

**MUNICIPAL ADVISORY SERVICE AGREEMENT
BY AND BETWEEN
THE CITY OF LAKE ELMO, MINNESOTA
AND
NORTHLAND SECURITIES, INC.**

This Agreement made and entered into by and between the City of Lake Elmo, Minnesota (hereinafter "City") and Northland Securities, Inc., of Minneapolis, Minnesota (hereinafter "NSI").

WITNESSETH

WHEREAS, the City desires to have NSI provide it with advice on the structure, terms, timing and other matters related to the issuance of the General Obligation Bonds, Series 2016A (the "Debt") serving in the role of municipal (financial) advisor, and

WHEREAS, NSI is a registered municipal advisor (registration # 866-00082-00), and

WHEREAS, the City and NSI are entering into this Agreement to define the municipal advisory relationship at the earliest opportunity related to the Debt, and

WHEREAS, NSI desires to furnish services to the City as hereinafter described,

NOW, THEREFORE, it is agreed by and between the parties as follows:

SERVICES TO BE PROVIDED BY NSI

NSI shall provide the City with services necessary to analyze, structure, offer for sale and close the Debt as follows:

Planning and Development

1. Meet with City officials and others as directed to define the scope and the objectives for the Debt.
2. Investigate and consider reasonably feasible financing alternatives.
3. Prepare materials needed to evaluate the material risks, potential benefits, structure and other characteristics of the recommended plan for the Debt, including issue structure, estimated debt service payments, projected revenues, method of issuance, bond rating, sale timing, and call provisions.
4. Prepare a schedule of events related to the issuance process.
5. Coordinate with bond counsel any actions needed to authorize the issuance of the Debt.
6. Attend meetings of the City Council and other project and bond issue related meetings as needed and as requested.

Bond Sale

1. Collect data and prepare preliminary official statement (POS).
2. Provide POS for review and approval by City.
3. Distribute the POS and bid form to prospective bidders.

4. Cause to be published the Official Notice of Sale if required by law.
5. Prepare and submit application for bond rating(s) and assist City with furnishing the rating agency(s) with any additional information required to conduct the rating review. Assist City with preparing and conducting rating call or other presentation.
6. Distribute offering materials to underwriters most likely to serve as syndicate managers to assure that bidding interest is established.
7. Assist the City in receiving the bids, compute the accuracy of the bids received, and recommend to the City the most favorable bid for award.
8. Coordinate with bond counsel the preparation of required contracts and resolutions.

Post Sale Support

1. Prepare final official statement and provide to underwriter for posting on EMMA.
2. Coordinate the bond issue closing including making all arrangements for bond printing, registration, and delivery.
3. Furnish to the City a complete transcript of the transaction, if not provided by bond counsel.
4. Assist, as requested by the City, with the investment of bond issue proceeds.

COMPENSATION

For providing these services with respect to the Debt, NSI shall be paid a lump sum of \$27,500. The fee due to NSI shall be payable by the City upon the closing of the Bonds.

NSI agrees to pay the following expenses from its fee:

- Out-of-pocket expenses such as travel, long distance phone, and copy costs.
- Production and distribution of material to rating agencies and/or bond insurance companies.
- Preparation of the bond transcript.

The City agrees to pay for all other expenses related to the processing of the bond issue(s) including, but not limited to, the following:

- Engineering and/or architectural fees.
- Publication of legal notices.
- Bond counsel and local attorney fees.
- Fees for various debt certificates.
- The cost of printing Official Statements, if any.
- City staff expenses.
- Airfare and lodging expenses of one NSI official and City officials when and if traveling for rating agency presentations.
- Rating agency fees, if any.
- Bond insurance fees, if any.
- Accounting and other related fees.

It is expressly understood that there is no obligation on the part of the City under the terms of this Agreement to issue the Debt. If the Debt is not issued, NSI agrees to pay its own expenses and receive no fee for any services it has rendered.

SUCCESSORS OR ASSIGNS


The terms and provisions of this Agreement are binding upon and inure to the benefit of the City and NSI and their successors or assigns.

TERM OF THIS AGREEMENT

This Agreement may be terminated by thirty (30) days written notice by either the City or NSI and it shall terminate sixty (60) days following the closing date related to the issuance of the Debt.

Dated this 19th day of April, 2016.

Northland Securities, Inc.

By: 
John R. Fifield, Jr. - Senior Vice President

City of Lake Elmo, Minnesota

By: _____

Its: _____