



**CITY OF MINNETRISTA**

**REQUEST FOR CITY COUNCIL ACTION/DISCUSSION**

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**Subject: Item** – Resolution No. 90-25 Adopt Reimbursement Resolution regarding 2026 projects for Woodland Cove Water Treatment Plant, 2026 Road Projects and 2026 Equipment Certificates

**Prepared By: Brian Grimm, Finance Director**

**Meeting Date: October 20, 2025**

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**Item:** Attached is the resolution adopting a reimbursement resolution in conjunction with the upcoming 2026 Projects. The estimated principal cost of the projects at this time of \$27,000,000 is included in the resolution. This upcoming bond issue is a budgeted/projected issuance for financing multiple items.

An estimated \$24 million for the Woodland Cove Water Treatment Plant is allocated. Another \$2-\$2.5 million of bonding for the road projects (net of MSA and other financing sources) is included in this reimbursement resolution. Lastly, another \$500,000-\$600,000 for equipment certificates allocated for items added in 2025 as well as budgeted items per the CIP equipment plan for 2026.

**Recommended City Council Action:** Res No. 90-25 Adopt Reimbursement Resolution regarding 2026 projects for Woodland Cove Water Treatment Plant, 2026 Road Projects and 2026 Equipment Certificates

Does Recommended Action meet City Mission Statement?     Yes     No  
Does Recommended Action meet City Goals/Priorities?         Yes     No  
Explain:

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**Mission Statement:**

The City of Minnetrista will deliver quality services in a cost effective and innovative manner and provide opportunities for a high quality of life while protecting natural resources and maintaining a rural character.

CITY OF MINNETRISTA, MINNESOTA

RESOLUTION NO. 90-25

DECLARING THE OFFICIAL INTENT OF CITY OF MINNETRISTA TO REIMBURSE  
CERTAIN EXPENDITURES FROM THE PROCEEDS  
OF BONDS TO BE ISSUED BY THE CITY

WHEREAS, the Internal Revenue Service has issued Treas. Reg. § 1.150-2 (the “Reimbursement Regulations”) providing that proceeds of tax-exempt bonds used to reimburse prior expenditures will not be deemed spent unless certain requirements are met; and

WHEREAS, the City expects to incur certain expenditures that may be financed temporarily from sources other than bonds, and reimbursed from the proceeds of a tax-exempt bond;

WHEREAS, the City has determined to make this declaration of official intent (“Declaration”) to reimburse certain costs from proceeds of bonds in accordance with the Reimbursement Regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF CITY OF MINNETRISTA AS FOLLOWS:

1. The City proposes to undertake the **construction of Woodland Cove Water Treatment Plant, 2026 Road Projects and 2026 Equipment Certificates improvements** in 2025/2026 (the “Project”).

2. The City reasonably expects to reimburse the expenditures made for certain costs of the Project from the proceeds of bonds in an estimated maximum principal amount of **\$27,000,000 from the Water, Road Construction/Maintenance and CIP Equipment funds**. All reimbursed expenditures will be capital expenditures, costs of issuance of the bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.

3. This Declaration has been made not later than 60 days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of bonds, except for the following expenditures: (a) costs of issuance of bonds; (b) costs in an amount not in excess of \$100,000 or 5 percent of the proceeds of an issue; or (c) “preliminary expenditures” up to an amount not in excess of 20 percent of the aggregate issue price of the issue or issues that finance or are reasonably expected by the City to finance the project for which the preliminary expenditures were incurred. The term “preliminary expenditures” includes architectural, engineering, surveying, bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.

4. This Declaration is an expression of the reasonable expectations of the City based on the facts and circumstances known to the City as of the date hereof. The anticipated original expenditures for the Project and the principal amount of the bonds described in paragraph 2 are

consistent with the City's budgetary and financial circumstances. No sources other than proceeds of bonds to be issued by the City are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the City's budget or financial policies to pay such Project expenditures.

5. This Declaration is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

Approved by the City Council of City of Minnetrista this 20th day of October, 2025 by a vote of \_\_\_\_\_ ayes and \_\_\_\_\_ nays.

CITY OF MINNETRISTA, MINNESOTA

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Mayor

Attest:

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City Clerk