

**PROCEEDINGS OF THE
BOARD OF ESTIMATE & TAXATION**

The regular meeting of April 28, 2010 was held in room 317 of City Hall.

Meeting called to order by President Becker at 4:30 p.m.

Present were: Fine (Robert Fine, Representative of the Park and Recreation Board); Johnson (Barbara Johnson, President of the City Council); Hodges (Betsy Hodges, Chair of the Ways & Means/Budget Committee of the City Council); Wheeler (David Wheeler, Elected Member); Becker (Carol J. Becker, Elected Member).

Absent; Rybak (R T Rybak, Mayor of Minneapolis)

The Secretary presented the following; Requests for additions to the Board's 2010 Bond Program along with the supporting request letters submitted to the City Council

1. RESOLUTION 2010R-104 By Colvin Roy and Hodges Adopted March 12, 2010.

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$ 556,100 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the Chicago Avenue Phase III (8th St S to Franklin Avenue) Street Reconstruction Project, Special improvement of Existing Street No. 6382, to be assessed against benefitted properties as estimated by the City Council, which assessments shall be collectible in twenty (20) successive annual installments, payable in the same manner as real estate taxes.

2. RESOLUTION 2010R-137 By Colvin Roy and Hodges Adopted April 2, 2010.

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$ 997,820 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the Bryn Mawr Area Street Resurfacing Project, Special improvement of Existing Street No. 5206, to be assessed against benefitted properties as estimated by the City Council, which assessments shall be collectible in five (5) successive annual installments, payable in the same manner as real estate taxes.

3. RESOLUTION 2010R-205 By Colvin Roy and Hodges Adopted April 30, 2010.

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$ 1,852,395 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the 35W Detour Routes Street Resurfacing Project, Special improvement of Existing Street No. 9889, to be assessed against benefitted properties as estimated by the City Council, which assessments shall be collectible in five (5) successive annual installments, payable in the same manner as real estate taxes.

4. RESOLUTION 2010R-207 By Colvin Roy and Hodges Adopted April 30, 2010.

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$ 642,960 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the Lynnhurst (Phase IV) Street Renovation Project, Special improvement of Existing Street No. 5211, to be assessed against benefitted properties as estimated by the City Council, which assessments shall be collectible in ten (10) successive annual installments, payable in the same manner as real estate taxes.

5. RESOLUTION 2010R-209 By Colvin Roy and Hodges Adopted April 30, 2010.

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$ 181,200 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the 54th St W/Diamond Lake Rd Street Resurfacing Project, Special improvement of Existing Street No. 5204, to be assessed against benefitted properties as estimated by the City Council, which assessments shall be collectible in five (5) successive annual installments, payable in the same manner as real estate taxes.

6. RESOLUTION 2010R-211 By Colvin Roy and Hodges Adopted April 30, 2010.

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$ 737,090 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the Prospect Park Area Street Resurfacing Project, Special improvement of Existing Street No. 5207, to be assessed against benefitted properties as estimated by the City Council, which assessments shall be collectible in five (5) successive annual installments, payable in the same manner as real estate taxes.

7. RESOLUTION 2010R-213 By Colvin Roy and Hodges Adopted April 30, 2010.

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$ 960,125 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the Oak Hill Area Phase II (East Half) Street Resurfacing Project, Special improvement of Existing Street No. 5193, to be assessed against benefitted properties as estimated by the City Council, which assessments shall be collectible in five (5) successive annual installments, payable in the same manner as real estate taxes.

8. RESOLUTION 2010R-243 By Colvin Roy and Hodges Adopted May 14, 2010.

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$ 136,050 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the Nicollet Ave (Minnehaha Creek to 58th St) Street Resurfacing Project, Special improvement of Existing Street No. 5212, to be assessed against benefitted properties as estimated by the City Council, which assessments shall be collectible in five (5) successive annual installments, payable in the same manner as real estate taxes.

9. RESOLUTION 2010R-245 By Colvin Roy and Hodges Adopted May 14, 2010.

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$ 268,795 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the Chicago Ave (Lake St to 38th St E) Street Resurfacing Project, Special improvement of Existing Street No. 5209, to be assessed against benefitted properties as estimated by the City Council, which assessments shall be collectible in five (5) successive annual installments, payable in the same manner as real estate taxes

Wheeler moved to add to the Board of Estimate & Taxation's Bond 2010 Bond Program the projects requested by City Council Resolutions 2010R – 137,205,207,209,211, 213,243,and 245, seconded by Hodges. Following questions and discussion the motion was adopted. Yeas – 5. Nays – none. As follows; Yeas – Fine, Johnson, Hodges, Wheeler, Becker, - 5. Nays – none.

The secretary updated the Board as to the issue - Status of audio recording & posting to the web with information provided by Communication Director Sara Dietrich . After discussion Council members Hodges and Johnson were to talk with the City Clerk's office and report back to the Board.

The following reports were presented by the secretary to the Board:

R – 1. Variable Rates (Tax Exempt) for the weeks starting May 20 of 0.30 % and for the week starting May 27 of 0.28%.

R – 2. Official Statement for;

- A. \$ 8,530,000 General Obligation Tax Increment Refunding Bonds, Series 2010.
- B. \$ 14,900,000 Taxable General Obligation Tax Increment Refunding Bonds (West Milling), Series 2010.

R – 3. Official Statement for;

- A. \$ 32,300,000 General Obligation Various Purpose Bonds, Series 2010.
- B. \$ 74,925,000 General Obligation Refunding Bonds. Series 2010.

R – 4. Results from the May 25th bond sales.

- A. \$ 32,300,000 General Obligation Various Purpose Bonds, Series 2010.

Ten bidders with J. P. Morgan Securities, Inc. New York, NY the low bidder at 1.257443% true interest cost, bids were as follows:

1. J. P. Morgan Securities, Inc. New York, NY with a purchase price of \$ 34,709,380.49 for a true interest cost of 1.257443% and December 1 Coupons of 2010 at 2.00%, 2011 at 2.50%. and 2012 – 2017 at 5.00%.
2. Citigroup Global Markets, Inc. New York, NY with a purchase price of \$ 34,709,213.40 for a true interest cost of 1.310867% and December 1 Coupons of 2010 at 1.50%, 2011 & 2012 at 4.00%. and 2013 – 2017 at 5.00%.
3. UBS Financial Services, Inc. New York, NY with a purchase price of \$ 33,974,483.70 for a true interest cost of 1.331493% and December 1 Coupons of 2010 & 2011 at 2.00%, 2012 - 2014 at 3.00%. and 2015 – 2017 at 5.00%.

4. Piper Jaffray, Minneapolis, MN with a purchase price of \$ 34,605,445.40 for a true interest cost of 1.337986% and December 1 Coupons of 2010 & 2011 at 3.00%, 2012 at 4.00%. and 2013 – 2017 at 5.00%.
5. Southwest Securities, Inc. New York, NY with a purchase price of \$ 34,741,637.93 for a true interest cost of 1.342900% and December 1 Coupons of 2010 at 3.00%, 2011 & 2012 at 4.00%. and 2013 – 2017 at 5.00%.
6. Morgan Stanley & Co, Inc. New York, NY with a purchase price of \$ 34,325,555.01 for a true interest cost of 1.356908% and December 1 Coupons of 2010 at 2.00%, 2011 at 2.50%, 2012 – 2014 at 4.00% and 2015 – 2017 at 5.00%.
7. Wells Fargo Bank, National Association Charlotte, NC with a purchase price of \$ 34,952,558.00 for a true interest cost of 1.387332% and December 1 Coupons of 2010 at 2.00%, and 2011 – 2017 at 5.00%.
8. BMO Capital Markets Chicago, IL with a purchase price of \$ 33,492,175.93 for a true interest cost of 1.393908% and December 1 Coupons of 2010 at 2.00%, and 2011 – 2017 at 3.00%.
9. Banc of America Merrill Lynch. New York, NY with a purchase price of \$ 34,664,538.39 for a true interest cost of 1.396628% and December 1 Coupons of 2010 at 2.00%, 2011 at 3.00%. and 2012 – 2017 at 5.00%.
10. Robert W. Baird & Co Milwaukee, WI with a purchase price of \$ 33,053,032.20 for a true interest cost of 1.582528% and December 1 Coupons of 2010 & 2011 at 2.00%, 2012 – 2014 at 2.50%. and 2015 – 2017 at 3.00%.

B. \$ 74,925,000 General Obligation Refunding Bonds. Series 2010.

Seven bidders with Piper Jaffray Inc Minneapolis, MN the low bidder at 2.407624% true interest cost, bids were as follows:

1. Piper Jaffray, Minneapolis, MN with a purchase price of \$ 77,498,137.28 for a true interest cost of 2.407624% and December 1 Coupons of 2010 - 2020 at 3.00%, 2021 at 3.125%. 2022 at 3.25%. 2023 at 3.375%, 2024 & 2025 at 3.50% and 2026 at 4.00%.
2. Barclay's Capital Inc. New York, NY with a purchase price of \$ 77,390,909.34 for a true interest cost of 2.412708% and December 1 Coupons of 2010 at 1.00%, 2011 - 2021 at 3.00%. 2022 & 2023 at 3.25%, 2024 & 2025 at 3.50% and 2026 at 3.750%.

3. BMO Capital Markets Chicago, IL with a purchase price of \$ 77,627,418.51 for a true interest cost of 2.414834% and December 1 Coupons of 2010 at 2.00%, 2011 - 2019 at 3.00%, 2020 at 3.125%, 2021 at 3.25%, 2022 at 3.375%, 2023 at 3.50% ,and 2024 – 2026 at 4.00%.
4. Citigroup Global Markets, Inc. New York, NY with a purchase price of \$ 80,255,155.75 for a true interest cost of 2.489152% and December 1 Coupons of 2010 at 1.50%, 2011 – 2013 at 3.00%, and 2014 – 2026 at 4.00%.
5. Banc of America Merrill Lynch. New York, NY with a purchase price of \$ 80,428,478.97 for a true interest cost of 2.537717% and December 1 Coupons of 2010 at 2.00%, 2011 at 3.00% and 2012 – 2026 at 4.00%.
6. Morgan Stanley & Co, Inc. New York, NY with a purchase price of \$ 76,566,352.76 for a true interest cost of 2.571251% and December 1 Coupons of 2010 – 2012 at 2.00%, 2013 at 2.25%, 2014 at 2.50%, 2015 – 2017 at 3.00%, 2018 – 2019 at 3.125%, 2020 at 3.25%, 2021 at 3.375%, 2022 at 3.50%, 2023 at 3.625% and 2024 – 2026 at 3.75%.
7. Wells Fargo Bank, National Association Charlotte, NC with a purchase price of \$ 74,925,000.00 for a true interest cost of 3.268348% and December 1 Coupons of 2010 - 2017 at 3.00%, 2018 at 3.25%, 2019 at 3.50%, 2020 at 3.75% and 2021 – 2026 at 4.00%.

Hodges moved to adjourn; seconded by Fine.
The meeting was adjourned at 5:02 p, m.