RESOLUTION REGARDING THE ISSUANCE OF GENERAL OBLIGATION CAPITAL APPRECIATION FACILITIES MAINTENANCE BONDS, SERIES 2025A

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

Section 1. Authority. Under and pursuant to the authority contained in Minnesota Statutes, Section 123B.595 (the "Act"), and Minnesota Statutes, Chapter 475, the District is authorized to issue general obligation bonds to provide funds to finance repairs and replacements contained in the District's ten-year facility plan (the "Plan") under the Act. The Board hereby approves the Plan on file with the Board. District staff and officials are authorized and directed to submit to the Commissioner of Education such additional information as may be necessary to secure approval of the Commissioner of Education for the Plan and the issuance of the Bonds, as hereinafter described, as required by the Act. The Plan approved by the Board is incorporated in the resolution as though fully specified herein.

Section 2. The Bonds. The Board hereby determines that it is necessary, expedient and in the best educational interest of the District's pupils and residents that the District issue, sell and deliver its General Obligation Capital Appreciation Facilities Maintenance Bonds, Series 2025A (the "Bonds"), in the maximum principal amount of $38,665,000, pursuant to Minnesota Statutes, Section 123B.595, and Chapter 475, for the purpose of providing funds to (i) finance deferred maintenance projects, including, but not limited to:

- Building Envelope
- Electrical
- Mechanical Systems
- Plumbing
- Roof Systems

as described in the Plan and (ii) pay costs associated with issuance of the Bonds (the "Project").

Section 3. Sale of the Bonds.

3.01 The District's administrative staff is hereby authorized and directed to work with Robert W. Baird & Co. Incorporated ("Baird"), as underwriter for the Bonds. Baird will purchase the Bonds in an arms-length commercial transaction with the District. Fryberger, Buchanan, Smith & Frederick, P.A. will serve as bond counsel to arrange for the sale of the Bonds.

3.02 Subject to receipt of approval of the Plan and the issuance of the Bonds from the Commissioner of Education, any officer of the District and the Superintendent or Executive Director of Business Services and Finance Manager (the "Pricing Committee"), are hereby authorized to approve the sale of the Bonds and to execute a bond purchase agreement for the purchase of the Bonds with Baird, provided the principal amount of the Bonds does not exceed $38,665,000 and the TIC does not exceed 4.75% on the Bonds.

3.03 Upon approval of the sale of the Bonds by the Pricing Committee, the Board will take action at a regular or special meeting to adopt the necessary approving resolution prepared by the District's bond counsel.

3.04 Baird is authorized to prepare and distribute an Official Statement related to the sale of the Bonds.

3.05 If the Pricing Committee has not approved the sale of the Bonds to Baird and executed the related bond purchase agreement by December 31, 2025, this resolution shall expire.

Section 4. Repayment of Bonds. The form, specifications and provisions for repayment of the Bonds shall be set forth in a subsequent resolution of the Board (the "Resolution").

Section 5. Minnesota School District Credit Enhancement Program.

5.01 The District hereby covenants and obligates itself to notify the Commissioner of Education of a potential default in the payment of principal and interest on the Bonds and to use the provisions of Minnesota Statutes, Section 126C.55 to guarantee payment of the principal and interest on the Bonds when due. The District further covenants to deposit with the bond registrar and paying agent for the Bonds to be designated in the Resolution or any successor paying agent (the "Bond Registrar") three days prior to the date on which a payment is due an amount sufficient to make that payment or to notify the Commissioner of Education that it will be unable to make all or a portion of that payment. The Bond Registrar for the Bonds is authorized and directed to notify the Commissioner of Education if it becomes aware of a potential default in the payment of principal or interest on the Bonds or if, on the day two business days prior to the date a payment is due on the Bonds, there are insufficient funds to make that payment on deposit with the Bond Registrar. The District understands that as a result of its covenant to be bound by the provisions of Minnesota Statutes, Section 126C.55, the provisions of that section shall be binding as long as any Bonds of this issue remain outstanding.

5.02 The District further covenants to comply with all procedures now or hereafter established pursuant to Minnesota Statutes, Section 126C.55, Subdivision 2(c) by the Minnesota Department of Management and Budget and the Minnesota Department of Education and otherwise to take such actions as necessary to comply with that section. The Chair, Clerk, Superintendent or Executive Director of Business Services is authorized to execute any applicable Minnesota Department of Education forms.

Section 6. Notice of Intent to Issue Bonds. Pursuant to the requirements of the Act, the Executive Director of Business Services shall cause the publication in the official newspaper of the District a notice of intent to issue the Bonds for the Project.

Section 7. Declaration of Official Intent. This resolution constitutes a declaration of official intent under Treasury Regulations Section 1.150-2. The District reasonably expects to construct all or a portion of the Project prior to the issuance of the Bonds and to reimburse expenditures incurred with respect to such Project with the proceeds of the Bonds.

Adopted this 22nd day of July, 2025.

Motion made by Member _____________, seconded by Member _____________, to approve Resolution #_______________, as presented. Upon a vote taken, the same was approved as follows:

Yeah:

Nay:

_________________________________ Clerk

_________________________________ Chair

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