

RESOLUTION

Authorizing the Issuance of Refunding Certificates of Participation, Series 2021B

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

Section 1. Authority and Background.

1.01 Pursuant to the authority contained in Minnesota Statutes, Section 465.71 (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.

1.02 The School Board has approved a Long-Range Facilities Plan (the "Plan"), and the Commissioner of Education has approved the District's borrowing under the Act to finance the purchase of real and personal property for the projects set forth in the Plan as described in the Lease Purchase Contract, as hereinafter defined (the "Project").

1.03 By Resolution No. B-9-09-2680, adopted September 17, 2009, 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 a lease purchase agreement pursuant to the Act to finance the costs of the Project and issuing certificates of participation in the rental payments under the lease purchase agreement in the principal amount of \$35,400,000 pursuant to a declaration of trust.

1.04 The District determined to acquire, construct and equip the Project approved by the Commissioner of Education pursuant to the Act, through a Lease Purchase Agreement, dated as of October 1, 2009 (the "Lease Purchase Agreement") between Associated Trust Company, National Association, as lessor (the "Lessor") and the District. In order to provide funds for the Project, the District authorized the issuance of \$35,400,000 Certificates of Participation, Series 2009B, dated October 1, 2009 (the "2009B Certificates") pursuant to a Declaration of Trust by and between Associated Trust Company, National Association, as trustee (the "Trustee") and the District (the "Declaration").

1.05 Pursuant to an approval from the Commissioner of Education, the District has entered into an Amendment to Lease Purchase Agreement dated as of October 1, 2010, with the Lessor which amended the Lease Purchase Agreement and a Supplement to Declaration of Trust dated as of October 1, 2010 with the Trustee, which supplemented the Declaration, in connection with the \$1,605,000 Certificates of Participation, Series 2010D dated October 1, 2010 (the "2010D Certificates"), the proceeds of which financed the Project, as amended.

1.06 Pursuant to an approval from the Commissioner of Education, the District has entered into an Amendment to Lease Purchase Agreement dated as of June 1, 2012, with the Lessor which amended the Lease Purchase Agreement, as amended, and a Supplement to Declaration of Trust, dated as of June 1, 2012, which supplemented the Declaration, as supplemented, in connection with the \$6,340,000 Certificates of Participation, Series 2012B, dated June 27, 2012 (the "2012B Certificates"), the proceeds of which financed the Project, as amended.

1.07 Under and pursuant to the Act and Minnesota Statutes, Section 475, Subdivision 1 through 4, the District refinanced the 2009B Certificates through the issuance of \$24,130,000 Refunding Certificates of Participation, Series 2019A dated May 29, 2019 (the "2019A Certificates").

1.08 Under and pursuant to the Act and Minnesota Statutes, Section 475, Subdivision 1 through 4, the District hereby determines that it is necessary, in order to reduce debt service costs, to refinance the

outstanding 2010D Certificates and the 2012B Certificates through the issuance of Refunding Certificates of Participation, Series 2021B (the “2021B Certificates”).

Section 2. Sale of 2021B Certificates.

2.01 The School Board desires to proceed with the sale of the 2021B Certificates by direct negotiation with Robert W. Baird & Co. in Milwaukee, Wisconsin (“Baird”), as underwriter.

2.02 Any officer of the School Board and the Superintendent or Executive Director of Business Services (the “Pricing Committee”), are hereby authorized to approve the sale of the 2021B Certificates and to execute a bond purchase agreement for the purchase of the 2021B Certificates with Baird.

2.03 Upon approval of the sale of the 2021B Certificates by the Pricing Committee, the School Board will take action at a regular or special meeting to adopt the necessary approving resolution prepared by the District’s bond counsel.

2.04 Baird is authorized to prepare and distribute an official statement related to the sale of the 2021B Certificates.

2.05 If the Pricing Committee has not approved the sale of the 2021B Certificates to Baird and executed the related bond purchase agreement by June 30, 2021, this resolution shall expire.

Section 3. 2021B Certificates Documents. The form, specifications and provisions for the issuance and repayment of the 2021B Certificates shall be set forth in a subsequent resolution of the School Board, in an amendment to the Lease Purchase Agreement and a supplement to the Declaration.