

KENAI PENINSULA BOROUGH

EMERGENCY ORDINANCE NO. 71-3

AN EMERGENCY ORDINANCE OF THE KENAI PENINSULA BOROUGH, CONFIRMING THE RESULTS OF THE SPECIAL ELECTION HELD THEREIN ON OCTOBER 6, 1970, AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$3,500,000 OF GENERAL OBLIGATION BONDS OF THE BOROUGH TO BE USED FOR ACQUIRING AND PREPARING SITES AND CONSTRUCTING NEW SCHOOL BUILDINGS AND ADDITIONS TO AND RENOVATION OF EXISTING BUILDINGS AND ACQUIRING FACILITIES THEREFOR; PROVIDING FOR THE ISSUANCE AND SALE OF \$3,500,000 OF SUCH BONDS: FIXING THE DATE, FORM, TERM AND MATURITIES AND COVENANTS OF SUCH BONDS; PLEDGING THE ANNUAL LEVY OF AD VALOREM TAXES WITHOUT LIMITATION AND IN AMOUNTS SUFFICIENT WITH OTHER REVENUE OF THE BOROUGH AVAILABLE FOR SUCH PURPOSES, TO PAY THE PRINCIPAL THEREOF AND THE INTEREST THEREON; AND PLEDGING THE FULL FAITH AND CREDIT OF THE KENAI PENINSULA BOROUGH TO THE PAYMENT OF ANY INDEBTEDNESS SO INCURRED.

WHEREAS, at a special election held in the Kenai Peninsula Borough, Alaska, (hereinafter designated "Borough") on the 6th day of October, 1970, pursuant to Resolution No. 70-20R of the Borough, adopted September 1, 1970, placing the proposition on the ballot, the qualified electors of the Borough authorized the issuance of general obligation bonds in an amount not to exceed \$3,500,000 to be used for acquiring and preparing sites and constructing new school buildings and additions to and renovation of existing buildings and acquiring facilities therefor, as the Assembly of the Borough from time to time may determine to be necessary; and

WHEREAS, the Borough has not heretofore issued or sold any of such bonds; and

WHEREAS, it is deemed necessary and advisable that the \$3,500,000 of such bonds so authorized be now issued and sold to provide moneys for accomplishing said purposes:

*also attached Bond
Resolution*

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NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE
KENAI PENINSULA BOROUGH:

Section 1. The Assembly of the Kenai Peninsula Borough hereby declares that an emergency exists affecting the welfare and property of the inhabitants of the Borough in that \$3,500,000 of the school bonds authorized herein must be sold by April 20, 1971, in order to meet the construction schedule necessary to provide adequate classroom space for the anticipated needs of the School System, and the regular ordinance cannot become effective by that date.

Section 2. The result of the special borough election held October 6, 1970, pursuant to Resolution No. 70-20R of the Borough, adopted September 1, 1970, and the Statutes of the State of Alaska and the Ordinances of the Borough, at which special election the qualified electors of the Borough authorized the issuance of general obligation bonds in the principal sum of not to exceed \$3,500,000 to be used for acquiring and preparing sites and constructing new school buildings and additions to and renovation of existing buildings and acquiring facilities therefor, as the Assembly of the Borough from time to time may determine to be necessary, is hereby in all respects ratified and confirmed.

Section 3. For the purpose of providing moneys necessary to carry out the improvements referred to in Section 1, the Borough shall issue and sell its "General Obligation School Bonds, 1971," in the principal sum of \$3,500,000, which bonds were authorized by Resolution No. 70-20R of the Borough, and approved by the qualified electors of the Borough at the special election held on October 6, 1970.

Section 4. The bonds shall be dated May 1, 1971, shall be in denominations of \$5,000 each, shall be payable semi-annually on the first days of May and November of each year from date of issue as evidenced by coupons to be attached thereto, and shall be numbered and mature in order of their number as follows:

<u>Bond Numbers (Inclusive)</u>	<u>Amounts</u>	<u>Maturities</u>
1 to 19	\$ 95,000	May 1, 1973
20 to 39	100,000	May 1, 1974
40 to 61	110,000	May 1, 1975
62 to 84	115,000	May 1, 1976
85 to 109	125,000	May 1, 1977
110 to 135	130,000	May 1, 1978
136 to 163	140,000	May 1, 1979
164 to 193	150,000	May 1, 1980
194 to 225	160,000	May 1, 1981
226 to 260	175,000	May 1, 1982
261 to 297	185,000	May 1, 1983
298 to 336	195,000	May 1, 1984
337 to 378	210,000	May 1, 1985
379 to 423	225,000	May 1, 1986
424 to 471	240,000	May 1, 1987
472 to 523	260,000	May 1, 1988
524 to 578	275,000	May 1, 1989
579 to 637	295,000	May 1, 1990
638 to 700	315,000	May 1, 1991

Both principal of and interest on said bonds shall be payable in lawful money of the United States of America at the main office of the Seattle Trust and Savings Bank, Seattle, Washington, or the main office of The Chase Manhattan Bank, (National Association), New York, New York, at the option of the bond holder.

Section 5. The bonds shall be subject to redemption by or on behalf of the Borough prior to maturity, as a whole or in part, in inverse numerical order, on any interest payment date on or after May 1, 1986, at a redemption price equal to the principal amount of each bond to be redeemed, together with interest accrued thereon to the redemption date.

Section 6. The bonds shall be in substantially the following form;

NO. _____

\$5,000.00

UNITED STATES OF AMERICA

STATE OF ALASKA

KENAI PENINSULA BOROUGH

GENERAL OBLIGATION SCHOOL BOND, 1971

_____ %

KNOW ALL MEN BY THESE PRESENTS: That the Kenai Peninsula Borough, a municipal corporation of the State of Alaska, for value received, hereby promises to pay to bearer on the first day of May, 19___, the principal sum of

FIVE THOUSAND DOLLARS

together with interest thereon at the rate of _____ % per annum payable semi-annually on the first days of May and November of each year as evidenced by and upon presentation and surrender of the attached interest coupons as they severally become due or until such principal sum shall have been paid or duly provided for. Both principal and interest are payable in lawful money of the United States of America at the main office of the Seattle Trust & Savings Bank, Seattle, Washington, or the main office of The Chase Manhattan Bank, (National Association) New York, New York, at the option of the holder hereof.

The bonds shall be subject to redemption by or on behalf of the Borough prior to maturity, as a whole or in part, in inverse numerical order, on any interest payment date on or after May 1, 1986 at a redemption price equal to the principal amount of each bond to be redeemed, together with interest accrued thereon to the redemption date.

This bond is one of an issue of 700 bonds of like amount, date and tenure, aggregating the principal sum of \$3,500,000 and is issued pursuant to a special election held on October 6, 1970, authorizing the same under and in accordance with the laws of the State of Alaska and duly adopted ordinances and resolutions of the Kenai Peninsula Borough Assembly, for the purpose of providing funds to be used for acquiring and preparing sites and constructing new school buildings and additions to and renovation

of existing buildings and acquiring facilities therefor as the Assembly of the Borough from time to time may determine to be necessary.

This bond and bonds of the issue of which this bond is one are payable out of the fund created by Ordinance No. _____ of the Borough entitled "Kenai Peninsula Borough, 1971, General Obligation School Bond Redemption Fund." The Borough has irrevocably covenanted that it will levy and collect taxes annually upon all the taxable property within the Borough without limitation as to rate or amount and in amounts, which with other moneys available therefor will be sufficient to pay the principal of and interest on the bonds of this issue as the same shall become due. The Borough has irrevocably pledged to make prompt payment of such principal and interest from the proceeds of such property taxes.

It is hereby certified that all acts, conditions and things required by the Constitution and laws of the State of Alaska, and the ordinances and resolutions of the Borough have happened, been done and performed, and that the total indebtedness of the Borough, including this bond and the bonds of this issue, does not exceed any debt limitation prescribed by such Constitution, laws, ordinances or resolutions.

IN WITNESS WHEREOF, the Kenai Peninsula Borough, Alaska, has caused this bond to be signed by the manual or facsimile signature of the borough chairman and attested by the manual or facsimile signature of its clerk and its official seal or a facsimile thereof to be impressed or otherwise reproduced hereon, this first day of May, 1971.

KENAI PENINSULA BOROUGH, ALASKA

BY: George J. Navam
Borough Chairman

ATTEST:

Francis Bremer
Borough Clerk

The interest coupons shall be in substantially the following form:

No. _____

\$ _____

On the FIRST DAY OF (MAY) (NOVEMBER), 19____, the Kenai Peninsula Borough, Alaska, will pay to bearer at the main office of the Seattle Trust & Savings Bank, Seattle, Washington, or the main office of The Chase Manhattan Bank, (National Association), New York, New York, at the option of the holder hereof, the sum of _____ DOLLARS in lawful money of the United States of America, said sum being the semi-annual interest due that date on its "General Obligation School Bond, 1971," dated May 1, 1971, and numbered _____.

KENAI PENINSULA BOROUGH, ALASKA

BY: _____
Borough Chairman

ATTEST:

Francis Bryner
Borough Clerk

Section 7. The bond shall be signed by the manual or facsimile signature of the borough chairman, shall be attested by the manual or facsimile signature of the borough clerk, and shall have the official seal or facsimile thereof of the Borough impressed thereon. Each of the interest coupons attached thereto shall be signed with the facsimile signatures of said officials.

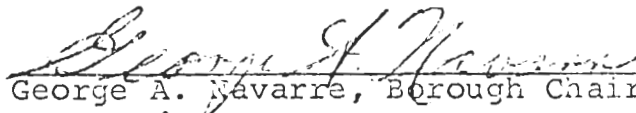
Section 8. There is hereby created a special fund of the Borough to be known as "Kenai Peninsula Borough, 1971, General Obligation School Bond Redemption Fund," which fund shall be drawn upon for the sole purpose of paying the principal of and interest on and redemption of the bonds authorized herein. The Borough hereby irrevocably covenants that it will levy and collect taxes annually upon all the taxable property within the Borough without limitation as to rate or amount and in amounts

R E C E I P T

The undersigned acknowledges receipt from Bank of America N.T. & S.A. and Associates of \$ 3,511,009 72 in payment for \$3,500,000 of "General Obligation School Bonds, 1971," of the Kenai Peninsula Borough, Alaska, numbered from 1 to 700, inclusive, in denominations of \$5,000 each, dated May 1, 1971, and maturing in numerical order on May 1 of each year, in the years and amounts and bearing interest represented by coupons attached thereto, and in payment of accrued interest on said bonds from May 1, 1971, to May 20, 1971.

The undersigned acknowledges receipt of the above-mentioned sums in payment for the above-mentioned bonds plus accrued interest in his capacity as Chairman of the Kenai Peninsula Borough, Alaska.

DONE this 20th day of May, 1971.

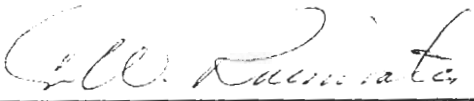

George A. Navarre, Borough Chairman

sufficient to pay such principal and interest as the same shall become due. The full faith, credit and resources of the Borough are hereby irrevocably pledged for the annual levy and collection of such taxes and for the prompt payment of such principal and interest.

All of such taxes so collected shall be paid into said 1971 Bond Redemption Fund on or before the dates upon which any installment of interest or principal and interest shall become due and payable, in amounts sufficient with any fund balance previously paid into said fund, to pay such installments as the same shall become due and payable. The money so paid into the said 1971 Bond Redemption Fund shall not be used for any other purpose than the payment of the principal of and interest on and redemption of the bonds authorized herein.


Section 9. This ordinance shall become effective immediately upon enactment.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH
this 23 day of March, 1971



Assembly President

ATTEST:



Assembly Clerk

KENAI PENINSULA BOROUGH

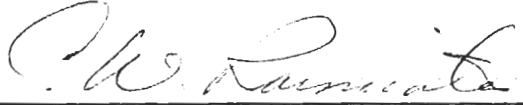
RESOLUTION NO. 71-7 R

A RESOLUTION PROVIDING FOR THE SALE OF \$3,500,000 KENAI PENINSULA BOROUGH GENERAL OBLIGATION SCHOOL BONDS, 1971, PURSUANT TO EMERGENCY ORDINANCE NO. 71-3 OF THE BOROUGH

BE IT RESOLVED BY THE KENAI PENINSULA BOROUGH ASSEMBLY
as follows:

Pursuant to Section 8 of Emergency Ordinance No. 71-3 of the Borough adopted on March 23, 1971, it is hereby determined that \$3,500,000 of Kenai Peninsula Borough General Obligation School Bonds, 1971, as authorized and described in the ordinance, be sold at public sale on April 20, 1971, in the manner and at the time and place set out in the forms of Notices of Bond Sale attached to this Resolution as Exhibit A and Exhibit B hereof. The Borough Chairman is authorized and directed to cause Exhibit A to be published in the Daily Bond Buyer, New York, New York, on such date in advance of the date of sale of the bonds determined by him, as will, in his opinion, be adequate to give prospective bond purchasers adequate notice of the bond sale.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH,
this 23 day of March, 1971.



Assembly President

ATTEST:



Assembly Clerk

APPROVED this 23 day of March, 1971.



Borough Chairman



EXHIBIT A

KENAI PENINSULA BOROUGH

STATE OF ALASKA

\$3,500,000

GENERAL OBLIGATION SCHOOL BONDS, 1971

SEALED PROPOSALS will be received by the Chairman of the Kenai Peninsula Borough for the purchase of \$3,500,000 par value of "General Obligation School Bonds, 1971," at the office of the Chairman of the Kenai Peninsula Borough in Soldotna, Alaska, and at the office of the Co-Bond Counsel, Roberts, Shefelman, Lawrence, Gay & Moch, 1818 IBM Building, Seattle, Washington, 98101, until 9:00 A.M. Alaska Standard Time (11:00 A.M. Pacific Standard Time) on April 20, 1971, at which time, or within ten minutes thereafter, all bids will be publicly opened. The bids will be considered and acted upon by the Borough Assembly at 9:00 A.M. Alaska Standard Time on the same date at a regular meeting of the Borough Assembly.

The bonds will be dated May 1, 1971, will be in denominations of \$5,000.00 each, will bear interest payable semi-annually on the first days of May and November of each year from date of issue as evidenced by coupons to be attached thereto, and the bonds will mature on May 1, 1973, and serially thereafter through May 1, 1991.

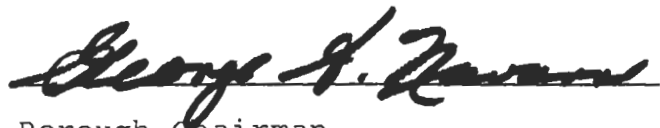
A copy of the official Notice of Sale and Official Statement relating to the issuance of the bonds will be furnished upon request made to Seattle-Northwest Securities Corporation, 1000 Logan Building, Box No. 12670, Seattle, Washington, 98101.

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The bonds will be sold with the opinions of Ely, Guess & Rudd, bond counsel of Anchorage, Alaska, and Roberts, Shefelman, Lawrence, Gay & Moch, bond counsel of Seattle, Washington, approving the legality of the issuance of the same, but with the following recitals contained therein:

We call your attention to an action pending in the Superior Court for the State of Alaska, Fourth Judicial District, entitled Real Property Taxpayers Association, Inc. v. State of Alaska, et al., Cause 70-771. This suit seeks a declaratory judgment declaring inter alia that the defendant Fairbanks-North Star Borough has no right to establish or maintain a public school system or to assess or collect taxes or issue or sell bonds for school purposes. The suit also seeks a declaration that voting by non-property owners on general obligation bond propositions in the defendant Borough is unconstitutional. The legal principles involved in this action would affect all Boroughs within the State of Alaska which may seek to issue and sell bonds for school purposes.

We have examined copies of the proceedings to date in the above referenced litigation and in our opinion such action should not be finally determined in favor of the plaintiff therein so as to adversely affect the right of the defendant Borough or any other organized Borough in the State of Alaska to establish or maintain a public school system or to assess or collect taxes or issue or sell bonds for school purposes.



Borough Chairman
Kenai Peninsula Borough, Alaska

EXHIBIT B

NOTICE OF BOND SALE

KENAI PENINSULA BOROUGH

STATE OF ALASKA

\$3,500,000

GENERAL OBLIGATION SCHOOL BONDS, 1971

SEALED PROPOSALS will be received by the Chairman of the Kenai Peninsula Borough for the purchase of the bonds hereinafter described at the office of the Chairman of the Kenai Peninsula Borough in Soldotna, Alaska, and at the office of the Co-Bond Counsel, Roberts, Shefelman, Lawrence, Gay & Moch, 1818 IBM Building, Seattle, Washington, until 9:00 A.M. Alaska Standard Time (11:00 A.M. Pacific Standard Time) on April 20, 1971, at which time, or within ten minutes thereafter, all bids will be publicly opened. The bids will be considered and acted upon by the Borough Assembly at 9:00 A.M. on the same date at a regular meeting of the Borough Assembly.

The bonds, designated "General Obligation School Bonds, 1971," are in the total principal amount of \$3,500,000, authorized by Resolution 70-20R of the Borough, and approved by the qualified electors of the Borough at the special election held on October 6, 1970, for the purpose of acquiring and preparing sites and constructing new school buildings and additions to and renovation of existing buildings and acquiring facilities therefor, as the Assembly of the Borough from time to time may determine to be necessary.

The bonds will be dated May 1, 1971, will be in denominations of \$5,000 each, will bear interest payable semi-annually on the first days of May and November of each year from date of issue as evidenced by coupons to be attached thereto and will be numbered and mature in order of their number as follows:

<u>Bond Numbers (Inclusive)</u>	<u>Amounts</u>	<u>Maturities</u>
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638 to 700	315,000	May 1, 1991

Both principal of and interest on said bonds shall be payable in lawful money of the United States of America at the main office of the Seattle Trust and Savings Bank, Seattle, Washington, or the main office of The Chase Manhattan Bank, (National Association), New York, New York, at the option of the bond holder.

The bonds shall be subject to redemption by or on behalf of the Borough prior to maturity, as a whole or in part, in inverse numerical order, on any interest payment date on or after May 1, 1986, at a redemption price equal to the principal amount of each bond to be redeemed, together with interest accrued thereon to the redemption date.

The Borough has irrevocably covenanted that it will levy and collect taxes annually upon all the taxable property within the Borough without limitation as to rate or amount and in amounts sufficient to pay the principal of and interest on the bonds as the same shall become due. For the annual levy and collection of such taxes and for the prompt payment of such principal and interest the full faith, credit and resources of the Borough have been irrevocably pledged.

Each bid shall specify either (a) the lowest rate or rates of interest and premium above par at which the bidder will purchase said bonds or (b) the lowest rate or rates of interest at which the bidder will purchase said bonds at par.

The bidder shall agree to pay accrued interest from May 1, 1971 to date of delivery, shall state the total interest cost over the life of the bonds, less any premium bid, and the net effective interest rate of such bid.

Coupon rates bid shall be in multiples of 1/8 or 1/10 of 1%, or both. No more than one rate of interest may be fixed for any one maturity. The maximum differential between the lowest and highest coupon rates named in any bid shall not exceed 2%.

Each bid shall be sealed and shall be accompanied by a good faith deposit of 3% of the principal amount of the bonds bid for. Such good faith deposit shall be evidenced by a certified or cashier's check made payable to the Borough, which checks shall be returned to the unsuccessful bidders upon an award to the successful bidder.

Telegraphic bids will be considered only if the bidder has submitted his good faith deposit at or before the time of the bid opening, in which event such deposit will be considered as having accompanied the telegraphic bid.

If the successful bidder for the bonds shall fail or neglect to complete the purchase of the bonds within sixty (60) days following the acceptance of his bid and the bonds are ready for delivery, the amount of his deposit shall be retained by the Borough as liquidated damages for the failure and not as a penalty.

The Borough reserves the right to reject any and all bids submitted for the bonds, and to waive any irregularities that may appear in the bid.

Delivery of the bonds will be made either in Anchorage, Alaska, or in Seattle, Washington, at the Borough's expense, or at such other place as may be agreed upon with the purchaser thereof at the expense of such purchaser. Settlement in full for the bonds shall be in Federal funds available upon the date and at the place of delivery in Anchorage, Alaska, or Seattle, Washington, or at such other city as the purchaser may designate.

The Borough will pay the cost of printing the bonds and will furnish the purchaser thereof the opinions of Ely, Guess & Rudd, attorneys at law, of Anchorage, Alaska, and Roberts, Shefelman, Lawrence, Gay & Moch, attorneys at law, of Seattle, Washington, approving the legality of the issuance of the same, but with the following recitals contained therein:

We call your attention to an action pending in the Superior Court for the State of Alaska, Fourth Judicial District, entitled Real Property Taxpayers Association, Inc. v. State of Alaska, et al., Cause 70-771. This suit seeks a declaratory judgment declaring inter alia that the defendant Fairbanks-North Star Borough has no right to establish or maintain a public school system or to assess or collect taxes or issue or sell bonds for school purposes. The suit also seeks a declaration that voting by non-property owners on general obligation bond propositions in the defendant Borough is unconstitutional. The legal principles involved in this action would affect all Boroughs within the State of Alaska which may seek to issue and sell bonds for school purposes.

We have examined copies of the proceedings to date in the above referenced litigation and in our opinion such action should not be finally determined in favor of the plaintiff therein so as to adversely affect the right of the defendant Borough or any other organized Borough in the State of Alaska to establish or maintain a public school system or to assess or collect taxes or issue or sell bonds for school purposes.

A no-litigation certificate will be included in the closing documents for the bonds certifying that no litigation is pending or threatened affecting the validity of the bonds other than the Real Property Taxpayers Association, Inc. lawsuit referred to above in the legal opinions.

An official statement relating to the issuance of the bonds will be furnished upon request made to Seattle-Northwest Securities Corporation, 1000 Logan Building, Box No. 12670, Seattle, Washington, 98101.

DATED: at Soldotna, Alaska, this 23 day of March, 1971.



Borough Chairman
Kenai Peninsula Borough, Alaska.

