

RESOLUTION AUTHORIZING THE ISSUANCE OF \$8,040,000 TAXABLE GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2010-A (RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS), \$25,080,000 TAXABLE GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2010-B (BUILD AMERICA BONDS – DIRECT PAY), \$24,205,000 TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2010-C, \$6,080,000 TAXABLE GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2010-D AND \$44,245,000 GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2010-E, ALL OF THE CITY OF MADISON, WISCONSIN, PROVIDING THE DETAILS THEREOF, ESTABLISHING INTEREST RATES THEREON AND LEVYING TAXES THEREFOR

BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MADISON, WISCONSIN, as follows:

Section 1. Authority and Purpose. This resolution is adopted pursuant to Section 67.12(12) of the Wisconsin Statutes to authorize the issuance of notes for the improvements or purposes described below.

First, Taxable General Obligation Promissory Notes, Series 2010-A (Recovery Zone Economic Development Bonds) (the “Series 2010-A Notes”) for the following purposes:

Purpose	Amount
Engineering/Infrastructure	\$8,000,000
Costs of Issuance	<u>40,000</u>
Total	\$8,040,000

Second, Taxable General Obligation Promissory Notes, Series 2010-B (Build America Bonds – Direct Pay) (the “Series 2010-B Notes”), for the following purposes:

Purpose	Amount
Engineering/Infrastructure	\$9,673,688
Fire Department	298,020
Fleet Services	1,977,660
Sewer System Infrastructure	306,000
Information Technology	3,480,000
Library	1,470,000
Parks Division	1,086,840
Planning and Development	534,636
Police Department	1,224,000
Public Health	12,000
Stormwater Utility	2,376,273
Streets Division	329,599

Tax Increment Financing	2,106,300
Traffic Engineering	165,780
Transit Utility	97,890
Costs of Issuance	<u>56,800</u>
Total Uses of Funds	\$25,080,000

Third, Taxable General Obligation Refunding Bonds, Series 2010-C (the “Series 2010-C Bonds”) for the purpose of refunding a prior State Trust Fund Loan (the “Prior Loan”) taken out to finance pension obligation, as shown below:

Purpose	Amount
Deposit to Escrow Fund	\$24,041,952
Costs of Issuance	43,855
Discount and Rounding	<u>191,193</u>
Total	\$24,205,000

Fourth, Taxable General Obligation Promissory Notes, Series 2010-D (the “Series 2010-D Notes”) for the following purposes of:

Purpose	Amount
Economic Development Projects	\$6,000,000
Costs of Issuance	31,360
Allowance for Discount Bidding	<u>48,640</u>
Total	\$6,080,000

Fifth, General Obligation Promissory Notes, Series 2010-E (the “Series 2010-E Notes”) for the purposes of refunding the prior issuance of General Obligation Promissory Notes, Series 2004-A and 2006-B, and for the construction and acquisition of capital improvements for the following purposes:

Purpose	Amount
Deposit to Escrow Fund	\$29,559,606
Engineering/Infrastructure	6,449,125
Fire Department	198,680
Fleet Services	1,318,440
Sewer System Infrastructure	204,000
Information Technology	2,320,000
Library	980,000
Parks Division	724,560
Planning and Development	356,424
Police Department	816,000
Public Health	8,000
Stormwater Utility	1,584,182
Streets Division	219,733

Tax Incremental Financing	1,404,200
Traffic Engineering	110,520
Transit Utility	65,260
Deposit to Debt Service/Rounding	1,494,830
Costs of Issuance	<u>104,612</u>
Total	\$44,245,000

The Series 2010-A Notes, the Series 2010-B Notes, the Series 2010-C Bonds, the Series 2010-D Notes and the Series 2010-E Notes are referred to collectively herein as the “Notes.”

The foregoing improvements or purposes are hereby authorized to be made or undertaken by the City of Madison, Wisconsin (the “City”). For the purpose of paying principal of and interest on the Notes, there is hereby levied on all the taxable property in the City a direct, annual, irrevocable tax sufficient for that purpose.

Section 2. Authorization and Terms of Notes. To meet part of the estimated cost of the improvements or purposes described in Section 1 of this resolution, there is hereby appropriated the aggregate sum of \$107,650,000. For the purpose of financing said appropriation, (i) Series 2010-A Notes shall be issued and sold in an aggregate principal amount of \$8,040,000, (ii) Series 2010-B Notes shall be issued and sold in an aggregate principal amount of \$25,080,000, (iii) Series 2010-C Bonds shall be issued and sold in an aggregate principal amount of \$24,205,000, (iv) Series 2010-D Notes shall be issued and sold in an aggregate principal amount of \$6,080,000, and (v) Series 2010-E Notes shall be issued and sold in an aggregate principal amount of \$44,245,000. The Notes shall be designated as described in Section 1 and shall be issuable in the denominations of \$5,000 or any integral multiple thereof. Each series of Notes shall be numbered consecutively from 1 upwards in order of their issuance and may bear such other identifying numbers or letters as may be useful to facilitate the registration, transfer and exchange thereof. Each Note shall be dated as of the interest payment date next preceding the date of issuance thereof, except that (a) if such date of issuance shall be prior to the first interest payment date, said Note shall be dated as of the date of its delivery, (b) if such date of issuance shall be an interest payment date, said Note shall be dated as of such interest payment date, or (c) if interest due on said Note shall not have been paid in full, then notwithstanding any of the foregoing provisions, said Note shall be dated as of the date to which interest has been paid in full on said Note. The Notes shall mature on October 1 in each year shown in the following table in the respective principal amount set forth opposite each such year, each Series 2010-A Note, Series 2010-B Note and Series 2010-D Note shall bear interest from its date payable October 1, 2011 and semiannually thereafter on each succeeding April 1 and October 1, and each Series 2010-C Bond and Series 2010-E Note shall bear interest from its date payable April 1, 2011 and semiannually thereafter on each succeeding October 1 and April 1 at the rates per annum set forth in the following table:

Series 2010-A Notes:

Year	Principal Amount	Interest Rate
2011	\$805,000	0.9000%
2012	800,000	1.0000
2013	805,000	1.3750
2014	805,000	1.6250
2015	805,000	2.0000
2016	805,000	2.3000
2017	805,000	2.7500
2018	805,000	3.0000
2019	800,000	3.6250
2020	805,000	3.7500

Series 2010-B Notes:

Year	Principal Amount	Interest Rate
2015	\$4,180,000	2.0000%
2016	4,180,000	2.3000
2017	4,180,000	2.7500
2018	4,180,000	3.0000
2019	4,185,000	3.5000
2020	4,175,000	3.7500

Series 2010-C Bonds:

Year	Principal Amount	Interest Rate
2011	\$ 950,000	0.5500%
2012	995,000	0.8500
2013	1,075,000	1.0000
2014	1,175,000	1.3000
2015	1,280,000	1.7500
2016	1,405,000	2.2500
2017	1,535,000	2.5000
2018	1,680,000	3.0000
2019	1,845,000	3.2500
2020	2,025,000	3.5000
2021	2,225,000	3.6500
2022	2,440,000	3.8000
2023	2,665,000	4.0000
2024	2,910,000	4.0000

Series 2010-D Notes:

Year	Principal Amount	Interest Rate
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2011	\$610,000	0.6500%
2012	610,000	0.9000
2013	610,000	1.0000
2014	610,000	1.2500
2015	610,000	1.7500
2016	610,000	2.2500
2017	605,000	2.6000
2018	605,000	3.0000
2019	605,000	3.3000
2020	605,000	3.5000

Series 2010-E Notes

Year	Principal Amount	Interest Rate
2011	\$ 8,065,000	4.0000%
2012	10,505,000	4.0000
2013	10,385,000	4.0000
2014	10,260,000	4.0000
2015	2,510,000	3.0000
2016	2,520,000	3.0000

The principal of and premium, if any, on the Notes shall be payable in lawful money of the United States of America at the principal corporate trust office of the bank, trust company or national banking association designated in Section 7 of this resolution. Interest on the Notes shall be payable in lawful money of the United States of America on each interest payment date to the registered owners of record thereof appearing on the registration books maintained by the City for such purpose at the principal corporate trust office of the note registrar, as of the close of business on the fifteenth day of the calendar month next preceding the applicable interest payment date. Interest on the Notes shall be paid by check or draft mailed to such registered owners at their addresses appearing on the registration books.

The Series 2010-A Notes, the Series 2010-B Notes, the Series 2010-C Bonds, and the Series 2010-D Notes maturing on or after October 1, 2019, are subject to redemption prior to maturity as a whole or in part at the option of the City upon notice as herein provided, in any order of maturity at the discretion of the City and by lot within a single maturity, on October 1, 2018, and on any date thereafter, at a redemption price equal to 100% of the principal amount thereof to be redeemed plus accrued interest to the redemption date and without premium.

The Series 2010-E Notes are not subject to redemption prior to maturity.

In the event there is an occurrence of an Extraordinary Event, the City may elect on October 1, 2014, and any date thereafter, to prepay the Series 2010-A Notes and the Series 2010-B Notes due on or after October 1, 2015. Redemption may be in whole or in part, at a redemption price of par plus accrued interest. An “Extraordinary Event” will have occurred if a

material adverse change has occurred to Section 54AA, 1400U-2 or 6431 of the Code (as such Sections were added by Section 1531 of the Recovery Act, pertaining to “Build America Bonds” and “Recovery Zone Economic Development Bonds”) pursuant to which the City’s 35% or 45%, as applicable, direct payment credit from the United States Treasury is reduced or eliminated.

In the event of the redemption, of less than all the Notes of like maturity, the aggregate principal amount thereof to be redeemed shall be \$5,000 or an integral multiple thereof, and the note registrar shall assign each Note of such maturity a distinctive number for each \$5,000 principal amount of such Note and shall select by lot from the numbers so assigned as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Notes to be redeemed. The Notes to be redeemed shall be the Notes to which were assigned the numbers so selected, provided that only so much of the principal amount of each Note shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected.

Notice of the redemption of Notes shall be mailed by the note registrar not less than 30 days nor more than 60 days prior to the date fixed for such redemption to the registered owners of Notes to be redeemed at their last addresses appearing on said registration books. The Notes or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and, if, on the redemption date, moneys for payment of the redemption price of all the Notes or portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, then from and after the redemption date interest on such Notes or portions thereof shall cease to accrue and shall become payable. If there shall be drawn for redemption less than all of a Note, the City shall execute and the note registrar shall authenticate and deliver, upon the surrender of such Note, without charge to the owner thereof, for the unredeemed balance of the Note so surrendered, Notes of like maturity and of the denomination of \$5,000 or any integral multiple thereof.

The Notes may be initially issued in temporary form and shall be exchanged for definitive printed Notes as soon as possible. The temporary Notes shall be executed as provided herein and shall be in substantially the form set forth in Section 5 hereof.

Section 3. Execution and Authentication of Notes. The Notes shall be executed in the name of the City by the manual or facsimile signatures of its Mayor and City Clerk and the corporate seal of the City, or a facsimile thereof, shall be thereunto affixed, impressed or otherwise reproduced thereon.

In case any officer whose signature, or a facsimile of whose signature, shall appear on any Notes shall cease to hold such office before the issuance of the Notes, such Notes shall nevertheless be valid and sufficient for all purposes, the same as if the person whose signature, or a facsimile thereof, appears on such Notes had not ceased to hold such office. Any Note may be signed, sealed or attested on behalf of the City by any person who, on the date of such act, shall hold the proper office, notwithstanding that at the date of such Note such person may not have held such office. No recourse shall be had for the payment of any Notes against any officer who executes the Notes.

The Notes shall bear thereon a certificate of authentication executed manually by the Note registrar. No Note shall be entitled to any right or benefit under this resolution or shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the note registrar.

Section 4. General Obligations. The full faith and credit of the City are hereby irrevocably pledged to the punctual payment of the principal of and interest on the Notes. The Notes shall be direct and general obligations of the City, and the City shall be obligated to levy ad valorem taxes upon all the taxable property in the City for the payment of the Notes and the interest thereon, without limitation as to rate or amount.

Section 5. Form of Notes. The Notes shall be issued as fully registered Notes and shall be in substantially the following form, the blanks to be appropriately completed when the Notes are printed (in the case of the Series 2010-C Bonds, the words “note” and “notes” will be replaced by “bond” and “bonds”):

(Form of Note)

UNITED STATES OF AMERICA

STATE OF WISCONSIN

COUNTY OF DANE

CITY OF MADISON

**[TAXABLE GENERAL OBLIGATION PROMISSORY NOTE, SERIES 2010-A
(RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS)]**

**[TAXABLE GENERAL OBLIGATION PROMISSORY NOTE, SERIES 2010-B (BUILD
AMERICA BONDS - DIRECT PAY)]**

[TAXABLE GENERAL OBLIGATION REFUNDING BOND, SERIES 2010-C]

[TAXABLE GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2010-D]

[GENERAL OBLIGATION PROMISSORY NOTE, SERIES 2010-E]

REGISTERED
NO. _____

REGISTERED
\$ _____

DATED DATE

INTEREST RATE

MATURITY DATE

CUSIP

October 19, 2010

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The CITY OF MADISON, a municipal corporation of the State of Wisconsin situate in the County of Dane, acknowledges itself indebted and for value received hereby promises to pay to the registered owner identified above, or registered assigns, the principal amount specified above on the maturity date specified above, unless this note shall be redeemable and shall have previously been called for redemption and payment of the redemption price made or provided for, and to pay interest on such principal amount from the dated date hereof at the interest rate per annum specified above, payable in lawful money of the United States of America on [April 1, 2011, and semiannually thereafter on the first days of October and April] [October 1, 2011, and semiannually thereafter on the first days of April and October] in each year until the principal amount shall have been paid, by check or draft mailed to the registered owner of record

hereof as of the fifteenth day of the calendar month next preceding such interest payment date, at the address of such owner appearing on the registration books maintained by the City for such purpose at the principal corporate trust office of U.S. Bank National Association, in the City of St. Paul, Minnesota, as fiscal agent pursuant to Section 67.10(2), Wisconsin Statutes, and as note registrar or its successor (the "Note Registrar"). This note, as to principal and premium, if any, when due, will be payable in lawful money of the United States of America upon presentation and surrender of this note at the principal corporate trust office of the Note Registrar. The full faith and credit of the City are irrevocably pledged for the punctual payment of the principal of and interest on this note according to its terms.

This note is part of a series of notes issued in the aggregate principal amount of \$_____, which are all of like tenor except as to date, maturity, rate of interest and option of redemption. The notes are being issued for the following purposes:

Series 2010-A:

Purpose	Amount
Engineering/Infrastructure	\$8,000,000
Costs of Issuance	<u>40,000</u>
Total	\$8,040,000

Series 2010-B:

Purpose	Amount
Engineering/Infrastructure	\$9,673,688
Fire Department	298,020
Fleet Services	1,977,660
Sewer System Infrastructure	306,000
Information Technology	3,480,000
Library	1,470,000
Parks Division	1,086,840
Planning and Development	534,636
Police Department	1,224,000
Public Health	12,000
Stormwater Utility	2,376,273
Streets Division	329,599
Tax Increment Financing	2,106,300
Traffic Engineering	165,780
Transit Utility	97,890
Costs of Issuance	56,800
Allowance for Discount Bidding	<u>203,200</u>
Total Uses of Funds	\$25,080,000

Series 2010-C:

Purpose	Amount
Deposit to Escrow Fund	\$24,041,951
Costs of Issuance	43,855
Allowance for Discount Bidding	<u>191,193</u>
Total	\$24,205,000

Series 2010-D:

Purpose	Amount
Economic Development Projects	\$6,000,000
Costs of Issuance	31,360
Allowance for Discount Bidding	<u>48,640</u>
Total	\$6,080,000

Series 2010-E:

Purpose	Amount
Deposit to Escrow Fund	\$29,599,606
Engineering/Infrastructure	6,449,125
Fire Department	198,680
Fleet Services	1,318,440
Sewer System Infrastructure	204,000
Information Technology	2,320,000
Library	980,000
Parks Division	724,560
Planning and Development	356,424
Police Department	816,000
Public Health	8,000
Stormwater Utility	1,584,182
Streets Division	219,733
Tax Incremental Financing	1,404,200
Traffic Engineering	110,520
Transit Utility	65,260
Deposit to Debt Service/Rounding	1,494,830
Costs of Issuance	<u>104,612</u>
Total	\$44,245,000

The notes are authorized and issued under and pursuant to [Section 67.12(12)] [Chapter 67] of the Wisconsin Statutes and under and in accordance with a resolution adopted by the Common Council of the City on September 21, 2009, and entitled: “Resolution Authorizing the Issuance of \$8,040,000 Taxable General Obligation Promissory Notes, Series 2010-A (Recovery

Zone Economic Development Bonds), \$25,080,000 Taxable General Obligation Promissory Notes, Series 2010-B (Build America Bonds – Direct Pay), \$24,205,000 General Obligation Refunding Bonds, Series 2010-C, \$6,080,000 Taxable General Obligation Promissory Notes, Series 2010-D, and \$44,245,000 General Obligation Promissory Notes, Series 2010-E, all of the City of Madison, Wisconsin, Providing the Details Thereof, Establishing Interest Rates Thereon and Levying Taxes Therefor.”

[The Notes maturing on or after October 1, 2019, are subject to redemption prior to maturity as a whole or in part at the option of the City upon notice as herein provided, in any order of maturity at the discretion of the City and by lot within a single maturity, on October 1, 2018, and on any date thereafter, at a redemption price equal to 100% of the principal amount thereof to be redeemed plus accrued interest to the redemption date and without premium.] [The Notes are not subject to redemption prior to maturity.]

[In the event there is an occurrence of an Extraordinary Event, the City may elect on October 1, 2014, and any date thereafter, to prepay the Series 2010-A Notes or the Series 2010-B Notes due on or after October 1, 2015. Redemption may be in whole or in part, at a redemption price of par plus accrued interest. An “Extraordinary Event” will have occurred if a material adverse change has occurred to Section 54AA, 1400U-2 or 6431 of the Code (as such Sections were added by Section 1531 of the Recovery Act, pertaining to “Build America Bonds” and “Recovery Zone Economic Development Bonds”) pursuant to which the City’s 35% or 45%, as applicable, direct payment credit from the United States Treasury is reduced or eliminated.]

[Notice of the redemption of notes shall be mailed by the Note Registrar not less than 30 days nor more than 60 days prior to the date fixed for such redemption to the registered owners of notes to be redeemed at their last addresses appearing on such registration books. The notes or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for payment of the redemption price of all the notes or portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, then from and after the redemption date interest on such notes or portions thereof shall cease to accrue and shall become payable.

This note is transferable only upon such registration books by the registered owner hereof in person, or by his attorney duly authorized in writing, upon surrender hereof at the principal corporate trust office of the Note Registrar together with a written instrument of transfer satisfactory to the Note Registrar duly executed by the registered owner or by his duly authorized attorney, and thereupon a new registered note or notes, in the authorized denominations of \$5,000 or any integral multiple thereof and of the same aggregate principal amount, maturity and interest rate as this note shall be issued to the transferee in exchange therefor. In like manner, this note may be exchanged for an equal aggregate principal amount of notes of the same maturity and interest rate and of any of such authorized denominations. The City or the Note Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange of this note. No other charge shall be made for the privilege of making such transfer or exchange. The City and the Note Registrar may treat and consider the person in whose name this note is registered as the absolute

owner hereof for the purpose of receiving payment of, or on account of, the principal, premium, if any, and the interest due hereon and for all other purposes whatsoever.]

This note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been duly executed by the Note Registrar.

It is hereby certified, recited and declared that all acts, conditions and things required to be done, exist and be performed precedent to and in the issuance of this note in order to make it a legal, valid and binding obligation of the City have been done, exist and have been performed in regular and due time, form and manner as required by law, that a direct, annual, irrevocable tax has been levied by the City sufficient to pay the interest when it falls due and also to pay and discharge the principal at maturity, and that the series of notes of which this note is one, together with all other indebtedness of the City, is within every debt or other limit prescribed by law.

IN WITNESS WHEREOF, the CITY OF MADISON has caused this note to be executed in its name and on its behalf by the manual or facsimile signatures of its Mayor and its City Clerk, and its corporate seal, or a facsimile thereof, to be hereunto affixed or otherwise reproduced hereon.

CITY OF MADISON

Mayor

(SEAL)

City Clerk

CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This note is one of the [Taxable General Obligation Promissory Notes, Series 2010-A (Recovery Zone Economic Development Bonds)] [Taxable General Obligation Promissory Notes, Series 2010-B (Build America Bonds – Direct Pay)] [Taxable General Obligation Refunding Bonds, Series 2010-C] [Taxable General Obligation Promissory Notes, Series 2010-D] [General Obligation Promissory Notes, Series 2010-E], described in the within-mentioned resolutions.

U.S. BANK NATIONAL ASSOCIATION, as
Note Registrar

By _____
Authorized Officer

ASSIGNMENT

For value received the undersigned sells, assigns and transfers unto _____ the within note and hereby irrevocably constitutes and appoints _____ attorney to transfer the said note on the books kept for registration thereof, with full power of substitution in the premises.

Dated _____

Signature Guarantee

Section 6. Transfer, Exchange and Registry. The Notes shall be negotiable, subject to the provisions for registration of transfer contained herein. Each Note shall be transferable only upon the registration books maintained by the City for that purpose at the principal corporate trust office of the note registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the note registrar and duly executed by the registered owner or his duly authorized attorney. Upon the surrender for transfer of any such Note, the City shall execute and the note registrar shall authenticate and deliver a new Note or Notes registered in the name of the transferee, of the same aggregate principal amount, maturity and interest rate as the surrendered Note. Notes, upon surrender thereof at the principal corporate trust office of the note registrar, with a written instrument satisfactory to the note registrar, duly executed by the registered owner or his attorney duly authorized in writing, may be exchanged for an equal aggregate principal amount of Notes of the same maturity and interest rate and of the denominations of \$5,000 or any integral multiple thereof

For every such exchange or registration of transfer of Notes, the City or the note registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. No other charge shall be made for the privilege of making such transfer or exchange.

The note registrar shall not be required to transfer or exchange any Note after notice of the redemption of all or a portion thereof has been mailed. The note registrar shall not be required to transfer or exchange any Note during a period of 15 days next preceding the mailing of a notice of redemption that could designate for redemption all or a portion of such Note.

The City and the note registrar may deem and treat the person in whose name any Note shall be registered upon the registration books as the absolute owner of such Note, whether such

Note shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of, premium, if any, or interest thereon and for all other purposes whatsoever, and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sums or sums so paid, and neither the City nor the note registrar shall be affected by any notice to the contrary.

In order to provide for the initial issuance of the Notes in a form that provides for a system of book-entry only transfers, the ownership of one fully registered Note for each maturity in the aggregate principal amount of such maturity shall be registered in the name of Cede & Co., as a nominee of The Depository Trust Company, New York, New York ("DTC"). In the event that the City determines that the system of book-entry only transfers through DTC (or a successor securities depository) is not in the best interests of the Beneficial Owners (as hereinafter defined) of the Notes or is burdensome to the City, the City may notify DTC, whereupon DTC will notify the DTC Participants (as hereinafter defined) of the availability through DTC of Note certificates. In such event, the City shall issue and the note registrar shall authenticate, transfer and exchange Note certificates as requested by DTC of like principal amount, series and maturity, in denominations of \$5,000 or any integral multiple thereof to the identifiable Beneficial Owners, in replacement of such Beneficial Owners' beneficial interests in the Notes. For the purposes of this paragraph, the term "Beneficial Owners" shall mean (a) those persons for whom DTC was created to hold their securities ("DTC Participants"), and (b) the persons for whom the DTC Participants acquire interests in the Notes as nominees.

Section 7. Note Registrar. The City has initially contracted with and designated U.S. Bank National Association, St. Paul, Minnesota, to serve as fiscal agent pursuant to Section 67.10(2), Wisconsin Statutes, and as note registrar. The City covenants that it shall at all times retain a bank, trust company or national banking association to act as note registrar with respect to the Notes, that it will maintain at the designated office of such note registrar a place where Notes may be presented for payment and registration of transfer or exchange and that it shall require that the note registrar maintain proper registration books and perform the other duties and obligations imposed upon it by this resolution in a manner consistent with the standards, customs and practices of the municipal securities business.

The note registrar shall signify its acceptance of the duties and obligations imposed upon it by this resolution by executing the certificate of authentication on any Note, and, by such execution, the note registrar shall be deemed to have certified to the City that it has all requisite power to accept, and has accepted, such duties and obligations not only with respect to the Note so authenticated but with respect to the Notes. The note registrar is the agent of the City and shall not be liable in connection with the performance of its duties except for its own negligence or default. The note registrar shall, however, be responsible for any representation in its certificate of authentication on the Notes.

The City may remove the note registrar at any time. In case at any time the note registrar shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the note registrar, or of its property, shall be appointed, or if any public officer shall take charge or control of the note registrar or of its property or affairs, the City covenants and agrees that it will thereupon appoint

a successor note registrar. The City shall mail notice of such appointment made by it to each registered owner of Notes within 20 days after such appointment.

Section 8. Sale of Notes. The sale of \$8,040,000 Taxable General Obligation Promissory Notes, Series 2010-A (Recovery Zone Economic Development Bonds), to Robert W. Baird & Co., Inc., Red Bank, New Jersey, at a price of \$8,050,764.00 and accrued interest to the date of delivery is hereby ratified and confirmed. A summary of the bids received and a copy of the successful bid are attached to this resolution.

The sale of \$25,080,000 Taxable General Obligation Refunding Notes, Series 2010-B (Build America Bonds – Direct Pay), to Robert W. Baird & Co., Inc., Red Bank, New Jersey, at a price of \$25,195,483.70 and accrued interest to the date of delivery is hereby ratified and confirmed. A summary of the bids received and a copy of the successful bid are attached to this resolution.

The sale of \$24,205,000 Taxable General Obligation Refunding Bonds, Series 2010-C, to Piper Jaffray & Co., Minneapolis, Minnesota, at a price of \$24,090,193.75 and accrued interest to the date of delivery is hereby ratified and confirmed. A summary of the bids received and a copy of the successful bid are attached to this resolution.

The sale of \$6,080,000 Taxable General Obligation Notes, Series 2010-D, to BMO Capital Markets, Chicago, Illinois, at a price of \$6,033,037.50 and accrued interest to the date of delivery is hereby ratified and confirmed. A summary of the bids received and a copy of the successful bid are attached to this resolution.

The sale of \$44,245,000 General Obligation Promissory Notes, Series 2010-E, to J.P. Morgan Securities LLC, New York, New York, at a price of \$47,919,048.70 and accrued interest to the date of delivery is hereby ratified and confirmed. A summary of the bids received and a copy of the successful bid are attached to this resolution.

Section 9. Borrowed Money Fund. The principal proceeds from the sale of the Series 2010-A Notes shall be paid into the City treasury and entered in a fund separate and distinct from all other funds, which fund shall be designated “Taxable General Obligation Promissory Notes, Series 2010-A, (Recovery Zone Economic Development Bonds), Borrowed Money Fund.” Money in said fund shall be used solely for the purposes for which the Series 2010-A Notes were issued, including repayment of any temporary loan or reimbursement of any temporary advance made in anticipation of the issuance of said Series 2010-A Notes.

The principal proceeds from the sale of the Series 2010-B Notes shall be paid into the City treasury and entered in a fund separate and distinct from all other funds, which fund shall be designated “Taxable General Obligation Promissory Notes, Series 2010-B (Build America Bonds – Direct Pay) Borrowed Money Fund.” Money in said fund shall be used solely for the purposes for which the Series 2010-B Notes were issued, including repayment of any temporary loan or reimbursement of any temporary advance made in anticipation of the issuance of said Series 2010-B Notes.

The principal proceeds from the sale of the Series 2010-C Notes shall be paid into the City treasury and entered in a fund separate and distinct from all other funds, which fund shall be

designated “Taxable General Obligation Refunding Bonds, Series 2010-C, Borrowed Money Fund.” Money in said fund shall be used solely for the purposes for which the Series 2010-C Notes were issued, including repayment of any temporary loan or reimbursement of any temporary advance made in anticipation of the issuance of said Series 2010-C Notes. If necessary, the City Comptroller is hereby authorized and directed to execute and deliver an escrow deposit agreement (the “Escrow Deposit Agreement”) relating to the refunding of the Prior Loan, and to transfer moneys from the Series 2010-C Borrowed Money Fund to the Escrow Fund established pursuant to the Escrow Deposit Agreement. The amount on deposit in the debt service funds relating to the Prior Loan (the “Prior Debt Service Fund”) to be deposited into the Escrow Fund under the Escrow Deposit Agreement, and any amount to be deposited into the Series 2010-C Debt Service Fund, shall be as determined by the City Comptroller.

The principal proceeds from the sale of the Series 2010-D Notes shall be paid into the City treasury and entered in a fund separate and distinct from all other funds, which fund shall be designated “Taxable General Obligation Promissory Notes, Series 2010-D.” Money in said fund shall be used solely for the purposes for which the Series 2010-D Notes were issued, including repayment of any temporary loan or reimbursement of any temporary advance made in anticipation of the issuance of said Series 2010-D Notes.

The principal proceeds from the sale of the Series 2010-E Notes shall be paid into the City treasury and entered in a fund separate and distinct from all other funds, which fund shall be designated “General Obligation Promissory Notes, Series 2010-E.” Money in said fund shall be used solely for the purposes for which the Series 2010-E Notes were issued, including repayment of any temporary loan or reimbursement of any temporary advance made in anticipation of the issuance of said Series 2010-E Notes.

Section 10. Tax Levy. For the purpose of paying the principal amounts of the Notes as the same shall mature, and to pay the interest thereon as the same shall come due, there is hereby levied, for each year in which any of the Notes shall be outstanding, direct, annual, irrevocable taxes in amounts fully sufficient to pay such principal and interest, and the specific amounts levied for each year are as follows:

Year of Levy	Amount of Principal and Interest
2010	No payments due in 2010
2011	\$13,712,228.63
2012	16,025,942.50
2013	15,548,795.00
2014	15,080,476.25
2015	11,169,095.00
2016	11,096,020.00
2017	8,465,427.50
2018	8,419,235.00
2019	8,366,135.00
2020	8,285,732.50
2021	2,621,932.50

2022	2,755,720.00
2023	2,888,000.00
2024	3,026,400.00
TOTAL	\$127,461,139.88

Interest or principal coming due at any time when there shall be insufficient funds on hand to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the taxes herein levied; and when said taxes shall have been collected, reimbursement shall be made to the said funds in the amounts thus advanced.

Section 11. Extension of Taxes. The amounts of taxes levied pursuant to Section 10 hereof shall be carried onto the tax roll by the City from year to year and collected as other taxes are collected; and such amounts may be reduced in any year only by any amount of surplus money in the Debt Service Fund created pursuant to Section 67.11, Wisconsin Statutes.

Section 12. Debt Service Fund. There is hereby created a fund to be known as “Taxable General Obligation Promissory Notes, Series 2010-A,(Recovery Zone Economic Development Bonds), Debt Service Fund” to be established and maintained in accordance with generally accepted accounting principles. Into this Debt Service Fund, there shall be deposited the following: (a) all premium and accrued interest from the sale of the Series 2010-A Notes; (b) all money raised by taxation pursuant to Section 10 hereof allocable to the Series 2010-A Notes; (c) any surplus in the Borrowed Money Fund created in Section 9 hereof for the Series 2010-A Notes; and (d) such additional amounts as may at any time be necessary to pay the principal of and interest on the Series 2010-A Notes as the same shall become due.

There is hereby created a fund to be known as “Taxable General Obligation Promissory Notes, Series 2010-B (Build America Bonds – Direct Pay), Debt Service Fund” to be established and maintained in accordance with generally accepted accounting principles. Into this Debt Service Fund, there shall be deposited the following: (a) all premium and accrued interest from the sale of the Series 2010-B Notes; (b) all money raised by taxation pursuant to Section 10 hereof allocable to the Series 2010-B Notes; (c) any surplus in the Borrowed Money Fund created in Section 9 hereof for the Series 2010-B Notes; and (d) such additional amounts as may at any time be necessary to pay the principal of and interest on the Series 2010-B Notes as the same shall become due.

There is hereby created a fund to be known as “Taxable General Obligation Refunding Bonds, Series 2010-C, Debt Service Fund” to be established and maintained in accordance with generally accepted accounting principles. Into this Debt Service Fund, there shall be deposited the following: (a) all premium and accrued interest from the sale of the Series 2010-C Bonds; (b) all money raised by taxation pursuant to Section 10 hereof allocable to the Series 2010-C Bonds; (c) any surplus in the Borrowed Money Fund created in Section 9 hereof for the Series 2010-C Bonds; and (d) such additional amounts as may at any time be necessary to pay the principal of and interest on the Series 2010-C Notes as the same shall become due.

There is hereby created a fund to be known as “General Obligation Promissory Notes, Series 2010-D, Debt Service Fund” to be established and maintained in accordance with

generally accepted accounting principles. Into this Debt Service Fund, there shall be deposited the following: (a) all premium and accrued interest from the sale of the Series 2010-D Notes; (b) all money raised by taxation pursuant to Section 10 hereof allocable to the Series 2010-D Notes; (c) any surplus in the Borrowed Money Fund created in Section 9 hereof for the Series 2010-D Notes; and (d) such additional amounts as may at any time be necessary to pay the principal of and interest on the Series 2010-D Notes as the same shall become due.

There is hereby created a fund to be known as “General Obligation Promissory Notes, Series 2010-E, Debt Service Fund” to be established and maintained in accordance with generally accepted accounting principles. Into this Debt Service Fund, there shall be deposited the following: (a) all premium and accrued interest from the sale of the Series 2010-E Notes; (b) all money raised by taxation pursuant to Section 10 hereof allocable to the Series 2010-E Notes; (c) any surplus in the Borrowed Money Fund created in Section 9 hereof for the Series 2010-E Notes; and (d) such additional amounts as may at any time be necessary to pay the principal of and interest on the Series 2010-E Notes as the same shall become due.

Section 13. Application and Investment of Note Proceeds. Following the sale of the Notes, the Mayor and City Clerk are hereby authorized and directed to cause the Notes to be printed, and to execute and deliver the Notes to the purchasers thereof upon payment therefor; and the principal proceeds from the sale of the Notes shall be used only for the purposes and in the manner required by law and by this resolution. The proceeds may be invested in the manner permitted by law, subject to the restrictions contained in the next succeeding section.

Section 14. Tax Covenants.

(a) The City shall not take, nor omit to take, any action that is lawful and within its power to take, which action or omission would cause interest on any Series 2010-E Note to become subject to federal income taxes in addition to federal income taxes to which interest on such Note is subject on the date of issuance thereof.

(b) The City shall not permit any of the proceeds of the Series 2010-A Notes, the Series 2010-B Notes or the Series 2010-E Notes (collectively, the “Tax Restricted Notes”), or any facilities financed with such proceeds, to be used in any manner that would cause any Tax Restricted Note to constitute a “private activity bond” within the meaning of Section 141 of the Internal Revenue Code of 1986 (the “Code”).

(c) The City shall not permit any of the proceeds of the Tax Restricted Notes or other moneys to be invested in any manner that would cause any Tax Restricted Note to constitute an “arbitrage bond” within the meaning of Section 148 of the Code.

(d) The City shall comply with the provisions of Section 148(f) of the Code relating to the payment of certain investment earnings at periodic intervals to the United States of America; provided, however, that such payment shall not be required to the extent the City receives an opinion of nationally recognized bond counsel (which opinion may be given in reliance upon a ruling or rulings of the Internal Revenue Service) to the effect that such payment is not necessary to preserve the exemption from federal income taxes of interest on the Series 2010-E Notes or to preserve the status of

the Series 2010-B Notes as both Build America Bonds within the meaning of Section 54AA(d) of the Code and Qualified Bonds within the meanings of Sections 54AA(g) and 6431 of the Code or to preserve the status of the Series 2010-A Bonds as Recovery Zone Economic Development Bonds within the meaning of Section 1400U-2 of the Code.

(e) The City hereby irrevocably elects to have Section 54AA(g) of the Code apply to the Series 2010-B Notes. In addition, the City represents that (i) the Series 2010-B Notes are “Build America Bonds” as defined in Section 54AA(d) of the Code, (ii) the Series 2010-B Notes will be issued prior to January 1, 2011, and (iii) 100% of the sale proceeds of the Series 2010-B Notes, less not more than 2% of such proceeds to be used to pay costs of issuance of said Series 2010-B Notes, will be used to pay capital expenditures on the improvements to be financed by the Series 2010-B Notes described in Section 1.

(f) The City hereby irrevocably elects to have Section 1400U-2 of the Code apply to the Series 2010-A Notes. In addition, the City represents that (i) the Series 2010-A Notes are “Recovery Zone Economic Development Bonds” as defined in Section 1400U-2 of the Code, (ii) the Series 2010-A Notes will be issued prior to January 1, 2011, and (iii) 100% of the sale proceeds of the Series 2010-A Notes, less not more than 2% of such proceeds to be used to pay costs of issuance of said Series 2010-A Notes, will be used to pay capital expenditures on the improvements to be financed by the Series 2010-A Notes described in Section 1, constituting “qualified economic development purposes” as defined in Section 1400U-2(c) of the Code.

Section 15. Continuing Disclosure. For the benefit of the beneficial owners of the Notes, the City covenants and agrees to provide an annual report containing certain financial information and operating data relating to the City and to provide notices of the occurrence of certain enumerated events, if material.

The annual report shall be filed with the Electronic Municipal Market Access System (“EMMA”) within 270 days after the close of the City’s fiscal year. The information to be contained in the annual report shall consist of the annual audited financial statement of the City and such additional information as noted in the Official Statement under the caption “CONTINUING DISCLOSURE.” Each annual audited financial statement will conform to generally accepted accounting principles applicable to governmental units and will be prepared in accordance with standards of the Governmental Accounting Standards Board. If audited financial statements are not available by the time the annual financial information must be provided, unaudited financial statements will be provided as part of the annual financial information, and the audited financial statements will be provided when and if available.

The City also covenants and agrees, for the benefit of the beneficial owners of the Notes, to provide timely notice to EMMA of any failure of the City to file any such annual report within the 270-day period and of the occurrence of any of the following events with respect to the Notes, if material: (a) principal and interest payment delinquencies; (b) non-payment-related defaults; (c) unscheduled draws on debt service reserves reflecting financial difficulties; (d) unscheduled draws on credit enhancements reflecting financial difficulties; (e) substitution of credit or liquidity providers, or their failure to perform; (f) adverse tax opinions or events

affecting the tax-exempt status of the Notes; (g) modifications to rights of Noteholders; (h) Note calls; (i) defeasances; (j) release, substitution or sale of property securing repayment of the Notes; and (k) rating changes.

It is found and determined that the City has agreed to the undertakings contained in this section in order to assist participating underwriters of the Notes and brokers, dealers and municipal securities dealers in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) promulgated under the Securities Exchange Act of 1934. The City Comptroller is authorized and directed to do and perform, or cause to be done or performed, for or on behalf of the City, each and every thing necessary to accomplish the undertakings of the City contained in this section for so long as said Rule 15c2-12(b)(5) is applicable to the Notes and the City remains an “obligated person” under the Rule with respect to the Notes.

The undertakings contained in this section may be amended by the City upon a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the obligated person, or type of business conducted, provided that (a) the undertaking, as amended, would have complied with the requirements of Rule 15(c)2-12(b)(5) at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances and (b) in the opinion of nationally recognized Note counsel selected by the City, the amendment does not materially impair the interests of the beneficial owners of the Notes.

Section 16. Defeasance and Payment of Notes.

(a) If the City shall pay or cause to be paid to the registered owners of a series of Notes the principal, premium, if any, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this resolution, then the pledge of taxes, securities and funds hereby pledged and the covenants, agreements and other obligations of the City to the registered owners and the beneficial owners of such Notes shall be discharged and satisfied.

(b) Any series of Notes, whether at or prior to the maturity or the redemption date of such Notes, shall be deemed to have been paid within the meaning of this Section if (i) in case any such Notes are to be redeemed prior to the maturity thereof, there shall have been taken all action necessary to call such Notes for redemption and notice of such redemption shall have been duly given or provision shall have been made for the giving of such notice, and (ii) there shall have been deposited in trust with a bank, trust company or national banking association acting as fiduciary for such purpose either (A) moneys in an amount which shall be sufficient, or (B) “Federal Obligations” as defined in paragraph (c) of this Section, the principal of and the interest on which when due will provide moneys which, together with any moneys on deposit with such fiduciary at the same time for such purpose, shall be sufficient to pay when due the principal of, redemption premium, if any, and interest due and to become due on said Notes on and prior to the applicable redemption date or maturity date thereof.

(c) As used in this Section, the term “Federal Obligations” means (i) noncallable, direct obligations of the United States of America, (ii) noncallable and

nonprepayable, direct obligations of any agency of the United States of America, which are unconditionally guaranteed by the United States of America as to full and timely payment of principal and interest, (iii) noncallable, nonprepayable coupons or interest installments from the securities described in clause (i) or clause (ii) of this paragraph, which are stripped pursuant to programs of the Department of the Treasury of the United States of America, or (iv) coupons or interest installments stripped from bonds of the Resolution Funding Corporation.

Section 17. Resolution To Constitute a Contract. The provisions of this resolution shall constitute a contract between the City and the owner or owners of the Notes. Any pledge made in this resolution and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the City shall be for the equal benefit, protection and security of the owners of any and all of the Notes of a series. All of the Notes of a series, regardless of the time or times of their issuance, shall be of equal rank without preference, priority or distinction of any of the Notes over any other thereof except as expressly provided in or pursuant to this resolution. This resolution shall constitute full authority for the issuance of the Notes, and to the extent that the provisions of this resolution conflict with the provisions of any other resolution of the City, the provisions of this resolution, as amended, shall control. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Section 18. Notice. The City Clerk is authorized to publish a notice of the issuance of the Notes as a class 1 notice pursuant to Section 893.77, Wisconsin Statutes.

Section 19. Official Intent. The City has determined to undertake certain capital improvements with respect to public infrastructure, information technology and economic development projects (collectively, the “Project”). The City anticipates that moneys, other than the proceeds of any outstanding debt of the City, will be expended by the City with respect to such capital improvements. The City reasonably expects to be reimbursed for such expenditures with proceeds of the City’s indebtedness. The maximum principal amount of indebtedness expected to be issued for the reimbursement of such expenditures is \$35,500,000. No funds from sources other than the debt referred to in Section 2 are, or are expected to be, reserved, allocated on a long-term basis, or otherwise set aside by the City or any entity controlled by the City pursuant to their budget or financial policies with respect to the expenditures mentioned in above. This declaration of official intent is consistent with the budgetary and financial circumstances of the City. A copy of this Intent Resolution shall be filed immediately in the office of the City Clerk and shall be made available for public inspection in the manner required by law. The sole purpose of this Intent Resolution is to serve as a declaration of official intent so as to satisfy the “official intent requirement” of Treasury Regulation Section 1.150-2.

Section 20. Effective Date. This resolution shall become effective immediately upon its passage, the public welfare requiring it.

Adopted this 21st day of September, 2010, by roll call vote as follows:

Ayes:

Nays:

Approved:

Mayor

(SEAL)

Attest:

City Clerk

CERTIFICATE

I, Maribeth Witzel-Behl, hereby certify that I am the qualified and acting City Clerk of the City of Madison, Wisconsin (the "City"), and that I am the legal custodian of the papers and records of the City, and as such officer I further certify that I have compared the attached resolution with the original minutes of the meeting of the Common Council of the City held on September 21, 2010, at which meeting a quorum was present and acting throughout, and that such resolution is a complete and correct copy of a resolution duly adopted at said meeting and awarding \$8,040,000 of the City's Taxable General Obligation Promissory Notes, Series 2010-A (Recovery Zone Economic Development Bonds), \$25,080,00 of the City's Taxable General Obligation Promissory Notes, Series 2010-B (Build America Bonds – Direct Pay), \$24,205,000 of the City's Taxable General Obligation Refunding Bonds, Series 2010-C, \$6,080,000 of the City's Taxable General Obligation Promissory Notes, Series 2010-D and \$44,245,000 of the City's General Obligation Promissory Notes, Series 2010-E.

I further certify that said resolution was approved by Mayor David J. Cieslewicz on September __, 2010, and that I recorded said resolution in the records kept in my office.

I further certify that notice to the public and to the official City newspaper and to those news media that have filed a written request for such notice, of the time, place and subject matter of the Common Council meeting of September 21, 2010, was given by the Mayor or his designee pursuant to Subchapter V of Chapter 19, Wisconsin Statutes, by posting a written notice thereof at a public bulletin board in the City Hall, and by such other means as was reasonably likely to apprise the members of the public and the news media thereof, all such notices having been given not less than 24 hours prior to the commencement of said meeting.

WITNESS my official signature and the corporate seal of the City this _____ day of September, 2010.

City Clerk

(SEAL)