

RESOLUTION APPROVING AMENDMENTS TO DISTRICT LONG-RANGE
FACILITIES PLAN APPROVED BY REVIEW AND COMMENT OF NOVEMBER 2007
AND APPROVING DECLARATION OF OFFICIAL INTENT REGARDING
AMENDMENTS TO FINANCING PLAN THEREFOR

BE IT RESOLVED, by the School Board of Independent School District No. 709, St. Louis County, Minnesota (the "District"), as follows:

Section 1. A. The Board approved on June 19, 2007, a Long-Range Facilities Plan (the "Facilities Plan"), which calls for renewal and remodeling of existing school facilities, additions to existing facilities and construction of new schools.

B. The District submitted the Facilities Plan to the Minnesota Department of Education (i) for approval of the Facilities Plan; (ii) for approval of the financing of the Facilities Plan; and (iii) for review and comment on the Facilities Plan. The Commissioner of Education approved the Facilities Plan and the financing and submitted its review and comment dated November 2007, although approval of the new Piedmont/Lincoln Elementary and the new West Middle School were delayed, but later approved pursuant to its review and comment dated July 2009.

C. The November 2007 review and comment permitted the District to issue, and the District has issued the following obligations, to finance the portion of the Facilities Plan approved by the November 2007 review and comment:

(i) \$59,235,000 of General Obligation Alternative Facilities Bonds, Series 2008A, dated February 21, 2008, issued pursuant to Minnesota Statutes Section 123B.59 (the "2008 Bonds");

(ii) \$111,440,000 (\$111,442,557 was authorized) of Full Term Certificates of Participation, Series 2008B, Evidencing the Proportionate Interest of the Registered Owners in the Installment Payments due under an Installment Purchase Contract dated as of June 1, 2008 (the "2008 Contract"), authorized pursuant to Minnesota Statutes, Section 126C.40, Subd. 6 (the "Lease Levy Statute"); and

(iii) \$35,400,000 (\$35,404,371 was authorized) of Certificates of Participation, Series 2009B, Evidencing the Proportionate Interest of the Registered Owners in the Rental Payments due under the Lease Purchase Agreement dated as of October 1, 2009 (the "2009 Lease"), authorized under Minnesota Statutes Section 465.71 (the "Installment Lease Statute").

D. As the design work for the approved projects progressed, the District identified project scope changes and requested an amendment to the November 2007 review and comment as set forth in a document entitled Amendment to Original "Red Plan" Review and Comment dated July 24, 2009, and revisions thereto (the "Amendment").

E. The Commissioner of Education has approved the Amendment to the original Facilities Plan pursuant to a review and comment dated May 2010.

F. The Amendment eliminates improvements to some District facilities and provides for additional improvements at other facilities, all as set forth therein. As the obligations issued to finance the Facilities Plan are limited by Minnesota Statutes and as the Amendment reduces the costs eligible to be financed by the 2008 Bonds and increases costs eligible to be financed by the Lease Levy Statute and

by the Installment Lease Statute, the financing plan for the Amendment includes (i) escrowing \$3,240,219 of the proceeds of the 2008 Bonds to pay capitalized interest on the 2008 Bonds and costs of the escrow arrangement; (ii) issuing additional certificates of participation in the amount of \$3,675,000 pursuant to the Lease Levy Statute and under the 2008 Contract; and (iii) issuing additional certificates of participation in the amount of \$1,605,000 pursuant to the Installment Lease Statute and under the 2009 Lease.

Section 2. The Board hereby confirms and approves the revisions to the Facilities Plan as set forth in the Amendment.

Section 3. The Board hereby approves the financing plan for the revisions to the Facilities Plan as set forth in the Amendment and as described in Section 1F of this Resolution.

Section 4. This Resolution constitutes a declaration of official intent under Treasury Regulations Section 1.150-2 to issue the obligations described in Section 3 above.

Adopted this 24th day of June, 2010.

Motion made by Member _____, seconded by Member _____, to approve Resolution #B-6-10-2787, as presented. Upon a vote taken, the same was approved as follows:

Yeah:

Nay:

Absent:

Clerk

Chair