

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

RESOLUTION NO. 03-19-25-04

RATIFYING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, SERIES 2025A, BY THE CITY OF GRAND RAPIDS, MINNESOTA FOR WATER AND SANITARY SEWER PROJECTS

WHEREAS, on March 10, 2025, the City of Grand Rapids, Minnesota (the "City") considered a resolution (the "City Resolution") awarding the sale of its General Obligation Bonds, Series 2025A (the "Bonds"), in the original aggregate principal amount of \$4,770,000, to finance, among other things, the construction of improvements to the City's water and wastewater facilities in connection with the 3rd Avenue Northeast project (the "Project"); and

WHEREAS, the City Resolution pledges certain Net Water Revenues and Net Sewer Revenues (as defined therein) of the Grand Rapids Public Utilities Commission (the "Commission") to the payment of a portion of the Bonds (the "Water Revenue Bonds" and the "Sewer Revenue Bonds," respectively), and sets forth certain covenants and agreements of the Commission with respect to the Water Revenue Bonds, the Sewer Revenue Bonds, and the water and wastewater systems that the Commission operates; and

WHEREAS, the Commission desires to approve the sale of the Bonds and to ratify, accept and assume the covenants and obligations of the Commission described in the City Resolution;

NOW, THEREFORE, BE IT RESOLVED by the Grand Rapids Public Utilities Commission, as follows:

1. The Commission hereby ratifies and approves the issuance of the Bonds and the pledge of the Net Water Revenues to the payment of the Water Revenue Bonds and the pledge of the Net Sewer Revenues to the payment of the Sewer Revenue Bonds.

2. The Commission shall make principal and interest payments on the Water Revenue Bonds and the Sewer Revenue Bonds in accordance with the schedules attached hereto as EXHIBIT A.

3. The Commission hereby ratifies, accepts and assumes all covenants and obligations ascribed to it under the City Resolution, as if fully set forth herein, and agrees, for the benefit of the City and the holders of the Bonds, to comply therewith.

4. The Commission covenants and agrees with the City that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Certificates to become subject to taxation under the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder, in effect at the time of such actions, and that it will take or cause its officers, employees or agents to take, all affirmative action within its power that may be necessary to ensure that such interest will not become subject to taxation under the Code and applicable Treasury Regulations, as presently existing or as hereafter amended and made applicable to the Bonds. To that end, the Commission will comply with all requirements necessary under the Code to establish and maintain the exclusion from gross income of the interest on the Bonds under Section 103 of the Code, including without limitation requirements relating to temporary periods for investments, and

limitations on amounts invested at a yield greater than the yield on the Bonds.

5. The Commission further covenants not to use the proceeds of the Bonds or the Project, or to cause or permit them to be used, in such a manner as to cause the Bonds to be “private activity bonds” within the meaning of Sections 103 and 141 through 150 of the Code.

Adopted this 19th day of March, 2025.

Tom Stanley, President
Grand Rapids Public Utilities Commission

Attest:

Luke Francisco, Secretary
Grand Rapids Public Utilities Commission

EXHIBIT A
DEBT SERVICE SCHEDULES FOR
WATER REVENUE BONDS AND SEWER REVENUE BONDS

City of Grand Rapids, Minnesota

\$780,000 General Obligation Bonds, Series 2025A

Water

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
04/02/2025	-	-	-	-	-
02/01/2026	-	-	29,277.08	29,277.08	29,277.08
08/01/2026	-	-	17,625.00	17,625.00	-
02/01/2027	35,000.00	5.000%	17,625.00	52,625.00	70,250.00
08/01/2027	-	-	16,750.00	16,750.00	-
02/01/2028	40,000.00	5.000%	16,750.00	56,750.00	73,500.00
08/01/2028	-	-	15,750.00	15,750.00	-
02/01/2029	40,000.00	5.000%	15,750.00	55,750.00	71,500.00
08/01/2029	-	-	14,750.00	14,750.00	-
02/01/2030	45,000.00	5.000%	14,750.00	59,750.00	74,500.00
08/01/2030	-	-	13,625.00	13,625.00	-
02/01/2031	45,000.00	5.000%	13,625.00	58,625.00	72,250.00
08/01/2031	-	-	12,500.00	12,500.00	-
02/01/2032	45,000.00	5.000%	12,500.00	57,500.00	70,000.00
08/01/2032	-	-	11,375.00	11,375.00	-
02/01/2033	50,000.00	5.000%	11,375.00	61,375.00	72,750.00
08/01/2033	-	-	10,125.00	10,125.00	-
02/01/2034	50,000.00	5.000%	10,125.00	60,125.00	70,250.00
08/01/2034	-	-	8,875.00	8,875.00	-
02/01/2035	55,000.00	5.000%	8,875.00	63,875.00	72,750.00
08/01/2035	-	-	7,500.00	7,500.00	-
02/01/2036	55,000.00	4.000%	7,500.00	62,500.00	70,000.00
08/01/2036	-	-	6,400.00	6,400.00	-
02/01/2037	60,000.00	4.000%	6,400.00	66,400.00	72,800.00
08/01/2037	-	-	5,200.00	5,200.00	-
02/01/2038	60,000.00	4.000%	5,200.00	65,200.00	70,400.00
08/01/2038	-	-	4,000.00	4,000.00	-
02/01/2039	65,000.00	4.000%	4,000.00	69,000.00	73,000.00
08/01/2039	-	-	2,700.00	2,700.00	-
02/01/2040	65,000.00	4.000%	2,700.00	67,700.00	70,400.00
08/01/2040	-	-	1,400.00	1,400.00	-
02/01/2041	70,000.00	4.000%	1,400.00	71,400.00	72,800.00
Total	\$780,000.00	-	\$326,427.08	\$1,106,427.08	-

Yield Statistics

Bond Year Dollars	\$7,537.83
Average Life	9.664 Years
Average Coupon	4.3305160%
Net Interest Cost (NIC)	3.5683721%
True Interest Cost (TIC)	3.4242890%
Bond Yield for Arbitrage Purposes	3.1988646%
All Inclusive Cost (AIC)	3.5888197%

IRS Form 8038

Net Interest Cost	3.2249847%
Weighted Average Maturity	9.602 Years

2025A GO Bonds - FINAL | Water | 3/10/2025 | 10:49 AM



City of Grand Rapids, Minnesota

\$750,000 General Obligation Bonds, Series 2025A
Sanitary Sewer

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
04/02/2025	-	-	-	-	-
02/01/2026	-	-	28,155.83	28,155.83	28,155.83
08/01/2026	-	-	16,950.00	16,950.00	-
02/01/2027	35,000.00	5.000%	16,950.00	51,950.00	68,900.00
08/01/2027	-	-	16,075.00	16,075.00	-
02/01/2028	35,000.00	5.000%	16,075.00	51,075.00	67,150.00
08/01/2028	-	-	15,200.00	15,200.00	-
02/01/2029	40,000.00	5.000%	15,200.00	55,200.00	70,400.00
08/01/2029	-	-	14,200.00	14,200.00	-
02/01/2030	40,000.00	5.000%	14,200.00	54,200.00	68,400.00
08/01/2030	-	-	13,200.00	13,200.00	-
02/01/2031	45,000.00	5.000%	13,200.00	58,200.00	71,400.00
08/01/2031	-	-	12,075.00	12,075.00	-
02/01/2032	45,000.00	5.000%	12,075.00	57,075.00	69,150.00
08/01/2032	-	-	10,950.00	10,950.00	-
02/01/2033	50,000.00	5.000%	10,950.00	60,950.00	71,900.00
08/01/2033	-	-	9,700.00	9,700.00	-
02/01/2034	50,000.00	5.000%	9,700.00	59,700.00	69,400.00
08/01/2034	-	-	8,450.00	8,450.00	-
02/01/2035	50,000.00	5.000%	8,450.00	58,450.00	66,900.00
08/01/2035	-	-	7,200.00	7,200.00	-
02/01/2036	55,000.00	4.000%	7,200.00	62,200.00	69,400.00
08/01/2036	-	-	6,100.00	6,100.00	-
02/01/2037	55,000.00	4.000%	6,100.00	61,100.00	67,200.00
08/01/2037	-	-	5,000.00	5,000.00	-
02/01/2038	60,000.00	4.000%	5,000.00	65,000.00	70,000.00
08/01/2038	-	-	3,800.00	3,800.00	-
02/01/2039	60,000.00	4.000%	3,800.00	63,800.00	67,600.00
08/01/2039	-	-	2,600.00	2,600.00	-
02/01/2040	65,000.00	4.000%	2,600.00	67,600.00	70,200.00
08/01/2040	-	-	1,300.00	1,300.00	-
02/01/2041	65,000.00	4.000%	1,300.00	66,300.00	67,600.00
Total	\$750,000.00	-	\$313,755.83	\$1,063,755.83	-

Yield Statistics

Bond Year Dollars	\$7,242.92
Average Life	9.657 Years
Average Coupon	4.3318989%
Net Interest Cost (NIC)	3.5668431%
True Interest Cost (TIC)	3.4224977%
Bond Yield for Arbitrage Purposes	3.1988646%
All Inclusive Cost (AIC)	3.6158113%

IRS Form 8038

Net Interest Cost	3.2229111%
Weighted Average Maturity	9.595 Years

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CERTIFICATION

I, Julie Kennedy, the General Manager of the Public Utilities Commission of Grand Rapids, Minnesota, do hereby certify that the attached copy of Resolution No. 03-19-25-04, adopted on March 19, 2025, is a true and correct copy of the original.

By: _____
Its: General Manager