

**CITY OF DULUTH, MINNESOTA
DECLARATION OF OFFICIAL INTENT
UNDER TREASURY REGULATIONS, SECTION 1.150-2**

The undersigned, being the duly appointed and acting Department Head and Mayor, Administrative Assistant or Finance Director of the City of Duluth (the "City"), pursuant to and for purposes of compliance with Treasury Regulations, Section 1.150-2 (the "Regulations"), under the Internal Revenue Code of 1986, as amended, hereby state and certify as follows:

1. This Declaration of Official Intent (the "Declaration") is made and given pursuant to, and to satisfy the requirements of, the Regulations.
2. The undersigned are on the date hereof duly authorized by the City to make and execute this Declaration for and on behalf of the City.
3. From and after the date of this Declaration, the City reasonably expects to advance moneys from its Water Fund 510 to pay capital costs of a Project (described in paragraph 4 below) and to reimburse such expenditures to the Water Fund 510 out of the proceeds of bonds to be issued by the City after the date of payment of all or a portion of such capital costs. All reimbursed expenditures shall be capital expenditures as defined in Section 1.150-1(b) of the Regulations.
4. Project, Equipment or Property Description (the "Project"):

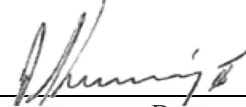
City Wide Replacement of public and privately owned lead services with a total project cost of \$10,000,000 with 51% being paid for with Public Facilities Bonds and 49% with Public Facilities Grants. The project will be bid as four separate projects, each with a cost of \$2,500,000.

5. Estimated Project Cost: \$10,000,000

Funding for Capital Expenditure	
Bonds: \$5,100,000	Current Revenue: \$ _____
Assessments: \$ _____	Lease: \$ _____

6. The City reasonably expects to issue bonds in an amount not to exceed \$5,100,000 _____ to reimburse or pay costs incurred with respect to the Project.
7. Estimated date of initial capital expenditure: April 15, 2023 _____
- or -
Estimated date equipment or property will be placed in service: _____
8. Estimated date bonds will be issued: _____
9. Other than (i) expenditures to be paid or reimbursed from sources other than a borrowing, or (ii) original Project Costs incurred not more than 60 days prior to the date of this Declaration, or (iii) expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Regulations, no Project Costs have been made by the City prior to the date of this Declaration.
10. The reimbursement allocation shall be made not later than 18 months after the later of (i) the date the original expenditure is paid; or (ii) the date the Project is placed in service or abandoned, but in no event more than 3 years after the original capital expenditure is paid.

Date: 8/1/2022



Department Head

Mayor, Administrative Assistant or Finance Director
Per Resolution 92-0540R

File one copy with the City Auditor and one copy with the City Clerk