

FINANCE COMMITTEE

11-0640R

RESOLUTION OF THE CITY OF DULUTH, MINNESOTA, STATING THE INTENT TO ISSUE GENERAL OBLIGATION CAPITAL EQUIPMENT NOTES, SERIES 2012, AND APPROVING THE CAPITAL EQUIPMENT LIST ASSOCIATED WITH THE NOTES IN THE APPROXIMATE AMOUNT OF \$4,750,000.

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 2012 in an amount up to \$4,598,000 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 \$152,000.

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 2012.

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 11/22/2011

STATEMENT OF PURPOSE: This resolution states the City's intent to issue general obligation capital equipment notes in 2012 to finance the purchase of capital equipment. It further approves the capital equipment list as items to be financed in 2012 in an amount up to \$4,598,000 plus an additional amount for costs of issuance and discount.

2012 Rolling Stock Equipment Bond

General Fund Bond	2012
Fire Department	
Fire Truck Apparatus	1,075,000
Subtotal Fire Department	1,075,000
 Police Department	
Police Vehicles	500,000
Subtotal Police Department	500,000
 Maintenance Operations	
Facilities Management	
1 Ton w/Service Body 1	30,500
Subtotal Facilities Management	30,500
 Street Maintenance	
Tandem Dump Truck 1	145,000
Sander Trucks 1	140,000
Sander with RDS 1	160,000
Pick-up 3/4-Ton Ext Cab 4x4 1	30,000
Small Trailer 1	5,500
Subtotal Street Maintenance	480,500
 Park Maintenance	
5 yd Dump Truck 1	110,000
4x4 Crew Cab 1	37,000
Cat 257B Loader 1	48,000
Subtotal Park Maintenance	195,000
Subtotal Maintenance Operations	706,000
 Parks and Recreation	
Pick-up 3/4-Ton 4x4 1	45,000
Subtotal Parks and Rec	45,000
 Public Works	
Transportation Engineering	
Pick-up 1/2-Ton 2	50,000
Subtotal Transportation Engineering	50,000
 Street Lighting	
Bucket Truck 1	200,000
Subtotal Street Lighting	200,000
General Fund Rolling Stock Bond Total	\$ 2,576,000