



RESOLUTION

Authorizing the Execution and Delivery of an Amendment to Installment Purchase Contract and a Supplement to Declaration of Trust and Approving the Issuance, Sale and Delivery of \$9,080,000 Full Term Certificates of Participation, Series 2025B

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

Section 1. Authority and Background.

A. Pursuant to the authority contained in Minnesota Statutes, Section 126C.40, Subd. 6 (the "Act"), the District is authorized to purchase real or personal property under an installment contract or may lease real or personal property with an option to purchase under a lease purchase agreement upon application to, and approval by, the Minnesota Commissioner of Education.

B. The District has approved a Long-Range Facilities Plan (the "Plan") and the Commissioner of Education has approved the District's borrowing of \$111,442,577 under the Act to finance the purchase of real and personal property for the projects set forth in the Plan as described in the Original Contract, as hereinafter defined (the "Original Project").

C. By Resolution B-5-08-2541, adopted May 29, 2008, the School Board determined that it was necessary, expedient and in the best educational interests of the District's pupils and residents that the District enter into an installment purchase contract pursuant to the Act to finance the costs of the Original Project and issuing full term certificates of participation in the installment payments under the installment purchase contract in the maximum principal amount of \$111,440,000 pursuant to a declaration of trust.

D. Pursuant to the Act, the District applied to the Commissioner of Education for permission to make an additional levy for the installment payments under the Original Contract to finance the Original Project and the Commissioner authorized the Original Project and the levy.

E. The District selected U.S. Bank National Association, now U.S. Bank Trust Company, National Association, St. Paul, Minnesota (the "Trustee") to act as vendor and the trustee as follows: the Trustee, as vendor, entered into an Installment Purchase Contract dated as of June 1, 2008 (the "Original Contract"), with the District regarding the acquisition, construction and equipping of the Original Project, and the District and the Trustee entered into a Declaration of Trust dated as of June 1, 2008 (the "Original Declaration"), pursuant to which Full Term Certificates of Participation, Series 2008B, in the installment payments under the Original Contract in the principal amount of \$111,440,000 (the "2008 Certificates"), were executed and delivered by the Trustee.

F. The District has approved an amendment to the Plan and modified the projects to be financed under the Original Contract and the Commissioner of Education approved the amendment to the Plan and the modification to the Original Project and has approved the

District's borrowing of an additional \$5,000,000 under the Act to finance the Original Project, as modified, and as described in the First Amendment to Contract, as hereinafter defined.

G. By Resolution B-9-10-2816 adopted September 21, 2010, the School Board determined that it was necessary, expedient and in the best educational interests of the District's pupils and residents that the District enter into an amendment to the Original Contract to provide additional funds to purchase the real and personal property described in the Plan, as amended, and issuing full term certificates of participation in the installment payments under a supplement to the Original Declaration in the maximum principal amount of \$5,000,000.

H. The Trustee, as vendor, and the District, as vendee, entered into an Amendment to Installment Purchase Contract dated as of October 1, 2010 (the "First Amendment to Contract"), to revise and restate the installment payments, modify the description of the Original Project and amend other related matters, such amendment shall modify the Original Contract. The District and the Trustee entered into a Supplement to Declaration of Trust dated as of October 1, 2010 (the "First Supplement to Declaration"), pursuant to which the Full Term Certificates of Participation, Series 2010C, in the installment payments under the Contract in the principal amount of \$5,000,000 (the "2010C Certificates") were executed and delivered by the Trustee.

I. Pursuant to the Act, the District applied to the Commissioner of Education for permission to make an additional levy for the Installment Payments under the Original Contract, as amended, to finance a portion of the costs of the acquisition and improvements to Congdon Elementary and Grant Elementary (now Myers-Wilkins Elementary).

J. By Resolution B-4-12-3016 adopted June 19, 2012, the School Board determined that it was necessary, expedient and in the best educational interests of the District's pupils and residents that the District enter into an amendment to the Original Contract, as amended, to provide additional funds to purchase real and personal property for Congdon Elementary and Grant Elementary (now Myers-Wilkins Elementary) which are a portion of the Project and issuing full term capital appreciation certificates of participation in the Installment Payments under a supplement to the Original Declaration, as supplemented.

K. The Trustee, as vendor, and the District, as vendee, entered into an Amendment to Installment Purchase Contract dated as of June 1, 2012 (the "Second Amendment to Contract"), to revise and restate the Installment Payments, modify the description of the Original Project, as amended, and amend other matters, such amendment shall modify the Original Contract, as amended. The District and the Trustee entered into a Supplement to Declaration of Trust dated as of June 1, 2012 (the "Second Supplement to Declaration"), pursuant to which Full Term Capital Appreciation Certificates of Participation, Series 2012A, in the Installment Payments under the Contract in the original principal amount of \$12,800,424.50 and a total accreted amount at maturity of \$21,700,000.00 (the "2012A Certificates"), were executed and delivered by the Trustee.

L. Pursuant to the Act, the District applied to the Commissioner of Education for permission to make an additional levy for the additional installment payments under the Second Amendment to Contract to finance a portion of the Congdon Elementary and Grant Elementary

(now Myers-Wilkins Elementary), which is a portion of the Project, and the Commissioner authorized the modified Original Project and the levy.

M. Under and pursuant to the Act and Minnesota Statutes, Section 475.67, Subdivisions 1 through 12 and Resolution B-7-16-3385, the District, in order to reduce debt service costs, provided for the issuance of Full Term Refunding Certificates of Participation, Series 2016A (the “2016 Certificates”) in the principal amount of \$82,605,000 to refund the outstanding principal of the 2008 Certificates.

N. The Trustee, as vendor, and the District, as vendee, entered into an Amendment to Installment Purchase Contract dated as of August 1, 2016 (the “Third Amendment to Contract”), to revise and restate the installment payments and amend other related matters. The District and the Trustee also entered into a Supplement to Declaration of Trust dated as of August 1, 2016 (the “Third Supplement to Declaration”), pursuant to which the 2016 Certificates were executed and delivered by the Trustee.

O. Under and pursuant to the Act and Minnesota Statutes, Section 475.67, Section 1 through 12 and Resolution B-4-19-3640, the District, in order to reduce debt service costs, provided for the issuance of Full Term Refunding Certificates of Participation, Series 2019C (the “2019C Certificates”) in the principal amount of \$2,710,000 to refund the outstanding principal of the 2010C Certificates.

P. The Trustee, as vendor, and the District, as vendee, entered into an Amendment to Installment Purchase Contract dated as of May 1, 2019 (the “Fourth Amendment to Contract”), to revise and restate the installment payments and amend other related matters. The District and the Trustee also entered into a Supplement to Declaration of Trust dated as of May 1, 2019 (the “Fourth Supplement to Declaration”), pursuant to which the 2019C Certificates were executed and delivered by the Trustee.

Q. Under and pursuant to the Act and Minnesota Statutes, Section 475.67, Subdivisions 1 through 12, and Resolution B-2-21-3797, the District, in order to reduce debt service costs, provided for the issuance of Taxable Full Term Refunding Certificates of Participation, Series 2021A (the “2021A Certificate”) in the principal amount of \$18,385,000.

R. The Trustee, as vendor, and the District, as vendee, entered into an Amendment to Installment Purchase Contract dated as of March 1, 2021 (the “Fifth Amendment to Contract”) to revise and restate the installment payments and amended other related matters, such amendment modified the Original Contract, as amended by the Fifth Amendment to the Contract. The District and the Trustee entered into a Supplement to Declaration of Trust dated as of March 1, 2021 (the “Fifth Supplement to Declaration”), pursuant to which the 2021A Certificates were issued.

S. Pursuant to the Act, the District has applied and the Commissioner of Education approved the District’s project to be financed by the District and approved the District’s issuance of an addition \$9,080,000 of Full Term Certificates of Participation, Series 2025B (the “2025B Certificates”) to provide funds to purchase real and personal property including improvements to a school building located at 424 West 1st Street in Duluth, Minnesota (the “2025 Project”).

T. The Trustee, as vendor, and the District, as vendee, shall enter into an Amendment to Installment Purchase Contract dated as of December 1, 2025 (the "Sixth Amendment to Contract") to revise and restate the installment payments and amend other related matters, such amendment by the Sixth Amendment to Contract shall modify the Original Contract, as amended and as amended by the Sixth Amendment to Contract is herein referred to (the "Contract"). The District and the Trustee shall enter into a Supplement to Declaration of Trust dated as of December 1, 2025 (the "Sixth Supplement to Declaration"), pursuant to which the Full Term Certificates of Participation, Series 2025B (the "2025B Certificates") shall be executed and delivered by the Trustee (the "Original Declaration", as supplemented, and as supplemented by the Sixth Supplement to Declaration, is herein referred as the "Declaration").

U. Forms of the following documents relating to the financing have been prepared and submitted to the School Board:

(1) the Sixth Amendment to Contract proposed to be made and entered into between the District and the Trustee; and

(2) the Sixth Supplement to Declaration proposed to be made and entered into between the District and the Trustee;

Section 2. A. The School Board has determined to proceed with the sale of the 2025B Certificates by direct negotiation with Robert W. Baird & Co. Incorporated in Milwaukee, Wisconsin ("Baird"), and has determined to retain Blue Rose Capital Advisors, LLC, in Minneapolis, Minnesota, an independent municipal advisor to provide pricing opinion services.

B. Baird has proposed and the pricing committee of the District has accepted Baird's proposal to purchase the 2025B Certificates at a cash price of \$9,850,466.45, plus accrued interest on the total principal amount from December 4, 2025, to the date of delivery and upon condition that the 2025B Certificates are payable at the times and on the terms set forth in the Contract and the Declaration. The School Board hereby ratifies and approves the Certificate Purchase Agreement, dated November 5, 2025, with Baird regarding the purchase and sale of the 2025B Certificates.

C. The 2025B Certificates to be issued shall mature on February 1 in the respective years and amounts stated and shall bear interest at the annual rates as follows:

Year	Amount	Interest Rate
2027	\$540,000	5.00%
2028	\$640,000	5.00%
2029	\$675,000	5.00%
2030	\$705,000	5.00%
2031	\$740,000	5.00%
2032	\$780,000	5.00%
2033	\$820,000	5.00%
2034	\$860,000	5.00%
2035	\$900,000	5.00%

2036	\$945,000	5.00%
2037	\$995,000	5.00%
2038	\$480,000	5.00%

D. Redemption. (i) The 2025B Certificates maturing in the years 2027 through 2033 shall not be subject to prepayment and redemption prior to maturity, but those maturing in the year 2034 and in subsequent years shall be subject to redemption and prepayment at the option of the District on February 1, 2033 and on any day thereafter, in whole or in part, and if in part at the option of the District and in such manner as the District shall determine. If less than all the 2025B Certificates of a maturity are called for redemption, the District, through the Trustee, will notify The Depository Trust Company, Jersey City, New Jersey ("DTC") of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed. All prepayments shall be at a price equal to the principal amount thereof plus accrued interest. No more than 60 days and no fewer than 30 days prior to the date fixed for redemption and prepayment for any 2025B Certificates notice of redemption shall be mailed to each registered owner of a 2025B Certificate to be redeemed, at the address shown on the registration books of the District.

(ii) In the event of damage to all or a portion of the 2025 Project and the District makes the certification and election at the times and in the manner set forth in the Contract, the 2025B Certificates, or a portion thereof, shall be subject to prepayment on any date, at par plus accrued interest to the date of redemption, as provided for in the Declaration.

E. For purposes of complying with Minnesota Statutes, Section 475.54, Subd. 1, the maturity schedule for the 2025B Certificates shall be combined with the other full term certificates of participation of the District issued and outstanding.

Section 3. It is hereby found, determined and declared by the School Board that:

A. It is desirable and in the best interests of the District to enter into the Sixth Amendment to Contract and the Sixth Supplement to Declaration;

B. The terms of the Sixth Amendment to Contract and the Sixth Supplement to Declaration are found to be advantageous to the District and are hereby approved;

C. The Installment Payments under the Contract are absolute and unconditional as provided for in Article III of the Contract and are not subject to annual appropriation of the District; and

Section 4. A. For the prompt and full payment of the installment payments under the Contract when due, there is hereby levied a direct, annual, ad valorem tax, as an additional levy pursuant to Minnesota Statutes, Section 126C.40, and other laws, upon all taxable property within the District which shall be extended upon the tax rolls and collected with and as part of the other general property taxes in the District for the years and in the amounts set forth on Exhibit A hereto.

B. The District maintains a Debt Service Fund on its books and records. A separate account was created within the Debt Service Fund and is designated as the "Installment Purchase Contract Account" (the "Contract Account"). The tax levies provided for in this Section 4 are hereby pledged to, and shall be used for no purpose other than, the payment of Installment Payments under the Contract; provided, however, that if any such Installment Payment shall become due when there is not sufficient money in the Contract Account, the Treasurer may pay the same from any other funds of the District and said funds shall be reimbursed for such advance out of the proceeds of the taxes herein levied or appropriated.

C. Except as permitted by Minnesota Statutes, Section 475.61, Subd. 3, such tax levies shall be irrevocable as long as the Contract remains in effect.

Section 5. The Chair and the Clerk are hereby authorized and directed to execute and deliver the Sixth Amendment to Contract, and the Sixth Supplement to Declaration substantially in the forms now on file with the Clerk, with such necessary and appropriate omissions, modifications, insertions and additions as do not materially affect the substance of the transaction, consistent with the Act, as the Chair in his discretion shall determine. The execution of the Sixth Amendment to Contract and the Sixth Supplement to Declaration by the Chair and Clerk, with the advice of the Attorney for the District, shall be conclusive evidence of such determination. All of the provisions of the Sixth Amendment to Contract, the Sixth Supplement to Declaration, when executed and delivered as authorized herein, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated herein and shall be in full force and effect from the date of execution and delivery thereof. The District approves the 2025B Certificates being registered as depository obligations with The Depository Trust Company, New York, New York, as set forth in the Declaration.

Section 6. The Chair and the Clerk are hereby authorized to execute and deliver, on behalf of the District, such other documents as are necessary or appropriate in connection with the Sixth Amendment to Contract and the Sixth Supplement to Declaration and the issuance, sale and delivery of the 2025B Certificates.

Section 7. All covenants, stipulations, obligations and agreements of the District contained in this Resolution and the Contract and the Declaration shall be deemed to be the covenants, stipulations, obligations and agreements of the District to the full extent authorized or permitted by law, and all such covenants, stipulations, obligations and agreements shall be binding upon the District upon execution and delivery of the Sixth Amendment to Contract and the Sixth Supplement to Declaration. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the District or its officers by the provisions of this Resolution or of the aforementioned documents to be executed and delivered by the District shall be executed or performed by the District or by such officers of the District, or such board, body, authority or agency thereof as may be required by law to exercise such powers and to perform such duties.

Section 8. Except as herein otherwise expressly provided, nothing in this Resolution or in the Contract and the Declaration, expressed or implied, is intended or shall be construed to confer upon any person or firm or corporation, other than the District, the Trustee, Baird, or any holder of the 2025B Certificates issued under the provisions of this Resolution, any right, remedy

or claim, legal or equitable, under and by reason of this Resolution or any provision hereof, that the aforementioned documents and all of their provisions being intended to be and being for the sole and exclusive benefit of the District, the Trustee, Baird, and any holder from time to time of the 2025B Certificates issued under the provisions of this Resolution.

Section 9. The officers and other agents or employees of the District are hereby authorized to do all acts and things required of them by or in connection with this Resolution, the Sixth Amendment to Contract, the Sixth Supplement to Declaration, and the 2025B Certificates, without further action of the Board, for the full, punctual and complete performance of all the terms, covenants and agreements contained in the 2025B Certificates, the aforementioned documents and this Resolution.

Section 10. In the event any of the officers of the District authorized to execute the documents on behalf of the District under this Resolution shall for any reason be unable to do so, any other officer of the District authorized to act for such designated officer is hereby directed and authorized to do so on behalf of the District with the same effect as if executed by the officer authorized to do so in this Resolution.

Section 11. All actions of the members, officers, employees and staff of the District heretofore taken and in furtherance of this financing are hereby approved, ratified and confirmed.

Section 12. A. The Clerk of the District is directed to file in the office of the County Auditor of St. Louis County a certified copy of this Resolution and such other information as the County Auditor may require, and to obtain from the County Auditor a certificate stating that the 2025B Certificates herein authorized have been duly entered on her register.

B. The Chair, the Clerk, the Treasurer and other officers of the District are authorized and directed to prepare and furnish, with regard to the issuance of the 2025B Certificates, certified copies of all proceedings and records of the District relating to the 2025B Certificates and such other affidavits, certificates and opinions as may be required to show the facts relating to the legality, tax exemption and marketability of the 2025B Certificates as such facts appear from the books and records in the officers' custody and control or as otherwise known to them; that all such certified copies, certificates, affidavits and opinions, including and heretofore furnished, shall constitute representations of the District as to the truth of all statements made by the District and contained herein.

Section 13. The School Board has covenanted and has obligated itself in Resolution B10-25-4127, adopted October 21, 2025, to be bound by the provisions of Minnesota Statutes, Section 126C.55. The School Board hereby reaffirms such covenants and obligations.

Section 14. The District hereby authorizes the circulation of the Official Statement in connection with the sale and delivery of the 2025B Certificates.

Section 15. Continuing Disclosure. The District acknowledges that the 2025B Certificates are subject to the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12) (the "Rule"). The Rule governs the obligations of certain underwriters to require that issuers of municipal bonds enter into agreements for the benefit of the bondholders


to provide continuing disclosure with respect to the bonds. To provide for the public availability of certain information relating to the 2025B Certificates and the security therefor and to permit underwriters of the 2025B Certificates to comply with the Rule, which will enhance the marketability of the 2025B Certificates, the Chair and the Clerk are hereby authorized and directed to execute a Continuing Disclosure Certificate substantially in the form of the Certificate currently on file in the office of the District.

Adopted this 18th day of November, 2025.

Motion made by Member Sadurski, seconded by Member Banks, to approve Resolution B-11-25-4131, as presented. Upon a vote taken, the same was approved as follows:

Yeah: 7

Nay: 0


Clerk


Chair

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EXHIBIT A

Tax Levy Schedule

Levy Year	Collection Year	2016 Certificates Tax Levy	2019C Certificates Tax Levy	2021A Certificates Tax Levy	2025B Certificates Tax Levy	Total Tax Levy
2025	2026	\$10,068,600	\$374,500	\$4,012,210	\$1,060,904	\$15,516,214
2026	2027	\$10,281,000	\$367,500	\$4,216,294	\$1,067,000	\$15,931,794
2027	2028	-	-	-	\$1,070,000	\$1,070,000
2028	2029	-	-	-	\$1,066,250	\$1,066,250
2029	2030	-	-	-	\$1,066,000	\$1,066,000
2030	2031	-	-	-	\$1,069,000	\$1,069,000
2031	2032	-	-	-	\$1,070,000	\$1,070,000
2032	2033	-	-	-	\$1,069,000	\$1,069,000
2033	2034	-	-	-	\$1,066,000	\$1,066,000
2034	2035	-	-	-	\$1,066,000	\$1,066,000
2035	2036	-	-	-	\$1,068,750	\$1,068,750
2036	2037	-	-	-	\$504,000	\$504,000

* Such amount shall be reduced by the rounding amount of \$4,978.85.

** The 2025/2026 tax levy for the 2025B Certificates in the amount of \$1,060,904 shall be deposited in the Contract Account for payment of the principal and interest due on the 2025B Certificates on August 1, 2026 and February 1, 2027.