

NEW ISSUES

Ratings: AA

In the opinion of Briggs and Morgan, Professional Association, Bond Counsel, based on present federal and Minnesota laws, regulations, rulings and decisions, at the time of their issuance and delivery to the original Purchaser(s), interest on the Obligations is excluded from gross income for purposes of United States income tax and is excluded, to the same extent, in computing both gross and taxable net income for purposes of State of Minnesota income tax (other than Minnesota franchise taxes measured by income and imposed on corporations and financial institutions). Interest on the Obligations is not an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations and is not taken into account in determining adjusted current earnings for the purpose of computing the federal alternative minimum tax imposed on corporations. No opinion will be expressed by Bond Counsel regarding other state or federal tax consequences caused by the receipt or accrual of interest on the Obligations or arising with respect to ownership of the Obligations. See "Tax Exemption" and "Other Federal and State Tax Considerations" herein.

City of Hastings, Minnesota

\$1,185,000*

\$285,000*

**General Obligation Improvement Bonds,
Series 2010B
(the "Bonds")**

**General Obligation Equipment Certificates
of Indebtedness, Series 2010C
(the "Certificates")**

(collectively referred to as the "Obligations" or the "Issues")

(Book Entry Only)

Dated Date: November 1, 2010

**Interest Due: Each February 1 and August 1,
commencing August 1, 2011**

The **Bonds** will mature February 1 as follows:

2013	\$120,000	2015	\$115,000	2017	\$115,000	2019	\$120,000	2021	\$120,000
2014	\$120,000	2016	\$115,000	2018	\$120,000	2020	\$120,000	2022	\$120,000

The City may elect on February 1, 2020, and on any day thereafter, to prepay the Bonds due on or after February 1, 2021 at a price of par plus accrued interest.

The **Certificates** will mature February 1 as follows:

2012	\$55,000	2013	\$55,000	2014	\$55,000	2015	\$60,000	2016	\$60,000
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The Certificates will not be subject to payment in advance of their respective stated maturity dates.

Proposals for the Obligations may contain a maturity schedule for a combination of serial bonds and term bonds. All term bonds shall be subject to mandatory sinking fund redemption at a price of par plus accrued interest to the date of redemption and must conform to the respective maturity schedule set forth above.

The Obligations will be general obligations of the City for which the City pledges its full faith and credit and power to levy direct general ad valorem taxes. Additional sources of revenues pledged to the payment of the Bonds are described herein.

A separate proposal must be submitted for each Issue, along with a good faith deposit in the form of a certified or cashier's check payable to the order of the City, a wire transfer, or a Financial Surety Bond, and delivered to Springsted Incorporated prior to the time proposals are opened. Bidders shall specify rates in integral multiples of 5/100 or 1/8 of 1%. Rates for the Obligations are not required to be in level or ascending order; however, the rate for any maturity cannot be more than 1% lower than the highest rate of any of the preceding maturities. Award of each Issue will be made on the basis of True Interest Cost (TIC).

	<u>Minimum Bid</u>	<u>Good Faith</u>
The Bonds	\$1,175,520	\$11,850
The Certificates	279,585	2,850

The City will designate the Obligations as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, and the Obligations will not be subject to the alternative minimum tax for individuals.

The Obligations will be issued as fully registered Obligations without coupons and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository for the Obligations. Individual purchases may be made in book entry form only, in the principal amount of \$5,000 and integral multiples thereof. Investors will not receive physical certificates representing their interest in the Obligations purchased. (See "Book Entry System" herein.) Wells Fargo Bank, National Association, Minneapolis, Minnesota will serve as registrar (the "Registrar") for the Obligations. Obligations will be available for delivery on or about November 4, 2010.

* Preliminary; subject to change.

PROPOSALS RECEIVED: October 4, 2010 (Monday) until 10:30 A.M., Central Time
AWARD: October 4, 2010 (Monday) at 7:00 P.M., Central Time

