

FINANCE COMMITTEE

09-0644R

RESOLUTION AUTHORIZING THE ISSUANCE AND PROVIDING FOR
THE SALE OF GENERAL OBLIGATION UTILITIES REVENUE BONDS,
SERIES 2009E.

CITY PROPOSAL:

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

(a) Authorization of bonds. It is hereby found, determined, and declared to be necessary, and in the best interests of the city and its residents, that the city should issue its approximately \$4,595,000 general obligation utilities revenue bonds, Series 2009E (the "bonds"), pursuant to Ordinance No. 9996, adopted September 28, 2009, Minnesota Statutes, Chapter 475, and Section 115.46 and 444.075, and Section 55 of the Home Rule Charter of the city for the payment of the costs of improvements to the municipal sewer utility and for the purpose of refunding the city's general obligation gas and sewer utilities revenue bonds, Series 2001F, dated December 1, 2001;

(b) Issuance and sale of bonds. The terms and conditions of the bonds and the sale thereof are set forth in the official terms of offering on file with the city clerk as Public Document No. _____. Each and all of the terms and provisions set forth in the official terms of offering are adopted and confirmed as the terms and conditions of the bonds and the sale thereof, and the city council shall meet at the time and place fixed herein to consider bids for the purchase of the bonds;

(c) Competitive sale of bonds. Public Financial Management, Inc., independent financial advisor to the city, is hereby authorized to provide the notice of the sale of the bonds in accordance with Minnesota Statutes, Section 475.60, subdivision 3, and in accordance with the official terms of offering;

(d) Subsequent resolution. The form, specifications and provisions for repayment of the bonds shall be set forth in a subsequent resolution of this city council.

Approved:

Approved for presentation to council:

Department Director

Chief Administrative Officer

Approved as to form:

Approved:

Attorney

Auditor

FINANCE RET:CW:rb 10/15/2009

STATEMENT OF PURPOSE: The purpose of this resolution is to authorize the issuance of general obligation utilities revenue bonds in the approximate amount of \$4,595,000 to provide funds necessary to make improvements to the municipal sewer utility (approximately \$935,000) and to refinance an outstanding City bond issue (approximately \$3,660,000). Based upon present interest rates (as of October 13, 2009), the refunding would provide a net present value savings of approximately \$288,189.