

FINANCE COMMITTEE

10-0599R

RESOLUTION OF THE CITY OF DULUTH, MINNESOTA, STATING THE INTENT TO ISSUE GENERAL OBLIGATION CAPITAL EQUIPMENT NOTES, SERIES 2011, AND APPROVING THE CAPITAL EQUIPMENT LIST ASSOCIATED WITH THE NOTES IN THE APPROXIMATE AMOUNT OF \$4,550,000.

CITY PROPOSAL:

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

Section 1. Under and pursuant to the provisions of Minnesota Statutes, sections 410.32 and 412.301 (the "Act"), and Minnesota Statutes, Chapter 475, and the City Charter, the City is authorized to issue its general obligation capital equipment notes to provide funds to purchase capital equipment having an expected useful life at least as long as the term of the capital equipment notes.

Section 2. The Council declares the intent of the City to issue capital equipment notes in 2011 in an amount up to \$4,380,000 to finance the purchase of capital equipment authorized by the act, together with an additional amount to pay costs of issuance of the capital equipment notes and discount in an amount estimated to be not more than \$170,000.

Section 3. The capital equipment to be financed includes those items of equipment set forth on the list (Public Document No. _____), which list of equipment is hereby approved for purchase in 2011.

Section 4. The terms and conditions of the capital equipment notes and the sale thereof shall be established by further resolution of the Council.

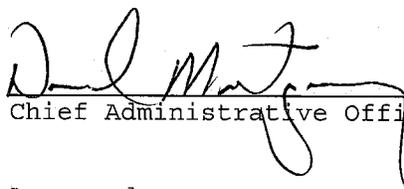
Section 5. This resolution constitutes a declaration of official intent under Treasury Regulations Section 1.150-2. The City reasonably expects to acquire all or a portion of the capital equipment prior to the issuance of the capital equipment notes and to reimburse expenditures incurred with respect to such capital equipment purchase program with the proceeds of the capital equipment notes.

Approved:



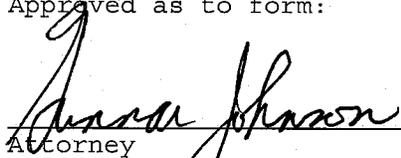
Department Director

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 states the City's intent to issue general obligation capital equipment notes in 2011 to finance the purchase of capital equipment. It further approves the capital equipment list as items to be financed in 2011 in an amount up to \$4,380,000 plus an additional amount for costs of issuance and discount.

2011 - 2015 Rolling Stock Equipment Bond Proposal

General Fund Bond	2011	2012	2013	2014	2015
Fire Department					
Fire Truck Apparatus/Trucks	850,000	880,000	600,000	535,000	535,000
Tower Truck Repair	250,000				
Subtotal Fire Department	1,100,000	880,000	600,000	535,000	535,000
Police Department					
Police Vehicles	200,000	600,000	550,000	575,000	750,000
Subtotal Police Department	200,000	600,000	550,000	575,000	750,000
Maintenance Operations					
Facilities Management					
1-Ton Cargo Van			38,000	38,000	37,000
1-Ton 4x4 Truck		38,000	40,000	40,000	40,000
2-Ton Tow Vehicle Utility Truck		40,000			
Mid-size Truck		25,000			
Trailers and Tampers	15,000		4,000		
Skidsteer Attachments Trailer	20,000		30,000		
Subtotal Facilities Management	35,000	103,000	112,000	78,000	77,000
Street Maintenance					
Pick-up 3/4-Ton Ext Cab 4x4		60,000			120,000
Construction Truck and Van		83,000			
1-Ton Dump Truck	240,000		116,000		116,000
Tandem Dump Truck		145,000			
Sander Trucks		420,000	140,000	280,000	280,000
Sander with RDS		160,000	320,000	320,000	
Flusher Retrofits	80,000				
Single Axle Plow Trucks	510,000		170,000	340,000	
Wheel Loader		185,000			370,000
Wing Plows	42,000				
Compactor	45,000		45,000		
Skid Steer					
Pavement Ski	20,000				
Small Trailer			11,000		
Subtotal Street Maintenance	937,000	1,053,000	802,000	940,000	886,000
Park Maintenance					
Pick-up 3/4-Ton		37,000			
1-Ton Truck w/plow	68,000		68,000	70,000	
Utility Trailer					68,000
Log Truck		165,000			
Utility Van/Vehicle			17,300	16,500	33,000
Various Mowers	99,000	16,500	32,000	16,500	
Skid Steer Wheel Loader		42,000	42,000	52,000	
Trail Groomer			212,000		
Sidewalk Cleaner					142,000
Subtotal Park Maintenance	167,000	260,500	371,300	155,000	243,000
Traffic Maintenance					
Pick-up 3/4-Ton 4x4	35,000			35,000	
Subtotal Traffic Maintenance	35,000	0	0	35,000	0
Subtotal Maintenance Operations	1,174,000	1,416,500	1,285,300	1,208,000	1,206,000
Public Works					
Transportation Engineering					
Pick-up 3/4-Ton	54,000				
Subtotal Transportation Engineering	54,000	0	0	0	0
General Fund Rolling Stock Bond Total	\$ 2,528,000	\$ 2,896,500	\$ 2,435,300	\$ 2,318,000	\$ 2,491,000

2011 Non-Rolling Stock Equipment Bond Proposal

Department/Description	2011 Bond	2012 Bond	2013 Bond
MIS			
Data Center Modernization	63,000		
VoIP Phone Replacements	50,000	205,000	
Centralized Backup Solution	180,000		
Enterprise Wide PC replacements (desktop)	179,000		
Enterprise Wide PC replacements (laptop)	100,000		
Network Infrastructure Equipment Refresh	870,000		
Desktop Re-cabling Project		390,000	
Wireless Network Upgrade		155,000	
Help Desk Software		100,000	
Disaster Recovery - New Police Station		300,000	
City Clerk			
40 Voting Tabulators		260,000	
60 Electronic Poll book Rosters		120,000	
Election Software upgrade		10,000	
City Architect			
1 Laser Printer - Color	3,000		
Large format scanner	10,000		
Revit software program (BIM)	8,000		
Library			
12 Computers and monitors		12,000	12,000
1 Self checkout machine	8,000		
1 Digital microform reader printer	11,000		11,000
Fire			
Port Grant match for emergency comm equip	250,000		
Engineering			
CAD level computers		4,800	
Computers		200	1,600
Laptop		2,800	6,800
Radio Shop			
Expand Microwave System - 4 lengths	120,000	120,000	240,000
Total Proposed Non-Rolling Stock	1,852,000	1,679,800	271,400
TOTAL EQUIPMENT BOND PROPOSAL \$	4,380,000 \$	4,576,300 \$	2,706,700