

PUBLIC WORKS AND UTILITIES COMMITTEE

10-0198R

RESOLUTION AUTHORIZING APPLICATION TO THE MINNESOTA  
PUBLIC FACILITIES AUTHORITY FOR A LOAN AGREEMENT FOR THE  
HIGHLAND ELEVATED WATER TANK.

CITY PROPOSAL:

THE CITY COUNCIL FINDS:

(a) That the city of Duluth is undertaking a major water system improvement program that will not only provide near-term water demands, but will also serve the city for the majority of this century;

(b) That studies have shown that major improvements are needed for the Highland elevated water tank;

(c) That the estimated cost of improvements to the Highland elevated water tank is \$3,010,165, and that the Minnesota public facilities authority may have loan monies available to finance the project costs;

(d) And, to receive this money, the city must submit required information and enter into a loan agreement with the Minnesota Public facilities authority.

RESOLVED, that the proper city officials are hereby authorized to submit an application and to enter into a loan agreement with the Minnesota public facilities authority for funding of the Highland elevated water tank as described in the application.

FURTHER RESOLVED, that the city of Duluth has the legal authority to apply for the money, and has the financial, technical and managerial capacity to ensure proper construction, operation and maintenance of the project for its design life.

FURTHER RESOLVED, that the city of Duluth estimates the loan amount to be \$3,010,165 or the as-bid costs of the project.

FURTHER RESOLVED, that the city hereby expresses its official intent to use proceeds of this loan to reimburse engineering and construction expenditures made prior to the issuance of its general obligation bond to the Minnesota public facilities authority.

Approved:

Approved for presentation to council:

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Department Director

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Chief Administrative Officer

Approved as to form:

Approved:

\_\_\_\_\_  
Attorney

\_\_\_\_\_  
Auditor

ENG MJG:jh 4/14/2010

STATEMENT OF PURPOSE: This resolution will authorize the submission of an application for a loan agreement with the Minnesota public facilities authority for improvements to the Highland elevated water storage tank. The city's matching funds will be payable from Water Bond Fund 0511, Department/Agency 500, Object 5532, City Project No. 0768WA.