

Member _____ introduced the following resolution and moved its adoption:

**RESOLUTION AUTHORIZING THE DRAW DOWN OF FUNDS FROM WELLS
FARGO BANK LOANS TO CASS COUNTY, NORTH DAKOTA AND TO THE CITY
OF FARGO, NORTH DAKOTA; AND AUTHORIZING THE DRAW DOWN OF
FUNDS RECEIVED FROM TEMPORARY SALES TAX REVENUE NOTES OF
CASS COUNTY AND THE CITY OF FARGO**

WHEREAS, the Metro Flood Diversion Authority (the “Diversion Authority”) was created by a Joint Powers Agreement¹ (“JPA”), and pursuant to Section 10.04 of the JPA, the Diversion Authority’s Board must approve the withdrawal of funds from loan proceeds for the payment of Debt Obligations and Project Costs for the LPP Flood Risk Management Features and the Recreation Features as generally described in the Final Feasibility Report and Environmental Impact Statement, Fargo-Moorhead Metropolitan Area Flood Risk Management Project, dated July 2011 and approved by the Chief of Engineers on December 19, 2011, as amended by the Supplemental Environmental Assessment, Fargo-Moorhead Metropolitan Area Flood Risk Management Project, dated September 2013 and approved by the District Engineer, St. Paul District on September 19, 2013 (the “Project”); and

WHEREAS, pursuant to Section 10.04 of the JPA, the Fiscal Agent shall, pursuant to and in accordance with the JPA and this Resolution, withdraw funds from loan proceeds for the payment of Debt Obligations and Project Costs for the Project; and

WHEREAS, the Cass County, North Dakota (the “County”) entered into a Loan Agreement, dated as of July 1, 2014 (the “U.S. Bank County Loan Agreement”), for an initial loan from U.S. Bank in the maximum principal amount of \$50,000,000 (the “U.S. Bank County Loan”); and

WHEREAS, the City of Fargo, North Dakota, (the “City”) entered into a Loan Agreement, dated as of May 1, 2015 (the “U.S. Bank City Loan Agreement”), for an additional loan from U.S. Bank in the maximum principal amount of \$50,000,000 (the “U.S. Bank City Loan”); and

WHEREAS, the County and the City will prepay the U.S. Bank County Loan and the U.S. Bank City Loan by borrowing up to \$100,000,000 from Wells Fargo Bank, National Association (“Wells Fargo”); and

WHEREAS, the County entered into a Loan Agreement with Wells Fargo, in which the County will be the borrower of up to \$50,000,000 from Wells Fargo to prepay the U.S. Bank County Loan (the “County Refund Loan”), and that the City entered into a Loan Agreement with

¹ The Agreement effective as of June 1, 2016, between the City of Moorhead, a political subdivision of the State of Minnesota; the City of Fargo, a political subdivision of the State of North Dakota; Clay County, a political subdivision of the State of Minnesota; Cass County, a political subdivision of the State of North Dakota; and Cass County Joint Water Resource District, a political subdivision of the State of North Dakota, to establish the duties, responsibilities and obligations of each party regarding the Project.

Wells Fargo, in which the City will be the borrower of up to \$50,000,000 from Wells Fargo to prepay the U.S. Bank City Loan (the “City Refund Loan”); and

WHEREAS, the County entered into a Temporary Sales Tax Revenue Note Purchase Agreement with Well Fargo, dated as of August 1, 2016, in which the County will be the borrower of up to an additional \$50,000,000 from Wells Fargo (the “County Additional Loan”), and the loan proceeds received by the County will be used to pay Project Costs; and

WHEREAS, the City entered into a Temporary Sales Tax Revenue Note Purchase Agreement with Well Fargo, dated as of August 1, 2016, in which the City will be the borrower of up to an additional \$50,000,000 from Wells Fargo (the “City Additional Loan”), and the loan proceeds received by the City will be used to pay Project Costs; and

WHEREAS, the Diversion Authority Board must approve the draw-down of funds received from the City Additional Loan, County Additional Loan, City Refund Loan and County Refund Loan and direct the Fiscal Agent to use such funds for the prepayment of the U.S. Bank City Loan and the U.S. Bank County Loan, and to be used to pay Project Costs.

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Diversion Authority:

Section 1. Approval and Consent of the Draw-Down of Funds for Prepayment. The Diversion Authority hereby consents and approves of the draw-down of funds from the County Refund Loan and the City Refund Loan to prepay the U.S. Bank County Loan and the U.S. Bank City Loan.

Section 2. Approval and Consent of the Draw-Down of Funds for Prepayment. The Diversion Authority hereby consents and approves the draw-down of funds from the County Additional Loan and the City Additional Loan to pay Project Costs.

Section 3. Fiscal Agent. The Fiscal Agent, in accordance with and pursuant to Section 10.04 of the JPA and this Resolution, is hereby authorized and directed to draw-down funds from the County Refund Loan and the City Refund Loan to prepay the U.S. Bank County Loan and the U.S. Bank City Loan.

Section 4. Fiscal Agent. The Fiscal Agent, in accordance with and pursuant to Section 10.04 of the JPA and this Resolution, is hereby authorized and directed to draw-down funds from the County Additional Loan and the City Additional Loan to pay Project Costs.

Section 5. North Dakota Law Applies. This Resolution and any transactions contemplated herein will be controlled by the laws of the State of North Dakota.

Section 6. This Resolution shall take effect immediately upon adoption.

Dated: August 11, 2016

**METRO FLOOD DIVERSION
AUTHORITY**

APPROVED:

Darrell Vanyo, Chair

ATTEST:

Heather Worden, Secretary

Dated Approved: _____

The motion for adoption of the foregoing resolution was duly seconded by Member _____, and upon roll call vote, the following voted in favor thereof: _____ . The following were absent and not voting: _____. The following voted against the same: _____. _____ of the Members having voted aye, the resolution was declared duly passed and adopted.