

EXTRACT OF MINUTES OF MEETING
OF SCHOOL BOARD OF
INDEPENDENT SCHOOL DISTRICT NO. 877
(BUFFALO-HANOVER-MONTROSE)
BUFFALO, MINNESOTA

HELD: FEBRUARY 28, 2011

Pursuant to due call and notice thereof, a _____ meeting of the School Board of Independent School District No. 877, State of Minnesota, was held on the 28th day of February, 2011, at ____ o'clock p.m.

The following Board members were present:

and the following were absent:

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF A
LEASE AGREEMENT, A GROUND LEASE AGREEMENT, AN ESCROW AGREEMENT
AND RELATED DOCUMENTS AND CERTIFICATES

BE IT RESOLVED by the School Board of the Independent School District No. 877 (Buffalo-Hanover-Montrose), State of Minnesota, as follows:

1. The City of Buffalo and the District have received a proposal from _____ in response to their _____, 2011 Request for Proposals to provide tax-exempt lease-purchase financing for the demolition of existing tennis courts and construction of new tennis courts and related improvements. That proposal is determined to comply with said Request for Proposals and to be the best proposal submitted, and is hereby accepted. Knutson Flynn & Deans, P.A. is directed to prepare a final Lease Agreement, Ground Lease Agreement, and Escrow Agreement (the "Agreements"), and other necessary certificates and documents that reflect the transaction.

2. The District's Superintendent is hereby authorized to execute the Agreements and any related documents thereto on behalf of the District, and to execute such other certificates, documents and agreements as may be necessary and appropriate to effectuate the transactions contemplated by the Agreements and said related documents. The Agreements and the related documents may contain such necessary and appropriate variations, omissions and insertions as the Superintendent shall determine to be necessary, and the execution thereof shall be conclusive evidence of such determination and its approval by the Board.

3. The District has not issued tax-exempt obligations (not including "private activity bonds" as defined in Section 141 of the Internal Revenue Code of 1986, as amended) in an aggregate amount in excess of \$10 million during the calendar year in which the Lease commences. Thus, the lease is designated as a qualified tax-exempt obligation for purposes of Section 265(b)(c) of the Internal Revenue Code of 1986, as amended, relating to deductibility of interest by financial institutions.

The motion for the adoption of the foregoing resolution was duly seconded by Member _____ and upon roll call vote the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA)
)SS
COUNTY OF WRIGHT)

I, the undersigned, being the fully qualified and acting Clerk of the Independent School District No. 877 (Buffalo-Hanover-Montrose), State of Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a meeting of the District held on the 28th day of February, 2011, with the original thereof on file in my office, and the same is a full, true and complete transcript insofar as the same relates to the adoption of a resolution approving and authorizing the execution of a Lease Agreement, Ground Lease Agreement, Escrow Agreement and related documents and certificates.

WITNESS MY HAND officially as such Clerk this ____ day of February, 2011.

Clerk