



Council Agenda Item: 25-0572R, 25-0574R, 25-0576R, 25-0577R, 25-0578R, 25-0579R

MEETING DATE: July 21, 2025

SUBJECT/TITLE: RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF A \$1,987,335 TAXABLE GRANT ANTICIPATION REVENUE NOTE, SERIES 2025B, AND PROVIDING FOR ITS PAYMENT.

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF A \$3,471,169 TAXABLE GRANT ANTICIPATION REVENUE NOTE, SERIES 2025C, AND PROVIDING FOR ITS PAYMENT.

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF A \$2,456,234 TAXABLE GRANT ANTICIPATION REVENUE NOTE, SERIES 2025D, AND PROVIDING FOR ITS PAYMENT.

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF A \$4,041,533 TAXABLE GRANT ANTICIPATION REVENUE NOTE, SERIES 2025E, AND PROVIDING FOR ITS PAYMENT.

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF A \$6,620,667 TAXABLE GRANT ANTICIPATION REVENUE NOTE, SERIES 2025F, AND PROVIDING FOR ITS PAYMENT.

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF A \$704,657 TAXABLE GRANT ANTICIPATION REVENUE NOTE, SERIES 2025G, AND PROVIDING FOR ITS PAYMENT.

SUBMITTED BY: Jen Carlson, Finance Director

RECOMMENDATION: Approve.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION: Not applicable.

PREVIOUS COUNCIL ACTION: City Council approved ordinance 25-010-O adopted June 9, 2025, authorizing the issuance, sale and delivery of Taxable Grant Anticipation Revenue Notes in an amount not to exceed \$19,825,965 for the payment of improvements to the Water Utility, for replacement of lead service lines as identified in the city's applications to the Authority.

BACKGROUND: These resolutions authorize the issuance of taxable grant anticipation revenue notes in the amounts of \$1,987,335, \$3,471,169, \$2,456,234, \$4,041,533, \$6,620,667, and \$704,657 to provide funds for the payment of costs of improvements to the municipal water utility. The City has applied for and received a commitment from the Minnesota Public Facilities Authority for a grant and loan for the following projects:

Lincoln Park 2	(1690011-16)	Duluth LSLR Phase 4
Lincoln Park 3	(1690011-19)	Duluth LSLR Phase 7
Central Hillside 1	(1690011-20)	Duluth LSLR Phase 8
Fairmont 1	(1690011-21)	Duluth LSLR Fairmont 1
Lincoln Park 4	(1690011-22)	Duluth LSLR Lincoln Park 4
London Road	(1690011-24)	Duluth LSLR London Road



BUDGET/FISCAL IMPACT: This program saves the city tens of millions of dollars. The EPA's Lead and Copper Rule Revisions require public water systems to inventory and replace lead service lines. By participating in the State of Minnesota's forgivable loan program, the City's investment in replacing lead service lines is fully paid by a combination of forgivable loans and grants from the State of Minnesota.

OPTIONS: Approve or the City will be responsible for funding these expensive capital improvements.

NECESSARY ACTION: Approve

ATTACHMENTS: Exhibit A draft note, Exhibit B Master Loan (Bond Purchase) and/or Grant Agreement, Exhibit C Project Order