ORDINANCE NO. 100

CITY OF BETHEL, ALASKA

AN ORDINANCE OF THE CITY OF BETHEL, AUTHORIZING THE BORROWING OF MONEY IN ANTICIPATION OF THE SALE OF BETHEL COURT BUILDING GENERAL OBLIGATION BONDS APPROVED BY THE ELECTORATE ON MAY 17, 1977, AUTHORIZING THE ISSUANCE OF BOND ANTICIPATION NOTES, FIXING THE FORM, AMOUNTS, MATURITY, INTEREST RATE AND SECURITY THEREFOR, AND PROVIDING FOR A PRIVATE SALE.

WHEREAS, at a special municipal election held in the City of Bethel, Alaska, on the 17th day of May, 1977, pursuant to Ordinance No 96, passed and approved April 21, 1977, and the provisions of Title 29 of the Alaska Statutes and Code of Ordinances of the City of Bethel and other proceedings of the Council duly and regularly had, the qualified voters of the City authorized the issuance of Bethel Court Building General Obligation Bonds of the City in the total principal sum of $795,000 for the purpose of paying the costs of planning, designing, constructing, and equipping the Bethel Court Building located within the City of Bethel;

WHEREAS, $795,000 of said Bethel Court Building General Obligation Bonds remain authorized but unsold, and

WHEREAS, pursuant to Alaska Statutes 29.58.070 the City may borrow in anticipation of the sale of bonds authorized and issue notes therefor, and

WHEREAS, it is deemed necessary and in the public interest to borrow the sum of $795,000 for the purposes authorized and to issue Bethel Court Building General Obligation Bond anticipation notes, 1977, and

WHEREAS, all procedures required by law have been regularly and duly had and taken and the issuance of the anticipation notes is authorized by law, and

WHEREAS, the private sale of the notes will provide the lowest interest rate and will enable the City to obtain the necessary funds at the earliest possible time, and

WHEREAS, the Alaska Bank of Commerce has offered to loan $795,000 to the City for a period of nine (9) months secured by a bond anticipation note or notes and at an interest rate computed with reference to the established Bank of America National Trust and Savings Association prime rate.

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

Section 1. That the results of the election held within City of Bethel on May 17, 1977 pursuant to Ordinance No. 96 whereby the qualified voters of the City authorized the issuance of General Obligation Bonds in the principal sum not to exceed $795,000 for the purpose of paying the costs of planning, designing, constructing, and equipping the Bethel Court Building is hereby in all respects ratified and confirmed. All procedures required by law as to the election have been duly and regularly had and taken, and the vote thereon has been confirmed and certified.

Section 2. It is hereby determined to be for the public purpose and in the public interest of the City of Bethel to borrow $795,000 in anticipation of the sale of said General Obligation Bonds and to issue bond anticipation notes therefore.

Section 3. The City Council shall issue a bond anticipation note or notes in the aggregate amount not to exceed $795,000. The note shall be dated May 31, 1977, shall mature February 28, 1978, and shall bear interest for the first 90 days at a rate equal to 70% of the established Bank of America National Trust and Savings Association prime rate, and for the second 90 days at 80% of the said prime rate, and for the duration of the note 90% of said prime rate; provided, however, that such interest rate shall not exceed the interest rate limitation set forth in Alaska Statutes 29.50.310. Such notes shall be payable at the Office of the Finance Director of the City of Bethel, Bethel, Alaska, and shall not be subject to call prior to maturity. The notes shall be payable from the proceeds of the next succeeding sale of Bethel Court Building general obligation bonds or from the proceeds of the sale of new bond anticipation notes. The notes shall be secured by the rental revenues derived from the operations of the said Bethel Court Building and by the full faith and credit of the City of Bethel.

Section 4. The sum of $795,000 shall be borrowed, and the notes issued therefor shall be sold at private sale. The offer of the Alaska Bank of Commerce to lend the City the sum of $795,000 and to accept the notes therefor at par value is hereby accepted and confirmed.

Section 5. The notes issued under this Ordinance shall be in the form of promissary notes to be approved by the City Manager; shall meet all the requirements of law, this Ordinance, Article 2 of Chapter 58 of Title 29 of the Alaska Statutes, and of the Code of Ordinances of the City; shall set forth the purpose of the notes, shall specifically provide they are to be paid out of the proceeds of the sale the Bethel Court Building General Obligations Bonds; shall state the security for the notes; shall provide that the notes may be paid from the proceeds of new bond anticipation notes if the said general obligation bonds have not been sold prior to the maturity date; and shall be signed on behalf of the City Council by its Mayor and shall be counter-signed by the City Clerk under the official seal of the City.

Section 6. The proceeds from the sale of the notes shall be used by the City solely for the purposes authorized.

PASSED by the Council of the City of Bethel, Alaska, and approved by its Mayor at a Special Meeting of said Council held this 26th day of May, 1977.

CITY OF BETHEL, ALASKA

BY: _____
Mayor

ATTEST:

_____
CITY CLERK