

FAIRFAX CITY COUNCIL
PUBLIC HEARING
MARCH 12, 2012
7:00 P.M. FAIRFAX AUDITORIUM

PRESENT: Doug Pomplun, Brad Augustin, Todd Kiecker, Cindy Fahey
ABSENT: Lois Gilles

Duane Hansel, Bolton & Menk reviewed the proposed 2012 Street/Utility Improvement Project.

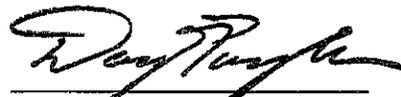
Presented the following:

The proposed location: Park Street from Hwy. 19 to 10th Ave.
7th Ave. from 1st St. SW to alley between 1st St. SE & 2nd St. SE
10th Ave. from 1st St. SW to 2nd St. SE
Overlay on 10th Ave. from 2nd St. SE to 3rd St. SE
Third St. SE from 9th Ave. to 10th Ave.
1st Ave. SE from 2nd St. SE to 4th St. SE

Engineer preliminary estimates of the project
Information on infiltration/inflow reports
Condition of Water mains –Cast Iron
Condition of Sanitary Sewer Mains
Condition of Storm Sewer – Clay pipes
Condition of Streets and curbs- major cracking and pot holes.
Proposed Assessments
Timeline
Access to residences

Question and answer period.

Public Hearing closed at 7:45 p.m.



Mayor Doug Pomplun

ATTEST: 

Marcia Seibert-Volz, Clerk Treas. Administrator

COUNCIL MEETING

DATE: March 13, 2012

TIME STARTED: 7:00 p.m.

TIME ENDED: 8:00 p.m.

MEMBERS PRESENT: Mayor Doug Pomplun; Councilmember, Brad Augustin, Cindy Fahey, Todd Kiecker, Lois Gilles.

MEMBERS ABSENT: None

Staff members present: Clerk Treasurer Administrator Marcia Seibert-Volz. Craig Marti: Co-Public Works Director, City Attorney Tom VanHon.

Meeting was called to order by Mayor Doug Pomplun.

PUBLIC HEARING: none

APPROVAL OF THE AGENDA: Motion by Cindy Fahey, second by Lois Gilles to approve addition of Pioneerland Library Presentation to the agenda. Motion carried.

Motion by Lois Gilles, second by Todd Kiecker to pull 7.7 claims for payment off the consent agenda in order to discuss. Motion carried.

BID OPENING & QUOTES: none

PRESENTATIONS: Pioneerland Library System Interim Director, Mark Ranum, gave a presentation stating libraries strengthen communities and what programs Pioneerland Regional Library System offer. For an example the Legacy Programs, access to educational websites, and downloading electronic books. \$ 12,000.00 per year of Federal dollars goes into the Legacy Funding. Pioneerland is budgeting for 30-32 hours per week for the Fairfax Library being opened. \$4,000.00 to \$ 5,000.00 is being budgeted for the opening day collection. Council was concerned about the reduction in hours. The City has increased funding to Pioneerland for additional hours to allow the New Library to be open 36 hours a week. Mark informed the council due to the County reducing their allocation Pioneerland would need an additional \$ 2,500.00 to increase the hours to 36. Currently, the policy of Pioneerland is to have three months of operating expenditures in Reserve which is \$ 12,000 to \$ 13,000.00.

CONSENT AGENDA: Motion by Todd Kiecker, second by Brad Augustin to approve consent agenda. Motion carried.

- 7.1 Approval of the minutes dated February 14, 2012
- 7.2 Project One (City Hall) Pay Est. # 4 \$ 95,380.00.
- 7.3 Salonek (Library) Pay est. \$ 60,439.95.
- 7.4 Dakota Supply Group Pay Est. 2 \$ 14,103.53
- 7.5 American Legion Bingo Permit April 15, 2012
- 7.6 General Construction Services Pay est. \$ 47,500.00

Motion by Lois Gilles, second by Cindy Fahey to approve the following claims. Motion carried.

4-Square Builders	REPAIRS - BAR	105.21
A&B Business Equipment	COPIER MAINT CONTRACT	82.31
ACT Services LLC	ZOLL MAINTENANCE	1,105.50
Aflac	Aflac	10.50
Ameripride Linen Services	LAUNDRY - LIQUOR STORE	278.70
Arneson Distributing Inc	BEER & POP	693.60
Bernicks Pepsi Cola	ICE MACHINE RENT & POP	925.02
Bernie Wenner	BUILDING INSPECTOR	398.56
Bolton & Menk	WATER TOWER & STREETS ENGINEERING	91,897.00
Border States	SHOP SUPPLIES & METERS	15,527.08
Bound Tree Medical, LLC	AMBULANCE SUPPLIES	400.49
Brian Wortz	2012 CIP REBATE	50.00
CLIA Laboratory Program	AMBULANCE FEE	150.00
Capital One, F.S.B.	WASTEWATER TRAINING	56.00
Casey's	GAS	460.12

Central Minnesota Municip	POWER PURCHASED, DUES, CIP	30,720.36
CenturyLink	PHONE SERVICE	1,136.96
Chip Steak & Provision Com	SUPPLIES FOR RESALE	795.03
Chopper DJ	DJ - LIQUOR STORE	750.00
City of Fairfax	Utility bills	10,433.23
City of Winthrop	SCHOOL RESOURCE OFFICER	4,951.63
Clarke Environmental Mosqu	Mosquito Control Agreement	4,036.11
Clobes Sanitation	GARBAGE CONTRACT	3,257.40
Dakota Supply Group	PAY EST #2 AMR	17,229.85
Dave's Full Service	GAS	322.60
Davis Typewriter Co Inc	OFFICE SUPPLIES	3,029.73
Department of Energy-WAPA	POWER PURCHASED	25,227.86
Duebers	SUPPLIES	55.18
Eide Bailly LLP	2011 AUDT FEE	6,500.00
Eric Nelson	MILEAGE	108.78
Fairfax Postmaster	postage - library EDDM	449.78
Fairfax Standard	ADVERTISING - BAR	393.72
Fairfax TV & Appliance	TV REPAIR - BAR	44.00
Fairfax Veterinary Clinic	BOARDING FEES	76.95
Farm Merchanteile Inc.	SUPPLIES & REPAIRS	1,019.41
Farm Plan	MAINTENANCE - GMC TRUCK	48.30
Ferguson Waterworks	WATER SUPPLIES	28.31
Fleet Services - Dept of A	LEASE PMT - SQUAD CAR	658.13
Frontier Bar	SUPPLIES FOR RESALE	105.54
Gary Schroeder	LETTER UTILITY TRUCK	150.00
General Code Publishers	UPDATE CODE BOOK	1,109.99
General Construction Servi	WATER TOWER PAYMENT	47,500.00
Gopher State One Call	LOCATES	4.35
Harry's Frozen Food	SUPPLIES FOR RESALE	47.50
Hawkins Water Treatment	CHEMICALS	2,541.31
Heggies Pizza	SUPPLIES FOR RESALE	433.95
Hermel Wholesale	SUPPLIES	451.65
Hjerpe Contracting Inc	REPAIR WATER LEAK	2,115.50
Ingersoll Rand Company	WATER PLANT REPAIRS	1,381.33
J.T. Services	STREET LIGHT MAINT	533.69
Jahnke Water Inc.	WATER - LIBRARY	15.47
Jim Dandy	SUPPLIES FOR RESALE	61.20
Jim Prax	PAINTING - BAR	1,195.00
Johnson Bros. Wholesale	WINE	244.00
KEEPRS Inc/Cy's Uniforms	UNIFORMS - PD	271.86
KNUJ AM	ADVERTISING - BAR	65.00
Kibble Equipment Inc	EQUIPMENT REPAIRS	4.42
Little Falls Machine, Inc	REPAIRS - SNOW PLOW	190.02
Locher Bros. Inc.	BEER	4,629.55
MES - MIDAM	EQUIPMENT MAINT - FD	537.41
MN Chiefs of Police Assoc	POLICE TRAINING	375.00
MN Department of Revenue	SALES TAX - FEB	9,840.00
MN Dept Labor & Industry	STATE BLDG PERMIT SURCHARGE	703.99
MN Dept. of Health	STATE WATER FEE JAN-MAR	891.00
MN Pollution Control	ANNUAL AIR EMISSIONS FEE	815.00
MN Rural Water Assn.	Registration for Refresher Ses	75.00
MN Valley Testing Lab.	WATER SAMPLE TESTING	51.00
Marcia Seibert-Volz	MILEAGE	184.64
Martin Trucking, LLC	FREIGHT	116.50
Matheson Tri-Gas Inc	SHOP SUPPLIES	185.92
Maynard's of Fairfax	SUPPLIES FOR RESALE	204.77
Mediacom	CABLE TV & INTERNET	383.45
Melissa Koford	TRANSCRIBING - PD	42.00
Merchant Services	CREDIT CARD FEE - LIQUOR STORE	549.54
Mikes Auto Parts	EQUIP MAINT SUPPLIES	1,095.90
New Ulm Public Utilities	NATURAL GAS PURCH. TRANSP. REPAIRS	110,378.32
North EMS Educations	EMT TRAINING	1,260.00
Northern Lights Dist.	SUPPLIES FOR RESALE	2,259.79
Office Ally	AMBULANCE FEE	19.95
Office Depot	OFFICE SUPPLIES	317.26
Oxygen Service Company	AMBULANCE SUPPLIES	34.50
Pioneerland Library Sys.	1ST QTR PAYMENT	6,089.50
Project One	Pay est 4 CITY HALL	95,380.00
Quality Wine & Spirits	LIQUOR	2,588.87
Region VI Chiefs Assoc.	2012 DUES	25.00
Renville County	LANDFILL FEES	2,617.00

Revtrak Inc	REVTRAK FEES - FEB	415.49
SEH	ARCHITECT FEES	595.71
SGC Hoizon LLC	PUBLISHING	551.25
Salonek Concrete & Constru	Pay est. 5 LIBRARY	60,439.95
Schweiss Bi-Fold Doors	TRAILER REPAIR	80.70
SelectAccount	INSURANCE FEE	197.64
St. Paul Stamp Works Inc	PET LICENSES	83.77
Star & Tribune	SUBSCRIPTION - BAR	85.80
Steve's Bakery	SUPPLIES FOR RESALE	170.25
Tapper's Beer Line Servic	CLEAN BEER TAPS	32.50
Ted Domeier	VEHICLE REGISTRATION FEE	32.50
The Journal	SUBSCRIPTION - LIQUOR STORE	168.00
Tom VanHon	ATTORNEY FEES	1,000.00
Tow Distributing Corp.	BEER	5,096.10
Tyler Technologies	SOFTWARE MAINTENANCE	290.59
USA Blue Book	SHOP SUPPLIES	193.92
Verizon Wireless	PHONE	389.36
Viking Coca-Cola Bo. Co.	POP	124.50
Volz & Frank	SNOWBLOWER, LIQ.REPAIRS & O.H.GARAGE DOOR	13,334.00
Weis Oil	GAS	1,249.75
West Central Communicatio	PAGERS - FD	2,968.03
Younger & Walton PLLC	ATTORNEY FEES	1,000.00
Payroll Expense		42,172.01

RESOLUTION 2012-06: Motion was made by Lois Gilles to adopt Resolution 2012-06.

**RESOLUTION 2012-06
RESOLUTION ORDERING IMPROVEMENTS FOR THE 2012 STREET PROJECT**

WHEREAS, after due Notice of Public Hearing on the construction of improvements for the City of Fairfax, Minnesota, hearing on said improvements was duly held and the Council heard all persons desiring to be heard on the matter and fully considered the same; and

Whereas, at said hearing there was available a reasonable estimate of the amount to be assessed and a description of the methodology, in the form attached hereto as Exhibit A:

NOW THEREFORE, BE IT RSOLVED by the City Council of the City of Fairfax, Minnesota as follows:

1. Said Improvements are necessary, cost-effective, and feasible as detailed in the feasibility report.
2. It is advisable, expedient and necessary that said improvements as described in the Notice of Hearing thereon be constructed, and the same are hereby ordered made.
3. The improvements described in said Notice of Hearing are hereby designated and shall be known as Street & Utility Improvements of 2012.
4. The consulting engineers, Bolton & Menk, are hereby directed to prepare final plans and specification for said improvements.
5. The City Council declares its official intent to reimburse itself for the costs of the improvements from the proceeds of tax-exempt bonds.
6. The City Council shall let the contract for all or part of the work for said improvements as authorized by Minnesota Statutes, Section 429.041 Subdivision 2.

The motion for the adoption of the foregoing resolution was duly seconded by Member Cindy Fahey and upon a vote being taken thereon, the following voted in favor thereof: Gilles, Kiecker, Fahey, Augustin, Pomplun.

And the following voted against the same: none

Whereupon said resolution was declared duly passed and adopted.

RESOLUTION 2012-04: Motion by Cindy Fahey, second by Lois Gilles to approve Res. 2012-04. Motion carried.

RESOLUTION # 2012-04

RESOLUTION ESTABLISHING NEW WATER RATES FOR THE CITY OF FAIRFAX.

WHEREAS, the City Council has the power to fix and adopt rates and regulations for water supplied by the city public utilities, and

WHEREAS, the city is constructing a new water tower rates must be increased to meet operations and debt service.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Fairfax the following new rates are established effective March 1, 2012

BASE RATE:

¾" Meter	\$ 20.00/mo.
1 " Meter	\$ 25.00/mo.
1 1/2" Meter	\$ 35.00/mo.
2 " Meter	\$ 50.00/mo.
3" Meter	\$ 75.00/mo.

RESIDENTIAL CONSERATION WATER RATE:

10,001 – 20,000 gallons	\$ 4.75 per one thousand gallons
20,001 – 40,000 gallons	\$ 5.94 per one thousand gallons
0 – 10,000 gallons	\$ 3.80 per one thousand gallons
above 40,000 gallons	\$ 8.91 per one thousand gallons

COMMERCIAL WATER RATE:

\$ 3.80 per one thousand gallons

CONNECTION TO SYSTEM

Water Access Charge (WAC) \$ 1400.00

RESOLUTION 2012-05: Motion by Brad Augustin, second by Todd Kiecker to adopt Resolution 2012-05. Motion carried.

RESOLUTION # 2012-05

RESOLUTION ESTABLISHING A NEW SANITARY SEWER RATE FOR THE CITY OF FAIRFAX.

WHEREAS, The City Council has the power to fix and adopt rates and regulations for sewer service supplied by the city public utilities, and

WHEREAS, the present sanitary sewer rates as established by the city council should be adjusted to provide sufficient funding for infrastructure improvements to the system.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Fairfax the following new rate is established effective March 1, 2012

Sewer: \$1.30/1,000 (based on gallon of water usage)
Minimum base charge \$ 30.00/month

Connection to System:
Sewer Access Charge \$ 1290.00

CHAPTER 155-5 AMENDMENT: Motion by Brad Augustin, second by Cindy Fahey to adopt the following Amendment to Chapter 155-5.

Sec. 3. If the notice is not complied with and there is no appeal within the time specified, the enforcing officer shall report that fact forthwith to the City Administrator.

Sec. 4. Thereafter the City Administrator may cause the nuisance to be abated by the City.

CHAPTER 162.13.D. Motion by Lois Gilles, second by Cindy Fahey to adopt the Amendment to letter D. Motion carried.

D. At any time that snowfall of two inches or greater is received in the City of Fairfax, no person shall park in the congested District between the hours of 12:01 a.m. and 6:00 a.m. For purpose of this article the congested district is defined in 162.10.

STAFF REPORTS:

Marcia Seibert-Volz :

- Building permit issued in February; Chad Klages, remodeling, valuation \$ 3,500.00.
- Advertise for Seasonal Maintenance position and Pool positions. General consensus of the council authorized Marcia to advertise. Motion by Lois Gilles, second by Cindy Fahey to approve advertising for seasonal positions. Motion carried
- Installing AMR's some residences need extra plumbing done. Discussion on the costs. Motion by Lois Gilles, second by Todd Kiecker to bill each individual that requires additional plumbing above the contracted amount. Motion carried.
- Change April 10, 2012 regular council meeting date to April 11, 2012 at 7:00 p.m. due to special election on April 10th. Motion by Cindy Fahey, second by Lois Gilles to change the meeting date. Motion carried.
- County changed Board of Equalization from April 10, 2012 at 10:00 a.m. to April 11, 2012 at 10:00 a.m.
- Marcia gave an update on Library and City hall projects. Timelines are being met.

POLICE REPORT: None

COMMITTEE REPORTS: None

CORRESPONDENCE: Board of Equalization April 11, 2012 10:00-10:30a.m.
Special Election April 10, 2012.

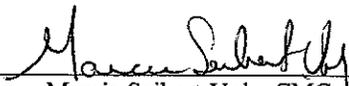
COUNCIL CONCERNS: None

ADJOURNMENT: Motion by Lois Gilles, second by Cindy Fahey to adjourn at 8:00 p.m. Motion carried.



Doug Pomplun, Mayor

ATTEST:



Marcia Seibert-Volz, CMC
City Administrator

SPECIAL COUNCIL MEETING

DATE: March 26, 2012

TIME STARTED: 7:00 p.m.

TIME ENDED: 8:00 p.m.

MEMBERS PRESENT: Mayor Doug Pomplun; Councilmember, Brad Augustin, Cindy Fahey, Todd Kiecker

MEMBERS ABSENT: Lois Gilles

Staff members present: Clerk Treasurer Administrator Marcia Seibert-Volz. Craig Marti: Co-Public Works Director.

Meeting was called to order by Mayor Doug Pomplun.

BID OPENING & QUOTES: Duane Hansel presented the quotes for the 2012 street project.

Motion by Cindy Fahey, second by Todd Kiecker to adopt Resolution 2012-07. Motion carried unanimously.

RESOLUTION 2012-07

RESOLUTION ACCEPTING BID FOR THE 2012 STREET IMPROVEMENT PROJECT

WHEREAS, pursuant to an advertisement for bids for the 2012 street/utility project, bids were received, opened and tabulated according to law, and the following bids were received complying with the advertisement:

Bid

Chad Monson Excavating	\$ 3,416,754.60
Duininck Inc.	3,285,420.55
Hjerpe Contracting	3,027,937.25
Kuechle Underground Inc.	2,943,181.00
M.R. Paving & Excavating	3,012,141.86
Quam Construction Company, Inc.	3,148,908.70
R.L. Larson Excavating	3,198,701.30

AND WHEREAS, it appears that Kuechle Underground, Inc. of Kimball is the lowest responsible bidder,

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF FAIRFAX MINNESOTA:

1. The Mayor and clerk are hereby authorized and directed to enter into the attached contract with Kuechle Underground of Kimball in the name of the City of Fairfax for the 2012 street project according to the plan and specifications therefore approved by the city council and on file in the office of the City Clerk-Treasurer Administrator..
2. The City clerk-Treasurer Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposits of the successful bidder and the next lowest bidder shall be retained until a contract has been signed.

Motion by Todd Kiecker, second by Cindy Fahey to adopt Resolution 2012-08. Motion carried unanimously.

RESOLUTION 2012-08

RESOLUTION ACCEPTING BID FOR THE 2012 STREET IMPROVEMENT PROJECT FOR SIDEWALKS & DRIVEWAYS.

WHEREAS, pursuant to an advertisement for bids for the 2012 street/utility project, bids were received, opened and tabulated according to law, and the following bids were received complying with the advertisement:

Bid

Wendinger Building & Remodeling	\$ 167,057.00
Deming Construction	\$ 122,677.00
Volz & Frank	\$ 141,294.00
Civil Ag Group	\$ 158,584.00

AND WHEREAS, it appears that Deming Construction of Fairfax is the lowest responsible bidder,

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF FAIRFAX MINNESOTA:

3. The Mayor and clerk are hereby authorized and directed to enter into the attached contract with Deming Construction of Fairfax in the name of the City of Fairfax for the 2012 street project Driveways & sidewalks according to the plan and specifications therefore approved by the city council and on file in the office of the City Clerk- Treasurer Administrator..
4. The City clerk-Treasurer Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposits of the successful bidder and the next lowest bidder shall be retained until a contract has been signed.

EXTRACT OF MINUTES OF A MEETING OF THE
CITY COUNCIL OF THE
CITY OF FAIRFAX, MINNESOTA

HELD: March 26, 2012

Pursuant to due call and notice thereof, a special meeting of the City Council of the City of Fairfax, Renville County, Minnesota, was duly held at the City Hall in said City on the 26th day of March, 2012, beginning at 7:00 o'clock P.M. for the purpose, in part, of authorizing the competitive negotiated sale of the \$3,930,000 General Obligation Utility Revenue & Improvement Bonds, Series 2012A, of said City.

The following Council members were present: Doug Pomplun, Cindy Fahey, Brad Augustin, Todd Kiecker.

and the following were absent: Lois Gilles

Council member Brad Augustin introduced the following resolution and moved its adoption:

RESOLUTION 2012-09
PROVIDING FOR THE COMPETITIVE NEGOTIATED SALE OF
\$3,930,000 GENERAL OBLIGATION UTILITY REVENUE & IMPROVEMENT BONDS, SERIES 2012A

A. WHEREAS, the City Council of the City of Fairfax, Minnesota (the "City"), has heretofore determined that it is necessary and expedient to issue the City's \$3,930,000 General Obligation Utility Revenue & Improvement Bonds, Series 2012A (the "Bonds"), to finance the 2012 Improvement Project, all of which is located within the City and;

B. WHEREAS, the City has retained David Drown Associates, Inc., in Minneapolis, Minnesota ("David Drown"), as its independent financial advisor for the Bonds and is therefore authorized to sell the Bonds by a competitive negotiated sale in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9):

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Fairfax, Minnesota, as follows:

1. Authorization. The Council hereby authorizes David Drown to solicit bids for the competitive negotiated sale of the Bonds.

2. Meeting: Bid Opening. The Council shall meet at the time and place specified in the Terms of Offering attached hereto as Exhibit A for the purpose of considering sealed bids for, and awarding the sale of, the Bonds. The City Administrator, or designee, shall open bids at the time and place specified in such Terms of Offering.

3. Terms of Offering. The terms and conditions of the Bonds and the negotiation thereof are fully set forth in the "Terms of Offering" attached hereto as Exhibit A and hereby approved and made a part hereof.

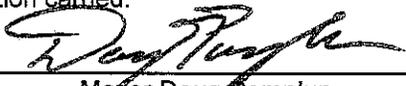
4. Official Statement. In connection with said competitive negotiated sale, the officers or employees of the City are hereby authorized to cooperate with David Drown and participate in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the City upon its completion.

The motion for the adoption of the foregoing resolution was duly seconded by Council member Todd Kiecker and, after full discussion thereof and upon a vote being taken thereon, the following Council members voted in favor thereof: Doug Pomplun, Cindy Fahey, Todd Kiecker, Brad Augustin and the following voted against the same: None

Whereupon said resolution was declared duly passed and adopted.
Approved this 26th day of March, 2012.

Following discussion it was determined the bond issue should be changed to 20 year bond with special assessments over 15 years. David Drown will provide a change in financing for the next council meeting.

Motion by Brad Augustin, second by Todd Kiecker to adjourn. Motion carried.



Mayor Doug Pomplun

ATTEST: 

Marcia Seibert-Volz, City Administrator

TERMS OF OFFERING

City of Fairfax, Minnesota

\$3,930,000

General Obligation Utility Revenue & Improvement Bonds, Series 2012A

(BOOK ENTRY ONLY)

TERMS OF PROPOSAL

Proposals for the Bonds will be received on Tuesday, May 1, 2012 at 11:00 A.M. Central Time, at the offices of David Drown Associates, Inc., 5029 Upton Avenue South, Minneapolis, Minnesota, after which time they will be opened and tabulated. Consideration for award of the Bonds will be by the City Council at 7:00 P.M., Central Time, on that same date.

SUBMISSION OF PROPOSALS

Proposals may be submitted in a sealed envelope or by fax (612) 605-2375 to David Drown Associates, Inc. Signed Proposals, without final price or coupons, may be submitted to David Drown Associates, Inc. prior to the time of sale. The bidder shall be responsible for submitting to David Drown Associates, Inc. the final Proposal price and coupons, by telephone (612) 920-3320 or fax (612) 605-2375 for inclusion in the submitted Proposal. David Drown Associates, Inc. will assume no liability for the inability of the bidder to reach David Drown Associates, Inc. prior to the time of sale specified above.

Notice is hereby given that electronic proposals will be received via PARITY[®], in the manner described below, until 11:00 A.M., local time on May 1st, 2012. Bids may be submitted electronically via PARITY[®] pursuant to this Notice until 11:00 A.M., local time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY[®] conflict with this Notice, the terms of this Notice shall control. For further information about PARITY[®], potential bidders may contact David Drown Associates, Inc. or PARITY[®] at (212) 806-8304.

Neither the City of Fairfax nor David Drown Associates, Inc. assumes any liability if there is a malfunction of PARITY. All bidders are advised that each Proposal shall be deemed to constitute a contract between the bidder and the City to purchase the Bonds regardless of the manner of the Proposal submitted.

DETAILS OF THE BONDS

The Bonds will be dated May 1, 2012, as the date of original issue, and will bear interest payable on February 1 and August 1 of each year, commencing February 1, 2013. Interest will be computed on the basis of a 360-day year of twelve 30-day months. The Bonds will mature February 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2014	\$ 35,000	2021	\$ 210,000	2028	\$ 250,000
2015	35,000	2022	215,000	2029	260,000
2016	35,000	2023	220,000	2030	270,000
2017	145,000	2024	225,000	2031	275,000
2018	150,000	2025	230,000	2032	285,000
2019	155,000	2026	235,000	2033	300,000
2020	155,000	2027	245,000		

TERM BOND OPTION

Bids for the bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds; provided that no serial bond may mature on or after the first mandatory sinking fund redemption date of any term bond. All term bonds shall be subject to mandatory sinking fund redemption and must conform to the maturity schedule set forth above at a price of par plus accrued interest to the date of redemption. In order to designate term bonds, the bid must specify as provided on the Proposal Form.

BOOK ENTRY SYSTEM

The Bonds will be issued by means of a book entry system with no physical distribution of Bonds made to the public. The Bonds will be issued in fully registered form and one Bond, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository of the Bonds. Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the registrar to DTC or its nominee as registered owner of the Bonds. Transfer of principal and

interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The purchaser, as a condition of delivery of the Bonds, will be required to deposit the Bonds with DTC.

REGISTRAR

The City will name Northland Trust, as registrar for the Bonds. Northland Trust shall be subject to applicable SEC regulations. The City will pay for the services of the registrar.

OPTIONAL REDEMPTION

The City may elect on February 1, 2018 and on any day thereafter, to prepay Bonds due on or after February 1, 2019. Redemption may be in whole or in part and if in part at the option of the City and in such manner as the City shall determine. If less than all Bonds of a maturity are called for redemption, the City will notify DTC of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All prepayments shall be at a price of par plus accrued interest.

SECURITY AND PURPOSE

The Bonds will be general obligations of the City for which the City will pledge its full faith and credit and power to levy direct general ad valorem taxes. In addition the City pledges revenues from special assessments against benefitted properties and revenues from City utilities. Proceeds will finance the 2012 Improvement Project which is located within the City.

TYPE OF PROPOSALS

Proposals shall be for not less than \$3,886,770.00 (98.9%) and accrued interest on the total principal amount of the Bonds. The apparent low-bidder as notified by David Drown Associates, Inc. shall wire, to a designated account, a good faith amount of \$78,400 by 3:00 p.m. on the date of sale. If the good faith wire transfer is not in process prior to the award, the City shall retain the right to reject the bid. In the event the purchaser fails to comply with the accepted proposal, said amount will be retained by the City. No proposal can be withdrawn or amended after the time set for receiving proposals unless the meeting of the City scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made. Rates shall be in integral multiples of 5/100 or 1/8 of 1%. Rates must be in ascending order. Bonds of the same maturity shall bear a single rate from the date of the Bonds to the date of maturity. No conditional proposals will be accepted.

AWARD

The proposals will be evaluated on the basis of the lowest interest rate to be determined on a net interest cost (NIC) basis. The City's computation of the interest rate of each proposal, in accordance with customary practice, will be controlling. The City will reserve the right to waive non-substantive informalities of any proposal or of matters relating to the receipt of proposals and award of the Bonds, reject all proposals without cause, and reject any proposal, which the City determines to have failed to comply with the terms herein.

BOND INSURANCE AT PURCHASER'S OPTION

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the underwriter, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the purchaser of the Bonds. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the purchaser, except that, if the City has requested and received a rating on the Bonds from a rating agency, the City will pay that rating fee. Any other rating agency fees shall be the responsibility of the purchaser. Failure of the municipal bond insurer to issue the policy after Bonds have been awarded to the purchaser shall not constitute cause for failure or refusal by the purchaser to accept delivery on the Bonds.

CUSIP NUMBERS

If the Bonds qualify for assignment of CUSIP numbers such numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the purchaser to accept delivery of the Bonds. The purchaser shall pay the CUSIP Service Bureau charge for the assignment of CUSIP identification numbers.

SETTLEMENT

Within 40 days following the date of their award, the Bonds will be delivered without cost to the purchaser at a place mutually satisfactory to the City and the purchaser. Delivery will be subject to receipt by the purchaser of an approving legal opinion of bond counsel, and of customary closing papers, including a no-litigation certificate. On the date of settlement payment for the Bonds shall be made in federal, or

equivalent, funds which shall be received at the offices of the City or its designee not later than 12:00 Noon, Central Time. Except as compliance with the terms of payment for the Bonds shall have been made impossible by action of the City, or its agents, the purchaser shall be liable to the City for any loss suffered by the City by reason of the purchaser's non-compliance with said terms for payment.

LIMITED CONTINUING DISCLOSURE

On the date of the actual issuance and delivery of the Bonds, the City will execute and deliver a Continuing Disclosure Undertaking where under the City will covenant to provide, or cause to be provided annual financial information, including audited financial statements of the City, and notices of certain material events, as specified in and required by SEC Rule 15c2-12(b)(5). A description of the City's undertaking is set forth in the Official Statement.

OFFICIAL STATEMENT

The City has authorized the preparation of an Official Statement containing pertinent information relative to the Bonds, and said Official Statement will serve as a nearly final Official Statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. For copies of the Official Statement or for any additional information prior to sale, any prospective purchaser is referred to the Financial Advisor to the City, David Drown Associates, Inc., 5029 Upton Avenue South, Minneapolis, Minnesota 55419, and telephone (612) 920-3320.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law, shall constitute a "Final Official Statement" of the City with respect to the Bonds, as that term is defined in Rule 15c2-12. By awarding the Bonds to any underwriter or underwriting syndicate submitting a proposal therefor, the City agrees that, no more than seven business days after the date of such award, it shall provide without cost to the senior managing underwriter of the syndicate to which the Bonds are awarded 40 copies of the Official Statement and the addendum or addenda described above. The City designates the senior managing underwriter of the syndicate to which the Bonds are awarded as its agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter delivering a proposal with respect to the Bonds agrees thereby that if its proposal is accepted by the City (i) it shall accept such designation and (ii) it shall enter into a contractual relationship with all Participating Underwriters of the Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

Dated 26 March, 2012

BY ORDER OF THE CITY COUNCIL

/s/ Marcia Seibert-Volz
City Administrator