

EXTRACT OF MINUTES OF A MEETING  
OF THE CITY COUNCIL OF THE  
CITY OF HOYT LAKES, MINNESOTA

HELD: June 9, 2025

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Hoyt Lakes, St. Louis County, Minnesota, was duly called and held at the City Hall on June 9, 2025, at 5:30 P.M., for the purpose of authorizing application to the Public Facilities Authority Credit Enhancement Program.

The following Council members were present: *GRAMS, FAIZUELA, MATHISON, ECKMAN*  
*MAYOR: SCOTT*

and the following were absent: *NONE*

Council Member GRAMS introduced the following resolution and moved its adoption:

**RESOLUTION 2025 - 013**  
**APPROVING THE ISSUANCE OF GENERAL OBLIGATION UTILITY REVENUE BONDS, SERIES 2025A**  
**COVENANTING AND OBLIGATING THE CITY TO BE BOUND BY AND TO USE**  
**THE PROVISIONS OF MINNESOTA STATUTES, SECTION 446A.086**  
**TO GUARANTEE THE PAYMENT OF THE PRINCIPAL AND INTEREST ON THE BONDS THROUGH**  
**THE STATE OF MINNESOTA PUBLIC FACILITIES AUTHORITY**  
**CREDIT ENHANCEMENT PROGRAM**

- A. WHEREAS the City will issue bonds pursuant to an authorizing resolution expected to be adopted on June 23, 2025; and
- B. WHEREAS the City chooses to apply for the State of Minnesota Public Facilities Authority Credit Enhancement Program;

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Hoyt Lakes, St. Louis County, Minnesota (herein, the "City"), as follows:

- 1. The City Council hereby finds and declares that it is necessary and expedient for the City to sell and issue its general obligation bonds in the total aggregate principal amount not-to-exceed \$1,100,000 to fund the costs associated with the utility reconstruction (city portion) of the CSAH 110 and CR 665 Reconstruction Projects (herein, the "Bonds").
- 2. Staff is authorized to make application to the Minnesota Rural Water Loan Programs for project financing.
- 3. Minnesota Public Facilities Authority Credit Enhance Program
  - A. Form of Minnesota Public Facilities Authority (the "PFA") Credit Enhancement Program Agreement (the "Agreement"); and
  - B. Application for Participation in the PFA Credit Enhancement Program (the "Application").
    - 1. The Agreement and the Application are authorized and approved in substantially the forms presented to the Council. Submission of the Application to the PFA and payment of related fees are approved. The City hereby covenants and obligates itself to be

bound by the provisions of Minnesota Statutes, Section 446A.086, as it may be amended from time to time. The City understands that as a result of its covenant to be bound by the provisions of Minnesota Statutes, Section 446A.086, the provisions of that section shall be binding as long as any Bonds of this issue remain outstanding.

2. The City hereby covenants and obligates itself to notify the Minnesota Public Facilities Authority of a potential default in the payment of principal and interest on the Bonds and to use the provisions of Minnesota Statutes, Section 446A.086 to guarantee payment of the principal and interest on the Bonds when due. The City further covenants to deposit with the Bond Registrar or any successor paying agent three (3) days prior to the date on which a payment is due an amount sufficient to make that payment or to notify the Minnesota Public Facilities Authority that it will be unable to make all or a portion of that payment. The Bond Registrar for the Bonds is authorized and directed to notify the Minnesota Public Facilities Authority if it becomes aware of a potential default in the payment of principal or interest on the Bonds or if, on the day two (2) business days prior to the payment is due on the Bonds, there are insufficient funds to make that payment on deposit with the Bond Registrar.
3. The City further covenants to comply with all procedures now or hereafter established by the Department of Finance and Minnesota Public Facilities Authority pursuant to Minnesota Statutes, Section 446A.086, subdivision 3 and otherwise to take such actions as necessary to comply with that section. The Mayor and City Administrator are authorized to execute any applicable Minnesota Public Facilities Authority forms and to provide for the payment of the City's application fee of \$500 to the Authority or will reimburse DDA for their payment of the fee on the City's behalf, which fee is required to be submitted with the executed forms.

4. DDA is authorized to prepare an Offering Circular related to the sale of the Bonds.

The motion for the adoption of the foregoing resolution was duly seconded by Council Member JARUELA and upon vote being taken thereon, the following in favor thereof: JARUELA, SCOTT, MATHISON, ECKMAN, GRAMS

and the following voted against the same: NONE

Whereupon said resolution was declared duly passed and adopted.

  
Brennan Scott, Mayor

Attest:

  
Dean Weiberg, City Administrator

STATE OF MINNESOTA   )  
COUNTY OF ST. LOUIS   )  
CITY OF HOYT LAKES    )

I, the undersigned, being the duly qualified and acting City Administrator of the City of Hoyt Lakes, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council of said City, duly called and held on the date therein indicated, insofar as such minutes relate to the City's General Obligation Utility Revenue Bonds, Series 2025A in an amount not-to-exceed \$1,100,000.

WITNESS my hand as such City Clerk of the City this 9<sup>th</sup> day of June 2025.



  
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Dean Weilberg, City Administrator