

# Exhibit A

**UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
COUNTY OF ST. LOUIS**

**CITY OF DULUTH**

**GENERAL OBLIGATION WATER UTILITY REVENUE NOTE, SERIES 2022A**

**R-1**

**Rate: 1.003%**

**\$3,857,531**

**Date of Note: \_\_\_\_\_, 2022**

**Final Maturity Date: August 20, 2042**

FOR VALUE RECEIVED, the CITY OF DULUTH, St. Louis County, Minnesota, a duly organized and existing municipal corporation and political subdivision of the State of Minnesota (the "City"), and whose office address is 411 West First Street, Duluth, Minnesota 55802-1102, for value received, promises to pay to the MINNESOTA PUBLIC FACILITIES AUTHORITY, its successors or registered assigns (the "Lender") at its offices in St. Paul, Minnesota, or such other place as the Lender may designate in writing, the principal sum of Three Million Eight Hundred Fifty-seven Thousand Five Hundred Thirty-one Dollars (\$3,857,531) or such portion thereof as is disbursed to the City (the "Loan"), pursuant to the Minnesota Public Facilities Authority Bond Purchase and Project Loan Agreement between the City and the Lender dated November 5, 2021 (the "Loan Agreement"), together with interest thereon (but only on amounts as shall have been drawn hereunder, as provided above) at the rate per annum set forth above.

Interest on this Note shall be payable each February 20 and August 20, commencing on August 20, 2022. Principal on this Note shall be payable each August 20, commencing on August 20, 2022. Principal and interest on this Note shall be payable in the amounts and on the dates specified in Exhibit A hereto, subject to adjustment as provided for in the Loan Agreement. Both principal hereof and interest hereon are payable in lawful money of the United States of America by check or draft directly to the registered owner hereof shown on this Note registration records maintained by the City, without, except for the final payment of principal on this Note, the presentation or surrender of this Note, and all such payments shall discharge the obligations of the City to the extent of the payments so made. The final principal payment shall be made upon presentation and surrender of this Note when due. If the principal and interest payments are paid by check and mailed to the Lender, such payment shall be mailed by the City at least five business days prior to the payment date. For the prompt and full payment of such principal and interest as they become due, the full faith and credit and taxing power of the City are irrevocably pledged.

This Note is issued pursuant to the authority contained in Minnesota Statutes, Chapter 475, and Section 444.075 and Section 55 of the Home Rule Charter of the City, and all other laws and charter provisions thereto enabling and pursuant to Ordinance No. 10782 adopted December 6, 2021, for the purpose of providing funds for improvements to the water utility system consisting of rehabilitation of the Middle Booster Station including replacement and upgrades to existing pumps, motors and piping. The Note and interest thereon are payable from the net revenues to be derived from the operation of the municipal water utility of the City, as set forth in the Resolution dated January 24, 2022, to which reference is made for a full statement

# Exhibit A

of rights and powers thereby conferred. In the Resolution, the City has pledged and appropriated the net revenues to be derived from the operation of the municipal water utility in excess of normal, reasonable and current costs of the operation and maintenance of the utility, for the payment of the principal and interest when due on the Note and all other bonds and notes heretofore or hereafter issued and made payable from said net revenues, and has covenanted and agreed that it will impose and collect just and equitable charges for all use and for the availability of all facilities of the municipal water utility at the times and in the amounts required to pay the normal, reasonable and current expenses of operating and maintaining such facilities, and also to produce net revenues at least adequate at all times to pay the principal and interest due on the Note and all other water utility bonds and notes.

This Note is subject to redemption at the option of the City, in whole or in part on such dates and at such prices and upon such other terms as are specified in the Loan Agreement.

This Note is transferable by the registered owner hereof upon surrender of this Note for transfer at the office of the City duly endorsed and accompanied by a written instrument of transfer in form satisfactory to the City and executed by the registered owner hereof or the owner's attorney duly authorized in writing. The City may deem and treat the person in whose name this Note is last registered upon the books of the City, with such registration noted on this Note, as the absolute owner hereof for the purpose of receiving payment of or on account of the principal balance, redemption price or interest and for all other purposes; all such payments so made to the registered holder or upon the order thereof shall be valid and effectual to satisfy and discharge the liability upon this Note to the extent of the sum or sums so paid, and the City shall not be affected by any notice to the contrary.

IT IS CERTIFIED AND RECITED that all acts and conditions required by the Charter of the City and by the laws and the Constitution of the State of Minnesota to be done and to exist precedent to and in the issuance of this Note in order to make it a valid and binding general obligation of the City in accordance with its terms have been done and do exist in form, time, and matter as so required; that all taxable property within the corporate limits of the City is subject to the levy of ad valorem taxes to the extent needed to pay the principal hereof and the interest hereon when due, without limitation as to rate or amount; and that the issuance of this Note does not cause the indebtedness of the City to exceed any constitutional or statutory limitation.

Additional provisions of this Note are contained in the Loan Agreement and such provisions shall for all purposes have the same effect as though fully set forth at this place.

# Exhibit A

IN WITNESS WHEREOF, the City has caused this Note to be executed in its name by the manual signatures of its Mayor and Clerk as of the date of Note set forth above.

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
Clerk

# Exhibit A

## PROVISIONS AS TO REGISTRATION

The ownership of the unpaid principal balance of this Note and the interest accruing thereon is registered on the books of the City of Duluth, Minnesota, in the names of the holders last noted below.

Date of Registration	Name and Address of Registered Owner	Signature of Clerk
_____, 2022	State of Minnesota Public Facilities Authority First National Bank Building 332 Minnesota Street, Suite E200 St. Paul, MN 55101-1351 Federal Tax I.D. No.: 41-6007162	_____

# Exhibit A

## ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within Note and all rights thereunder, and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the said Note on the books kept for registration of the within Note, with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

The Clerk will not effect transfer of this Note unless the information concerning the assignee requested below is provided.

Name and Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Taxpayer Identification No.:

\_\_\_\_\_

# Exhibit A

MN Public Facilities Authority

## Exhibit A

Drinking Water State Revolving Fund

### Duluth - dw08

Loan Amortization Schedule  
MPFA-DWRF-L-024-FY22

3,857,531.00

Rate: 1.003%

Date:

Maturity: 08/20/42

Type of Note:

**Tax Exempt  
General Obligation Revenue Note**

final loan amount: 3,857,531.00

Date	Effective	Source	Disbursement	Repayment	Interest	Principal	Loan Balance	Annl Debt Srv
projected	12/29/21	Op Res	3,857,531.00				3,857,531.00	
projected	01/26/22	Op Res		2,501.93			3,857,531.00	
projected	02/23/22	Op Res		2,503.06			3,857,531.00	
projected	03/23/22	Op Res		2,507.81			3,857,531.00	
projected	04/27/22	Op Res		2,512.06			3,857,531.00	
projected	05/25/22	Op Res		2,511.36			3,857,531.00	
projected	06/29/22	Op Res		2,515.51			3,857,531.00	
projected	07/27/22	Op Res	-	22,354.81	22,354.81		3,857,531.00	
	08/20/22			89,002.93	2,471.93	86,531.00	3,771,000.00	111,357.74
	02/20/23			18,911.57	18,911.57		3,771,000.00	
	08/20/23			189,911.57	18,911.57	171,000.00	3,600,000.00	208,823.14
	02/20/24			18,054.00	18,054.00		3,600,000.00	
	08/20/24			191,054.00	18,054.00	173,000.00	3,427,000.00	209,108.00
	02/20/25			17,186.41	17,186.41		3,427,000.00	
	08/20/25			192,186.41	17,186.41	175,000.00	3,252,000.00	209,372.82
	02/20/26			16,308.78	16,308.78		3,252,000.00	
	08/20/26			192,308.78	16,308.78	176,000.00	3,076,000.00	208,617.56
	02/20/27			15,426.14	15,426.14		3,076,000.00	
	08/20/27			193,426.14	15,426.14	178,000.00	2,898,000.00	208,852.28
	02/20/28			14,533.47	14,533.47		2,898,000.00	
	08/20/28			194,533.47	14,533.47	180,000.00	2,718,000.00	209,066.94
	02/20/29			13,630.77	13,630.77		2,718,000.00	
	08/20/29			195,630.77	13,630.77	182,000.00	2,536,000.00	209,261.54
	02/20/30			12,718.04	12,718.04		2,536,000.00	
	08/20/30			196,718.04	12,718.04	184,000.00	2,352,000.00	209,436.08
	02/20/31			11,795.28	11,795.28		2,352,000.00	
	08/20/31			196,795.28	11,795.28	185,000.00	2,167,000.00	208,590.56
	02/20/32			10,867.51	10,867.51		2,167,000.00	
	08/20/32			197,867.51	10,867.51	187,000.00	1,980,000.00	208,735.02
	02/20/33			9,929.70	9,929.70		1,980,000.00	
	08/20/33			198,929.70	9,929.70	189,000.00	1,791,000.00	208,859.40
	02/20/34			8,981.87	8,981.87		1,791,000.00	
	08/20/34			199,981.87	8,981.87	191,000.00	1,600,000.00	208,963.74
	02/20/35			8,024.00	8,024.00		1,600,000.00	
	08/20/35			201,024.00	8,024.00	193,000.00	1,407,000.00	209,048.00
	02/20/36			7,056.11	7,056.11		1,407,000.00	
	08/20/36			202,056.11	7,056.11	195,000.00	1,212,000.00	209,112.22
	02/20/37			6,078.18	6,078.18		1,212,000.00	
	08/20/37			203,078.18	6,078.18	197,000.00	1,015,000.00	209,156.36
	02/20/38			5,090.23	5,090.23		1,015,000.00	
	08/20/38			204,090.23	5,090.23	199,000.00	816,000.00	209,180.46
	02/20/39			4,092.24	4,092.24		816,000.00	
	08/20/39			205,092.24	4,092.24	201,000.00	615,000.00	209,184.48
	02/20/40			3,084.23	3,084.23		615,000.00	
	08/20/40			206,084.23	3,084.23	203,000.00	412,000.00	209,168.46
	02/20/41			2,066.18	2,066.18		412,000.00	
	08/20/41			207,066.18	2,066.18	205,000.00	207,000.00	209,132.36
	02/20/42			1,038.11	1,038.11		207,000.00	
	08/20/42			208,038.11	1,038.11	207,000.00	-	209,076.22
totals			3,857,531.00	4,292,103.38	434,572.38	3,857,531.00		4,292,103.38