

Introduced by: Mayor  
Date: February 17, 1976  
Hearing: March 16, 1976  
Action: Enacted, Unanimously

KENAI PENINSULA BOROUGH

ORDINANCE 76- 11

AN ORDINANCE OF THE KENAI PENINSULA BOROUGH, CONFIRMING THE RESULTS OF THE REGULAR ELECTION HELD THEREIN ON OCTOBER 7, 1975, AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$8,000,000 OF GENERAL OBLIGATION BONDS OF THE BOROUGH TO BE USED FOR CONSTRUCTING AND EQUIPPING A NEW SEWARD HIGH SCHOOL; PROVIDING FOR THE ISSUANCE AND SALE OF THE ENTIRE \$8,000,000 OF SUCH BONDS; FIXING THE DATE, FORM, TERM, MAXIMUM EFFECTIVE INTEREST RATE, MATURITIES AND COVENANTS OF SUCH BONDS; PLEDGING THE ANNUAL LEVY OF AD VALOREM TAXES WITHOUT LIMITATION AND IN SUCH 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 BOROUGH TO THE PAYMENT OF ANY INDEBTEDNESS SO INCURRED; AND PROVIDING FOR THE SALE OF THE BONDS.

WHEREAS, at the regular election held in the Kenai Peninsula Borough, Alaska (hereinafter designated "Borough"), on the 7th day of October, 1975, pursuant to Ordinance 75-46 of the Borough, adopted August 19, 1975, 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 \$8,000,000 to be used for constructing and equipping a new Seward High School; and

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

WHEREAS, it is deemed necessary and advisable that the entire \$8,000,000 of such bonds so authorized be now issued and sold to provide moneys for accomplishing said purpose;

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

Section 1. The results of the regular Borough election held on October 7, 1975, pursuant to Ordinance 75-46 of the Borough, adopted August 19, 1975, and the Statutes of the State of Alaska and the Ordinances of the Borough, at which regular election the qualified electors of the Borough authorized the issuance of general obligation bonds in the principal sum of not to exceed \$8,000,000 to be used for constructing and equipping a new Seward High School, are hereby in all respects ratified and confirmed.

Section 2. 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, 1976," in the principal sum of \$8,000,000, which bonds were authorized by Ordinance 75-46 of the Borough and approved by the qualified electors of the Borough at the regular election held on October 7, 1975.

Section 3. The bonds shall be dated May 1, 1976, shall be in denominations of \$5,000 each, shall bear interest payable on December 1, 1976, 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 be numbered and shall mature in order of their number as follows:

<u>Bond Numbers (Inclusive)</u>	<u>Amounts</u>	<u>Maturities</u>
1 to 39	\$ 195,000	June 1, 1977
40 to 82	215,000	June 1, 1978
83 to 130	240,000	June 1, 1979
131 to 182	260,000	June 1, 1980
183 to 240	290,000	June 1, 1981
241 to 303	315,000	June 1, 1982
304 to 372	345,000	June 1, 1983
373 to 447	375,000	June 1, 1984
448 to 526	395,000	June 1, 1985
527 to 670	720,000	June 1, 1986
671 to 925	1,275,000	June 1, 1987
926 to 1200	1,375,000	June 1, 1988
1201 to 1533	1,665,000	June 1, 1989
1534 to 1600	335,000	June 1, 1990

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 Rainier National Bank, Seattle, Washington 98124.

Section 4. 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 June 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.

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 the main office of the principal underwriter or manager of the underwriting syndicate which purchases the bonds or to the successor in business of such underwriter, if any, at its main office. Interest on any 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 bonds for redemption, and failure to give such notice shall not affect the right of the Borough to redeem the bonds called for redemption in the manner set forth in the preceding paragraph.

Section 5. 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, 1976

\_\_\_\_\_ %

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 JUNE, 19\_\_, the principal sum of

FIVE THOUSAND DOLLARS

together with interest thereon at the rate of \_\_\_\_\_ % per annum, payable on December 1, 1976, and semiannually thereafter on the first days of June and December 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 Rainier National Bank, Seattle, Washington.

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 June 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.

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 the main office of [the principal underwriter or manager of the underwriting syndicate which purchases the bonds], or to its successor in business, if any, at its main office. In addition, the Borough shall also mail notice of such intended redemption to Standard & Poor's Corporation and Moody's Investors Service, Inc., New York, New York, or to their successors, if any, but the mailing of such notice to such corporations shall not be a condition precedent to the redemption of such bonds. Interest on any bonds so called for redemption shall cease on such redemption date unless the same are not redeemed upon presentation made pursuant to such call.

This bond is one of an issue of 1,600 bonds of like amount, date and tenor, except as to number, denomination, (interest rates, if more than one interest rate is bid) and maturity dates, aggregating the principal sum of \$8,000,000 and is issued pursuant to the regular election held on October 7, 1975, 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 constructing and equipping a new Seward High School.

This bond and bonds of the issue of which this bond is one are payable out of the fund created by Ordinance 76-11 of the Borough entitled "Kenai Peninsula Borough, 1976, 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 Mayor 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, 1976.

KENAI PENINSULA BOROUGH, ALASKA

By: \_\_\_\_\_  
Borough Mayor

ATTEST:

\_\_\_\_\_  
(facsimile signature)  
Borough Clerk

The interest coupons shall be in substantially the following form:

No. \_\_\_\_\_ \$ \_\_\_\_\_

On the FIRST DAY OF (JUNE) (DECEMBER), 19\_\_, the Kenai Peninsula Borough, Alaska, will pay to bearer at the main office of \_\_\_\_\_,

\_\_\_\_\_ the sum shown hereon in lawful money of the United States of America, said sum being the interest due that date on its "General Obligation School Bond, 1976," dated May 1, 1976, and numbered \_\_\_\_\_.

KENAI PENINSULA BOROUGH, ALASKA

By: \_\_\_\_\_  
(facsimile signature)  
Borough Mayor

ATTEST:

\_\_\_\_\_  
(facsimile signature)  
Borough Clerk

Section 6. The bonds shall be signed by the manual or facsimile signature of the Borough Mayor, 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 7. There is hereby created a special fund of the Borough to be known as "Kenai Peninsula Borough, 1976, 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

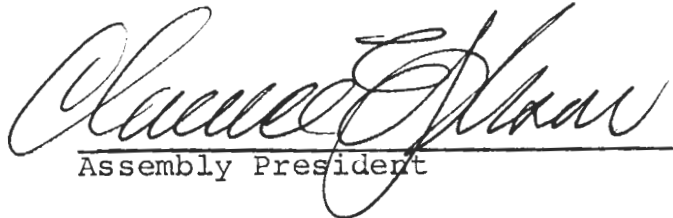
annually upon all the taxable property within the Borough without limitation as to rate or amount and in amounts, which with other moneys available therefor, will be sufficient to pay such principal and interest as the same shall become due. The full faith, credit and resources of the Borough are hereby 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 1976 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 1976 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 8. It is hereby determined and ordered that the bonds be sold at public sale on April 6, 1976, in the manner and at the time and place set out in the forms of Notices of Bond Sale attached to this ordinance as "Exhibit A" and "Exhibit B," which by this reference are hereby incorporated herein and made a part hereof. The Borough Mayor 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 notice of the bond sale. The Borough Mayor is further authorized and directed to receive, open and consider any proposals received and to make an award to the successful bidder on behalf of the Borough.

Section 9. This ordinance shall become effective upon enactment.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH  
this 16th day of March, 1976.

  
\_\_\_\_\_  
Assembly President

ATTEST:

  
\_\_\_\_\_  
Assembly Clerk