

FINANCE COMMITTEE

09-0562R

RESOLUTION APPROVING AN AMENDMENT TO THE 2009-2013 CAPITAL IMPROVEMENT PLAN AND STATING THE INTENT TO ISSUE GENERAL OBLIGATION CAPITAL IMPROVEMENT BONDS UNDER MINNESOTA STATUTES, SECTION 475.521, IN AN ADDITIONAL AMOUNT NOT TO EXCEED \$18,000,000.

CITY PROPOSAL:

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

Section 1. Capital improvement plan.

1.01 (a) Under and pursuant to Minnesota Statutes, Section 475.521 (the "act"), the city council approved, pursuant to Resolution No. 08-0744, adopted on December 15, 2008, a capital improvement plan for the years 2009 through 2013 which was presented to the city council in a document entitled "Capital Improvement Budget and Five Year Plan 2009-2013," dated November 2008 (the "plan");

(b) Amendments to the plan are necessary in order to provide for the construction and equipping of a new law enforcement center. There has been presented to the city council an amendment to the plan dated September 2009 (the "plan amendment");

(c) The city council has caused due notice to be given and on September 14, 2009, held a public hearing as required by the act, to provide an opportunity for residents to express their views on the plan amendment;

(d) The city council has considered the following for each project discussed in the plan amendment and for the overall plan:

- (1) The condition of the city's existing infrastructure, including the projected need for repair or replacement;
- (2) The likely demand for the improvement;
- (3) The estimated cost of the improvement;
- (4) The available public resources;
- (5) The level of overlapping debt in the city;
- (6) The relative benefits and costs of alternative uses

of the funds;

(7) Operating costs of the proposed improvements; and

(8) Alternatives for providing services more efficiently through shared facilities with other cities or local government units.

1.02 (a) Based on the considerations set forth in the plan amendment, in the overall plan and Section 1.01(d) hereof, the city council finds that the Plan, as amended by the plan amendment, is desirable and beneficial to the city and its residents.

(b) the city council finds that the proposed improvements under the plan, as amended by the plan amendment, will result in no unnecessary duplication of public facilities provided by other units of government in the region.

1.03 the plan, as amended by the plan amendment, is approved.

Section 2. Intent to issue bonds.

2.01 (a) Under and pursuant to the authority contained in the act, the city is authorized to issue general obligation capital improvement bonds to provide funds for capital improvements pursuant to the plan, as amended;

(b) The city council held a public hearing on September 14, 2009, on the city's intention to issue general obligation capital improvement bonds in 2009 in an additional amount not to exceed \$18,000,000 for the purposes set forth in the notice of public hearing. All persons who desired to speak at the public hearing were heard and written comments were accepted;

(c) The council hereby finds and determines that it is necessary, expedient, and in the best interests of the city's residents that the city issue, sell and deliver its general obligation capital improvement bonds, Series 2009 (the "bonds"), in an amount not to exceed \$18,000,000, for the purpose of providing funds for a public safety facility, consisting of constructing and equipping a new law enforcement center. The bonds are in addition to the \$1,800,000 general obligation capital improvement bonds

authorized to be issued pursuant to Resolution 09-0051.

Section 3. (a) The city clerk shall publish a notice of intent to issue the Bonds in substantially the form on file as Public Document No. _____ as soon as practicable following the public hearing in the official newspaper of the city;

(b) If, within 30 days after the date of adoption of this resolution, a valid petition is filed with the city clerk calling for a vote on the proposition of issuing the bonds signed by voters residing within the boundaries of the city equal to five percent of the votes cast in the city in the last general election, the bonds shall not be issued until the question of their issuance has been authorized by a majority of the voters voting on the question at the next general or special election called to decide the question.

Approved:

Approved for presentation to council:

Department Director

Chief Administrative Officer

Approved as to form:

Approved:

Attorney

Auditor

AUD WP:le 9/2/2009

STATEMENT OF PURPOSE: This resolution approves an amendment to the 2009-2013 capital improvement plan, and states the city's intent to issue general obligation capital improvement bonds in 2009, in an additional amount of \$18,000,000 for construction and equipping of a new law enforcement center.