

CITY OF BETHEL, ALASKA

ORDINANCE NO. 130

AN ORDINANCE OF THE CITY OF BETHEL, ALASKA, PROVIDING FOR THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS OF THE CITY OF BETHEL IN THE PRINCIPAL AMOUNT OF SIX HUNDRED THOUSAND DOLLARS FOR THE PURPOSE OF PAYING THE COSTS OF PLANNING, DESIGNING, CONSTRUCTING, AND EQUIPPING A FIRE STATION AND ASSOCIATED FACILITIES LOCATED WITHIN THE CITY OF BETHEL; FIXING THE DATE, FORM, TERMS AND MATURITIES OF THE BONDS; AND PROVIDING FOR CERTAIN OTHER COVENANTS AND PROTECTIVE FEATURES.

WHEREAS, at a special municipal election held in the City of Bethel, Alaska, on October 2, 1979, pursuant to Ordinance No. 120, passed and approved September 13, 1979, the provisions of the Code of Ordinances of the City of Bethel, and other proceedings of Council duly and regularly had, the qualified electors of the City authorized the issuance of general obligation bonds of the City in the total principal sum not to exceed \$600,000 for the purpose of planning, designing, constructing and equipping a fire station and associated facilities located within the City of Bethel; and

WHEREAS, it is in the public interest to provide for the issuance of these bonds.

NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY OF BETHEL, ALASKA:

Section 1. As used in this ordinance, the following words shall have the following meanings:

a. The word "City" means the City of Bethel, a municipal corporation duly organized and existing under the laws of the State of Alaska.

b. The word "Bond" means the fully registered general obligation bond of the City in the principal amount of \$600,000, issued pursuant to this ordinance.

c. The word "FHA" means the United States Farmers Home Administration, an agency of the United States government.

d. The words "Government Obligations" mean direct obligations of the United States of America or the State of Alaska or obligations, the payment of which is guaranteed by the United States of America or the State of Alaska.

Section 2. For the purpose of paying the costs of planning, designing, constructing and equipping a fire station

and associated facilities, the City shall issue its fully registered general obligation bond (the "Bond") in the principal amount of \$600,000 authorized by the qualified electors of the City at a special municipal election held in the City of Bethel, Alaska, on October 2, 1979, pursuant to Ordinance No. 120, passed and approved September 13, 1979.

The Bond shall be registered as to both principal and interest, shall be dated the date of delivery of the bond to FHA, shall be in the principal amount of \$600,000 and shall be numbered R-1.

The Bond shall be payable in equal annual payments on October 1 of each year, beginning October 1, 1982, in the amount of approximately \$48,144.00, which payments include principal plus accrued interest to date of actual payment.

Interest shall be at a rate not greater than 5% per annum. Both principal and interest on the Bond shall be payable in lawful money of the United States of America to the registered owner at the address appearing on the registration certificate.

Section 3. The City hereby reserves the right to prepay any or all unpaid principal amounts, at any time and at a price, calculated with respect to each installment or portion thereof to be prepaid, equal to the principal amount thereof plus accrued interest to the date of prepayment. No premium will be paid upon the exercise of the City's right of prepayment.

Notice of any such intended prepayment shall be given by mailing notice thereof to the registered owner of the Bond, not more than sixty nor less than fifty days prior to said prepayment date. Interest on any installment or portion thereof so prepaid shall cease on such prepayment date.

Section 4 The Bond and the Registration Certificate shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. R-1

5.00%

\$600,000

STATE OF ALASKA

CITY OF BETHEL

GENERAL OBLIGATION BOND, 1981

The City of Bethel, a municipal corporation of the State of Alaska (hereinafter called the "City"), hereby acknowledges itself to owe and for value received promises to pay to the registered owner hereof,

the principal sum of

SIX HUNDRED THOUSAND DOLLARS

in equal annual payments on October 1, 1982, and on October 1 of each of the following years in the amount of approximately \$48,144.00, which payments include principal plus accrued interest to date of actual payment. Interest shall be at the rate of 5% per annum. Both principal and interest on this bond are payable in lawful money of the United States of America to the registered owner at the address appearing in the registration certificate. Upon final payment of all installments and interest thereon, this bond shall be submitted to the City for surrender and cancellation.

The City has reserved the right to prepay any or all unpaid principal amount, at any time, without premium or penalty, and at a price calculated with respect to each installment or portion thereof to be prepaid, equal to the principal amount thereof plus accrued interest to the date of prepayment.

Notice of any such intended prepayment shall be given by mailing notice thereof to the registered owner, not more than sixty nor less than fifty days prior to said prepayment.

This bond is issued pursuant to the Constitution and laws of the State of Alaska, a vote of the qualified electors of the City, and duly adopted ordinances and resolutions thereof, for the purpose of providing funds to pay the costs of planning, designing, constructing and equipping a fire station and associated facilities in the City.

This bond is payable as to both principal and interest out of the special fund of the City entitled "1981 General Obligation Bond Redemption Fund" created by Ordinance No. 130 of the Council of the City (the Bond Ordinance).

This bond is a general obligation of the City of Bethel, Alaska, and the full faith and credit of the City are pledged for the payment of the principal and interest on the bond as the same shall become due.

It is hereby certified and declared that all acts, conditions and things required to be done precedent to and in the issuance of this bond have happened, been done and performed, and that the total indebtedness of the City, including this bond, does not exceed any Constitutional or statutory limitation.

IN WITNESS WHEREOF, the City of Bethel, Alaska, has caused this bond to be signed by its Mayor, to be attested by its Clerk, and the official seal of the City to be impressed hereon, this _____ day of _____, 1981.

CITY OF BETHEL, ALASKA

By _____
Mayor

ATTEST:

City Clerk

REGISTRATION CERTIFICATE

This bond is registered in the name of the holder on the books of the City in the office of the City Clerk as to both principal and interest as noted in the registration blank below. No transfer hereof shall be valid unless made by the registered owner or his duly authorized agent in writing, and similarly noted hereon. All payments of principal and interest on this bond shall be made by the City with full acquittance by the City Finance Director's check, or by warrant of the City drawn on the Finance Director, made payable to the last registered holder as shown hereon and on the registration books of the City and delivered to such holder or mailed to him at this address noted hereon and on the registration books of the City.

<u>Date of</u>	<u>Name and Address of</u>	<u>Signature of</u>
<u>Registration</u>	<u>Registered Holder</u>	<u>Registrar</u>

A fully registered bond shall have endorsed thereon the following form of assignment:

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned registered owner thereof hereby sells, assigns and transfers the within bond unto _____.

DATED: _____.

In the presence of:

(Repeat this form of assignment)

Section 5. The Bond shall be signed on behalf of the City by its Mayor, shall be attested by its City Clerk, and shall have the official seal of the City impressed thereon.

Section 6. There is hereby created a special fund of the City to be known as the "1981 General Obligation Bond Redemption Fund", which fund is created for the sole purpose of paying the principal of and interest on the bond.

The City hereby irrevocably covenants and pledges that for as long as the bond is outstanding that it will levy such taxes as are allowable under Alaska Statutes 29.53.410 without limitation as to rate or amount in amounts sufficient to pay the principal and interest on the bond as the same shall become due. Such amount of taxes necessary to meet such principal and interest shall be transferred to the 1981 General Obligation Bond Redemption Fund.

The full faith, credit and resources of the City are hereby irrevocably pledged for the annual levy and collection of taxes as provided in Alaska Statute 29.53.410 and for the prompt payment of such principal and interest as the same shall become due.

Section 7. The City Manager is hereby authorized and directed to negotiate with the FHA and to enter into an agreement with the FHA for the sale of the bond to the FHA, at an interest rate which will not exceed 5%.

Section 8. In the event that money and/or Government Obligations, maturing at such time or times and bearing interest to be earned thereon in amounts sufficient to redeem and retire the Bond in accordance with its terms are set aside in a special account to effect such redemption or retirement and such money and the principal of and interest on such Government Obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made into the Bond Fund for the payment of the principal of and interest on the Bond and it shall cease to be entitled to any lien, benefit or security of this ordinance except that right to receive the funds so set aside and pledged, and shall be deemed not to be outstanding hereunder.

Section 9. The Bond may be transferred by the registered owner thereof, provided that such transfer is related to the entire principal amount of the Bond and interest thereon, and such transfer is noted on the bond registration book of the City.

Section 10. After the sale, the proper Municipal officials are hereby authorized and directed to do everything necessary to complete the sale and delivery of the bond to the purchaser upon payment of the purchase price. The proceeds of the sale shall be used to plan, design, construct and equip a fire station and associated facilities located within the City of Bethel, or, if applicable, to reimburse any fund of the Municipality which may have advanced or borrowed money for such purposes.

Section 11. The City covenants to the purchaser of the Bond that it will make no use of the proceeds of the bond at any time during the term thereof which, if such use had been reasonably expected at the date the bond is issued, would have caused the bond to be an arbitrage bond within the meaning of Section 103(d) of the United States Internal Revenue Code of 1954, as amended, and applicable regulations thereunder.

Section 12. This ordinance takes effect immediately upon passage and approval.

Section 13. This ordinance is not to be published in the Bethel City Code.

PASSED by the Council of the City of Bethel, Alaska, and approved by its Mayor at a regular meeting of said council held this _____ day of _____ 1981.

CITY OF BETHEL, ALASKA

By _____
Mayor

ATTEST:

City Clerk

FIRST READING: _____

SECOND READING AND PASSAGE DATE: _____

EFFECTIVE DATE: _____