of such interest or Notes of whatever nature shall be made upon the Issuer.

g) Registration and Transfer Fees. The Registrar may furnish to each owner, at the Issuer's expense, one Note for each annual maturity. The Registrar shall furnish additional Notes in lesser denominations (but not less than the minimum denomination) to an owner who so requests.

Section 9. Reissuance of Mutilated, Destroyed, Stolen or Lost Notes. In case any outstanding Note shall become mutilated or be destroyed, stolen or lost, the Issuer shall at the request of Registrar authenticate and deliver a new Note of like tenor and amount as the Note so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Note to Registrar, upon surrender of such mutilated Note, or in lieu of and substitution for the Note destroyed, stolen or lost, upon filing with the Registrar evidence satisfactory to the Registrar and Issuer that such Note has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Registrar and Issuer with satisfactory indemnity and complying with such other reasonable regulations as the Issuer or its agent may prescribe and paying such expenses as the Issuer may incur in connection therewith.

Section 10. Record Date. Payments of principal and interest, otherwise than upon full redemption, made in respect of any Note, shall be made to the registered holder thereof or to their designated Agent as the same appear on the books of the Registrar on the 15th day of the month preceding the payment date. All such payments shall fully discharge the obligations of the Issuer in respect of such Notes to the extent of the payments so made. Payment of principal shall only be made upon surrender of the Note to the Paying Agent.

Section 11. Execution, Authentication and Delivery of the Notes. The Mayor and Clerk shall execute and deliver the Notes to the Registrar, who shall authenticate the Notes and deliver the same to or upon order of the Purchaser. No Note shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless the Registrar shall duly endorse and execute on such Note a Certificate of Authentication substantially in the form of the Certificate herein set forth. Such Certificate upon any Note executed on behalf of the Issuer shall be

conclusive evidence that the Note so authenticated has been duly issued under this Resolution and that the holder thereof is entitled to the benefits of this Resolution.

No Notes shall be authenticated and delivered by the Registrar unless and until there shall have been provided the following:

1. A certified copy of the resolution of Issuer approving the execution of a Loan Agreement and a copy of the Loan Agreement;
2. A written order of Issuer signed by the Treasurer directing the authentication and delivery of the Notes to or upon the order of the Purchaser upon payment of the purchase price as set forth therein;
3. The approving opinion of Ahlers & Cooney, P.C., Bond Counsel, concerning the validity and legality of all the Notes proposed to be issued.

Section 12. Right to Name Substitute Paying Agent or Registrar. Issuer reserves the right to name a substitute, successor Registrar or Paying Agent upon giving prompt written notice to each registered note holder.

Section 13. Form of Note. Notes shall be printed substantially in the form as follows:

"STATE OF IOWA"
"COUNTY OF CLINTON"
"CITY OF CLINTON"
"GENERAL OBLIGATION CAPITAL LOAN NOTE"
"SERIES 2016A"
"ESSENTIAL CORPORATE PURPOSE"

Rate: _____
Maturity: _____
Note Date: January 12, 2016
CUSIP No.: _____
"Registered"
Certificate No. _____
Principal Amount: \$ _____

The City of Clinton, State of Iowa, a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Issuer"), for value received, promises to pay from the source and as hereinafter provided, on the maturity date indicated above, to

(Registration panel to be completed by Registrar or Printer with name of Registered Owner).

or registered assigns, the principal sum of (principal amount written out) THOUSAND DOLLARS in lawful money of the United States of America, on the maturity date shown above,

only upon presentation and surrender hereof at the office of Bankers Trust Company, Paying Agent of this issue, or its successor, with interest on said sum from the date hereof until paid at the rate per annum specified above, payable on June 1, 2016, and semiannually thereafter on the 1st day of June and December in each year.

Interest and principal shall be paid to the registered holder of the Note as shown on the records of ownership maintained by the Registrar as of the 15th day of the month preceding such interest payment date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

This Note is issued pursuant to the provisions of Sections 384.24A, and 384.25 of the Code of Iowa, for the purpose of paying costs of sewer and storm sewer utility improvements including Camanche Avenue and 20th Avenue North Pumping Station & Force Main, and in order to evidence the obligations of the Issuer under a certain Loan Agreement dated the date hereof, in conformity to a Resolution of the Council of the Issuer duly passed and approved. For a complete statement of the revenues and funds from which and the conditions under which this Note is payable, a statement of the conditions under which additional Notes of equal standing may be issued, and the general covenants and provisions pursuant to which this Note is issued, reference is made to the above described Loan Agreement and Resolution.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a limited purpose trust company ("DTC"), to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other Issuer as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Notes maturing after June 1, 2023, may be called for optional redemption by the Issuer and paid before maturity on said date or any date thereafter, from any funds regardless of source, in whole or from time to time in part, in any order of maturity and within an annual maturity by lot. The terms of redemption shall be par, plus accrued interest to date of call.

Thirty days' written notice of redemption shall be given to the registered owner of the Note. Failure to give written notice to any registered owner of the Notes or any defect therein shall not affect the validity of any proceedings for the redemption of the Notes. All Notes or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment. Written notice will be deemed completed upon transmission to the owner of record.

If less than all of a maturity is called for redemption, the Issuer will notify DTC of the particular amount of such maturity to be redeemed prior to maturity. DTC will determine by lot the amount of each Participant's interest in such maturity to be redeemed and each Participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All prepayments shall be at a price of par plus accrued interest.

Ownership of this Note may be transferred only by transfer upon the books kept for such purpose by Bankers Trust Company, the Registrar. Such transfer on the books shall occur only upon presentation and surrender of this Note at the office of the Registrar as designated below, together with an assignment duly executed by the owner hereof or his duly authorized attorney in the form as shall be satisfactory to the Registrar. Issuer reserves the right to substitute the Registrar and Paying Agent but shall, however, promptly give notice to registered bondholders of such change. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code and subject to the provisions for registration and transfer contained in the Note Resolution.

And it is hereby represented and certified that all acts, conditions and things requisite, according to the laws and Constitution of the State of Iowa, to exist, to be had, to be done, or to be performed precedent to the lawful issue of this Note, have been existent, had, done and performed as required by law; that provision has been made for the levy of a sufficient continuing annual tax on all the taxable property within the territory of the Issuer for the payment of the principal and interest of this Note as the same will respectively become due; that such taxes have been irrevocably pledged for the prompt payment hereof, both principal and interest, and the total indebtedness of the Issuer including this Note, does not exceed the constitutional or statutory limitations.

IN TESTIMONY WHEREOF, the Issuer by its Council, has caused this Note to be signed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, with the seal of the City printed or impressed hereon, and to be authenticated by the manual signature of an authorized representative of the Registrar, Bankers Trust Company, Des Moines, Iowa.

Date of authentication:

This is one of the Notes described in the within mentioned Resolution, as registered by Bankers Trust Company

BANKERS TRUST COMPANY, Registrar

By: _____
Authorized Signature

Registrar and Transfer Agent: Bankers Trust Company
Paying Agent: Bankers Trust Company

SEE REVERSE FOR CERTAIN DEFINITIONS

(Seal)
(Signature Block)

CITY OF CLINTON, STATE OF IOWA

By: (manual or facsimile signature)

Mayor

ATTEST:

By: (manual or facsimile signature)

City Clerk

(Assignment Block)
(Information Required for Registration)

STATEMENT OF INSURANCE

Build America Mutual Assurance Company ("BAM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal of and interest on this Note to Bankers Trust Company, Des Moines, Iowa, or its successor, as paying agent for the Notes (the "Paying Agent"). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from BAM or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. By its purchase of these Notes, the owner acknowledges and consents to the subrogation and all other rights of BAM as more fully set forth in the Policy.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ (Social Security or Tax Identification No. _____) this Note and does hereby irrevocably constitute and appoint _____ attorney in fact to transfer this Note on the books kept for registration of the within Note, with full power of substitution in the premises.

Dated this _____ day of _____, 2016.

(Person(s) executing this Assignment sign(s) here)

SIGNATURE)
GUARANTEED)

)
)

IMPORTANT - READ CAREFULLY

The signature(s) to this Power must correspond with the name(s) as written upon the face of the certificate(s) or Note (s) in every particular without alteration or enlargement or any change whatever. Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent. Such standards and procedures may require signature to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.

INFORMATION REQUIRED FOR REGISTRATION OF TRANSFER

Name of Transferee(s) _____
 Address of Transferee(s) _____
 Social Security or Tax Identification _____
 Number of Transferee(s) _____
 Transferee is a(n):
 Individual* _____ Corporation _____
 Partnership _____ Trust _____

*If the Note is to be registered in the names of multiple individual owners, the names of all such owners and one address and social security number must be provided.

The following abbreviations, when used in the inscription on the face of this Note, shall be construed as though 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 rights of survivorship and not as tenants in common
- IA UNIF TRANS MIN ACT - Custodian
 (Cust) (Minor)
 Under Iowa Uniform Transfers to Minors Act.....
 (State)

ADDITIONAL ABBREVIATIONS MAY BE ALSO USED THOUGH NOT IN THE ABOVE LIST

(End of form of note)

Section 14. Loan Agreement and Closing Documents. The form of Loan Agreement in substantially the form attached to this Resolution is hereby approved and is authorized to be executed and issued on behalf of the Issuer by the Mayor and attested by the City Clerk. The Mayor and City are authorized and directed to execute, attest, seal and deliver for and on behalf of the City any other additional certificates, documents, or other papers and perform all other acts, including without limitation the execution of all closing documents, as they may deem

necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

Section 15. Contract Between Issuer and Purchaser. This Resolution shall constitute a contract between said City and the purchaser of the Notes.

Section 16. Non-Arbitrage Covenants. The Issuer reasonably expects and covenants that no use will be made of the proceeds from the issuance and sale of the Notes issued hereunder which will cause any of the Notes to be classified as arbitrage notes within the meaning of Sections 148(a) and (b) of the Internal Revenue Code of the United States, as amended, and that throughout the term of the Notes it will comply with the requirements of statutes and regulations issued thereunder.

To the best knowledge and belief of the Issuer, there are no facts or circumstances that would materially change the foregoing statements or the conclusion that it is not expected that the proceeds of the Notes will be used in a manner that would cause the Notes to be arbitrage notes. Without limiting the generality of the foregoing, the Issuer hereby agrees to comply with the provisions of the Tax Exemption Certificate and the provisions of the Tax Exemption Certificate are hereby incorporated by reference as part of this Resolution. The Treasurer is hereby directed to make and insert all calculations and determinations necessary to complete the Tax Exemption Certificate in all respects and to execute and deliver the Tax Exemption Certificate at issuance of the Notes to certify as to the reasonable expectations and covenants of the Issuer at that date.

Section 17. Approval of Tax Exemption Certificate. Attached hereto is a form of Tax Exemption Certificate stating the Issuer's reasonable expectations as to the use of the proceeds of the Notes. The form of Tax Exemption Certificate is approved. The Issuer hereby agrees to comply with the provisions of the Tax Exemption Certificate and the provisions of the Tax Exemption Certificate are hereby incorporated by reference as part of this Resolution. The Finance Director is hereby directed to make and insert all calculations and determinations necessary to complete the Tax Exemption Certificate at issuance of the Notes to certify as to the reasonable expectations and covenants of the Issuer at that date.

Section 18. Continuing Disclosure. The Issuer hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate, and the provisions of the Continuing Disclosure Certificate are hereby incorporated by reference as part of this Resolution and made a part hereof. Notwithstanding any other provision of this Resolution, failure of the Issuer to comply with the Continuing Disclosure Certificate shall not be considered an event of default under this Resolution; however, any holder of the Notes or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Issuer to comply with its obligations under the Continuing Disclosure Certificate. For purposes of this Section, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Notes (including persons holding Notes through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Notes for federal income tax purposes.

Section 19. Additional Covenants, Representations and Warranties of the Issuer. The Issuer certifies and covenants with the purchasers and holders of the Notes from time to time outstanding that the Issuer through its officers, (a) will make such further specific covenants, representations and assurances as may be necessary or advisable; (b) comply with all representations, covenants and assurances contained in the Tax Exemption Certificate, which Tax Exemption Certificate shall constitute a part of the contract between the Issuer and the owners of the Notes; (c) consult with Bond Counsel (as defined in the Tax Exemption Certificate); (d) pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Notes; (e) file such forms, statements and supporting documents as may be required and in a timely manner; and (f) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the Issuer in such compliance.

Section 20. Amendment of Resolution to Maintain Tax Exemption. This Resolution may be amended without the consent of any owner of the Notes if, in the opinion of Bond Counsel, such amendment is necessary to maintain tax exemption with respect to the Notes under applicable Federal law or regulations.

Section 21. Repeal of Conflicting Resolutions or Ordinances. All ordinances and resolutions and parts of ordinances and resolutions in conflict herewith are hereby repealed.

Section 22. Severability Clause. If any section, paragraph, clause or provision of this Resolution be held invalid, such invalidity shall not affect any of the remaining provisions hereof, and this Resolution shall become effective immediately upon its passage and approval.

Section 23. Insurer Provisions.

- a) Notice and Other Information to be given to BAM. The Issuer will provide BAM with all notices and other information it is obligated to provide (i) under its Continuing Disclosure Agreement upon request of BAM and (ii) to the holders of Insured Obligations or the Trustee under the Security Documents.

The notice address of BAM is: Build America Mutual Assurance Company, 1 World Financial Center, 27th Floor, 200 Liberty Street, New York, NY 10281, Attention: Surveillance, Re: Policy No. _____, Telephone: (212) 235-2500, Telecopier: (212) 235-1542, Email: notices@buildamerica.com. In each case in which notice or other communication refers to an event of default or a claim on the Policy, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at claims@buildamerica.com or at Telecopier: (212) 235-5214 and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

(b) Amendments, Supplements and Consents.

- i) Amendments. Wherever any Security Document requires the consent of Noteholders, BAM's consent shall also be required. In addition, any

amendment, supplement or modification to the Security Documents that adversely affect the rights or interests of BAM shall be subject to the prior written consent of BAM.

- ii) *Consent of BAM Upon Default.* Anything in any Security Document to the contrary notwithstanding, upon the occurrence and continuance of a default or an event of default, BAM shall be deemed to be the sole holder of the Notes for all purposes and shall be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the Notes or the trustee, paying agent, registrar, or similar agent (the "Trustee") for the benefit of such holders under any Security Document. The Trustee may not waive any default or event of default or accelerate the Insured Obligations without BAM's written consent.
- (c) BAM As Third Party Beneficiary. BAM is explicitly recognized as and shall be deemed to be a third party beneficiary of the Security Documents and may enforce any right, remedy or claim conferred, given or granted thereunder.
- (d) Policy Payments.
 - (i) In the event that principal and/or interest due on the Notes shall be paid by BAM pursuant to the Policy, the Notes shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Issuer, the assignment and pledge of the trust estate and all covenants, agreements and other obligations of the Issuer to the registered owners shall continue to exist and shall run to the benefit of BAM, and BAM shall be subrogated to the rights of such registered owners including, without limitation, any rights that such owners may have in respect of securities law violations arising from the offer and sale of the Notes.
 - (ii) Irrespective of whether any such assignment is executed and delivered, the Issuer and the Trustee shall agree for the benefit of BAM that:
 - a. They recognize that to the extent BAM makes payments directly or indirectly (e.g., by paying through the Trustee), on account of principal of or interest on the Notes, BAM will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Issuer, with interest thereon, as provided and solely from the sources stated in the Security Document and the Notes; and
 - b. They will accordingly pay to BAM the amount of such principal and interest, with interest thereon, but only from the sources and in the manner provided in the Security Documents and the Notes for the payment of principal of and interest on the Notes

to holders, and will otherwise treat BAM as the owner of such rights to the amount of such principal and interest.

- (iii) *Special Provisions for Insurer Default:* If an Insurer Default shall occur and be continuing, then, notwithstanding anything in paragraph B above to the contrary, (1) if at any time prior to or following an Insurer Default, BAM has made payment under the Policy, to the extent of such payment BAM shall be treated like any other holder of the Notes for all purposes, including giving of consents, and (2) if BAM has not made any payment under the Policy, BAM shall have no further consent rights until the particular Insurer Default is no longer continuing or BAM makes a payment under the Policy, in which event, the foregoing clause (1) shall control. For purposes of this paragraph (3), "Insurer Default" means: (A) BAM has failed to make any payment under the Policy when due and owing in accordance with its terms; or (B) BAM shall (i) voluntarily commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (ii) consent to the institution of or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, or (vi) take action for the purpose of effecting any of the foregoing; or (C) any state or federal agency or instrumentality shall order the suspension of payments on the Policy or shall obtain an order or grant approval for the rehabilitation, liquidation, conservation or dissolution of BAM (including without limitation under the New York Insurance Law).

PASSED AND APPROVED this 18th day of December, 2015.

Mayor

ATTEST:

City Clerk