

Introduced by: Mayor
Date: August 20, 1974
Hearing: September 17, 1974

KENAI PENINSULA BOROUGH

ORDINANCE NO. 74-46

AN ORDINANCE OF KENAI PENINSULA BOROUGH, ALASKA, CONFIRMING THE RESULTS OF THE SPECIAL ELECTION HELD THEREIN ON JULY 30, 1974, AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$750,000.00 OF BONDS OF THE BOROUGH TO BE USED FOR THE PURPOSE OF RAISING FUNDS FOR ACQUIRING A SITE AND CONSTRUCTING AND EQUIPPING AN INDOOR HEATED SWIMMING POOL AND RELATED FACILITIES; AUTHORIZING THE ISSUANCE OF \$750,000.00 PRINCIPAL AMOUNT OF BONDS OF THE BOROUGH TO RAISE SUCH FUNDS; PROVIDING THE DATE, FORM, TERMS, INTEREST RATE, MATURITIES AND COVENANTS OF SUCH BONDS TO BE ISSUED AND FOR UNLIMITED TAX LEVIES TO PAY THE PRINCIPAL THEREOF AND INTEREST THEREON; AND PROVIDING FOR THE SALE THEREOF TO SEATTLE-NORTHWEST SECURITIES CORPORATION OF SEATTLE, WASHINGTON.

WHEREAS, at a special election held in the Kenai Peninsula Borough, Alaska (hereinafter called the "Borough"), on the 30th day of July, 1974, pursuant to Resolution No. 74-34 of the Borough, adopted June 4, 1974, placing the propositions on the ballot, the qualified electors of the Borough approved (1) the establishment of the North Peninsula Recreation Service Area for construction and maintenance of recreation services, and (2) Ordinance No. 74-31 of the Borough by which the Borough would be allowed to incur indebtedness in an amount not to exceed \$750,000.00 for the purpose of raising funds for acquiring a site and constructing and equipping an indoor heated swimming pool and related facilities to be located in the North Peninsula Recreation Service Area, payment of such indebtedness to be derived from taxes to be levied within the North Peninsula Recreation Service Area and such other revenues attributable to the operation of the North Peninsula Swimming Pool as may be properly pledged for such payment; and

WHEREAS, it is deemed necessary and advisable that such bonds so authorized be now issued and sold to provide moneys for accomplishing said purposes;

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

Section 1. The result of the special Borough election held July 30, 1974, pursuant to Resolution No. 74-34 of the Borough, adopted

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June 4, 1974, and the statutes of the State of Alaska and the Ordinances of the Borough, at which general election the qualified electors of the Borough approved the establishment of the North Peninsula Recreation Service Area for construction and maintenance of recreation services and further approved Ordinance No. 74-31 of the Borough which provided for the incurring of indebtedness in an amount not to exceed \$750,000.00 for the purpose of raising funds for acquiring a site and constructing and equipping an indoor heated swimming pool and related facilities to be located in the North Peninsula Recreation Service Area, payment of such indebtedness to be derived from taxes levied within the North Peninsula Recreation Service Area and such other revenues attributable to the operation of the North Peninsula Swimming Pool as may be properly pledged for such payment, is hereby in all respects ratified and confirmed.

Section 2. For the purpose of providing the funds to acquire a site and construct and equip an indoor heated swimming pool and related facilities to be located in the North Peninsula Recreation Service Area, the Borough shall issue and sell its "North Peninsula Recreation Service Area Bonds, 1974," in the principal sum of \$750,000.00 authorized by Ordinance No. 74-31 of the Borough, and approved by the qualified electors of the Borough at the special election held on July 30, 1974.

Section 3. The bonds shall be dated September 1, 1974, shall be in denominations of \$5,000.00 each, shall bear interest at the rate of 7% per annum, payable on December 1, 1974, and semiannually thereafter on the first days of June and December of each year from date of issue as evidenced by coupons to be attached thereto, and shall all mature on June 1, 1985.

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 Seattle Trust and Savings Bank, in Seattle, Washington.

Section 4. The Borough shall have the right to redeem outstanding bonds prior to their stated maturity thereof in whole or in part, in inverse numerical order, on any interest payment date on or after June 1, 1980, at the principal amount of each bond to be redeemed plus accrued interest to date of redemption. Notice of any intended redemption prior to their stated maturity dates shall be published once in a financial journal published in the English language and of general circulation in the City of New York, New York, and in the City of Seattle, Washington, such publication to be not more than ninety (90) nor less than sixty (60) days prior to the date fixed for such redemption. Interest on any bond so called for redemption shall cease to accrue on the date fixed for its redemption unless the bond shall not be redeemed upon presentation made pursuant to such call, and the bonds so redeemed, and coupons for interest appertaining thereto maturing subsequent to the redemption date, shall be void and said bonds and coupons shall no longer be considered as outstanding hereunder.

form: Section 5. The bonds shall be in substantially the following

No. _____ \$5,000.00

UNITED STATES OF AMERICA

STATE OF ALASKA

KENAI PENINSULA BOROUGH

NORTH PENINSULA RECREATION SERVICE AREA BOND, 1974

7.00%

The Kenai Peninsula Borough, Alaska (hereinafter called the "Borough"), hereby acknowledges itself to owe and for value received promises to pay to bearer on the first day of June, 1985, the principal amount of

FIVE THOUSAND DOLLARS

together with interest thereon at the rate of 7.00% per annum, payable on December 1, 1974, and semiannually thereafter on the first days of each succeeding June and December of each year from date of issue upon presentation and surrender of the attached interest coupons as they severally become due. Both principal of and interest on this bond are payable in lawful money of the United States of America at the main office of Seattle Trust and Savings Bank, Seattle, Washington.

The bonds of this issue are subject to redemption by the Borough prior to maturity and upon notice pursuant to Ordinance No. 74-46, in whole or in part, in inverse numerical order, on any interest payment date on or after June 1, 1980, at the principal amount of each bond to be redeemed plus accrued interest to date of redemption.

This bond is one of an issue of 150 bonds of like amount, rate of interest, date and tenor, in the aggregate principal amount of of \$750,000.00, which bonds are issued for the purpose of providing the funds necessary to acquire a site and construct and equip an indoor heated swimming pool and related facilities to be located in the North Peninsula Recreation Service Area within the Borough.

The bonds of this issue are issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Alaska and ordinances duly passed by the Borough Assembly.

The Borough hereby irrevocably covenants that it will levy taxes annually upon all the taxable property within the North Peninsula Recreation Service Area without limitation as to rate or amount and in amounts sufficient, with other revenues attributable to the operation of the North Peninsula Swimming Pool as may be properly pledged therefor, to pay the principal of and interest on the bonds of this issue as the same shall become due.

It is hereby certified 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 Borough, including this bond and the bonds of this issue, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, Kenai Peninsula Borough, Alaska, has caused this bond to be signed by the manual signature of the Mayor of the Borough, to be attested by the facsimile signature of its Clerk, the seal of the Borough or a facsimile thereof to be impressed hereon or otherwise reproduced and the interest coupons attached hereto to be signed with the facsimile signatures of said officials this first day of September, 1974.

KENAI PENINSULA BOROUGH, ALASKA

By _____
Mayor

ATTEST:

(facsimile signature)
Borough Clerk

The interest coupons attached to the bonds shall be in substantially the following form:

Coupon No. ____

\$175.00
(\$87.50 on Coupon No. 1)

On the FIRST DAY OF (JUNE) (DECEMBER), 19__, KENAI PENINSULA BOROUGH, ALASKA, will pay to bearer at the main office of Seattle Trust and Savings Bank, Seattle, Washington, the amount shown hereon in lawful money of the United States of America, such amount being the interest due that date on its "North Peninsula Recreation Service Area Bond, 1974," dated September 1, 1974, and numbered ____.

KENAI PENINSULA BOROUGH, ALASKA

By _____
(facsimile signature)
Mayor

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ATTEST:

(facsimile signature)
Borough Clerk

Section 6. The bonds shall be signed by the manual signature of the Borough Mayor, shall be attested by the facsimile signature of the Borough Clerk, and shall have the official seal, or facsimile thereof, of the Borough impressed thereon or otherwise reproduced. Each of the interest coupons attached thereto shall be signed with the facsimile signatures of said officials.

Section 7. There is hereby created a special fund of the Borough to be known as the "North Peninsula Recreation Service Area Debt Service Fund" (hereinafter called the "Bond Fund"), which fund shall be drawn upon for the purpose of paying the principal of and interest on all general obligation bonds payable from taxes levied only within the North Peninsula Recreation Service Area, and all bonds refunding the same, as the same shall become due. The Borough hereby covenants that it will pay into this fund, in addition to those taxes collected from tax levies made to pay the bonds, all other revenues attributable to the operation of the North Peninsula Swimming Pool as may be properly pledged therefor.

Section 8. The Borough hereby irrevocably covenants that for as long as any of the bonds are outstanding it will make annual levies of ad valorem taxes without limitation as to rate or amount upon all the taxable property within North Peninsula Recreation Service Area subject to taxation which, with such other revenues attributable to the operation of the North Peninsula Swimming Pool as may be properly pledged therefor, will be sufficient in amount to pay the principal of and interest on the bonds as the same shall become due.

Section 9. The Borough hereby covenants that it will not make any use of the proceeds of sale of the bonds or any other funds of the Borough which may be deemed to be proceeds thereof pursuant to Section 103(d) of the Internal Revenue Code and the applicable Regulations thereunder which, if such use had been reasonably expected on the date of delivery of the bonds to the initial purchasers thereof, would have caused the bonds to be "arbitrage bonds" within the meaning of said section and said Regulations. The Borough will comply with the requirements of Section 103 of the Internal Revenue Code and the applicable Regulations thereunder throughout the term of the bonds.

Section 10. Seattle-Northwest Securities Corporation of Seattle, Washington, has submitted an offer to purchase the bonds at the prices and under the conditions specified in such offer, which offer is on file with the Borough Clerk. This Assembly deems it to be in the best interests of the Borough and its taxpayers that such offer be accepted and such offer is, therefore, hereby accepted.

The proper Borough officials are hereby authorized and directed to do everything necessary for the prompt execution and

delivery of the bonds to said purchaser and for the proper application and use of the proceeds of sale thereof as herein provided.

Section 11. If any one or more of the covenants or agreements provided in this ordinance to be performed on the part of the Borough shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this ordinance and shall in no way affect the validity or other provisions of this ordinance or of the bonds.

Section 12. This ordinance shall become effective on the day of enactment.

ADOPTED BY THE ASSEMBLY of the Kenai Peninsula Borough, Alaska, at a regular meeting thereof held this 17 day of September, 1974.

KENAI PENINSULA BOROUGH

By

James V. Amess
President of the Assembly

ATTEST:

Francis Dwyer
Borough Clerk