

FINANCE COMMITTEE

10-0522R

RESOLUTION AUTHORIZING THE ISSUANCE AND PROVIDING FOR
THE SALE OF GENERAL OBLIGATION CAPITAL EQUIPMENT NOTES,
SERIES 2010B.

CITY PROPOSAL:

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

(a) Authorization of notes. The city council adopted Resolution No. 09-0760 on December 21, 2009, declaring its intent to issue general obligation capital equipment notes in 2010 in the approximate amount of \$2,268,000 plus costs of issuance and discount. 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 general obligation capital equipment notes, Series 2010B, in the approximate amount of \$2,315,000 (the "notes"), pursuant to Minnesota Statutes, sections 410.32 and 412.301 (the "act"), and Minnesota Statutes, Chapter 475, and the City Charter, for the purpose of providing funds to purchase capital equipment, as permitted by the act, having an expected useful life at least as long as the term of the notes;

(b) Issuance and sale of notes. The terms and conditions of the Notes 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 notes 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 notes. Due to changes in the municipal bond market, the city administrator, with the advice of the city's financial consultant, may modify the official terms of offering regarding the maturity schedule, the minimum bid and the maximum bid prior to the sale of the notes;

(c) Competitive sale of notes. Public Financial Management, Inc., independent financial advisor to the city, is hereby authorized to provide the

notice of the sale for the notes in accordance with Minnesota Statutes, Section 475.60, subdivision 3, and in accordance with the official terms of offering;

(d) Subsequent resolutions. The form, specifications and provisions for repayment of the notes 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

FIN RT/AH:jkmr 10/1/2010

STATEMENT OF PURPOSE: The purpose of this resolution is to authorize the issuance of \$2,315,000 general obligation capital equipment notes for the purpose of purchasing capital equipment which are payable from ad valorem taxes.