

NOTICE OF INTENT TO DISCUSS RESTRUCTURING OPTIONS

CUSIP #614491

TO: Wells Fargo Bank, National Association

RE: City of Monticello, Minnesota Telecommunication Revenue Bonds (Fibernet Monticello Project), Series 2008

This is to advise you of certain actions the City of Monticello (the "City") expects to take with respect to the above-captioned Bonds issued under the Trust Indenture dated as of June 1, 2008 (the "Indenture"), between the City and you, as trustee.

The Bonds are payable from the Net Revenues (as defined in the Indenture) of the telecommunications system (the "System") constructed by the City with the proceeds of the Bonds. The System is substantially complete and, as of December 31, 2011, the System was providing 1,002 voice lines, 1,423 internet data connections and 1,058 video connections.

Notwithstanding substantial completion of the System, revenues of the System are not sufficient to pay both operation costs and debt service payments on the Bonds. Deposits to the Debt Service Account under the Indenture have been current by reason of the capitalized interest deposit funded with Bond proceeds (through June 1, 2011) and supplemental payments from the City (from July 1, 2011, to date). Certain financial information for the System for the quarter ended December 31, 2011, is posted on EMMA. The City expects to post information for the quarter ended March 31, 2012, prior to April 30, 2012.

The City has no obligation to make supplemental payments and is considering whether to continue making supplemental payments after June 30, 2012. It is also studying operational changes which could be implemented to enhance Net Revenues in the future. None of the potential changes are likely to result in sufficient Net Revenues in the near term to fund required debt service payments.

As a result, the City is interested in engaging in discussions with Bondholders regarding a possible restructuring of the Bonds. Development of a restructuring plan is likely to have a bearing on whether the City determines to continue supplemental payments.

Please distribute this notice to Bondholders and advise us by the close of business on Friday, March 30, 2012 if you or specified Bondholders have an interest in engaging in such discussions and if so, what days and times would work for such a discussion.

Dated March 23, 2011

CITY OF MONTICELLO

By /s/ Jeff O'Neill
City Administrator