

Date February 12, 2007

RESOLUTION DIRECTING THE ADVERTISEMENT FOR  
SALE OF \$4,675,000 GENERAL OBLIGATION  
REFUNDING BONDS, TAXABLE SERIES 2007A

WHEREAS, the City of Des Moines, Iowa is in need of funds to pay costs of refunding and refinancing of certain outstanding City indebtedness, consisting of the General Obligation Bonds, Taxable Series 1999B, dated June 1, 1999, an essential corporate purpose project, and it is deemed necessary and advisable that the City issue general obligation refunding bonds for said purposes as authorized by Section 384.25 of the City Code of Iowa;

WHEREAS, this Council has ordered that notice be published as required by Section 384.25 of the City Code of Iowa, of a public meeting and hearing to be held on February 26, 2007, upon the proposal to institute proceedings for the issuance of General Obligation Refunding Bonds for the aforesaid essential corporate purpose and it is deemed necessary that the bonds be advertised for public sale to be held shortly after the date of the hearing in the event that this Council shall determine to proceed with the issuance of the Bonds;

WHEREAS, a preliminary form of Official Statement has been prepared for the purpose of offering the Bonds for sale to the public; and

WHEREAS, it is appropriate that the form of the preliminary Official Statement be approved and deemed final and, upon completion of the same, that the preliminary Official Statement be used in connection with the offering of the Bonds for sale to the public; and

WHEREAS, the Council has received information from its Financial Consultant evaluating and recommending the procedure hereinafter described for electronic, facsimile and internet bidding to maintain the integrity and security of the competitive bidding process and to facilitate the delivery of bids by interested parties; and

Date February 12, 2007

WHEREAS, the Council deems it in the best interests of the City and the residents thereof to receive bids to purchase such Bonds by means of both sealed and electronic internet communication.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DES MOINES, IOWA:

Section 1. That the receipt of electronic bids through the PARITY® competitive bidding system described in the Notice of Bond Sale are hereby found and determined to provide reasonable security and to maintain the integrity of the competitive bidding process, and to facilitate the delivery of bids by interested parties in connection with the offering of the Bonds at public sale.

Section 2. That the preliminary Official Statement in the form presented to this meeting be and the same hereby is approved as to form and deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission, subject to such revisions, corrections or modifications as the Finance Director/Treasurer, upon the advice of bond counsel and the City's financial consultant, shall determine to be appropriate, and is authorized to be distributed thereafter in connection with the offering of the Bonds for sale.

Section 3. That the Clerk be and is hereby directed to publish a notice of sale of said Bonds at least once, not less than four clear days nor more than twenty days before the date of the sale. Publication shall be made in The Des Moines Register, a legal newspaper, printed wholly in the English language, published within the county in which the Bonds are to be offered for sale or an adjacent county. Said notice shall be given pursuant to Chapter 75 of the Code of Iowa, and shall state that this Council, on the 28th day of February, 2007, will hold a meeting to receive and act upon bids for said Bonds; said notice to be in substantially the following form:

Date February 12, 2007

NOTICE OF BOND SALE

Time and Place of Sealed Bids: Sealed bids for the sale of Bonds of the City of Des Moines, Iowa, will be received at the office of the Finance Director/Treasurer, City Hall, 400 Robert D. Ray Drive, in the City of Des Moines, Iowa (the "Issuer") at 11:00 o'clock A.M., on the 28th day of February, 2007. The bids will then be publicly opened and referred for action to the meeting of the City Council as stated below.

Manner of Bidding: Open bids will not be received. Bids will be received in any of the following methods:

- Sealed Bidding: Sealed bids may be submitted and will be received at the office of the Finance Director/Treasurer, City Hall, Des Moines, Iowa.
- Electronic Internet Bidding: Electronic internet bids will be received at the office of the Finance Director/Treasurer, Des Moines, Iowa. The bids must be submitted through the PARITY® competitive bidding system.

Consideration of Bids: After the time for receipt of bids has passed, the close of sealed bids will be announced. Sealed bids will then be publicly opened and announced. Finally, electronic internet bids will be accessed and announced.

Sale and Award: The sale and award of the Bonds will be held at the Council Chambers, City Hall, at a meeting of the City Council on the above date at 4:30 o'clock P.M.

Date February 12, 2007

The Bonds: The Bonds to be offered are the following:

GENERAL OBLIGATION REFUNDING BONDS,  
TAXABLE SERIES 2007A, in the amount of \$4,675,000, to  
be dated the date of delivery (the "Bonds").

Principal Adjustment: The Issuer reserves the right to increase or decrease the aggregate principal amount of the issue in such amount as it determines necessary to effect the refunding of the Issuer's General Obligation Bonds, Taxable Series 1999B; provided, however, that the maximum principal amount of the Bonds shall not exceed \$5,000,000. Any such change will be in increments of \$5,000 and may be made in any of the maturities. The purchase price of the issue will be adjusted proportionately to reflect any change in issue size.

Official Statement: The Issuer has issued an Official Statement of information pertaining to the Bonds to be offered, including a statement of the Terms of Offering and an Official Bid Form, which is incorporated by reference as a part of this notice. The Official Statement may be obtained by request addressed to the Finance Director/Treasurer, City Hall, 400 Robert D. Ray Drive, Des Moines, Iowa 50309 (telephone: 515/283-4844) or the financial consultant to the City, Public Financial Management, Inc., 2600 Grand Avenue, Des Moines, Iowa 50312 (telephone: 515/243-2600).

Terms of Offering: All bids shall be in conformity with and the sale shall be in accord with the Terms of Offering as set forth in the Official Statement.

Legal Opinion: Said Bonds will be sold subject to the opinion of Ahlers & Cooney, P.C., Attorneys of Des Moines, Iowa, as to the legality and their opinion will be furnished together with the printed Bonds without cost to the purchaser and all bids will be so conditioned. Except to the extent necessary to issue their opinion as to the legality of the Bonds, the attorneys will not examine or review or express any opinion with respect to the accuracy or completeness of documents, materials or statements made or furnished in connection with the sale, issuance or marketing of the Bonds. The opinion will be printed on the back of the Bonds.

★ Roll Call Number

Agenda Item Number

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.....  
Date.....  
February 12, 2007

Rights Reserved: The right is reserved to reject any or all bids, and to waive any irregularities as deemed to be in the best interests of the public.

By order of the City Council of the City of Des Moines, Iowa.

\_\_\_\_\_  
City Clerk of the City of Des Moines, Iowa

Published in The Des Moines Register on \_\_\_\_\_, 2007.

(End of Notice)

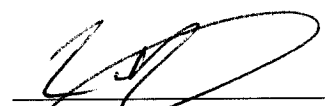
★ Roll Call Number

Agenda Item Number

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February 12, 2007  
Date

Moved by: \_\_\_\_\_ to adopt.

Form approved:   
Deputy City Attorney

DCORNELL\522810.1\WP\10387000

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
HENSLEY				
KIERNAN				
MAHAFFEY				
MEYER				
VLASSIS				
TOTAL				
MOTION CARRIED	APPROVED			

**CERTIFICATE**

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

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\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

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# AHLERS & COONEY, P.C.

ATTORNEYS AT LAW  
100 COURT AVENUE • SUITE 600  
DES MOINES, IOWA 50309-2231  
PHONE 515-243-7611  
FAX: 515-243-2149  
WWW.AHLERSLAW.COM

WILLIAM J. NOTH  
WNOTH@AHLERSLAW.COM

Direct Dial:  
(515)246-0332

February 1, 2007

Mr. Allen McKinley  
Finance Director/Treasurer  
City of Des Moines  
400 Robert D. Ray Drive  
Des Moines, Iowa 50309

RE: \$4,675,000 General Obligation Refunding Bonds, Taxable Series 2007A

Dear Mr. McKinley:

I am enclosing a suggested Roll Call to direct the advertisement for sale of General Obligation Refunding Bonds, Taxable Series 2007A. The Roll Call has been prepared on the assumption that it will be considered at the February 12th meeting of the Council.

The form of Notice of Bond Sale approved in the Roll Call assumes that bids will be received at 11:00 A.M. on February 28th and considered by the Council at a special meeting to be held at 4:30 P.M. on that date. Please let me know if any of those details need to be revised.

The Notice provides that the final principal amount of the Bonds can be adjusted prior to or at the time of sale, although the final principal amount cannot exceed \$5,000,000. This permits the most advantageous amount to be sold in order to accomplish the refunding.

The Roll Call also approves the use of the Preliminary Official Statement, subject to such revisions you may make to the current draft. The latest draft of the same should therefore be provided to the Council for its review.

The Notice of Bond Sale must be published at least one time in a newspaper published in the County where the Bonds are offered for sale. The Bond sale may be held at any time, but not less than four days following the date of the last publication.

February 1, 2007

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The Roll Call assumes that your financial consultant has recommended to the Council that electronic bidding procedures be utilized for this bond sale. Based upon this recommendation, the Iowa Code requires that the Council make a finding that the recommended procedure will provide reasonable security and maintain the integrity of the competitive bidding process and facilitate the delivery of bids by interested parties under the circumstances of the particular sale. The Roll Call has been prepared on the assumption that the Council will agree with the recommendation and make the necessary findings.

As always, we would appreciate having a certified copy of the enclosed Roll Call returned to us following the Council's action for our transcript of the action taken.

If you have any questions concerning the enclosed proceedings, please don't hesitate to contact me.

Yours very truly,



William J. Noth

WJN:dc

encl.

cc: Diane Rauh (w/originals)  
Larry McDowell  
Jon Burmeister

DCORNELL\523310.1\WP\10387207