

**CITY OF HAWARDEN
REGULAR CITY COUNCIL MEETING AGENDA
Hawarden City Hall – Council Chambers Room
Wednesday, September 28, 2016 at 5:30 p.m.**

Standard Agenda Items

- 1a. Approval of September 14, 2016 Council Meeting Minutes.**
- 1b. Approval of September 28, 2016 Claims for Payment**
- 1c. Open business from the Community (limited to a maximum of 5 minutes per item).**
- 2a. Mayor's Report**
- 2b. Council Comments**
- 2c. Staff Reports/Discussion**

Other Agenda Items

- 3. Hospital Project Update – Jayson Pullman**
- 4. Sioux County Conservation presentation of Future Educational Center at Oak Grove**
- 5. Resolution 2016-21 approving a Bond Purchase Agreement for the sale of bonds thereunder**
- 6. Consent Agenda:**
 - Request from Andres Arreola dba Hawarden Golf Course for Liquor License Transfer to Hawarden Community Center on Saturday, October 1, 2016.**
 - Request from Brian Engleman dba Sportsman's Lanes & Lounge for Liquor License Transfer to Hawarden Community Center on Saturday October 8, 2016.**

City of Hawarden

Public Meeting Procedures

These Procedural rules are to provide for the orderly conduct of City business by the City Council, with the objective of providing for full, open and comprehensive debate of issues brought before the body for action in a forum open to the public, and which encourages citizens' awareness of City Council activities. These procedures do not increase or diminish the existing powers or authority of the Mayor or City Council members, but is intended merely to serve as a general set of guidelines to assist the governmental body in conducting City business.

House Rules:

- No food or drink other than bottled water may be brought into the Council Chambers.
- Cell phones and pagers should be silenced in the Council Chambers.
- Signs and placards are not permitted in the Council Chambers.

Citizens' Right To Be Heard:

It is the Council's goal that citizens resolve their complaints for service or regarding employees' performance at the staff level. However, it is recognized that citizens may from time to time believe it is necessary to speak to City Council on matters of concern. Accordingly, City Council expects any citizen to speak in a civil manner, with due respect for the decorum of the meeting, and with respect for all persons attending.

- No member of the public shall be heard until recognized by the presiding officer.
- Public comments will only be heard during the Public Comment portion of the meeting unless the issue is a Public Hearing.
- Speakers must stand at the dais and speak into the microphone, unless unable to do so, and state your name and address for the record.
- Any citizen requesting to speak shall limit himself or herself to matters of fact regarding the issue of concern.
- Comments should be limited to five (5) minutes unless prior approval by the presiding officer.
- If a representative is elected to speak for a group, the presiding officer may approve an increased time allotment.
- Personal attacks made publicly toward any citizen or city employee are not allowed. Citizens are encouraged to bring their complaints regarding employee performance through the supervisory chain of command in accordance with the City's Personnel policies.
- Any member of the public interrupting City Council proceedings, approaching the dais without permission, otherwise creating a disturbance, or failing to abide by these rules of procedure in addressing the City Council, shall be deemed to have disrupted a public meeting and, at the direction of the presiding officer, shall be removed from the Council Chambers by Police Department personnel or other agent designated by the City Council or City Administrator.

**APPROVED MINUTES REGULAR CITY COUNCIL MEETING
HAWARDEN CITY HALL - COUNCIL CHAMBERS ROOM
Wednesday, September 14, 2016 at 5:30 p.m.**

The Council Meeting was called to order at 5:34 p.m.

Present: Mayor Porter; Council Members: Kurth, Harvey, Feldhacker. Council Member Olson was present by telephone.

Absent: Council Member Allen

Staff Present: Gary Tucker, City Administrator/City Clerk; Tom Kane, Public Works Director; Pam Wakeman, Finance Officer; Mike DeBruin, Chief of Police; Jim Pickner, City Attorney.

Staff Absent: None

Standard Agenda Items

1a. Approval of August 24, 2016 Regular Council Meeting Minutes. Moved by Feldhacker/Kurth to approve August 24, 2016 Regular Council Meeting Minutes. Motion carried 4-0.

1b. Approval of Claims for payment. Moved by Kurth/Olson to approve the Claims for Payment. Motion carried 4-0.

1c. No Open Business from the Community.

2a. Mayor's Report was given.

2b. Council Comments were given.

2c. Staff Reports were given.

Other Agenda Items

Item 3. Hospital Project Update was given.

Jayson Pullman was present and gave an update.

Item 4. Approve Resolution 2016-18 Setting FY2017 Salaries.

Moved by Kurth/Feldhacker to approve. Aye: Olson, Harvey, Kurth, Feldhacker. Nay: None. Motion carried 4-0.

Item 5. Approve Resolution 2016-19 FY2016 Street Finance Report.

Moved by Kurth/Feldhacker to approve. Aye: Kurth, Feldhacker, Olson, Harvey. Nay: None. Motion carried 4-0.

Item 6. Approve Resolution 2016-20 authorizing the use of a preliminary official statement for the sale of bonds.

Moved by Kurth/Olson to approve. Aye: Feldhacker, Olson, Harvey, Kurth. Nay: None. Motion carried 4-0.

Item 6. Consent Agenda

a. Request from Brian Engleman dba Sportsman's Lanes & Lounge for Liquor License Transfer to Hawarden Community Center on Saturday, September 17, 2016.

Moved by Feldhacker/Kurth to approve. Motion carried 4-0.

The next regular City Council Meeting will be Wednesday, September 28, 2016.

Moved by Kurth/Feldhacker to adjourn the meeting. Motion carried 4-0.

Meeting adjourned at 5:49 p.m.

Ricard R. Porter, Mayor

ATTEST:

Gary W. Tucker, City Administrator/City Clerk

**CITY OF HAWARDEN
COUNCIL MEETING
SEPTEMBER 28, 2016**

CHECK NO	VENDOR NAME	REFERENCE	VENDOR TOTAL
ACH	CITY OF HAWARDEN	PAYROLL	\$ 72,010.96
11140371	TREASURER STATE OF IOWA	SALES TAX	\$ 10,444.00
11140372	CLAYTON ENERGY	GAS PURCHASE	\$ 8,280.67
11140373	MISSOURI RIVER ENERGY SVCS	ELECTRIC PURCHASE	\$ 132,660.82
48251	STATE HYGIENIC LABORATORY	LAB FEES	\$ 125.00
48252	INDEPENDENCE WASTE	RESIDENTIAL COLLECTION	\$ 10,429.91
48253	AIRGAS USA LLC	OXYGEN	\$ 47.86
48254	AUREON NETWORK SERVICES	CALEA FEES	\$ 132.85
48255	BALTIC NETWORKS USA	SUPPLIES	\$ 569.25
48256	KIM BLANKENSPoor	REIMBURSEMENT COM CTR	\$ 400.00
48257	BORDER STATES ELEC SUPPLY	SUPPLIES	\$ 13,253.85
48258	BOYER MACHINE INC	SERVICES	\$ 895.80
48259	BSG CLEARING SOLUTIONS	BILLING & COLLECTION FEE	\$ 12.00
48260	CATALYST SOLUTIONS	SERVICES	\$ 1,030.00
48261	CENTURY BUSINESS PRODUCTS INC	SERVICE AGREEMENT	\$ 133.79
48262	CITY OF HAWARDEN	CREDIT APPLY	\$ 21.52
48263	COILCRAFT INC	REBATE LIGHTING	\$ 2,375.00
48264	CONSOLIDATED COMMUNICATIONS	SWITCH ACCESS SVC	\$ 71.12
48265	CONSOLIDATED COMMUNICATIONS	DIRECTORY LISTINGS	\$ 259.08
48266	CONSORTIA CONSULTING	SERVICES	\$ 900.00
48267	D & D PEST CONTROL	PEST CONTROL	\$ 276.66
48268	DATA TECHNOLOGIES INC	TRAINING	\$ 170.00
48269	DGR ENGINEERING	PHASE 2 DIST IMPROV SVCS	\$ 2,488.72
48270	DIGI-KEY CORP 758681	SUPPLIES	\$ 45.52
48271	EF RECOVERY	SERVICES	\$ 132.72
48272	ERICSON OIL LC	FUEL	\$ 945.88
48273	FLOWERS BY JAN	PLANT	\$ 80.00
48274	JULIE FOX	REFUND	\$ 23.77
48275	GRAINGER INC	SUPPLIES	\$ 118.08
48276	GRAYBAR	SUPPLIES	\$ 92.02
48277	HAWKEYE ADJUSTMENT	COLLECTIONS	\$ 22.25
48278	BECKY HENDRICKS	REFUND CABLE	\$ 45.00
48279	BRAD HOFLAND	CLEAN CC	\$ 75.00
48280	IOWA ONE CALL	EMAIL LOCATES	\$ 59.70
48281	IOWA PRISON INDUSTRIES	SIGNS	\$ 27.90
48282	JOHN DEERE FINANCIAL	VEHICLE MAINTENANCE	\$ 383.12
48283	LAVONNE KLEMME	REFUND CABLE	\$ 28.87
48284	KRIZ-DAVIS COMPANY	SUPPLIES	\$ 4,921.00
48285	L.G. EVERIST INC	IMPROVEMENTS	\$ 1,055.98
48286	LONG LINES	LONG DISTANCE	\$ 603.03
48287	MANGOLD ENVIRONMENTAL	LAB FEES	\$ 640.00

CHECK NO	VENDOR NAME	REFERENCE	VENDOR TOTAL
48288	MIDWEST ALARM COMPANY INC	BATTERIES	\$ 99.32
48289	TERRY MILLER	REBATE LIGHTING	\$ 165.00
48290	MOW & GLOW LAWN & FLOOR CARE	CLEAN CC	\$ 75.00
48291	MUELLER CO	SUPPLIES	\$ 1,281.73
48292	MUNICIPAL UTILITIES	VOID	\$ -
48293	MUNICIPAL UTILITIES	UTILITIES	\$ 8,173.74
48294	NATIONAL CABLE TELEVISION	SUPPLIES	\$ 146.95
48295	NEW LIFE	REBATE LIGHTING	\$ 401.00
48296	NEXSTAR BROADCASTING INC	RETRANSMISSION	\$ 1,947.00
48297	HAZEL NIBBELINK	REFUND CABLE	\$ 15.29
48298	NORTH AMERICAN NUMBERING PLAN	ANNUAL ADMIN FEES	\$ 25.00
48299	ONE OFFICE SOLUTION	SUPPLIES	\$ 63.42
48300	SHELL	VOID	\$ -
48301	SHELL	FUEL	\$ 2,439.82
48302	PETER REIS	REFUND CABLE	\$ 4.97
48303	RFD TV	TV PROGRAMMING COST	\$ 111.16
48304	SCHOENEMAN BROS CO	SUPPLIES	\$ 83.62
48305	SCOTTS ELECTRIC PLUMBING	SUPPLIES	\$ 61.02
48306	TARA SONICHSEN	REFUND CABLE	\$ 6.28
48307	SUBSCRIBER TECHNOLOGIES INC	TV PROGRAMMING COST	\$ 200.00
48308	TERRY-DURIN CO	SUPPLIES	\$ 2,443.00
48309	VISA	SUPPLIES	\$ 838.52
48310	WELLS FARGO VENDOR FIN SERV	COPIER LEASE	\$ 233.86
48311	WESCO RECEIVABLES CORP	SUPPLIES	\$ 2,080.00
48312	DAVIS WESTOVER	UTILITY REFUND	\$ 365.08
48313	WILLIAMS & COMPANY PC	AUDIT	\$ 20,925.00
48314	HARVEY F WILTSEY	NEGOTIATION SVCS	\$ 5,000.00
48315	DAVE'S CONSTRUCTION INC	PHASE 2 DIST IMPROV SVCS	\$ 54,935.37
48316	WEST SIOUX MUSIC BOOSTERS	SPONSORSHIP	\$ 250.00
	TOTAL		\$ 368,659.85

RESOLUTION NO. 2016-21

Resolution approving a Bond Purchase Agreement for the sale of bonds thereunder

WHEREAS, the City of Hawarden (the “City”), in Sioux County, State of Iowa, did heretofore establish a Municipal Electric Utility System (the “Utility”), which has continuously supplied electrical service in and to the City and its inhabitants since its establishment; and

WHEREAS, the management and control of the Utility are vested in the City Council (the “Council”) and no board of trustees exists for this purpose; and

WHEREAS, pursuant to a prior resolution (the “2011 Bond Resolution”) of the Council, the City has previously issued its \$4,615,000 Electric Revenue Improvement and Refunding Bonds, Series 2011, dated November 30, 2011 (the “Series 2011 Bonds”), a portion of which remain outstanding; and

WHEREAS, pursuant to the 2011 Bond Resolution, the City reserved the right to call the Series 2011 Bonds maturing in the years 2019 to 2031, inclusive (the “Callable Series 2011 Bonds”), on any date on or after June 1, 2018; and

WHEREAS, pursuant to a prior resolution (the “2015 Bond Resolution”) of the Council, the City has also previously issued its \$2,890,000 Electric Revenue Improvement Bonds, Series 2015, dated May 5, 2015 (the “Series 2015 Bonds”), a portion of which remains outstanding; and

WHEREAS, pursuant to the 2015 Bond Resolution, the City reserved the right to issue additional obligations payable from the net revenues of the Utility and ranking on a parity with the Series 2015 Bonds; and

WHEREAS, pursuant to the provisions of Section 384.24A of the Code of Iowa, the City heretofore proposed to enter into an Electric Revenue Refunding Loan Agreement (the “Loan Agreement”) and to borrow money thereunder in a principal amount not to exceed \$2,750,000 for the purpose of paying the cost, to that extent, of advance refunding the Callable Series 2011 Bonds, and pursuant to law and a notice duly published, the City Council has held a public hearing on such proposal on August 24, 2016; and

WHEREAS, a Preliminary Official Statement (the “P.O.S.”) has been prepared to facilitate the sale of Electric Revenue Refunding Bonds, Series 2016 (the “Bonds”) in evidence of the obligation of the City under the Loan Agreement, and the City Council has made provision for the approval of the P.O.S. and has authorized its use by D.A. Davidson & Co. (the “Underwriter”); and

WHEREAS, a certain Bond Purchase Agreement (the “Bond Purchase Agreement”) has been prepared with respect to the Loan Agreement and the Bonds, and it is now necessary for the City Council to approve the Bond Purchase Agreement and to make provision for its execution and delivery to the Underwriter;

NOW, THEREFORE, Be It Resolved by the City Council of the City of Hawarden, as follows:

Section 1. The City Council hereby approves the Bond Purchase Agreement with the Underwriter in substantially the form as has been presented to the City Council. The Mayor and the City Administrator are hereby authorized to execute the Bond Purchase Agreement on behalf of the City and to deliver the same to the Underwriter.

Section 2. Further action with respect to the authorization of the Loan Agreement and the issuance of the Bonds is hereby adjourned to the City Council meeting scheduled for October 12, 2016.

Section 3. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 4. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved September 28, 2016.

Mayor

Attest:

City Clerk

Bond Purchase Agreement

\$2,655,000

City of Hawarden, Iowa
Electric Revenue Refunding Bonds, Series 2016

September 28, 2016

City of Hawarden, Iowa
1150 Central Avenue
Hawarden, Iowa 51023

Ladies and Gentlemen:

The undersigned, D.A. Davidson & Co. (the “Underwriter”), hereby agrees with you, the City of Hawarden, Iowa (the “Issuer”), as follows:

1. *Issuance and Sale of the Bonds.* Subject to the terms and conditions hereinafter set forth in this Bond Purchase Agreement (the “Bond Purchase Agreement”) and on the basis of the representations and warranties herein contained, the Issuer agrees to issue and sell to the Underwriter, and the Underwriter agrees to purchase from the Issuer, all, but not less than all, of \$2,655,000 aggregate principal amount of the Issuer’s Electric Revenue Refunding Bonds, Series 2016 (the “Bonds”). The purchase price for the Bonds shall be \$2,662,696.25 (representing the par amount of the Bonds, less the Underwriter’s Discount of \$37,170, plus the reoffering premium \$44,866.25).

The Bonds will be dated as of the Closing Date (defined herein), will mature as set forth in Schedule I hereto in the amounts therein specified and will bear interest at the rates set forth therein and be subject to redemption as set forth in the Official Statement (herein defined). The proceeds of the Bonds will be used for the purposes set forth in the Official Statement.

The Bonds will be issued and secured under the Bond Issuance Resolution adopted by the Issuer on October 12, 2016 (the “Resolution”), and as described in the Official Statement. Pursuant to the Resolution, the Issuer will appoint Bankers Trust Company, Des Moines, Iowa, as the Registrar and Paying Agent for the Bonds.

In other respects, the Bonds and the other instruments referred to above will contain the provisions summarized in the Preliminary Official Statement dated September 15, 2016 (the “Preliminary Official Statement”) and the Official Statement, dated September 28, 2016, to be delivered pursuant to Section 7 hereof (collectively, the “Official Statement”). The Issuer deems the Official Statement to be final as of the date hereof for the purposes of Rule 15c2-12 (“Rule 15c2-12”) promulgated by the Securities and Exchange Commission, and the Issuer hereby consents to the circulation by the Underwriter of the Preliminary Official Statement and the Official Statement.

2. *Offering.* The Underwriter represents that (a) it has been duly authorized to execute this Bond Purchase Agreement and to act hereunder, with full authority to take such action as it may deem advisable with respect to all matters pertaining to this Bond Purchase Agreement; and (b) it hereby represents to the Issuer that it is registered under the Securities Exchange Act of 1934 as a municipal securities dealer. The Underwriter agrees to make a bona fide public offering of all the Bonds at the initial public offering prices or yields as set forth in the Official Statement.

In the event that the Underwriter fails (other than for a reason permitted hereunder) to accept and pay for the principal amount of the Bonds at the Closing, the amount of one percent (1%) of the principal amount of the Bonds shall be full liquidated damages for such failure and for any and all defaults hereunder on the part of the Underwriter, and such amount shall constitute a full release and discharge of all claims and rights of the Issuer against the Underwriter.

3. *Delivery and Payment for the Bonds.* At or before 1:00 P.M., central time, on October 27, 2016 or such other date as may be agreed to by the Issuer and the Underwriter (the “Closing Date”), the Issuer will direct the Registrar and Paying Agent to release to The Depository Trust Company (“DTC”) in New York, New York, in such form as shall be acceptable to DTC, for the account of the Underwriter, the Bonds, duly executed and authenticated, together with the other documents hereinafter mentioned; and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer to such account as the Issuer shall designate.

Concurrently with such delivery the Issuer shall deliver the certificates, reports and documents described herein, together with an opinion of Dorsey & Whitney LLP, Des Moines, Iowa, as Bond Counsel (“Bond Counsel”). Such delivery is referred to herein as the “Closing.” The Bonds will be delivered as definitive fully registered Bonds in denominations as provided in the Resolution, registered in the name of such DTC nominee and in such amounts as the Underwriter may request.

4. *Representations and Warranties of the Issuer.* The Issuer hereby represents and warrants to the Underwriter that the representations and warranties of the Issuer set forth in the form of the Closing Certificate of the Issuer attached hereto as Exhibit A are true and correct as of the date hereof.

Furthermore, the Issuer acknowledges and agrees that the purchase and sale of the Bonds pursuant to this Agreement is an arm’s-length commercial transaction between the Issuer and the Underwriter, acting solely as a principal and not as a financial advisor or agent of the Issuer, and that the Underwriter does not have a fiduciary duty to the Issuer and has not assumed a financial advisory responsibility in favor of the Issuer with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the Issuer on other matters) or any other obligation to the Issuer except the obligations expressly set forth in this Agreement, it being the Issuer’s understanding that a financial advisory relationship shall not be deemed to exist when, in the course of acting as an underwriter, a broker, dealer or municipal securities dealer, a person renders advice to an issuer, including advice with respect to the structure, timing, terms and other similar matters concerning a new issue of municipal securities.

5. *Conditions to Underwriter’s Obligations.* The Underwriter shall have the right to cancel its obligations hereunder by notifying the Issuer of its election to do so between the date hereof and the Closing if at any time hereafter and prior to the Closing any of the following events shall occur:

(a) *Adverse Legislation, Etc.* Any legislation, rule or regulation shall be enacted or favorably reported out of committee to any governmental body, department or agency of the United States of America or any State thereof, or a decision shall be rendered by a court of competent jurisdiction, any of which, in the judgment of the Underwriter, has the purpose or effect of:

(i) imposing federal income taxes upon the interest payable on the Bonds or obligations of the general character of the Bonds;

(ii) requiring the registration of the Bonds under the Securities Act of 1933, as amended;

(iii) changing the federal income tax consequences of any of the transactions contemplated in connection herewith; or

(iv) materially adversely affecting the market price of the Bonds or the market price generally of obligations of the general character of the Bonds.

(b) *Adverse Events.* The market price of the Bonds, or the market price generally of obligations of the general character of the Bonds, is materially adversely affected in the judgment of the Underwriter because:

(i) additional material restrictions or actions regarding monetary affairs not in force as of the date hereof shall have been imposed by any national securities exchange or governmental authority with respect to trading in securities generally or extensions of credit by, or net capital requirements of, underwriters generally;

(ii) a general banking moratorium shall have been established by federal, New York or Iowa authorities;

(iii) a war or escalation of hostilities involving the United States of America shall have been declared or any other national or international calamity shall have occurred or escalated;

(iv) the United States of America shall have defaulted in the payment of principal or interest on any obligation of the U.S. Treasury, or any other action shall have been taken by any government with respect to its legislative or monetary affairs which, in the opinion of the Underwriter, has a material adverse effect on the United States' securities markets or on the market for the Bonds; or

(v) general political, economic or market conditions shall have occurred which, in the opinion of the Underwriter, are not satisfactory to permit the sale of the Bonds.

(c) *Material Changes.* Any event shall have occurred after the date hereof which makes untrue or incorrect in any material respect, any information or statement contained in the Official Statement or which is not reflected in the Official Statement but which should, in the opinion of the Underwriter, be reflected therein for the purpose for which the Official Statement is to be used in order to make the statements and information contained therein not misleading in any material respect.

6. *Closing Conditions.* The obligations of the Underwriter to accept delivery of the Bonds and to make payment therefor on the Closing Date shall be subject to the satisfaction of the following conditions on or prior to the Closing Date:

(a) *Basic Documents.* The Resolution and this Bond Purchase Agreement, each in the form heretofore approved by the Underwriter or with such further changes as may be mutually agreed upon, shall have been executed and delivered.

(b) *Resolutions.* There shall have been adopted and be in force and effect such Resolutions of the Issuer, substantially in the form set forth as approved by Bond Counsel, authorizing the transactions herein contemplated as may be reasonably required by Bond Counsel.

(c) *Closing Certificates.* The Issuer shall have executed and delivered its Closing Certificate, dated the Closing Date, in substantially the form attached hereto as Exhibit A.

(d) *Opinion of Bond Counsel.* Bond Counsel shall have rendered its approving opinion, substantially in the form set forth in the Official Statement.

(e) *Other Actions and Documents.* There shall have been taken such other actions and there shall have been delivered such other documents, opinions, showings and certificates not listed above, as may be reasonably requested by the Underwriter or Bond Counsel in order to effectuate the transactions herein contemplated, and the Underwriter shall have received executed counterparts of all documents, certificates and opinions referred to herein.

7. *Official Statement; Compliance with Rule 15c2-12.* (a) The Issuer hereby ratifies and confirms that it has “deemed final” as of its date the Preliminary Official Statement for purposes of paragraph (b)(1) of Rule 15c2-12 (“Rule 15c2-12”) of the Securities and Exchange Commission (the “SEC”), except for the omission of only such material as is permitted by such paragraph.

(b) As promptly as practicable after the execution of this Agreement (but not later than the earlier of (i) seven business days from the date hereof and (ii) two business days before the date of Closing), the Issuer shall prepare and deliver to the Underwriter the final Official Statement executed by an authorized officer of the Issuer. The Official Statement shall be in substantially the same form as the Preliminary Official Statement with only such changes as shall be approved by the Underwriter.

(c) To enable the Underwriter to comply with Rule 15c2-12 and the rules of the MSRB, the Issuer agrees to deliver to the Underwriter (i) as many printed, conformed copies of the Official Statement as the Underwriter request and (ii) an electronic copy of the Official Statement in word-searchable pdf format. The Underwriter agrees to file a copy of the Official Statement on the MSRB’s Electronic Municipal Markets Access (EMMA) system.

(d) The Issuer agrees to notify the Underwriter if, between the date of this Agreement and the “end of the underwriting period” under Rule 15c2-12 (a period concluding the final date the Underwriter is charged with furnishing copies of the Official Statement to potential customers under Rule 15c2-12, but no later than 25 days after the Closing Date), it becomes aware of information or event that might cause the Official Statement to be inaccurate or incomplete in any material respect. At the request of the Underwriter, the Issuer will at its own expense supplement the Official Statement to the extent necessary to make it accurate and complete in all material respects and in a form approved by the Underwriter.

(e) The Issuer agrees that it will on or prior to the date of the Closing execute and deliver (or adopt as a part of the resolution or ordinance authorizing the Notes) a Continuing Disclosure Undertaking with respect to the Notes in substantially the form attached as Appendix C to the Official Statement.

(f) The Issuer represents and warrants to the Underwriter that, except as described in the Official Statement, within the last five years it has not failed to comply in all material respects

and is in current compliance with each continuing disclosure undertaking previously entered into by it pursuant to Rule 15c2-12.

(g) To promote compliance with its continuing disclosure undertakings, the Issuer has executed a Dissemination Agent Agreement, in the form previously provided to the Underwriter.

(h) As of its date and as of the date hereof, the Preliminary Official Statement does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except for such information that may be omitted from a preliminary official statement pursuant to Rule 15c2-12). The Issuer has authorized the distribution by the Underwriter of the Preliminary Official Statement and the Official Statement, when available, in offering the Bonds for sale to prospective purchasers of the Bonds.

(i) As of its date and as of the Closing Date, the Official Statement will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

8. *Expenses.* The Underwriter shall be under no obligation to pay, and the Issuer agrees to pay, all reasonable and necessary expenses relating to their obligations hereunder, including but not limited to the following: (i) the fees and expenses of Bond Counsel and counsel for the Issuer; (ii) the cost of the preparation and printing of the Bonds and the Official Statement, including any supplement or amendment thereto; and (iii) expenses incurred by the Underwriter, as may be agreed to and accepted by the Issuer.

The Underwriter agrees to pay: (i) all advertising expenses in connection with the public offering of the Bonds; and (ii) all expenses incurred by the Underwriter in connection with its public offering and distribution of the Bonds in excess of the amounts paid by the Issuer for such expenses.

The provisions of this Section 9 shall survive any termination of this Bond Purchase Agreement.

9. *Indemnification.*

(a) *Indemnification of Underwriter.* The Issuer agrees to indemnify and hold harmless the Underwriter and each person, if any, who controls the Underwriter within the meaning of the Securities Act of 1933, as amended (the "Securities Act"), the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or any applicable state securities law, against any loss, liability, claim, damage or expense (including the reasonable cost of investigating and defending against any claim therefor and counsel fees incurred in connection therewith), joint or several, which may be based upon any statute or at common law, (i) as a result of the failure of the Issuer to obtain any requisite order, approval or authorization of any public body in connection with the issue and sale of the Bonds to the Underwriter, or (ii) on the ground that the Official Statement, as the same may be amended, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading. In no case is the Issuer to be liable with respect to any claim made against the Underwriter or any such controlling person unless the Underwriter or such controlling person shall have notified the Issuer in writing promptly after the summons or other first legal process giving information of the nature of the claim shall have been served upon the Underwriter or such controlling person, but the failure to notify the Issuer of any such claim

shall not relieve it from any liability which it may have to the person against whom such action is brought otherwise than on account of the indemnity agreement contained in this paragraph. The Issuer will be entitled to participate at its own expense in the defense or, if it so elects, to assume the defense of any suit brought to enforce any such liability, in which event such defense shall be conducted by counsel chosen by the Issuer and satisfactory to the Underwriter or such controlling person. In the event the Issuer elects to assume the defense for such suit and retain such counsel and to participate in the defense thereof, the Underwriter or any such controlling person shall have the right to employ separate counsel and to participate in the defense thereof, but the fees and expenses of such counsel shall not be at the expense of the Issuer unless the employment of such counsel has either been specifically authorized by the Issuer or there is a conflict of interest which would prevent counsel for the Issuer from representing both the Issuer and the Underwriter or any such controlling person. The Issuer shall not be liable to indemnify any person for any settlement of any such suit effected without the consent of the Issuer. The indemnity agreement contained in this paragraph shall be in addition to any liability the Issuer may otherwise have.

(b) *Indemnification of Issuer.* The Underwriter agrees to indemnify and hold harmless the Issuer against any loss, liability, claim, damage or expense (including the reasonable cost of investigating and defending against any claim therefor and counsel fees incurred in connection therewith), joint or several, which may be based upon any statute or at common law, on the ground that the Official Statement, as the same may be amended, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading, which information or omission in question was supplied or caused by the Underwriter. In no case is the Underwriter to be liable with respect to any claim made against the Issuer unless the Issuer shall have notified the Underwriter in writing promptly after the summons or other first legal process giving information of the nature of the claim shall have been served upon the Issuer, but the failure to notify the Underwriter of any such claim shall not relieve it from any liability which it may have to the person against whom such action is brought otherwise than on account of the indemnity agreement contained in this paragraph. The Underwriter will be entitled to participate at its own expense in the defense or, if it so elects, to assume the defense of any suit brought to enforce any such liability, in which event such defense shall be conducted by counsel chosen by the Underwriter and satisfactory to the Issuer. In the event the Underwriter elects to assume the defense for such suit and retain such counsel and to participate in the defense thereof, the Issuer shall have the right to employ separate counsel and to participate in the defense thereof, but the fees and expenses of such counsel shall not be at the expense of the Underwriter unless the employment of such counsel has either been specifically authorized by the Underwriter or there is a conflict of interest which would prevent counsel for the Underwriter from representing both the Underwriter and the Issuer. The Underwriter shall not be liable to indemnify any person for any settlement of any such suit effected without the consent of the Underwriter. The indemnity agreement contained in this paragraph shall be in addition to any liability the Underwriter may otherwise have.

10. *Notices.* All notices required or permitted to be given hereunder shall be deemed given when personally delivered or sent by telecopy or overnight courier service addressed as follows:

If to the Issuer: City of Hawarden, Iowa
1150 Central Avenue
Hawarden, IA 51023

Attention: City Administrator
Facsimile: (712) 551-2565

If to the Underwriter: D.A. Davidson & Co.
515 E. Locust Street
Suite 200
Des Moines, IA 50309
Attention: Michael Maloney
Facsimile: (515) 471-2702

12. *Counterparts.* This Bond Purchase Agreement may be executed in any number of counterparts, each of which shall constitute an original but all together shall constitute one and the same instrument.

13. *Contract for Benefit of Parties.* This Bond Purchase Agreement is made solely for the benefit of the parties hereto (including any successor or assignee of the Underwriter), and no other person shall acquire or have any right hereunder or by virtue hereof.

14. *Certificate of Underwriter.* On the Closing Date the Underwriter shall deliver its Certificate to the Issuer, in substantially the form set forth in Exhibit B hereto.

15. *Governing Law.* This Bond Purchase Agreement shall be governed by the laws of the State of Iowa without regard to conflicts of law principles thereof.

If the foregoing is acceptable to you, please note your acceptance in the space below, on the date hereof, whereupon this Bond Purchase Agreement shall become a binding contract between us.

D.A. DAVIDSON & CO.

By: _____

Accepted and agreed to this 28th day of September at __: __ .m.

CITY OF HAWARDEN, IOWA

By: _____
Mayor

ATTEST:

By: _____
City Clerk

SCHEDULE I

MATURITY, PRINCIPAL AMOUNT, AND INTEREST RATE

<u>Maturity Date</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Price</u>
06/01/2019	\$180,000	2.00%	101.908
06/01/2020	\$185,000	2.00%	102.272
06/01/2021	\$185,000	2.00%	102.660
06/01/2022	\$190,000	2.00%	102.672
06/01/2023	\$195,000	2.00%	102.177
06/01/2024	\$200,000	2.00%	101.413
06/01/2025	\$205,000	2.25%	102.463
06/01/2026	\$205,000	2.50%	103.505
06/01/2027	\$210,000	2.50%	102.793
06/01/2028	\$215,000	2.20%	99.000
06/01/2029	\$220,000	2.75%	103.118
06/01/2030	\$230,000	2.35%	98.848
06/01/2031	\$235,000	2.50%	100.000

EXHIBIT A

(FORM OF)

CLOSING CERTIFICATE

We, the undersigned Mayor and City Clerk, of the City of Hawarden (the "City"), in Sioux County, Iowa, do hereby certify that we are now and were at the time of the execution of the City's \$ _____ Electric Revenue Refunding Bonds, Series 2016, dated _____, 2016 (the "Bonds"), the officers respectively above indicated; and that in pursuance of Chapter 384 of the Code of Iowa, a resolution adopted by the City Council on _____, 2016 (the "Resolution"), and a loan agreement dated as of _____, 2016 (the "Loan Agreement"), by and between the City and D.A. Davidson & Co., Des Moines, Iowa (the "Purchaser"), the Bonds have been heretofore lawfully authorized and this day by us lawfully issued and delivered to or upon the direction of the Purchaser and pursuant to the Loan Agreement, the City has received \$ _____, receipt of which is hereby acknowledged, which amount represents the par amount of the Bonds (\$ _____), plus reoffering premium (\$ _____) and minus the underwriter's discount (\$ _____). The Bonds mature on June 1 in each of the years, in the respective principal amounts and bear interest payable semiannually, commencing _____, 2017, as set forth in the Resolution.

Each of the Bonds has been executed with the facsimile signatures of the aforesaid officers, and the City has authorized and directed that the Bonds be authenticated by Bankers Trust Company, Des Moines, Iowa, as the Registrar and Paying Agent (the "Registrar"), and registered in the names of the owners on the City's registration records maintained by the Registrar.

We further certify that the Bonds are being issued to evidence the City's obligation under the Loan Agreement entered into by the City for the purpose of paying the costs, to that extent, of advance refunding the City's Electric Revenue Improvement and Refunding Bonds, Series 2011, dated November 30, 2011 (the "Advance Refunded Obligations").

The City has covenanted and taken action to provide for the collection of Net Revenues (as defined in the Resolution) from the Municipal Electric Utility System (the "Utility") in amounts sufficient to pay principal of and interest on the Bonds as the same become due. We further certify that the City currently has no obligations outstanding and payable from the Net Revenues of the Utility except for the Bonds.

We further certify that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization or existence of the City or the titles of the aforesaid officers to their respective positions, or the proceedings incident to the authorization of the Bonds or in any way concerning the validity of the Bonds or the power and duty of the City to appropriate and apply the Net Revenues from the operation of the Utility to the full and prompt payment of the principal of and interest on the Bonds, and that none of the proceedings incident to the authorization and issuance of the Bonds have been repealed or rescinded.

We further certify that no appeal of the decision of the City to enter into the Loan Agreement or to issue the Bonds has been taken to the district court.

We further certify that all meetings held in connection with the Bonds were open to the public at a place reasonably accessible to the public and that notice was given at least 24 hours

prior to the commencement of all meetings by advising the news media who requested notice of the time, date, place and the tentative agenda and by posting such notice and agenda at the City Hall or principal office of the City on a bulletin board or other prominent place which is easily accessible to the public and is the place designated for the purpose of posting notices of meetings.

We further certify as follows:

1. The net sales proceeds of the Bonds are \$_____ (the “Net Sales Proceeds”), the same being the Issue Price (hereinafter defined) thereof.

2. The estimated sources and uses of funds in connection with the Bonds are as follows:

<u>SOURCES</u>	
Par amount of Bonds	\$_____
Reoffering Premium	\$_____
Transfer from Prior Debt Service Reserve Fund	\$_____
	\$_____
<u>USES</u>	
Costs of Issuance	\$_____
Underwriter’s Discount	\$_____
Deposit to Debt Service Reserve fund	\$_____
Deposit to Escrow Fund (Advance Refunded Obligations)	\$_____
Additional Proceeds	\$_____
	\$_____

a. \$_____ of the Net Sales Proceeds will be used to pay costs of issuance, including the underwriter’s discount, within 45 days of the date hereof, and until so applied, will be invested by the City without restriction as to yield.

b. \$_____ of the of the Net Sales Proceeds, will be deposited into the Escrow Account established in the Escrow Agreement (the “Escrow Agreement”) dated as of _____ between the City and Bankers Trust Company (the “Escrow Agent”) and applied to establish a cash balance in the Escrow Account to pay a portion of the interest on the Bonds and the redemption price of the Advance Refunded Obligations on the dates set forth in the Escrow Agreement.

c. \$_____ of the Net Sales Proceeds will be deposited in the City’s existing Debt Service Reserve Fund to maintain a reasonable reserve for the Bonds, as required by the Resolution. The Debt Service Reserve Fund is being funded in an amount not greater than the least of (i) the maximum amount of principal and interest which is payable during any Bond Year (as hereinafter defined) on the Bonds, (ii) an amount equal to ___% of the principal amount of the Bonds and (iii) an amount equal to

_____ % of the average annual debt service with respect to the Bonds for each Bond Year. Amounts on deposit in the Debt Service Reserve Fund will be invested without regard to yield restrictions, however, the Debt Service Reserve Fund is subject to rebate.

d. \$_____ (the Additional Proceeds) of the Net Sales Proceeds will be deposited into the Sinking Fund (as defined in the Resolution) and used to pay interest on the Bonds as the same becomes due.

3. All of the original and investment proceeds of the Advance Refunded Obligations have been expended for the purposes for which they were issued.

4. Not more than 50% of the Net Sales Proceeds will be invested in non-purpose investments [as defined in Section 148(f)(6)(A) of the Internal Revenue Code of 1986, as amended (the "Code")] having a substantially guaranteed yield for four years or more (e.g., a four-year guaranteed investment contract or a Treasury Obligation that does not mature for four years).

5. The weighted average maturity of the Bonds, _____ years, does not exceed 120% of the remaining reasonably expected economic life of the facilities originally financed by the Advance Refunded Obligations.

6. To our best knowledge and belief, there are no facts, estimates or circumstances which would materially change the foregoing conclusions.

7. On the basis of the foregoing, it is not expected that the Net Sales Proceeds will be used in a manner that would cause the Bonds to be "arbitrage bonds" under Section 148 of the Code and the regulations prescribed under that section. The City has not been notified of any listing or proposed listing of it by the Internal Revenue Service as a bond issuer whose arbitrage certifications may not be relied upon.

8. We further certify that the City does not currently have outstanding tax exempt obligations issued during the current calendar year, including the Bonds, in excess of \$5,000,000, nor will the City issue additional tax exempt obligations during the current calendar year which, when added to the City's current tax exempt obligations issued during the current calendar year, including the Bonds, would exceed \$5,000,000.

9. We further certify that due provision has been made for the collection of taxes sufficient to pay the principal of and interest on the Bonds when due. All payments coming due before the collection of any such taxes will be paid promptly when due from legally available funds.

IN WITNESS WHEREOF, we have hereunto affixed our hands, as of _____, 2016.

CITY OF HAWARDEN, IOWA

By _____ (DO NOT SIGN)
Mayor

Attest:

(DO NOT SIGN)
City Clerk

EXHIBIT B

(FORM OF)

CERTIFICATE OF THE UNDERWRITER

The undersigned officer of D.A. Davidson & Co., Des Moines, Iowa (the “Underwriter”), hereby certifies as of _____, 2016 (the “Dated Date”) as follows:

1. The Underwriter has agreed to purchase from the City of Hawarden, Iowa (the “Issuer”) its Electric Revenue Refunding Bonds, Series 2016 in the stated principal amount of \$ _____ (the “Bonds”), issued pursuant to a resolution adopted by the City Council of the Issuer on _____, 2016 (the “Resolution”).

The Underwriter has purchased the Bonds pursuant to a certain bond purchase agreement (the “Bond Purchase Agreement”) dated _____, 2016 (the “Sale Date”) between the Underwriter and the Issuer. The Bond Purchase Agreement has been duly authorized, executed and delivered by the Underwriter and has not been repealed, rescinded or amended by the Underwriter.

2. The Underwriter hereby confirms that the initial offering price at which all of the Bonds have been sold to the public (excluding bond houses, placement agents, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) is \$ _____.

Furthermore, based upon our records and other information available to us which we have no reason to believe is not correct:

(a) All of the Bonds have been the subject of a bona fide initial offering to the public (excluding bond houses, placement agents, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at the respective prices or yields shown on the cover of the Official Statement dated _____, 2016 (the “Official Statement”), plus accrued interest, if any.

(b) At the time the Underwriter agreed to purchase the Bonds, based upon the then prevailing market conditions, we reasonably expected that at least 10% of each maturity of the Bonds would be sold to the public (excluding bond houses, placement agents, brokers or similar persons or organizations acting in the capacity as underwriters or wholesalers) at the offering prices described above, and the undersigned had no reason to believe that any of the Bonds would be initially sold to the public (excluding bond houses, placement agents, brokers or similar persons or organizations acting in the capacity as underwriters or wholesalers) at prices greater than the respective prices, or at yields less than the respective yields, shown in the Official Statement, plus accrued interest, if any.

(c) At least 10% of each maturity of the Bonds was sold to the public (excluding bond houses, placement agents, brokers or similar persons or organizations acting in the capacity as underwriters or wholesalers) at the respective prices or yields shown on the cover of the Official Statement, plus accrued interest, if any, except as noted on Exhibit A hereto.

**EXHIBIT A
UNSOLD MATURITIES**

In the event that less than 10% of any particular maturity has been sold to the public by the date of closing, please list each such maturity below, indicate the percentage of that maturity remaining to be sold to the public and give a brief description of the reason the sale of 10% or more of that maturity to the public was not achieved.

Maturity	Percentage Unsold	Reason for inability to sell at least 10%

Please provide contact information for Underwriter's representative to contact in the event of need for further discussion:

Name: _____ (DO NOT SIGN)

Phone: _____

Email: _____

Amber Van Wyhe

From: Scott Stevenson <sstevenson@dadco.com>
Sent: Monday, September 26, 2016 1:48 PM
To: Michael Maloney; smith.james@dorsey.com; Gail Biggart; Danos.John@dorsey.com; damman.brian@dorsey.com; donaldson.rebecca@dorsey.com; wells.jessica@DORSEY.com; obraza.cheryl@dorsey.com; Diana VanVleet (dvanvleet@bankerstrust.com); Gary Tucker; Jeff Kostal (jeffk@berenstate.com)
Subject: Hawarden final numbers
Attachments: FINAL \$2.655M Electric Revenue Refunding Bonds, Series 2016_v2 SLGS change.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Please find attached proposed final numbers for the City of Hawarden Electric Revenue Refunding transaction. We are pleased with the results - net PV savings totaled \$126,403.88 - Cash Flow actual savings totaled \$147,155! The True Interest Cost (average rate inclusive of underwriting cost) came in at 2.29%.

Diana,
Could you order SLGS for the escrow today?

John and James,
You may use the attached for inclusion in your resolutions and the BPA.

Should you have any questions or comments, please don't hesitate to contact me or Michael.

Thanks,
SCOTT STEVENSON | Managing Director
515.471.2721 office | 515.783.1409 cell
515 E Locust | Suite 200 | Des Moines IA 50309
sstevenson@dadco.com



D.A. Davidson Companies Disclaimer -- 2016-09-26

D.A. Davidson Companies does not accept orders from retail clients to buy or sell securities via e-mail. Information contained in this e-mail is not considered an official record of your account and does not supersede trade confirmations and account statements. Any information provided has been prepared from sources believed to be reliable but is not guaranteed and is for informational purposes only. This e-mail may be privileged and/or confidential, and the sender does not waive any related right or obligation. Any distribution, use or copying of this e-mail or the information it contains by other than an intended recipient is unauthorized. If this e-mail was misdirected or you received it in error please disregard. Information received or sent from this system is subject to review by supervisory personnel, is retained and may be produced to regulatory authorities or others with a legal right to the information. Additional important disclosures can be found at <https://www.dadavidson.com>

SOURCES AND USES OF FUNDS

**City of Hawarden, Iowa - Electric Utility Fund
Electric Revenue Refunding Bonds, Series 2016
Crossover Advance Refunding of Series 2011 Bonds
Non-Rated, Bank-Qualified
Callable June 1, 2024 @ Par
FINAL**

Dated Date	10/27/2016
Delivery Date	10/27/2016

Sources:

<hr/>	
Bond Proceeds:	
Par Amount	2,655,000.00
Net Premium	44,866.25
<hr/>	
	2,699,866.25
<hr/> <hr/>	

Uses:

<hr/>	
Refunding Escrow Deposits:	
Cash Deposit	0.01
SLGS Purchases	2,627,468.00
	2,627,468.01
Cost of Issuance:	
Bond & Disclosure Counsel	25,000.00
Escrow/Paying Agent	3,000.00
Verification Agent	2,250.00
Parity Certificate	2,000.00
DTC/Cusips	1,000.00
	33,250.00
Underwriter's Discount:	
Other Underwriter's Discount	37,170.00
Other Uses of Funds:	
Additional Proceeds	1,978.24
<hr/>	
	2,699,866.25
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SUMMARY OF REFUNDING RESULTS

City of Hawarden, Iowa - Electric Utility Fund
Electric Revenue Refunding Bonds, Series 2016
Crossover Advance Refunding of Series 2011 Bonds
Non-Rated, Bank-Qualified
Callable June 1, 2024 @ Par
FINAL

Dated Date	10/27/2016
Delivery Date	10/27/2016
Arbitrage yield	2.069582%
Escrow yield	0.669108%
Value of Negative Arbitrage	56,943.55
Bond Par Amount	2,655,000.00
True Interest Cost	2.291821%
Net Interest Cost	2.302775%
All-In TIC	2.451344%
Average Coupon	2.335354%
Average Life	8.898
Par amount of refunded bonds	2,560,000.00
Average coupon of refunded bonds	3.612718%
Average life of refunded bonds	9.057
PV of prior debt to 10/27/2016 @ 2.069582%	2,741,161.64
Net PV Savings	126,403.88
Percentage savings of refunded bonds	4.937652%
Percentage savings of refunding bonds	4.760975%

SAVINGS

**City of Hawarden, Iowa - Electric Utility Fund
Electric Revenue Refunding Bonds, Series 2016
Crossover Advance Refunding of Series 2011 Bonds
Non-Rated, Bank-Qualified
Callable June 1, 2024 @ Par
FINAL**

Date	Prior Debt Service	Refunding Debt Service	Refunding Receipts	Refunding Net Cash Flow	Savings	Annual Savings@	Present Value to 10/27/2016 2.0695818%
06/01/2017		35,516.57	35,516.57				
12/01/2017		29,873.75	29,873.75				
06/01/2018		29,873.75	29,873.75				
12/01/2018	43,618.75	29,873.75		29,873.75	13,745.00		13,164.87
06/01/2019	208,618.75	209,873.75		209,873.75	-1,255.00	12,490.00	-1,189.72
12/01/2019	41,680.00	28,073.75		28,073.75	13,606.25		12,766.39
06/01/2020	206,680.00	213,073.75		213,073.75	-6,393.75	7,212.50	-5,937.65
12/01/2020	39,535.00	26,223.75		26,223.75	13,311.25		12,235.08
06/01/2021	209,535.00	211,223.75		211,223.75	-1,688.75	11,622.50	-1,536.32
12/01/2021	37,112.50	24,373.75		24,373.75	12,738.75		11,470.25
06/01/2022	212,112.50	214,373.75		214,373.75	-2,261.25	10,477.50	-2,015.23
12/01/2022	34,487.50	22,473.75		22,473.75	12,013.75		10,596.99
06/01/2023	214,487.50	217,473.75		217,473.75	-2,986.25	9,027.50	-2,607.11
12/01/2023	31,652.50	20,523.75		20,523.75	11,128.75		9,616.31
06/01/2024	221,652.50	220,523.75		220,523.75	1,128.75	12,257.50	965.36
12/01/2024	28,565.00	18,523.75		18,523.75	10,041.25		8,499.79
06/01/2025	223,565.00	223,523.75		223,523.75	41.25	10,082.50	34.56
12/01/2025	25,250.00	16,217.50		16,217.50	9,032.50		7,490.08
06/01/2026	225,250.00	221,217.50		221,217.50	4,032.50	13,065.00	3,309.65
12/01/2026	21,700.00	13,655.00		13,655.00	8,045.00		6,535.26
06/01/2027	231,700.00	223,655.00		223,655.00	8,045.00	16,090.00	6,468.32
12/01/2027	17,815.00	11,030.00		11,030.00	6,785.00		5,399.39
06/01/2028	232,815.00	226,030.00		226,030.00	6,785.00	13,570.00	5,344.09
12/01/2028	13,730.00	8,665.00		8,665.00	5,065.00		3,948.50
06/01/2029	238,730.00	228,665.00		228,665.00	10,065.00	15,130.00	7,765.97
12/01/2029	9,342.50	5,640.00		5,640.00	3,702.50		2,827.52
06/01/2030	239,342.50	235,640.00		235,640.00	3,702.50	7,405.00	2,798.56
12/01/2030	4,800.00	2,937.50		2,937.50	1,862.50		1,393.37
06/01/2031	244,800.00	237,937.50		237,937.50	6,862.50	8,725.00	5,081.36
	3,258,577.50	3,206,686.57	95,264.07	3,111,422.50	147,155.00	147,155.00	124,425.64

Savings Summary

Dated Date	10/27/2016
Delivery Date	10/27/2016
PV of savings from cash flow	124,425.64
Plus: Refunding funds on hand	1,978.24
	126,403.88
Net PV Savings	126,403.88

BOND PRICING

**City of Hawarden, Iowa - Electric Utility Fund
Electric Revenue Refunding Bonds, Series 2016
Crossover Advance Refunding of Series 2011 Bonds
Non-Rated, Bank-Qualified
Callable June 1, 2024 @ Par
FINAL**

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price
Bond Component:								
	06/01/2019	180,000	2.000%	1.250%	101.908			
	06/01/2020	185,000	2.000%	1.350%	102.272			
	06/01/2021	185,000	2.000%	1.400%	102.660			
	06/01/2022	190,000	2.000%	1.500%	102.672			
	06/01/2023	195,000	2.000%	1.650%	102.177			
	06/01/2024	200,000	2.000%	1.800%	101.413			
	06/01/2025	205,000	2.250%	1.900%	102.463 C	1.937%	06/01/2024	100.000
	06/01/2026	205,000	2.500%	2.000%	103.505 C	2.095%	06/01/2024	100.000
	06/01/2027	210,000	2.500%	2.100%	102.793 C	2.203%	06/01/2024	100.000
	06/01/2028	215,000	2.200%	2.299%	99.000			
	06/01/2029	220,000	2.750%	2.300%	103.118 C	2.460%	06/01/2024	100.000
	06/01/2030	230,000	2.350%	2.450%	98.848			
	06/01/2031	235,000	2.500%	2.500%	100.000			
		2,655,000						

Dated Date	10/27/2016	
Delivery Date	10/27/2016	
First Coupon	06/01/2017	
Par Amount	2,655,000.00	
Premium	44,866.25	
Production	2,699,866.25	101.689878%
Underwriter's Discount	-37,170.00	-1.400000%
Purchase Price	2,662,696.25	100.289878%
Accrued Interest		
Net Proceeds	2,662,696.25	

BOND DEBT SERVICE

**City of Hawarden, Iowa - Electric Utility Fund
Electric Revenue Refunding Bonds, Series 2016
Crossover Advance Refunding of Series 2011 Bonds
Non-Rated, Bank-Qualified
Callable June 1, 2024 @ Par
FINAL**

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2017			35,516.57	35,516.57	35,516.57
12/01/2017			29,873.75	29,873.75	
06/01/2018			29,873.75	29,873.75	59,747.50
12/01/2018			29,873.75	29,873.75	
06/01/2019	180,000	2.000%	29,873.75	209,873.75	239,747.50
12/01/2019			28,073.75	28,073.75	
06/01/2020	185,000	2.000%	28,073.75	213,073.75	241,147.50
12/01/2020			26,223.75	26,223.75	
06/01/2021	185,000	2.000%	26,223.75	211,223.75	237,447.50
12/01/2021			24,373.75	24,373.75	
06/01/2022	190,000	2.000%	24,373.75	214,373.75	238,747.50
12/01/2022			22,473.75	22,473.75	
06/01/2023	195,000	2.000%	22,473.75	217,473.75	239,947.50
12/01/2023			20,523.75	20,523.75	
06/01/2024	200,000	2.000%	20,523.75	220,523.75	241,047.50
12/01/2024			18,523.75	18,523.75	
06/01/2025	205,000	2.250%	18,523.75	223,523.75	242,047.50
12/01/2025			16,217.50	16,217.50	
06/01/2026	205,000	2.500%	16,217.50	221,217.50	237,435.00
12/01/2026			13,655.00	13,655.00	
06/01/2027	210,000	2.500%	13,655.00	223,655.00	237,310.00
12/01/2027			11,030.00	11,030.00	
06/01/2028	215,000	2.200%	11,030.00	226,030.00	237,060.00
12/01/2028			8,665.00	8,665.00	
06/01/2029	220,000	2.750%	8,665.00	228,665.00	237,330.00
12/01/2029			5,640.00	5,640.00	
06/01/2030	230,000	2.350%	5,640.00	235,640.00	241,280.00
12/01/2030			2,937.50	2,937.50	
06/01/2031	235,000	2.500%	2,937.50	237,937.50	240,875.00
	2,655,000		551,686.57	3,206,686.57	3,206,686.57

PRIOR BOND DEBT SERVICE

**City of Hawarden, Iowa - Electric Utility Fund
Electric Revenue Refunding Bonds, Series 2016
Crossover Advance Refunding of Series 2011 Bonds
Non-Rated, Bank-Qualified
Callable June 1, 2024 @ Par
FINAL**

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2018			43,618.75	43,618.75	
06/01/2019	165,000	2.350%	43,618.75	208,618.75	252,237.50
12/01/2019			41,680.00	41,680.00	
06/01/2020	165,000	2.600%	41,680.00	206,680.00	248,360.00
12/01/2020			39,535.00	39,535.00	
06/01/2021	170,000	2.850%	39,535.00	209,535.00	249,070.00
12/01/2021			37,112.50	37,112.50	
06/01/2022	175,000	3.000%	37,112.50	212,112.50	249,225.00
12/01/2022			34,487.50	34,487.50	
06/01/2023	180,000	3.150%	34,487.50	214,487.50	248,975.00
12/01/2023			31,652.50	31,652.50	
06/01/2024	190,000	3.250%	31,652.50	221,652.50	253,305.00
12/01/2024			28,565.00	28,565.00	
06/01/2025	195,000	3.400%	28,565.00	223,565.00	252,130.00
12/01/2025			25,250.00	25,250.00	
06/01/2026	200,000	3.550%	25,250.00	225,250.00	250,500.00
12/01/2026			21,700.00	21,700.00	
06/01/2027	210,000	3.700%	21,700.00	231,700.00	253,400.00
12/01/2027			17,815.00	17,815.00	
06/01/2028	215,000	3.800%	17,815.00	232,815.00	250,630.00
12/01/2028			13,730.00	13,730.00	
06/01/2029	225,000	3.900%	13,730.00	238,730.00	252,460.00
12/01/2029			9,342.50	9,342.50	
06/01/2030	230,000	3.950%	9,342.50	239,342.50	248,685.00
12/01/2030			4,800.00	4,800.00	
06/01/2031	240,000	4.000%	4,800.00	244,800.00	249,600.00
	2,560,000		698,577.50	3,258,577.50	3,258,577.50

BOND SUMMARY STATISTICS

**City of Hawarden, Iowa - Electric Utility Fund
Electric Revenue Refunding Bonds, Series 2016
Crossover Advance Refunding of Series 2011 Bonds
Non-Rated, Bank-Qualified
Callable June 1, 2024 @ Par
FINAL**

Dated Date	10/27/2016
Delivery Date	10/27/2016
First Coupon	06/01/2017
Last Maturity	06/01/2031
Arbitrage Yield	2.069582%
True Interest Cost (TIC)	2.291821%
Net Interest Cost (NIC)	2.302775%
All-In TIC	2.451344%
Average Coupon	2.335354%
Average Life (years)	8.898
Duration of Issue (years)	7.983
Par Amount	2,655,000.00
Bond Proceeds	2,699,866.25
Total Interest	551,686.57
Net Interest	543,990.32
Total Debt Service	3,206,686.57
Maximum Annual Debt Service	242,047.50
Average Annual Debt Service	219,719.67
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	14.000000
Total Underwriter's Discount	14.000000
Bid Price	100.289878

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Bond Component	2,655,000.00	101.690	2.335%	8.898	1,924.35
	2,655,000.00			8.898	1,924.35

BOND SUMMARY STATISTICS

**City of Hawarden, Iowa - Electric Utility Fund
Electric Revenue Refunding Bonds, Series 2016
Crossover Advance Refunding of Series 2011 Bonds
Non-Rated, Bank-Qualified
Callable June 1, 2024 @ Par
FINAL**

	TIC	All-In TIC	Arbitrage Yield
Par Value	2,655,000.00	2,655,000.00	2,655,000.00
+ Accrued Interest			
+ Premium (Discount)	44,866.25	44,866.25	44,866.25
- Underwriter's Discount	-37,170.00	-37,170.00	
- Cost of Issuance Expense		-33,250.00	
- Other Amounts			
	2,662,696.25	2,629,446.25	2,699,866.25
Target Value			
Target Date	10/27/2016	10/27/2016	10/27/2016
Yield	2.291821%	2.451344%	2.069582%

SUMMARY OF BONDS REFUNDED

City of Hawarden, Iowa - Electric Utility Fund
Electric Revenue Refunding Bonds, Series 2016
Crossover Advance Refunding of Series 2011 Bonds
Non-Rated, Bank-Qualified
Callable June 1, 2024 @ Par
FINAL

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Electric Revenue Improvement and Refunding Bonds, Series 2011:					
SERIAL	06/01/2019	2.350%	165,000.00	06/01/2018	100.000
	06/01/2020	2.600%	165,000.00	06/01/2018	100.000
	06/01/2021	2.850%	170,000.00	06/01/2018	100.000
	06/01/2022	3.000%	175,000.00	06/01/2018	100.000
	06/01/2023	3.150%	180,000.00	06/01/2018	100.000
	06/01/2024	3.250%	190,000.00	06/01/2018	100.000
	06/01/2025	3.400%	195,000.00	06/01/2018	100.000
	06/01/2026	3.550%	200,000.00	06/01/2018	100.000
	06/01/2027	3.700%	210,000.00	06/01/2018	100.000
	06/01/2028	3.800%	215,000.00	06/01/2018	100.000
	06/01/2029	3.900%	225,000.00	06/01/2018	100.000
	06/01/2030	3.950%	230,000.00	06/01/2018	100.000
	06/01/2031	4.000%	240,000.00	06/01/2018	100.000
			2,560,000.00		

ESCROW REQUIREMENTS

City of Hawarden, Iowa - Electric Utility Fund
Electric Revenue Refunding Bonds, Series 2016
Crossover Advance Refunding of Series 2011 Bonds
Non-Rated, Bank-Qualified
Callable June 1, 2024 @ Par
FINAL

Dated Date 10/27/2016
 Delivery Date 10/27/2016

Period Ending	Principal Redeemed	Other Requirements	Total
06/01/2017		35,516.57	35,516.57
12/01/2017		29,873.75	29,873.75
06/01/2018	2,560,000.00	29,873.75	2,589,873.75
	2,560,000.00	95,264.07	2,655,264.07

ESCROW DESCRIPTIONS

City of Hawarden, Iowa - Electric Utility Fund
Electric Revenue Refunding Bonds, Series 2016
Crossover Advance Refunding of Series 2011 Bonds
Non-Rated, Bank-Qualified
Callable June 1, 2024 @ Par
FINAL

Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate
Oct 27, 2016:						
SLGS	Certificate	06/01/2017	06/01/2017	25,078	0.430%	0.430%
SLGS	Note	12/01/2017	06/01/2017	21,164	0.590%	0.590%
SLGS	Note	06/01/2018	06/01/2017	2,581,226	0.670%	0.670%
				2,627,468		

SLGS Summary

SLGS Rates File	26SEP16
Total Certificates of Indebtedness	25,078.00
Total Notes	2,602,390.00
Total original SLGS	2,627,468.00

ESCROW STATISTICS

City of Hawarden, Iowa - Electric Utility Fund
Electric Revenue Refunding Bonds, Series 2016
Crossover Advance Refunding of Series 2011 Bonds
Non-Rated, Bank-Qualified
Callable June 1, 2024 @ Par
FINAL

	Total Escrow Cost	Modified Duration (years)	PV of 1 bp change	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
Global Proceeds Escrow:	2,627,468.01	1.570	412.49	0.669108%	0.669108%	2,570,524.45	56,943.55	0.01
	2,627,468.01		412.49			2,570,524.45	56,943.55	0.01

Delivery date 10/27/2016
 Arbitrage yield 2.069582%

ESCROW SUFFICIENCY

City of Hawarden, Iowa - Electric Utility Fund
Electric Revenue Refunding Bonds, Series 2016
Crossover Advance Refunding of Series 2011 Bonds
Non-Rated, Bank-Qualified
Callable June 1, 2024 @ Par
FINAL

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
10/27/2016		0.01	0.01	0.01
06/01/2017	35,516.57	35,517.41	0.84	0.85
12/01/2017	29,873.75	29,873.54	-0.21	0.64
06/01/2018	2,589,873.75	2,589,873.11	-0.64	
	2,655,264.07	2,655,264.07	0.00	

ESCROW CASH FLOW

City of Hawarden, Iowa - Electric Utility Fund
Electric Revenue Refunding Bonds, Series 2016
Crossover Advance Refunding of Series 2011 Bonds
Non-Rated, Bank-Qualified
Callable June 1, 2024 @ Par
FINAL

Date	Principal	Interest	Net Escrow Receipts	Present Value to 10/27/2016 @ 0.6691078%
06/01/2017	25,078.00	10,439.41	35,517.41	35,376.66
12/01/2017	21,164.00	8,709.54	29,873.54	29,655.94
06/01/2018	2,581,226.00	8,647.11	2,589,873.11	2,562,435.41
	2,627,468.00	27,796.06	2,655,264.06	2,627,468.00

Escrow Cost Summary

Purchase date	10/27/2016
Purchase cost of securities	2,627,468.00
Target for yield calculation	2,627,468.00

FORM 8038 STATISTICS

**City of Hawarden, Iowa - Electric Utility Fund
Electric Revenue Refunding Bonds, Series 2016
Crossover Advance Refunding of Series 2011 Bonds
Non-Rated, Bank-Qualified
Callable June 1, 2024 @ Par
FINAL**

Dated Date 10/27/2016
Delivery Date 10/27/2016

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Bond Component:						
	06/01/2019	180,000.00	2.000%	101.908	183,434.40	180,000.00
	06/01/2020	185,000.00	2.000%	102.272	189,203.20	185,000.00
	06/01/2021	185,000.00	2.000%	102.660	189,921.00	185,000.00
	06/01/2022	190,000.00	2.000%	102.672	195,076.80	190,000.00
	06/01/2023	195,000.00	2.000%	102.177	199,245.15	195,000.00
	06/01/2024	200,000.00	2.000%	101.413	202,826.00	200,000.00
	06/01/2025	205,000.00	2.250%	102.463	210,049.15	205,000.00
	06/01/2026	205,000.00	2.500%	103.505	212,185.25	205,000.00
	06/01/2027	210,000.00	2.500%	102.793	215,865.30	210,000.00
	06/01/2028	215,000.00	2.200%	99.000	212,850.00	215,000.00
	06/01/2029	220,000.00	2.750%	103.118	226,859.60	220,000.00
	06/01/2030	230,000.00	2.350%	98.848	227,350.40	230,000.00
	06/01/2031	235,000.00	2.500%	100.000	235,000.00	235,000.00
		2,655,000.00			2,699,866.25	2,655,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	06/01/2031	2.500%	235,000.00	235,000.00		
Entire Issue			2,699,866.25	2,655,000.00	8.8699	2.0696%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	70,420.00
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00
Proceeds used to currently refund prior issues	0.00
Proceeds used to advance refund prior issues	2,627,468.01
Remaining weighted average maturity of the bonds to be currently refunded	0.0000
Remaining weighted average maturity of the bonds to be advance refunded	9.0573

FORM 8038 STATISTICS

City of Hawarden, Iowa - Electric Utility Fund
Electric Revenue Refunding Bonds, Series 2016
Crossover Advance Refunding of Series 2011 Bonds
Non-Rated, Bank-Qualified
Callable June 1, 2024 @ Par
FINAL

Refunded Bonds

Bond Component	Date	Principal	Coupon	Price	Issue Price
Electric Revenue Improvement and Refunding Bonds, Series 2011:					
SERIAL	06/01/2019	165,000.00	2.350%	100.000	165,000.00
SERIAL	06/01/2020	165,000.00	2.600%	100.000	165,000.00
SERIAL	06/01/2021	170,000.00	2.850%	100.000	170,000.00
SERIAL	06/01/2022	175,000.00	3.000%	100.000	175,000.00
SERIAL	06/01/2023	180,000.00	3.150%	100.000	180,000.00
SERIAL	06/01/2024	190,000.00	3.250%	100.000	190,000.00
SERIAL	06/01/2025	195,000.00	3.400%	100.000	195,000.00
SERIAL	06/01/2026	200,000.00	3.550%	100.000	200,000.00
SERIAL	06/01/2027	210,000.00	3.700%	100.000	210,000.00
SERIAL	06/01/2028	215,000.00	3.800%	100.000	215,000.00
SERIAL	06/01/2029	225,000.00	3.900%	100.000	225,000.00
SERIAL	06/01/2030	230,000.00	3.950%	100.000	230,000.00
SERIAL	06/01/2031	240,000.00	4.000%	100.000	240,000.00
		2,560,000.00			2,560,000.00

	Last Call Date	Issue Date	Remaining Weighted Average Maturity
Electric Revenue Improvement and Refunding Bonds, Series 2011	06/01/2018	11/30/2011	9.0573
All Refunded Issues	06/01/2018		9.0573