

EXTRACT OF MINUTES OF MEETING
OF THE CITY COUNCIL OF THE
CITY OF NEW PRAGUE
SCOTT COUNTY, MINNESOTA

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of New Prague was duly held on October 6, 2025, commencing at 6:00 o'clock p.m.

The following members were present:

and the following were absent:

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. 25-10-06-04

**RESOLUTION APPROVING THE ISSUANCE OF LEASE
REVENUE BONDS (CITY OF NEW PRAGUE, MINNESOTA
POLICE FACILITY LEASE), SERIES 2025C, BY THE NEW
PRAGUE ECONOMIC DEVELOPMENT AUTHORITY; AND
AUTHORIZING THE EXECUTION AND DELIVERY OF LEASE
DOCUMENTS**

BE IT RESOLVED by the City Council (“Council”) of the City of New Prague, Scott County, Minnesota (the “City”), as follows:

Section 1. Background.

1.01. Statutory Authorization. The City is authorized by Minnesota Statutes, Section 465.71, as amended, to acquire real and personal property under lease-purchase agreements.

1.02. Lease Agreements. The City has agreed with the New Prague Economic Development Authority (the “Authority”) that pursuant to a Ground Lease (the “Ground Lease”) between the City, as lessor, and the Authority, as lessee, the Authority will acquire certain property from the City (the “Site”), and the Authority will lease such property, together with the buildings, structures or improvements now or hereafter located thereon (the “Facilities”), to the City pursuant to a Lease with Option to Purchase Agreement (the “Lease”) between the Authority, as lessor, and the City, as lessee.

1.03. Issuance of the Bonds. Pursuant to a resolution to be considered on October 8, 2025 (the “Bond Resolution”), the Authority will authorize the issuance of its Lease Revenue Bonds (City of New Prague, Minnesota Police Facility Lease), Series 2025C (the “Bonds”), in the proposed aggregate principal amount of \$10,130,000.

1.04. The Project. Pursuant to the Bond Resolution, proceeds of the Bonds will be used to pay costs of the construction and equipping of a new police facility (the “Improvements”) on the Site, all as described in the Lease.

1.05. Forms of Documents. Forms of the Ground Lease and the Lease have been prepared and submitted to the Council and are on file with the City.

Section 2. Findings. On the basis of information given the City to date, it is hereby found, determined and declared that:

(a) It is desirable and in the best interest of the City to enter into the Ground Lease and the Lease.

(b) The terms of the Ground Lease and the Lease are found to be advantageous to the City and the form and terms thereof are hereby approved.

(c) The Site and the Facilities described in the Lease constitute essential government property, and the City presently intends to appropriate all Lease Payments under the Lease for the term of the Lease; however, the obligations of the City under the Lease are not to be payable from nor charged upon any funds of the City other than the funds appropriated annually to the payment thereof, and the Lease shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the City except its interest in the Lease and in the Site and the Facilities under the Lease.

Section 3. Authorization of Documents. The Mayor and the City Administrator are authorized and directed to execute and deliver the Ground Lease and the Lease on behalf of the City, substantially in the forms on file with the City, but with all such changes therein as shall be approved by the officers executing the same, which approval shall be conclusively evidenced by the execution thereof. Copies of all of the transaction documents shall be delivered, filed and recorded as provided therein. The Mayor, the City Administrator and other City officers are also authorized and directed to execute such other documents, certificates and instruments as may be required to give effect to the transactions herein contemplated.

Section 4. Payment of Lease Payments. The City will pay to the Bond Registrar, promptly when due, all of the Lease Payments and other amounts required by the Lease. To provide moneys to make such payments, the City will include in its annual budget, for each Fiscal Year during the term of the Lease, commencing with the Fiscal Year ending on December 31, 2025, moneys sufficient to pay and for the purpose of paying all Lease Payments, a reasonable estimate of Additional Lease Payments, and other amounts payable under the Lease. The City will approve its annual budget no less than three months prior to any Lease Payment paid with a tax levy or other moneys included in that annual budget. The agreement of the City in this section is subject to the City's right to terminate the Lease at the end of any Fiscal Year, as set forth in Section 5.6 of the Lease. Capitalized terms used here that are otherwise not defined shall have the meanings provided in the Lease or the Bond Resolution.

Section 5. Approval of Issuance and Sale of Bonds. The issuance and sale of the Bonds by the Authority as described in the Official Statement and the Bond Resolution is hereby approved in all respects. The City will pay, from proceeds of the Bonds or from other City funds, the costs of issuance of the Bonds.

Section 6. Authentication of Transcript.

6.01. City Proceedings and Records. The officers of the City are authorized and directed to prepare and furnish to the Purchaser and to the attorneys approving the Bonds, certified copies of proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Bonds, and such instruments, including any heretofore furnished, may be deemed representations of the City as to the facts stated therein.

6.02. Certification as to Official Statement. The Mayor and the City Administrator are authorized and directed to certify that they have examined the Official Statement prepared and circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the Official Statement is a complete and accurate representation of the facts and representations made therein as of the date of the Official Statement.

6.03. Other Certificates. The Mayor and the City Administrator are hereby authorized and directed to furnish to the Purchaser at the closing such certificates as are required as a condition of sale. Unless litigation shall have been commenced and be pending questioning the Bonds or the organization of the Authority or incumbency of its officers, at the closing the Mayor and the City Administrator shall also execute and deliver to the Purchaser a suitable certificate as to absence of material litigation.

6.04. Electronic Signatures. The electronic signature of the Mayor and the City Administrator to this resolution and any document or certificate authorized to be executed hereunder shall be as valid as an original signature of such party and shall be effective to bind the Authority thereto; provided, however, that the Ground Lease and the Lease shall be executed with the original signatures of the Mayor and the City Administrator. For purposes hereof, (i) “electronic signature” means: (a) a manually signed original signature that is then transmitted by electronic means or (b) a signature obtained through DocuSign or Adobe or a similarly digitally auditable signature gathering process; and (ii) “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a portable document format (“pdf”) or other replicating image attached to an electronic mail or internet message.

Section 7. Continuing Disclosure.

7.01. Execution of Continuing Disclosure Certificate. “Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate to be executed by the Mayor and the City Administrator of the City and the President and the Executive Director of the Authority and dated as of the date of issuance of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

7.02. City Compliance with Provisions of Continuing Disclosure Certificate. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate substantially in the form on file with the City. Notwithstanding any other provision of this resolution, failure of the City to comply with the Continuing Disclosure Certificate is not to be considered an event of default with respect to the Bonds; however, any bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this section.

In addition, pursuant to a resolution adopted by the Board of Commissioners of the Authority on October 8, 2025 (the “Bond Resolution”), the Authority covenants and agrees that it will comply with and carry out all of the Authority’s provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of the Bond Resolution, failure of the Authority to comply with the Continuing Disclosure Certificate is not to be considered an event of default with respect to the Bonds; however, any Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Authority to comply with its obligations under the Bond Resolution.

Section 8. Tax Covenants. The City covenants and agrees with the Owners from time to time of the Bonds that the investment of proceeds of the Bonds, including the investment of any revenues pledged to the Lease Payments which are considered proceeds under applicable regulations, and accumulated sinking funds, if any, shall be limited as to amount and yield in such manner that the Bonds shall not be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), and applicable regulations thereunder, and that the City shall comply with all other applicable requirements of Section 148. On the basis of the existing facts, estimates and circumstances, including the foregoing findings and covenants, the City hereby certifies that it is not expected that the proceeds of the Bonds will be used in such manner as to cause the Bonds to be “arbitrage bonds” under Section 148 and any regulations thereunder. The Site, the Facilities and the proceeds of the Bonds will likewise be used in such manner that the Bonds

will not be “private activity bonds” under Section 141 of the Code and applicable regulations. The City covenants that it will file (or cause the Authority to file) with the Internal Revenue Service the information required under Section 149(e) of the Code.

Section 9. Effective Date. This resolution shall be effective immediately upon its final adoption.

The motion for the adoption of the foregoing resolution was duly seconded by Member _____, and upon vote being taken thereon, the following voted in favor of the motion:

and the following voted against:

whereupon the resolution was declared duly passed and adopted.

New Prague City Council

Charles Nickolay

ATTEST:

Joshua M. Tetzlaff

STATE OF MINNESOTA)
)
COUNTY OF SCOTT) ss.
)
CITY OF NEW PRAGUE)

I, the undersigned, being the duly qualified City Administrator of the City of New Prague, Scott County, Minnesota (the “City”), do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the City Council of the City held on October 6, 2025, with the original minutes on file in my office, and the extract is a full, true, and correct copy of the minutes insofar as they relate to they relate to authorizing the issuance of the New Prague Economic Development Authority’s Lease Revenue Bonds (City of New Prague, Minnesota Police Facility Lease), Series 2025C.

WITNESS My hand officially as such City Administrator this _____ day of October, 2025.

Joshua Tetzlaff
City Administrator
City of New Prague, Scott County, Minnesota