

MINNESOTA VALLEY TRANSIT AUTHORITY

RESOLUTION NO. 10-

**AUTHORIZING STAFF AND CONSULTANTS
TO ARRANGE FOR ISSUANCE OF CERTIFICATES OF PARTICIPATION
IN A LEASE-PURCHASE AGREEMENT TO FINANCE
EXPANSION OF THE EAGAN BUS GARAGE**

BE IT RESOLVED By the Board of Directors (the “Board”) of the Minnesota Valley Transit Authority (the “Authority”) as follows:

Section 1. Recitals.

1.01. The Authority, as joint powers entity organized under Minnesota Statutes, Section 471.79, may jointly exercise the powers given by law to its members, including the authority to acquire real and personal property under a lease-purchase agreement pursuant to Minnesota Statutes, Section 465.71.

1.02. The Authority has determined that is in the interest of the Authority and its members to finance the acquisition and betterment of an expansion to the Eagan Bus Garage operated by the Authority (the “Project”), through issuance of certificates of participation (“COPs”) in a lease-purchase agreement (the “Lease”) regarding the Project.

1.03. The Authority has also determined that it can achieve the lowest cost of financing the Project by issuing the COPs as taxable Build America Bonds (“BABs”) under Section 54AA(d)(1) of the Internal Revenue Code of 1986, as amended (the “Code”).

1.04. Under current law, BABs may be issued only through December 31, 2010, so the Authority has determined to proceed with issuance of the COPs as BABs, to be sold and closed by December 31, 2010.

1.05. The Authority has further determined that it is in the Authority’s best interest to negotiate the sale the COPs with the advice and assistance of Springsted, Incorporated (“Springsted”) as the Authority’s financial advisor.

Section 2. Authorization.

2.01. The Authority preliminarily approves the issuance of COPs to finance the Project in the maximum principal amount of \$8,000,000, as further described in this resolution.

2.02. Springsted is authorized and directed to seek proposals from underwriters to purchase the COPs, and to bring before the Authority a proposal for purchase of the COPs as BABs, such purchase to settled by no later than December 31, 2010.

2.03 Kennedy & Graven, as bond counsel, is authorized and directed to proceed with

preparation of documents necessary to issue the COPs, including without limitation a Lease for the Project, and to undertake all actions necessary to bring before the Authority at the appropriate time a resolution awarding sale of the COPs.

2.04. Issuance of the COPs is subject to approval by this Board of final terms of sale.

Section 3. Effective Date.

3.01. This resolution is effective upon approval by the Board.

3.02. If COPs as described in this resolution are not issued and sold by December 31, 2010, this resolution is deemed to be expired and the authorizations described herein terminated.

Approved by the Board of Directors of the Minnesota Valley Transit Authority this 22nd day of September, 2010.

**MINNESOTA VALLEY TRANSIT
AUTHORITY**

Attest:

Chair

Secretary