

FINANCE COMMITTEE

10-0598R

RESOLUTION APPROVING CAPITAL IMPROVEMENT PLAN AND CALLING FOR PUBLIC HEARING ON INTENTION TO ISSUE GENERAL OBLIGATION CAPITAL IMPROVEMENT BONDS UNDER MINNESOTA STATUTES, SECTION 475.521.

CITY PROPOSAL:

BE IT RESOLVED, by the city council (the "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 Council has authorized preparation of a capital improvement plan for the years 2011 through 2015 which has been presented to the Council in the section entitled "Capital Improvement Bond Summary" in the document entitled "2011-2015 Capital Improvement Plan-Capital Budget and Plan" (the "Plan");

(b) The Council has caused due notice to be given and has held on December 6, 2010, a public hearing as required by the Act, to provide an opportunity for residents to express their views on the Plan;

(c) The Council has considered the following for each project discussed in the Plan 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 and Section 1.01(c) hereof, the Council finds that the Plan is desirable and beneficial to the City and its residents;

(b) The Council finds that the proposed improvements under the Plan will result in no unnecessary duplication of public facilities provided by other units of government in the region.

1.03 The Plan is approved.

Section 2. Intent to issue bonds.

2.01 (a) The Council is considering the issuance of general obligation capital improvement bonds under the Act and Minnesota Statutes, Chapter 475, in an amount not to exceed \$2,275,000 (the "Bonds"), for the purpose of providing funds for the acquisition and betterment of the following projects: improvements to eligible facilities under the Act, to buildings citywide including furnace and boilers, a storage building, security and entry systems and facility needs priorities related to energy improvements; improvements to city hall including remodeling projects and window replacements; improvements to fire department facilities including remodeling and window replacements; a new public safety communications system; an upgrade of the library's mechanical systems; and payment of discount and costs of issuance;

(b) The City hereby expresses its intent to issue the Bonds for the projects in an aggregate principal amount not to exceed \$2,275,000, pursuant to the Plan, the Act and Minnesota Statutes, Chapter 475;

(c) The City will issue the Bonds if no petition requesting a vote on the issuance of the Bonds signed by voters equal to five percent of the votes cast in the City in the last general election is filed with the city clerk within 30 days after the date of the public hearing described in Section 2.02 of this resolution.

2.02 The Council shall hold a public hearing on the issuance of the Bonds at 7:00 p.m. on January 10, 2011. The city clerk is authorized and directed to cause the notice of public hearing, substantially in the form on file in the office of the city clerk as Public Document No. _____, to be published in the official

newspaper of the City or a newspaper of general circulation in the jurisdiction of the City not less than 14 days nor more than 28 days prior to the date set for the public hearing.

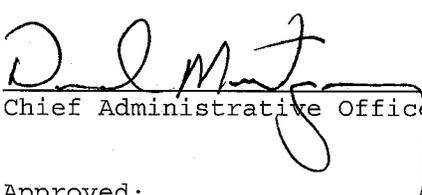
2.03 The administrative staff of the City and its agents are hereby authorized to take such further action necessary to carry out the intent and purpose of this resolution and the requirements of the Act.

Approved:



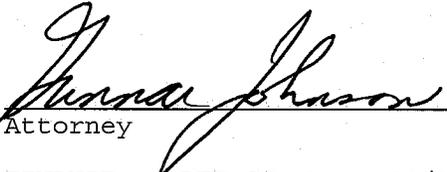
Department Director

Approved for presentation to council:



Chief Administrative Officer

Approved as to form:



Attorney

Approved:



Auditor

FINANCE RET: CW:rb 11/23/2011

STATEMENT OF PURPOSE: This resolution approves the 2011-2015 capital improvement plan and calls for a public hearing on the intention to issue improvement bonds, in the maximum amount of \$2,275,000 (\$2,164,500 for project costs and the balance available for costs of issuance and discount).

NOTICE OF PUBLIC HEARING ON THE INTENTION BY THE CITY OF
DULUTH, MINNESOTA, TO ISSUE GENERAL OBLIGATION CAPITAL
IMPROVEMENT BONDS UNDER MINNESOTA STATUTES,
SECTION 475.521

NOTICE IS HEREBY GIVEN that the City Council of Duluth, Minnesota (the "City") will meet at 7:00 p.m., on January 10, 2011, in the Council Chambers in City Hall located at 411 West First Street, Duluth, Minnesota, for the purpose of conducting a public hearing on the City's intention to issue general obligation capital improvement bonds in one or more series, in an amount not to exceed \$2,275,000 (the "Bonds"), under Minnesota Statutes, Chapter 475 and Section 475.521 (the "Act") and the Capital Improvement Plan for the years 2011 through 2015.

The proceeds of the Bonds shall be used by the City to provide funds for improvements to eligible facilities under the Act, to buildings citywide including furnace and boilers, a storage building, security and entry systems and facility needs priorities related to energy improvements; improvements to city hall including remodeling projects and window replacements; improvements to fire department facilities including remodeling and window replacements; a new public safety communications system; and an upgrade of the library's mechanical systems. The payment of the Bonds and interest thereon shall constitute a general obligation of the City secured by the full faith and credit of the City.

All interested persons may appear and be heard at the time and place set forth above. If a petition requesting a vote on the issuance of the Bonds is signed by voters equal to five percent of the votes cast in the City in the last general election and is filed with the City Clerk within 30 days after the public hearing, the Bonds may only be issued upon obtaining the approval of the majority of the voters voting for the question of issuing the Bonds. Individuals unable to attend the public hearing can make written comment by writing to Jeffrey J. Cox, City Clerk, 411 West First Street, Duluth, Minnesota 55802. Written comments must be received prior to the public hearing.

Dated: December 6, 2010.

BY ORDER OF THE CITY COUNCIL OF THE
CITY OF DULUTH, MINNESOTA

Jeffrey J. Cox, City Clerk