

Introduced by: Mayor
Date: August 19, 1975
Hearing: September 16, 1975

KENAI PENINSULA BOROUGH

ORDINANCE NO. 75-51

AN ORDINANCE OF KENAI PENINSULA BOROUGH, ALASKA, AUTHORIZING THE ISSUANCE OF \$5,340,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION REFUNDING BONDS OF THE BOROUGH FOR THE PURPOSE OF PROVIDING PART OF THE FUNDS NECESSARY TO REFUND THE KENAI PENINSULA BOROUGH GENERAL OBLIGATION SCHOOL BONDS, 1975; PROVIDING FOR AND AUTHORIZING THE PURCHASE OF CERTAIN OBLIGATIONS WITH THE PROCEEDS OF THE SALE OF SUCH REFUNDING BONDS AND CERTAIN MONEYS IN THE 1975 GENERAL OBLIGATION SCHOOL BOND REDEMPTION FUND OF THE BOROUGH SECURING SUCH BONDS TO BE REFUNDED AND FOR THE USE AND APPLICATION OF THE MONEYS TO BE DERIVED FROM SUCH INVESTMENTS; PROVIDING FOR THE PAYMENT OF THE OUTSTANDING BONDS TO BE REFUNDED; PROVIDING THE DATE, FORM, TERM, INTEREST RATES, MATURITIES AND COVENANTS OF SAID REFUNDING 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, Kenai Peninsula Borough, Alaska (hereinafter called the "Borough"), now has outstanding its "General Obligation School Bonds, 1975," in the aggregate principal amount of \$5,474,000 issued under date of June 1, 1975 (hereinafter called the "1975 Bonds"), which bonds mature on June 1 in each of the following years in the following amounts and bear interest at the following rates:

<u>Years</u>	<u>Amounts</u>	<u>Interest Rates</u>
1976	\$339,000	6.50%
1977	370,000	6.50%
1978	400,000	6.60%
1979	425,000	6.60%
1980	450,000	6.60%
1981	495,000	6.60%
1982	450,000	6.60%
1983	500,000	6.60%
1984	610,000	6.75%
1985	685,000	6.75%
1986	750,000	6.75%

and

Both principal of and interest on the Refunding 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.

Section 2. The Borough hereby reserves the right to redeem any or all of the Refunding Bonds outstanding in whole, or in part in inverse numerical order, on any interest payment date on or after June 1, 1982, at a redemption price equal to the principal amount of each bond to be redeemed, together with interest accrued thereon to the redemption date.

Notice of any such intended redemption shall be given by one publication thereof in a financial journal of general circulation in the City of New York, New York, not more than 40 nor less than 30 days prior to such redemption date and by mailing a like notice at the same time to Seattle-Northwest Securities Corporation at their main office in Seattle, Washington, or to the successor in business of such corporation, if any, at its main office. Interest on any Refunding Bond or Bonds so called for redemption shall cease on such redemption date unless the same are not redeemed upon presentation made pursuant to such call.

In addition to such publication and mailing, the Borough shall also mail notice of any such intended redemption to Standard & Poor's Corporation and Moody's Investors Service, Inc., New York, New York, or to their business successors, if any. The mailing of such notice shall not, however, be a condition precedent to the call of any of the Refunding Bonds for redemption, and failure to give such notice shall not affect the right of the Borough to redeem the Refunding Bonds called for redemption in the manner set forth in the preceding paragraph.

Section 3. The Refunding Bonds shall be designated "General Obligation Refunding School Bonds, 1975," and shall be in substantially the following form:

No. _____ \$5,000.00

UNITED STATES OF AMERICA

STATE OF ALASKA

KENAI PENINSULA BOROUGH

GENERAL OBLIGATION REFUNDING SCHOOL BOND, 1975

_____ §

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, 19__, the principal amount of

FIVE THOUSAND DOLLARS

pledged for the annual levy and collection of such taxes and the prompt payment of such principal and interest.

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 October, 1975.

KENAI PENINSULA BOROUGH, ALASKA

By _____
Mayor

ATTEST:

(facsimile signature)
Borough Clerk

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

Coupon No. ____ (\$ _____
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 the 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 "General Obligation Refunding School Bond, 1975," dated October 1, 1975, and numbered ____.

KENAI PENINSULA BOROUGH, ALASKA

By facsimile signature)
Mayor

ATTEST:

(facsimile signature)
Borough Clerk

Such money and "Acquired Obligations" shall be irrevocably deposited with Seattle Trust and Savings Bank, Seattle, Washington (hereinafter called "Refunding Trustee").

Section 7. The Borough hereby irrevocably calls for redemption on June 1, 1984, the outstanding 1975 Bonds maturing after such date in accordance with the provisions of Ordinance No. 75-23 of the Borough authorizing the redemption and retirement of the 1975 Bonds prior to their fixed maturities. Such call for redemption shall be irrevocable after the delivery of the Refunding Bonds to the initial purchaser thereof.

The Refunding Trustee, acting in concert with the Borough Clerk, is hereby authorized and directed to provide for the giving of notice of the redemption of the 1975 Bonds in accordance with the applicable provision of said ordinance.

The Refunding Trustee is hereby authorized and directed to pay to the Borough Finance Director, or, at the direction of the Finance Director, to the paying agent for the 1975 Bonds, sums sufficient to pay, when due, the sums specified in subparagraphs (a) and (b) of Section 6 of this ordinance. All such sums shall be paid from the moneys and "Acquired Obligations" deposited with said Refunding Trustee pursuant to the previous section of this ordinance, and the income therefrom and proceeds thereof. All moneys and "Acquired Obligations" deposited with the Refunding Trustee and any income therefrom shall be deemed assets of the Refunded Bond Account and shall be held and applied in accordance with the provisions of this ordinance and with the laws of the State of Alaska. All moneys held by the Refunding Trustee pursuant to this ordinance, after June 1, 1986, shall be paid to the Borough.

The Mayor and Clerk of the Borough are directed to execute with and deliver to the Refunding Trustee an agreement (in the form attached hereto, marked Exhibit A and by this reference made a part of this ordinance) setting forth the duties, obligations and responsibilities of the Refunding Trustee in connection with the retirement of the 1975 Bonds as provided herein.

Section 8. There has heretofore been created by Ordinance No. 74-39 a special fund of the Borough known as the "Debt Service Fund" (hereinafter called the "Bond Fund"), which fund is to be drawn upon for the purpose of paying the principal of and interest on all voted general obligation bonds and all general obligation refunding bonds of the Borough as the same shall become due, including the Refunding Bonds.

Section 9. In the event that money and/or direct obligations of the United States of America, and/or obligations guaranteed by the United States of America, maturing at such time or times and bearing interest to be earned thereon in amounts (together with such money, if necessary) sufficient to redeem and

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The proper Borough officials are hereby authorized and directed to do everything necessary for the prompt execution and delivery of the Refunding Bonds to said purchaser and for the proper application and use of the proceeds of sale thereof as herein provided.

Section 12. 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 of the other provisions of this ordinance or of the Refunding Bonds.

Section 13. 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 this 16th day of September, 1975.

KENAI PENINSULA BOROUGH

By James V. Arness
President of the Assembly

ATTEST:

Francis Bryner
Borough Clerk