

Postponed Indefinitely
11-21-00

Submitted by: Chairman of the Assembly at the
Request of the Mayor
Prepared by: Wohlforth, Vassar, Johnson
& Brecht
For Reading: October 31, 2000

MUNICIPALITY OF ANCHORAGE

ORDINANCE NO. AO 2000-156

AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE, ALASKA, AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS OF THE MUNICIPALITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED SEVENTEEN MILLION AND NO/100 DOLLARS (\$17,000,000) TO PROVIDE FUNDS REQUIRED TO REFUND CERTAIN OUTSTANDING GENERAL OBLIGATION REFUNDING GENERAL PURPOSE BONDS AND GENERAL OBLIGATION SCHOOL BONDS OF THE MUNICIPALITY; PROVIDING FOR THE FORM AND MANNER OF SALE OF SAID BONDS; PLEDGING THE FULL FAITH AND CREDIT OF THE MUNICIPALITY TO THE PAYMENT THEREOF; AUTHORIZING THE CHIEF FISCAL OFFICER TO NEGOTIATE AND EXECUTE A CONTRACT FOR THE PURCHASE AND SALE OF SAID BONDS AND RELATED MATTERS.

WHEREAS, there are now outstanding general obligation refunding general purpose bonds and general obligation school bonds of the Municipality of Anchorage, Alaska (the "Municipality") issued July 17, 1990, and December 15, 1993, respectively, as set out in Section 2(t) hereof, which refinanced costs of certain wastewater capital improvements and financed certain educational capital improvements in the Municipality (the "Outstanding Bonds"); and

WHEREAS, after due consideration it appears to the Assembly that it is advisable for the Municipality to provide for the refunding, including the payment of principal of, premium, if any, and interest on certain of the Outstanding Bonds as further described herein (the "Refunded Bonds") by the issuance of general obligation refunding bonds in order to effect a savings of debt service; and

WHEREAS, the Home Rule Charter of the Municipality provides in Section 15.02 that general obligation refunding bonds may be issued without an election; and

1 WHEREAS, the Home Rule Charter of the Municipality further provides in
2 Section 15.03 that the Assembly by ordinance shall provide for the form and manner of sale
3 of bonds and notes including reasonable limitation upon the sale of bonds and notes to
4 financial consultants of the Municipality; and

5 WHEREAS, in order to effect such refunding in the most economical manner, it is
6 deemed necessary and advisable that the net proceeds of the sale of the bonds herein
7 authorized and any other moneys necessary and available for refunding purposes be
8 invested in obligations to be authorized and approved by the Chief Fiscal Officer, maturing
9 in such amounts and at such times as are required to pay the interest on the Refunded
10 Bonds prior to their respective dates of redemption and to redeem the Refunded Bonds on
11 the earliest dates on which said Refunded Bonds may be called for redemption; and

12 WHEREAS, because the amount of bond proceeds and the obligations necessary
13 to pay the principal of, and interest on, and to effect the refunding of, the Refunded Bonds
14 depends, in part, on the interest rates to be borne by the bonds to be issued pursuant to this
15 Ordinance, the exact principal amount and the amount of each maturity of the bonds to be
16 issued and the specific obligations to be acquired shall hereafter be authorized and
17 approved by the Chief Fiscal Officer.

18 NOW, THEREFORE, THE MUNICIPALITY OF ANCHORAGE ORDAINS:

19 Section 1 Purpose. The purpose of this Ordinance is to authorize the issuance and
20 sale of not to exceed Seventeen Million and No/100 Dollars (\$17,000,000) of general
21 obligation refunding bonds of the Municipality (the "Bonds") to provide the funds to refund
22 the Refunded Bonds, to pay the costs of issuance of the Bonds authorized herein (including
23 the bond insurance premium, if any), and to fix certain details and to provide for the form and
24 manner of sale of said Bonds to be issued.

1 Section 2. Definitions. The following terms shall have the following meanings in this
2 Ordinance:

3 (a) "Acquired Obligations" means any of the following securities, if and to the
4 extent the same are at the time legal for investment of funds of the Municipality: (1) any
5 bonds or other obligations which as to principal and interest constitute direct obligations of,
6 or are unconditionally guaranteed as to timely payment by, the United States of America;
7 direct obligations and fully guaranteed certificates of beneficial interest of the Export-Import
8 Bank of the United States; senior debt obligations of the Federal Home Loan Banks;
9 debentures of the Federal Housing Administration; guaranteed mortgage-backed bonds and
10 guaranteed pass-through obligations of the Government National Mortgage Association;
11 guaranteed Title XI financings of the U.S. Maritime Administration; and participation certifi-
12 cates and senior debt obligations of the Federal Home Loan Mortgage Corporation; or (2)
13 any bonds or other obligations of any state of the United States of America or of any agency,
14 instrumentality or local governmental unit of any such state, (a)(i) which are not callable at
15 the option of the obligor prior to maturity, (ii) which are callable prior to maturity and the
16 issuer has foregone the right to call the obligations and the obligations are irrevocably
17 escrowed to maturity, or (iii) as to which irrevocable instructions have been given to the
18 trustee of such bonds or other obligations by the obligor to give due notice of redemption
19 and to call such bonds for redemption on the date or dates specified in such instructions,
20 (b)(i) which are fully secured as to principal and interest and redemption premium, if any, by
21 a fund consisting only of cash or bonds or other obligations of the character described in
22 clause (1) hereof which fund may be applied only to the payment of such principal of and
23 interest and redemption premium, if any, on such bonds or other obligations on the maturity
24 date or dates thereof or the specified redemption date or dates pursuant to such irrevocable
25 instructions, as appropriate, and (ii) the principal of and interest on the bonds and obliga-

1 by any court of competent jurisdiction to be contrary to law, then such covenant or
2 covenants, agreement or agreements shall be null and void and shall be deemed separable
3 from the remaining covenants and agreements in this Ordinance and shall in no way affect
4 the validity of the other provisions of this Ordinance or of the Bonds.

5 Section 27. Effective Date. This Ordinance shall take effect immediately.

6
7 PASSED AND APPROVED by the Anchorage Assembly, this day of
8 _____ 2000.

9
10 ATTEST:

Chair _____

11
12
13 Municipal Clerk _____



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 976-2000

Meeting Date: October 31, 2000

From: Mayor
Subject: Not to Exceed \$17,000,000 General Obligation Refunding Bonds

Attached Ordinance NO. AO 2000-156 provides for the issuance of not to exceed \$17,000,000 General Obligation Refunding Bonds. The proceeds of the sale are to be used to refund certain outstanding 1990 General Obligation Refunding General Purpose Bonds and 1993 General Obligation School Bonds. The exact size of the issue will be determined at the time of issuance. Under current market conditions, the estimated net present value savings related to this refunding is in excess of \$600,000.

The current schedule for the sale and related matters calls for the public hearing on the Ordinance to be held on November 21, 2000 with the sale of the Bonds to take place during December. Due to the small size of the issue, these Bonds will be sold as a part of the next General Obligation Bond sale to be done by the Municipality in order to maximize the savings.

The Chief Fiscal Officer is authorized by Section 20 of the Ordinance to negotiate terms for the purchase of the Bonds and to execute a contract for their purchase which is in the best interest of the Municipality.

The Administration recommends approval of Ordinance NO. AO 2000-156.

Concurrence:

Harry J. Kieling, Jr.
Municipal Manager

Prepared by:

Kate Giard
Chief Fiscal Officer

Respectfully submitted

George P. Wuerch
Mayor

Municipality of Anchorage
MUNICIPAL CLERK'S OFFICE
Agenda Document Control Sheet

Ad 2000-

(SEE REVERSE SIDE FOR FURTHER INFORMATION)

1	SUBJECT OF AGENDA DOCUMENT AO Authorizing and Providing for the Issuance of	DATE PREPARED 10/20/00	
	NTE \$17,000,000 G.O. Refunding G.P. Bonds	Indicate Documents Attached <input checked="" type="checkbox"/> AO <input type="checkbox"/> AR <input checked="" type="checkbox"/> AM <input type="checkbox"/> AIM	
2	DEPARTMENT NAME Finance	DIRECTOR'S NAME Kate Giard	
3	THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY Kate Giard	HIS/HER PHONE NUMBER 343-6610	
4	COORDINATED WITH AND REVIEWED BY	INITIALS	DATE
X	Mayor		
	Municipal Clerk		
	Municipal Attorney		
	Employee Relations		
X	Municipal Manager <i>(20)</i>	<i>M</i>	<i>10/23</i>
	Cultural & Recreational Services		
	Fire		
	Health & Human Services		
	Management & Budget		
	Merrill Field		
	Municipal Light & Power		
	Police		
	Port of Anchorage		
	Public Transportation		
	Public Works		
	Solid Waste Services		
	Water & Wastewater Utility		
	Executive Manager		
	Community Planning & Development		
X	Finance, Chief Fiscal Officer	<i>[Signature]</i>	<i>10/20/00</i>
	Heritage Land Bank		
	Management Information Services		
	Property & Facility Management		
	Purchasing		
	Other		
5	SPECIAL INSTRUCTIONS/COMMENTS		
6	ASSEMBLY HEARING DATE REQUESTED 10/31/00	7	PUBLIC HEARING DATE REQUESTED <i>11/21/00</i>

RECEIVED
 Office of Municipal Clerk
 OCT 23 2000
 P.O. Box 196650
 Anchorage, AK 99519-6650

**FULL TEXT OF
DOCUMENT CAN BE
OBTAINED AT MUNI
CLERK S OFFICE**