

FINANCE COMMITTEE

08-0745R

RESOLUTION OF THE CITY OF DULUTH, MINNESOTA, STATING THE INTENT TO ISSUE GENERAL OBLIGATION CAPITAL EQUIPMENT NOTES, SERIES 2009, AND APPROVING THE CAPITAL EQUIPMENT LIST ASSOCIATED WITH THE NOTES IN THE APPROXIMATE AMOUNT OF \$2,775,000.

CITY PROPOSAL:

BE IT RESOLVED, by the city council (the council) of the city of Duluth, Minnesota (the city), as follows:

Section 1. Under and pursuant to the provisions of Minnesota Statutes, sections 410.32 and 412.301 (the act), and Minnesota Statutes, Chapter 475, and the City Charter, the city is authorized to issue its general obligation capital equipment notes to provide funds to purchase capital equipment having an expected useful life at least as long as the term of the capital equipment notes.

Section 2. The council declares the intent of the city to issue capital equipment notes in 2009 in an amount up to \$2,691,000 to finance the purchase of capital equipment authorized by the act, together with an additional amount to pay costs of issuance of the certificates of indebtedness and discount in an amount estimated to be not more than \$84,000.

Section 3. The capital equipment to be financed includes those items of equipment set forth on the list (Public Document No. _____), which list of equipment is hereby approved for purchase in 2009.

Section 4. The terms and conditions of the capital equipment notes and the sale thereof shall be established by further resolution of the council.

Section 5. This resolution constitutes a declaration of official intent under Treasury Regulations Section 1.150-2. The city reasonably expects to acquire all or a portion of the capital equipment prior to the issuance of the capital equipment notes and to reimburse expenditures incurred with respect to

such capital equipment purchase program with the proceeds of the capital equipment notes.

Approved:

Approved for presentation to council:

Department Director

Chief Administrative Officer

Approved as to form:

Approved:

Attorney

Auditor

FINANCE RET:CW:rb 12/1/2008

STATEMENT OF PURPOSE: This resolution states the city's intent to issue general obligation capital equipment notes in 2009 to finance the purchase of capital equipment. It further approves the capital equipment list as items to be financed in 2009 in an amount up to \$2,691,000 plus an additional amount for costs of issuance and discount.