



October 25, 2023

Terry Jeffrey
District Administrator
Riley Purgatory Bluff Creek Watershed District
18681 Lake Drive E.
Chanhassen, MN 55317

RE: Engagement of Northland Securities as Placement Agent

Dear Terry:

The purpose of this letter is to comply with federal regulations. Federal security regulations require you to affirmatively engage Northland Securities before we can provide you with advice on the issuance of municipal securities acting in the capacity of placement agent. This letter establishes the engagement.

The Riley Purgatory Bluff Creek Watershed District (the "Issuer") seeks to engage Northland Securities to serve as placement agent, and not as a financial advisor or municipal advisor, in connection with the issuance of General Obligation Temporary Bond, Series 2023A (the "Issue"). This engagement applies solely to the Issue. The engagement is nonbinding. The Issuer is under no obligation to undertake the Issue. The Issuer may determine not to undertake a private placement and to engage Northland in a role other than a placement agent.

The Issuer desires Northland to provide all of the services needed to create and execute a plan to privately place the Issue, including:

1. Advice regarding the structure, timing, terms, and other similar matters (including actions needed to authorize the issuance) of the Issue.
2. Assistance in the preparation of a placement term sheet.
3. Assistance with the closing of the Issue, including discussion with respect to all documents, certificates, and opinions needed for such closing.
4. Coordination with respect to the registration of the Issue as typewritten bonds.
5. Preparation of post-sale reports for such municipal securities.

In acting as placement agent, Northland has a duty under rules of the Municipal Securities Rulemaking Board (MSRB) to make certain disclosures to the Issuer concerning its role, its compensation, and actual or potential material conflicts of interest. In engaging Northland in this capacity, the Issuer should be aware of the following:

1. Acting as placement agent for the Issue, Northland will provide advice to the Issuer with respect to the structure, timing, terms, and other similar matters concerning the Issue. The Issuer is responsible for understanding and assessing the implications of the Issue.
2. Northland will arrange for the placement of the Issue in an arm's-length commercial transaction with the Issuer. In this process, Northland is required to deal fairly at all times with both the Issuer and the purchaser of the Issue (the "Purchaser"). Northland has a duty

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to place the Issue with a Purchaser who will purchase the Issue from the Issuer at a fair and reasonable price, but must balance that duty with its duty to place municipal securities with the Purchaser at a price that is fair and reasonable.

3. Under federal securities laws Northland does not have a legal fiduciary duty to the Issuer (unlike a municipal advisor) and is, therefore, not required by federal law to act in the best interests of the Issuer without regard to its own financial or other interests. Northland has financial and other interests that differ from those of the Issuer.
4. The Issuer may choose to engage the services of a municipal advisor with a fiduciary obligation to represent the Issuer's interest in this transaction.
5. Northland will coordinate the issuance process including closing and delivery of proceeds.
6. Depending on the structure of the transaction that the Issuer decides to pursue, Northland will disclose any additional potential or actual material conflicts, inclusive of any dealer specific or complex financing disclosures, related to this engagement. We will seek your acknowledgement of receipt of any such additional disclosures.
7. Northland is a registered broker-dealer, and its affiliates are engaged in securities activities, as well as providing investment banking, asset management, financing, financial advisory services and other commercial and investment banking products and services to a wide range of corporations and individuals. In the ordinary course of their respective businesses, Northland and its affiliates have engaged, and may in the future engage, in transactions with, and perform services for, the Issuer and its affiliates for which they received or will receive customary fees and expenses. In addition, Northland and its affiliates may currently have and may in the future have investment and commercial banking, trust, and other relationships with parties that may relate to assets of, or be involved in the issuance of securities and/or instruments by, the Issuer and its affiliates.
8. Northland's compensation is based on the size of the Issue and is contingent on the closing of the Issue (see below). The MSRB has identified this means of compensation as presenting a conflict of interest, because it may cause Northland to recommend a transaction that it is unnecessary or to recommend that the size of the transaction be larger than is necessary.

For serving as placement agent with respect to the Issue, Northland shall be paid a placement fee based on the total par amount of the Issue. A "not to exceed" amount for the placement fee will be determined when the actual terms of the Issue have been set and therefore compensation is not included as part of this letter. The compensation due to Northland shall be deducted from proceeds at closing.

Northland agrees to pay the following expenses from its fee:

- Out-of-pocket expenses such as travel, long distance phone, and copy costs.
- Preparation of the bond transcript.

The Issuer agrees to pay for all other expenses related to the processing of the Issue including, but not limited to, the following:

- Engineering and/or architectural fees.
- Publication of legal notices.
- Bond counsel and local attorney fees.
- Fees for various debt certificates.
- Issuer staff expenses.

- Accounting and other related fees.

It is expressly understood that there is no obligation on the part of the Issuer under the terms of this engagement to undertake the Issue. If not issued, Northland agrees to pay its own expenses and receive no fee for any services it has rendered.

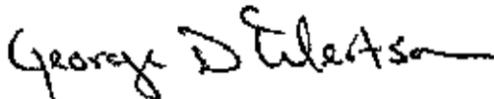
You have been identified by the Issuer as a primary contact for the Issuer's receipt of these disclosures. It is our understanding that you are not a party to any disclosed conflict of interest relating to the transaction and have the authority to bind the Issuer by contract with us. If our understanding is incorrect, please notify us immediately.

If you or any other Issuer officials have any questions or concerns regarding these disclosures, please make those questions or concerns known immediately to Northland. In addition, you should consult with your own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate.

We look forward to working with you on this Issue. I would be happy to discuss this letter, these disclosures, our relationship with the Issuer for the Issue, or other aspects of applicable federal securities regulations.

To engage Northland Securities as placement agent for the Issue as described in this letter, please sign and return this letter. In signing this letter, the Issuer acknowledges and accepts the representations made in this letter.

Sincerely,



George Eilertson
Managing Director

Engagement of Northland Securities as placement agent and receipt of related disclosures acknowledged by the Riley Purgatory Bluff Creek Watershed District.

Date: _____

Signature: _____

Name: _____

Title: _____

**SERVICES AGREEMENT BETWEEN
RILEY PURGATORY BLUFF CREEK WATERSHED DISTRICT and
NORTHLAND SECURITIES, INC.**

This Agreement is entered into between the Riley Purgatory Bluff Creek Watershed District, a public body with powers set forth at Minnesota Statutes chapters 103B and 103D (RPBCWD), and Northland Securities, Inc., Northland Securities, Inc., a private Minnesota corporation and subsidiary of Northland Capital Holdings, Inc. First National of Nebraska, Inc., is the parent company of Northland Capital Holdings, Inc. (“CONSULTANT”). In consideration of the mutual terms and conditions set forth herein, including the obligations of mutual consideration, the sufficiency of which is hereby acknowledged, RPBCWD and CONSULTANT agree as follows:

1. Services

CONSULTANT will perform the work described in the Services to be Provided by Northland section of the Municipal Advisory Service Agreement dated November 3, 2023, attached hereto as Exhibit A and incorporated herein (“MASA”). The RPBCWD, at its discretion, in writing may terminate the services of CONSULTANT with seven (7) days’ notice as provided in the MASA. .

2. Independent Contractor

CONSULTANT is an independent contractor under this Agreement. CONSULTANT will select the means, method and manner of performing the Services. Nothing herein contained is intended or should be construed to constitute CONSULTANT as the agent, representative or employee of the RPBCWD in any manner. Personnel performing the Services on behalf of CONSULTANT will not be considered employees of the RPBCWD and are not entitled to any compensation, rights or benefits of any kind from the RPBCWD.

3. Subcontract and Assignment

CONSULTANT will not assign, subcontract or transfer any obligation or interest in this Agreement or any of the Services without the written consent of the RPBCWD and only in accordance with any conditions of that consent.

4. Standard of Care; Indemnification

CONSULTANT will perform the Services with due care and in accordance with applicable professional standards. CONSULTANT will indemnify, defend and hold harmless the RPBCWD, its board members, employees and agents from any and all actions, costs, damages and liabilities of any nature to the degree they are the result of CONSULTANT's negligence, including professional negligence, or other action or inaction by CONSULTANT that is the basis for CONSULTANT's liability in law or equity.

5. Compensation

The RPBCWD will compensate CONSULTANT for the Services in accordance with Exhibit A.

CONSULTANT will maintain the books, records, documents, and accounting procedures and practices relevant to this Agreement for a minimum of six years for examination by the RPBCWD or the state auditor.

6. Term and Termination

This Agreement is effective when fully executed by the parties. It terminates sixty (60) days following the closing date related to the issuance of the Debt, unless earlier terminated as set forth herein. This Agreement may be terminated by seven (7) days written notice by either party.

7. No Waiver

Notwithstanding any other term of this Agreement, the RPBCWD waives no immunities in tort. This Agreement creates no right in and waives no immunity, defense or limitation on liability with respect to any third party.

8. Insurance

At all times during the term of this Agreement, CONSULTANT will have and keep in force the following insurance coverages:

A. General liability: \$1.5 million each occurrence and aggregate, on an occurrence basis. Limits can be reached through a combination of primary and excess (umbrella) layers of insurance.

B. Workers' compensation: in accordance with legal requirements applicable to CONSULTANT.

CONSULTANT will not commence work until it has filed with the RPBCWD a certificate of insurance clearly evidencing the required coverages and naming the RPBCWD as an additional insured with primary coverage for general liability on a non-contributory basis, as well as a copy of the additional insured endorsement. The certificate will name the RPBCWD as a holder. RPBCWD will receive written notice from CONSULTANT before cancellation, nonrenewal or a material change in any described policy under the same terms as CONSULTANT.

9. Compliance with Laws

CONSULTANT will comply with the laws and requirements of all federal, state, local and other governmental units in connection with performing the Services, and will procure all licenses, permits and other rights necessary to perform the Services.

In performing the Services, CONSULTANT will ensure that no person is excluded from full employment rights or participation in or the benefits of any program, service or activity on the ground of race, color, creed, religion, age, sex, disability, marital status, sexual orientation, public assistance status or national origin; and no person who is protected by applicable federal or state laws, rules or regulations against discrimination otherwise will be subjected to discrimination.

10. Data

All data obtained or generated by CONSULTANT in performing the Services, including documents in hard and electronic copy, software, and all other forms in which the data are contained, documented or memorialized, are the property of the RPBCWD. CONSULTANT retains a nonexclusive license to use the materials and may publish or use the materials in its professional activities.

Any CONSULTANT warranty under this agreement does not extend to any party other than the RPBCWD or to any use of the materials by the RPBCWD other than for the purpose(s) for which CONSULTANT is compensated under this Agreement.

11. Data Practices; Confidentiality

If CONSULTANT receives a request for data pursuant to the Data Practices Act, Minnesota Statutes chapter 13 (DPA), that may encompass data (as that term is defined in the DPA) CONSULTANT possesses or has created as a result of this agreement, it will inform the RPBCWD immediately and transmit a copy of the request. If the request is addressed to the RPBCWD, CONSULTANT will not provide any information or documents, but will direct the inquiry to the RPBCWD. If the request is addressed to CONSULTANT, CONSULTANT will be responsible to determine whether it is legally required to respond to the request and otherwise what its legal obligations are, but will notify and consult with the RPBCWD and its legal counsel before replying. Nothing in the preceding sentence supersedes CONSULTANT's obligations under this agreement with respect to protection of RPBCWD data, property rights in data or confidentiality. Nothing in this section constitutes a determination that CONSULTANT is performing a governmental function within the meaning of Minnesota Statutes section 13.05, subdivision 11, or otherwise expands the applicability of the DPA beyond its scope under governing law.

12. Equipment and Supplies

CONSULTANT will provide all equipment and supplies used in performance of the Services.

13. Continuation of Obligation

Insurance obligations; warranties and obligations to defend, indemnify and hold harmless; and requirements concerning preservation and maintenance of documents will survive completion of the Services and the term of this Agreement.

14. Notices

Any written communication required under this Agreement to be provided in writing will be directed to the other party as follows:

To RPBCWD:

Administrator

Riley Purgatory Bluff Creek Watershed District
18681 Lake Drive East
Chanhassen MN 55317

To CONSULTANT:

Either of the above individuals may in writing designate another individual to receive communications under this Agreement.

15. Whole Agreement

The entire agreement between the two parties is contained herein and this Agreement supersedes all oral agreements and negotiations relating to the subject matter hereof. Any modification of this Agreement, including the MASA (Exhibit A) is valid only when reduced to writing as an amendment to the Agreement and signed by the parties hereto.

16. Time Is of the Essence

Time is of the essence in performing the Services.

IN WITNESS WHEREOF, intending to be legally bound, the parties hereto execute and deliver this Agreement.

NORTHLAND SECURITIES, INC.

**RILEY PURGATORY BLUFF CREEK
WATERSHED DISTRICT**

By _____
Its _____

By _____
Its _____

Date:

Date:

APPROVED as to FORM & EXECUTION

RPBCWD Attorney

Date:

**MUNICIPAL ADVISORY SERVICE AGREEMENT
BY AND BETWEEN
THE RILEY PURGATORY BLUFF CREEK WATERSHED DISTRICT, MINNESOTA
AND
NORTHLAND SECURITIES, INC.**

This Agreement is made and entered into by and between the Riley Purgatory Bluff Creek Watershed District, Minnesota (hereinafter "Client") and Northland Securities, Inc., of Minneapolis, Minnesota (hereinafter "Northland").

WITNESSETH

WHEREAS, the Client desires to have Northland provide it with advice on the structure, terms, timing and other matters related to the issuance of the General Obligation Temporary Bonds, Series 2023A (the "Debt") serving in the role of municipal (financial) advisor, and

WHEREAS, Northland is a registered municipal advisor with both the Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB") (registration # 866-00082-00), and

WHEREAS, Northland will act as municipal advisor in accordance with the duties and responsibilities of Rule G-42 of the MSRB, and

WHEREAS, the MSRB provides a municipal advisory client brochure on its website (www.msrb.org) that describes the protections that may be provided by the MSRB rules, including professional competency, fair dealing, duty of loyalty, remedies for disputes and how to file a complaint with an appropriate regulatory authority, and

WHEREAS, the Client and Northland are entering into this Agreement to define the municipal advisory relationship at the earliest opportunity related to the inception of the municipal advisory relationship for the Debt, and

WHEREAS, Northland desires to furnish services to the Client as hereinafter described,

NOW, THEREFORE, it is agreed by and between the parties as follows:

SERVICES TO BE PROVIDED BY NORTHLAND

Northland shall provide the Client with services necessary to analyze, structure, offer for sale and close the Debt. The services will be tailored to meet the needs of this engagement and may include:

Planning and Development

1. Assist Client officials to define the scope and the objectives for the Debt.
2. Investigate and consider reasonably feasible financing alternatives.

3. Assist the Client in understanding the material risks, potential benefits, structure and other characteristics of the recommended plan for the Debt, including issue structure, estimated debt service payments, projected revenues, method of issuance, sale timing, and call provisions.
4. Prepare a schedule of events related to the issuance process.
5. Coordinate with bond counsel any actions needed to authorize the issuance of the Debt.
6. Attend meetings of the Client and other project and bond issue related meetings as needed and as requested.

Bond Sale

1. Distribute the Term Sheet and bid form to prospective bidders.
2. Directly contact potential bidders to assure bidding interest is established.
3. Assist the Client in receiving the bids, compute the accuracy of the bids received, and recommend to the Client the most favorable bid for award.
4. Coordinate with bond counsel the preparation of required contracts and resolutions.

Post-Sale Support

1. Coordinate the bond issue closing, including making all arrangements for bond printing, registration, and delivery.
2. Furnish to the Client a complete transcript of the transaction, if not provided by bond counsel.

There are no specific limitations on the scope of this agreement.

COMPENSATION

For providing these services with respect to the Debt, Northland shall be paid a lump sum of \$14,000. The fee due to Northland shall be payable by the Client upon the closing of the Bonds.

Northland agrees to pay the following expenses from its fee:

- Out-of-pocket expenses such as travel, long distance phone, and copy costs.
- Production and distribution of material to rating agencies and/or bond insurance companies.
- Preparation of the bond transcript.

The Client agrees to pay for all other expenses related to the processing of the bond issue(s) including, but not limited to, the following:

- Engineering and/or architectural fees.
- Publication of legal notices.
- Bond counsel and local attorney fees.
- Fees for various debt certificates.
- Client staff expenses.
- Accounting and other related fees.

It is expressly understood that there is no obligation on the part of the Client under the terms of this Agreement to issue the Debt. If the Debt is not issued, Northland agrees to pay its own expenses and receive no fee for any municipal advisory services it has rendered pursuant to this Agreement.

CONFLICTS OF INTEREST

Northland, as your Municipal Advisor, mitigates conflicts through its adherence to its fiduciary duty to the Client, which includes a duty of loyalty to the Client in performing all municipal advisory

activities for the Client. This duty of loyalty obligates Northland to deal honestly and with the utmost good faith with the Client and to act in the Client's best interests without regard to our own financial or other interests. In addition, because Northland is a broker-dealer with significant capital due to the nature of its overall business, the success and profitability of Northland is not dependent on maximizing short-term revenue generated from individualized recommendations to its clients but instead is dependent on long-term profitability built on a foundation of integrity, quality of service and strict adherence to its fiduciary duty. Furthermore, Northland's municipal advisory supervisory structure leverages our long-standing and comprehensive broker-dealer supervisory processes and practices, and provides strong safeguards against individual representatives of Northland potentially departing from our regulatory duties due to personal interests. The disclosures below describe, as applicable, any additional mitigations that may be relevant with respect to any specific conflict disclosed below.

Northland serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of the Client. For example, Northland serves as Municipal Advisor to other Municipal Advisory clients and, in such cases, owes a regulatory duty to such other clients just as it does to the Client under this Agreement. These other clients may, from time to time and depending on the specific circumstances, have competing interests, such as accessing the new issue market with the most advantageous timing and with limited competition at the time of the offering. In acting in the interests of its various clients, Northland could potentially face a conflict of interest arising from these competing client interests. In other cases, as a broker-dealer that engages in underwritings of new issuances of municipal securities by other municipal entities, the interests of Northland to achieve a successful and profitable underwriting for its municipal entity underwriting clients could potentially constitute a conflict of interest if, as in the example above, the municipal entities that Northland serves as underwriter or municipal advisor have competing interests in seeking to access the new issue market with the most advantageous timing and with limited competition at the time of the offering. However, none of these other engagements or relationships would impair Northland's ability to fulfill its regulatory duties to the Client.

The compensation for services provided in this Agreement is customary in the municipal securities market, however, it may pose a conflict of interest. The fees due under this Agreement are in a fixed amount established at the outset of the Agreement. The amount is usually based upon an analysis by Client and Northland of, among other things, the expected duration and complexity of the transaction and the Scope of Services to be performed by Northland. This form of compensation presents a potential conflict of interest because, if the transaction requires more work than originally contemplated, Northland may suffer a loss. Thus, Northland may recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives. This conflict of interest is mitigated by supervisory policies and procedures to ensure the scope of services within the transaction align with other comparable engagements. By executing this Agreement, the Client acknowledges and accepts the potential conflicts of interest posed by the compensation to Northland. Northland does not participate in any payments to be retained, nor participate in any fee splitting agreements or arrangements.

Northland is a subsidiary of Northland Capital Holdings, Inc. First National of Nebraska, Inc. ("FNNI"), is the parent company of Northland Capital Holdings, Inc., First National Capital Markets ("FNCM") and First National Bank of Omaha. FNCM, our affiliate, offers municipal advisory services. No compensation paid to Northland is shared with FNCM for its municipal advisory services. This conflict is also mitigated by the fact that FNCM is subject to its own comprehensive regulatory regime as an SEC Registered Municipal Advisor under the applicable regulations under which they operate.

Under FNNI, Northland and its affiliates are comprised of two securities firms and a commercial bank engaged in securities trading and brokerage activities. These entities provide investment banking, asset management, financing, financial advisory services and other commercial and investment banking products and services to a wide range of corporations and individuals. In addition, Northland and its affiliates currently have, and may in the future have, investment and commercial banking, trust, and other relationships with parties that may relate to assets of, or be involved in the issuance of securities and/or instruments by, the Client and its affiliates. In the ordinary course of their respective businesses, Northland and its affiliates have engaged, and may in the future engage, in transactions with, and perform services for, the Client and its affiliates for which they received or will receive customary fees and expenses.

Northland is also a broker-dealer that engages in a broad range of securities-related activities to service its clients, in addition to serving as a Municipal Advisor or Underwriter. Such securities-related activities, which may include but are not limited to the buying and selling of outstanding securities, including securities of the Client, may be undertaken on behalf of, or as counterparty to, the Client, and current or potential investors in the securities of the Client. These other Northland clients may, from time to time and depending on the specific circumstances, have interests in conflict with those of the Client, such as when their buying or selling of the Client's securities may have an adverse effect on the market for the Client's securities. However, any potential conflict arising from Northland effecting or otherwise assisting such other clients in connection with such transactions is mitigated by means of such activities being engaged in on customary terms through other business units of Northland that operate independently from Northland's Municipal Advisory business, thereby reducing or eliminating the likelihood that the interests of such other clients would have an impact on the services provided by Northland to the Client under this Agreement. Northland has policies and procedures in place to ensure that Northland as a broker-dealer is not participating in bidding or determining market prices for the Client's transaction that is covered under this Agreement.

Northland Trust Services, Inc. is a subsidiary of Northland Capital Holdings, Inc. Northland Trust Services provides paying agent services to issuers of municipal bonds. The Client is solely responsible for the decision on the source of paying agent services. Any engagement of Northland Trust Services is outside the scope of this Agreement. No compensation paid to Northland Trust Services is shared with Northland Securities.

Northland is not aware of any additional material conflicts of interest that could reasonably be anticipated to impair Northland's ability to provide advice to or on behalf of the Client in accordance with the standards of conduct for municipal advisors.

LEGAL AND DISCIPLINARY ACTIONS

The Client can find information about legal or disciplinary events reported by the Securities and Exchange Commission contained in Form MA or Form MA-I related to Northland at www.sec.gov/municipal/oms-edgar-links.

SUCCESSORS OR ASSIGNS

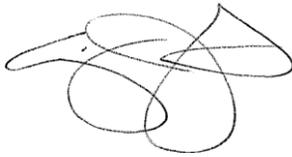
The terms and provisions of this Agreement are binding upon and inure to the benefit of the Client and Northland and their successors or assigns.

TERM OF THIS AGREEMENT

This Agreement may be terminated by seven (7) days written notice by either the Client or Northland and it shall terminate sixty (60) days following the closing date related to the issuance of the Debt.

Dated this 3rd day of November, 2023.

Northland Securities, Inc.



By: _____

Craig Jones, Managing Director

Riley Purgatory Bluff Creek Watershed District, Minnesota

By: _____

Its: _____