

# State of Minnesota

## Lead Service Line Replacement Program

### Project Order ID Duluth\_LSLR\_13

### MDH Project ID 1690011-31

This Project Order contract is issued under *Master Loan (Bond Purchase) and/or Grant Agreement* ID Duluth\_LSLR\_00 between the Authority and the City of Duluth (“Recipient”). Capitalized terms used but not defined in this Project Order have the meaning ascribed to them in the Master Contract. All of the duties, obligations, policies, procedures, and terms of the Master Contract associated with this Project Order are incorporated herein by this reference.

#### **1 Term of Project Order**

##### **1.1 Effective date:**

June 23, 2026, or the date the Authority obtains all required signatures under Minnesota Statutes § 16C.05, Subd. 2, whichever is later. Per Minnesota Statutes § 16B.98 Subd. 7, no payments will be made to the Recipient until this Project Order is fully executed. Notwithstanding the effective date of this Project Order, the Authority shall reimburse the Recipient for prior eligible Project Order costs incurred by the Recipient contingent upon the availability of appropriated funds.

##### **1.2 Expiration date:**

June 30, 2028, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

#### **2 Scope of Project Order**

##### **2.1 Activities:**

Reimbursement is limited to the project activity identified in Exhibit A attached hereto.

##### **2.2 Total Obligation:**

The total obligation of the Authority for all reimbursements to the Recipient under this Project Order will not exceed \$17,472,411.00 as detailed in Exhibit A.

#### **3 Loan Repayment Terms**

Unless repaid earlier, the Recipient must repay the Loan (if any), in the amounts and on the dates set forth in Exhibit B attached hereto (notwithstanding the rate of disbursement of the Loan).

#### **4 Project Order Managers**

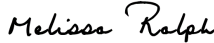
The Authority’s Project Order Manager is Paul Perez, Loan Officer Sr, (651) 259-7475, Paul.Perez@state.mn.us.

The Recipient’s Project Order Manager is Jon Maruska, Senior Engineering Specialist, (218) 730-5093, jmaruska@duluthmn.gov.

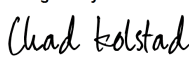
Recipient name: City of Duluth  
 Authority Contract ID: Duluth\_LSLR\_13

The Authority and the Recipient have caused this Project Order contract to be duly executed by their duly authorized undersigned representatives. Statutory Cities must execute this Project Order contract as provided in Minnesota Statutes § 412.201, as amended. Home Rule Charter Cities must execute this Project Order contract as provided in Minnesota Statutes, Chapter 410, as amended.

**1. State Encumbrance verification:** *Individual certifies that funds have been encumbered as required by MN Statute § 16A.15.*

Signed by:  
 By   
49A028F9C972459...  
 Name Melissa Ralph  
 Date 7/1/2026  
 Title MPFA Encumbrance Signer

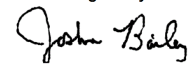
**3. State Agency-MN Public Facilities Authority.**

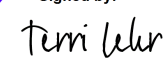
Signed by:  
 By   
B0057BB038A441F...  
 Name Chad Kolstad  
 Date 7/6/2026  
 Title Acting Executive Director, or delegate

**2. Recipient:**

Signed by:  
 By   
A1D488341A6B484...  
 Name Roger J Reinert  
 Date 7/6/2026  
 Title Mayor

Signed by:  
 By   
A38F43F369FD460...  
 Name Alyssa Denham  
 Date 7/1/2026  
 Title City Clerk

DocuSigned by:  
 By   
5DCCA8A0CCFE4D1...  
 Name Josh Bailey  
 Date 7/6/2026  
 Title City Auditor

Signed by:  
 By   
D87E57B1847240F...  
 Name Terri Lehr  
 Date 7/2/2026  
 Title City Attorney

City of Duluth Contract # 25154  
 AccountsPayable@DuluthMN.gov

Exhibit A: Scope of Project Order ID Duluth\_LSLR\_13

Project-related cost (may be combination of grant and loan):

Project Order Costs:

\$11,805,683.00

Construction: Replacing lead drinking water service lines for the property addresses listed in the MDH Project Certification, as amended, including any related design and engineering, inspection, project compliance costs, and other eligible items.

Non-Construction: Providing information to residents on the benefits of replacing lead service lines; post-construction testing, abatement, and site restoration efforts.

Debt Grant to repay the Project Order Costs-Debt Service:

\$5,666,728.00

Total obligation of the Authority:

\$17,472,411.00

| Description                   | Amount          |
|-------------------------------|-----------------|
| Loan for Project Order Costs  | \$5,666,728.00  |
| Grant for Project Order Costs | \$6,138,955.00  |
| Grant to repay the Loan       | \$5,666,728.00  |
| Total                         | \$17,472,411.00 |

Note: This Project Order encumbers \$17,472,411.00 for the Authority to pay out to the Recipient. This includes the approved budget for project costs of \$11,805,683.00, plus a grant of \$5,666,728.00 from the Authority to be used by the Recipient to repay the portion of the project costs paid out as a loan.

Exhibit B: Pro Forma Loan Schedule for Project Order ID Duluth\_LSLR\_13

MN Public Facilities Authority

Drinking Water State Revolving Fund-LSLR

**Duluth\_LSLR\_13**

MPFA-LSLF-L-086-FY26  
LSLR 1690011-31 584 lines

5,666,728.00

Rate: 0%

Approv Date:

Maturity: 06/30/28

Term:

final loan amount: 5,666,728.00

| <u>Date</u>   | <u>Effective</u> | <u>Source</u> | <u>Disbursement</u> | <u>Repayment</u>    | <u>Interest</u> | <u>Principal</u>    | <u>Loan Balance</u> |
|---------------|------------------|---------------|---------------------|---------------------|-----------------|---------------------|---------------------|
| projected     | 07/29/26         |               | 708,000.00          |                     |                 |                     | 708,000.00          |
| projected     | 08/26/26         |               | 708,000.00          |                     | -               |                     | 1,416,000.00        |
| projected     | 09/23/26         |               | 708,000.00          |                     | -               |                     | 2,124,000.00        |
| projected     | 10/28/26         |               | 708,000.00          |                     | -               |                     | 2,832,000.00        |
| projected     | 11/25/26         |               | 708,000.00          |                     | -               |                     | 3,540,000.00        |
| projected     | 12/22/26         |               | 708,000.00          |                     | -               |                     | 4,248,000.00        |
| projected     | 01/26/27         |               | 708,000.00          |                     | -               |                     | 4,956,000.00        |
| projected     | 02/23/27         |               | 710,728.00          |                     | -               |                     | 5,666,728.00        |
|               | 06/30/28         |               |                     | 5,666,728.00        | -               | 5,666,728.00        | -                   |
| <u>totals</u> |                  |               | <u>5,666,728.00</u> | <u>5,666,728.00</u> | <u>-</u>        | <u>5,666,728.00</u> |                     |

Notes:

Per 446A.081 Subd. 8. Loan conditions: (h) .... The interest rate for loans to replace lead service lines shall be zero percent with principal payments commencing not later than 18 months after completion of the project.

This will be backed by a temporary-obligation Grant Anticipation Note. The award of the grant to repay the loan will occur simultaneously, and in the same contract, with the loan.

When disbursement of the loan portion of this Project Order is complete: that is when the Recipient would request disbursement of the grant to repay the loan.

Upon receipt of that grant, the Recipient will immediately repay the loan.

## Certificate Of Completion

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Status: Completed

Envelope Originator:  
 Minnesota Public Facilities Authority  
 444 Lafayette Road No.  
 St. Paul, MN 55155  
 mn.pfa@state.mn.us  
 IP Address: 156.99.30.174

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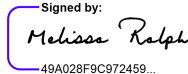
Holder: Minnesota Public Facilities Authority  
 mn.pfa@state.mn.us  
 Pool: StateLocal

Location: DocuSign

## Signer Events

Melissa Ralph  
 melissa.ralph@state.mn.us  
 Security Level: Email, Account Authentication  
 (None)

## Signature

Signed by:  
  
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Signature Adoption: Pre-selected Style  
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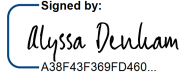
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 Signed: 7/1/2026 10:45:29 AM

## Electronic Record and Signature Disclosure:

Not Offered via Docusign

Alyssa Denham  
 adenham@duluthmn.gov  
 City Clerk  
 Security Level: Email, Account Authentication  
 (None)

Signed by:  
  
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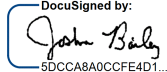
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Josh Bailey  
 jbailey@duluthmn.gov  
 City Auditor  
 Security Level: Email, Account Authentication  
 (None)

DocuSigned by:  
  
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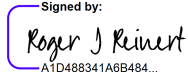
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Roger J Reinert  
 rreinert@duluthmn.gov  
 Mayor  
 Security Level: Email, Account Authentication  
 (None)

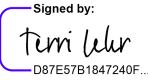
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| Signer Events                                                                                             | Signature                                                                                                                                                                                                       | Timestamp                                                                                |
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| Terri Lehr<br>tlehr@duluthmn.gov<br>City Attorney<br>Security Level: Email, Account Authentication (None) | <div>Signed by:<br/> <br/> D87E57B1847240F...</div> Signature Adoption: Pre-selected Style<br>Using IP Address: 156.99.162.253 | Sent: 7/1/2026 10:45:33 AM<br>Viewed: 7/2/2026 9:54:15 AM<br>Signed: 7/2/2026 9:58:46 AM |

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| Chad Kolstad<br>Chad.Kolstad@state.mn.us<br>Security Level: Email, Account Authentication (None) | <div>Signed by:<br/> <br/> B0057BB038A441F...</div> Signature Adoption: Pre-selected Style<br>Using IP Address: 156.99.30.174 | Sent: 7/6/2026 12:22:35 PM<br>Viewed: 7/6/2026 12:38:14 PM<br>Signed: 7/6/2026 12:39:23 PM |
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| Agent Delivery Events        | Status    | Timestamp |
| Intermediary Delivery Events | Status    | Timestamp |
| Certified Delivery Events    | Status    | Timestamp |

| Carbon Copy Events                                                                           | Status            | Timestamp                  |
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| Jon Maruska<br>jmaruska@duluthmn.gov<br>Security Level: Email, Account Authentication (None) | <div>COPIED</div> | Sent: 7/1/2026 10:45:33 AM |
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|                                                                                              |                   |                            |
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| Paul Perez<br>Paul.Perez@state.mn.us<br>Security Level: Email, Account Authentication (None) | <div>COPIED</div> | Sent: 7/6/2026 12:39:24 PM |
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| Witness Events | Signature | Timestamp |
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| Notary Events  | Signature | Timestamp |

| Envelope Summary Events                    | Status           | Timestamps           |
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| Completed                                  | Security Checked | 7/6/2026 12:39:24 PM |
| Payment Events                             | Status           | Timestamps           |
| Electronic Record and Signature Disclosure |                  |                      |

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