

Requested by: Chairman of the Assembly  
at the request of the Mayor

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CLERK'S OFFICE  
APPROVED  
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MUNICIPALITY OF ANCHORAGE, ALASKA

ORDINANCE NO. AO 2004-129

1 AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE,  
2 ALASKA, PROVIDING FOR THE ISSUANCE OF JUNIOR  
3 LIEN WATER REVENUE BONDS OF THE MUNICIPALITY IN  
4 THE AGGREGATE APPRECIATED AMOUNT OF \$2,000,000  
5 TO PAY THE COSTS OF CERTAIN IMPROVEMENTS TO  
6 THE WATER UTILITY AND TO PAY COSTS OF BOND  
7 ISSUANCE; FIXING CERTAIN COVENANTS AND  
8 PROTECTIVE PROVISIONS SAFEGUARDING THE  
9 PAYMENT OF THE PRINCIPAL OF AND INTEREST ON  
10 SAID BONDS; PROVIDING FOR THE DATE, FORM, TERMS,  
11 MATURITIES AND MANNER OF SALE OF THE BONDS;  
12 DELEGATING TO THE CHIEF FISCAL OFFICER THE  
13 APPROVAL OF FINAL MATURITY AMOUNTS AND  
14 INTEREST RATES ON SAID BONDS; AUTHORIZING AN  
15 OFFICIAL STATEMENT; AND AUTHORIZING THE SALE OF  
16 SUCH BONDS.

17  
18 WHEREAS, the Municipality of Anchorage, Alaska (the "Municipality"), owns, operates  
19 and maintains a water utility (hereinafter defined as the "System") which is in need of certain  
20 additions, improvements and extensions (hereinafter defined as the "Projects"); and

21 WHEREAS, the Municipality has outstanding the following described revenue bonds  
22 having a prior lien on the revenues of the System:

<u>Authorizing Ordinance</u>	<u>Bond Designation</u>	<u>Date of Bonds</u>	<u>Original Principal Amount</u>	<u>Principal Amount Outstanding (9/1/04)</u>
AO 93- 144(S)	Senior Lien Water Revenue and Refunding Bonds, 1993 ("1993 Bonds")	September 1, 1993	\$ 18,585,000	\$ 1,640,000
AO 98-71	Senior Lien Water Revenue and Refunding Bonds, 1998 ("1998 Bonds")	June 1, 1998	28,930,000	20,260,000

(collectively, the "Prior Lien Bonds"); and

WHEREAS, the Municipality has outstanding the following described revenue bonds having a subordinate lien on the revenues of the System:

<u>Authorizing Ordinance</u>	<u>Bond Designation</u>	<u>Date of Bonds</u>	<u>Original Principal Amount</u>	<u>Principal Amount Outstanding (9/1/04)</u>
AO 99- 118(S)	Subordinate Lien Water Revenue and Refunding Bonds, 1999	October 15, 1999	\$ 68,515,000	\$ 61,030,000
AO 2004-76	Subordinate Lien Water Revenue and Refunding Bonds, 2004	June 10, 2004	\$ 18,595,000	\$ 18,595,000

(the "New Lien Bonds"); and

WHEREAS, the System is in need of additional improvements and upgrades; and

WHEREAS, the Constitution and statutes of the State of Alaska and Article XV of the Home Rule Charter of the Municipality permit the Municipality to issue revenue bonds payable out of the revenues of the System without ratification by an election; and

1           WHEREAS, Ordinance Nos. AO 99-118(S) and AO 2004-76 permit the Municipality to  
2   issue bonds in the future having a lien on revenues of the System subordinate to the lien thereon  
3   of the New Lien Bonds; and

4           WHEREAS, it is necessary to establish the form, terms, date, payment dates, conditions,  
5   covenants and method of sale of such junior lien revenue bonds and to make provision for  
6   establishing the maturity dates and amounts, accretion dates and interest rates thereof;

7           Section 1.     Purpose. The purpose of this ordinance is to authorize the issuance and  
8   sale of \$2,000,000 of junior lien water revenue bonds, to fix the form, covenants and method of  
9   sale of said bonds and to provide for establishing the maturity dates and amounts, accretion dates  
10   and interest rates on said bonds.

11          Section 2.     Definitions. As used in this ordinance, unless a different meaning clearly  
12   appears from the context:

13          ***Accreted Value*** means with respect to the Bonds, the total principal amount thereof and  
14   accrued interest thereon as of any accretion date determined solely by reference to the Table of  
15   Accreted Values set forth in the Bond. The Accreted Value for any date not specified in said  
16   Table shall be determined by adding to the Accreted Value for any date not specified in said  
17   Table shall be determined by adding to the Accreted Value set forth in said Table for the date  
18   next preceding the date in question (the "Preceding Accreted Value") that portion of the  
19   difference between the Preceding Accreted Value and the Accreted Value for the date set forth in  
20   said Table for the date next succeeding the date in question (the "Succeeding Accreted Value")  
21   that the number of days (based on 30-day months) from the Preceding Accreted Value bears to  
22   the total number of days from the date of the Preceding Accreted Value to the date of the  
23   Succeeding Accreted Value.

1        ***Acquired Obligations*** means and includes any of the following securities, if and to the  
2 extent the same are at the time legal for investment of funds of the Municipality:

3            (i)        any bonds or other obligations which as to principal and interest constitute  
4 direct obligations of, or are unconditionally guaranteed by, the United States of America,  
5 including obligations of any federal agency or corporation which has been or may hereafter be  
6 created pursuant to an act of Congress as an agency or instrumentality of the United States of  
7 America to the extent unconditionally guaranteed by the United States of America; and

8            (ii)        any bonds or other obligations of any state of the United States of America  
9 or of any agency, instrumentality or local governmental unit of any such state (a) which are not  
10 callable at the option of the obligor prior to maturity or as to which irrevocable instructions have  
11 been given to the trustee of such bonds or other obligations by the obligor to give due notice of  
12 redemption and to call such bonds for redemption on the date or dates specified in such  
13 instructions, (b) which are fully secured as to principal and interest and redemption premium, if  
14 any, by a fund consisting only of cash or bonds or other obligations of the character described in  
15 clause (i) hereof which fund may be applied only to the payment of such principal of and interest  
16 and redemption premium, if any, on such bonds or other obligations on the maturity date or dates  
17 thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as  
18 appropriate, and (c) as to which the principal of and interest on the bonds and obligations of the  
19 character described in clause (i) hereof which have been deposited in such fund along with any  
20 cash on deposit in such fund are sufficient to pay principal of and interest and redemption  
21 premium, if any, on the bonds or other obligations described in this clause (ii) on the maturity  
22 date or dates thereof or on the redemption date or dates specified in the irrevocable instructions  
23 referred to in subclause (a) of this clause (ii), as appropriate.

1        ***Appreciated Amount*** means, with respect to each maturity of the Bonds, the dollar  
2 amount payable at maturity.

3        ***Arbitrage and Tax Certification*** means the certificate of that name executed and  
4 delivered by the Municipality at the time of issuance and delivery of the Bonds.

5        ***Assembly*** means the general legislative authority of the Municipality, as the same may be  
6 constituted from time to time.

7        ***Beneficial Owner*** means the beneficial owner of all or a portion of a Bond while such  
8 Bond is in book-entry only form.

9        ***Bond*** or ***Bonds*** means any of the junior lien water revenue bonds of the Municipality the  
10 issuance and sale of which are authorized herein.

11        ***Bond Fund*** means the Anchorage Junior Lien Water Revenue Bond Fund, 2004 created  
12 by Section 11 of this ordinance.

13        ***Bond Register*** means the registration books maintained by the Registrar containing the  
14 names and addresses of the owners of the Bonds.

15        ***Charter*** means the Anchorage Municipal Charter as the same may be amended from time  
16 to time.

17        ***Chief Fiscal Officer*** means the chief fiscal officer of the Municipality appointed and  
18 confirmed pursuant to Section 5.05 of the Charter.

19        ***Code*** means the Internal Revenue Code of 1986, as amended, and all applicable  
20 regulations thereunder.

21        ***Government Obligations*** means any of the following: (i) any bonds or other obligations  
22 which, as to principal and interest, constitute direct obligations of, or are unconditionally  
23 guaranteed by, the United States of America; and (ii) bonds, debentures, or other evidences of

1 indebtedness issued or guaranteed by any agency or corporation which has been or may hereafter  
2 be created pursuant to an act of Congress as an agency or instrumentality of the United States of  
3 America.

4 **Gross Revenues** means all rates and charges and other income, (including income from  
5 Water Fund investments) in each case derived by or for the account of the Municipality from the  
6 ownership, leasing or operation of the System, except proceeds from the sale of the bonds or  
7 notes, any grants received for the System and interest received and profits derived from the  
8 investment of moneys obtained from such sources or from moneys held in any fund solely to pay  
9 or secure the payment of any bonds or notes issued in connection with the System.

10 **Junior Lien Parity Bonds** means the Bonds and any revenue obligations of the  
11 Municipality hereafter issued payable from Gross Revenues on a parity of lien therewith.

12 **Mayor** means the Mayor of the Municipality, elected pursuant to Section 5.01 of the  
13 Charter.

14 **Municipal Manager** means the Municipal Manager of the Municipality.

15 **Municipal Utility Service Assessments** means assessments levied pursuant to Ordinance  
16 No. AO 88-162, as amended by Ordinance No. AO 88-173, as the same may be further amended,  
17 repealed and superseded from time to time and any successor assessments levied by the  
18 Municipality against the System, to be paid in lieu of property taxes for governmental services.

19 **Municipality** means Anchorage, Alaska, a municipal corporation organized and existing  
20 under the Constitution and laws of the State of Alaska.

21 **New Lien Bond Fund** means the special fund designated as the "Anchorage Water  
22 Revenue Bond Fund" and maintained pursuant to Section 12 of Ordinance No. AO 99-118(S).

1        **New Lien Bonds** means the 1999 Bonds and 2004 Bonds described in the recitals of this  
2 ordinance and any Future New Lien Bonds.

3        **New Lien Reserve Account** means the special fund of that name created pursuant to  
4 Section 12 of Ordinance No. AO 99-118(S).

5        **Operating Expenses** means the current expenses incurred for operation, maintenance or  
6 repair of the System of a non-capital nature, and shall include, without limiting the generality of  
7 the foregoing, payments required by any water purchase agreements, source of supply expenses,  
8 fuel expenses, treatment, transmission and distribution expenses, customer accounts expenses,  
9 administrative and general expenses, insurance premiums, lease rentals, legal, regulatory, and  
10 engineering expenses, payments to pension, retirement, group life insurance, health and  
11 hospitalization funds or other employee benefit funds which are properly chargeable to current  
12 operations, interest on customers' deposits, payroll tax expenses and any other expenses required  
13 to be paid under the provisions of this ordinance or by law or permitted by standard practices for  
14 public utility systems similar to the properties and business of the System (adjusted to reflect  
15 public ownership) and applicable in the circumstances. **Operating Expenses** shall not include  
16 any allowances for depreciation or amortization or any principal, redemption price or purchase  
17 price of, or interest on, any obligations of the Municipality incurred in connection with and  
18 payable from Gross Revenues or Municipal Utility Service Assessments or any assessment levied  
19 in lieu of municipal taxes.

20        **Outstanding Prior Lien Bonds** means the prior lien water revenue and refunding water  
21 revenue bonds identified in the recitals of this ordinance.

22        **Prior Lien Bond Fund** means the Anchorage Senior Lien Water Revenue Bond Fund  
23 created by Section 13 of Ordinance No. AO 84-136.

1       **Prior Lien Reserve Account** means the Reserve Account created in the Anchorage Senior  
2   Lien Bond Fund by Section 13 of Ordinance No. AO 84-136.

3       **Registered Owner** means the person named as the registered owner of a Bond in the Bond  
4   Register.

5       **Registrar** means U.S. Bank National Association, Seattle, Washington, or its corporate  
6   successor.

7       **Senior Lien Parity Bonds** means the Outstanding Prior Lien Bonds and the New Lien  
8   Bonds.

9       **Series Ordinance** means Ordinance No. AO 99-118(S), Ordinance No. AO 2004-76, this  
10   ordinance and any future ordinance of the Assembly authorizing the issuance of a series of Future  
11   New Lien Bonds, as such ordinance(s) may thereafter be amended or supplemented.

12       **Surplus Revenues** means all Gross Revenues and other moneys on deposit in the Water  
13   Fund after payments of the amounts described in paragraphs First through Ninth of Section 10 of  
14   this ordinance.

15       **System** means the existing water utility system of the Municipality as the same may be  
16   added to, improved and extended for as long as any of the Bonds are outstanding, but shall not  
17   include such water supply treatment, transmission and distribution facilities that may be hereafter  
18   purchased, constructed or otherwise acquired by the Municipality as a separate water utility  
19   system, the revenues of which may be pledged to the payment of bonds issued to purchase,  
20   construct or otherwise acquire and improve such separate system.

21       **Water Fund** means the special fund of that name created by Section 6 of Ordinance  
22   No. 1002 of the Municipality of Anchorage (a predecessor to the Municipality) as such section  
23   was amended by Section 12 of Ordinance No. AO 84-136.



1           **Interpretation.**

2           (a)     The terms “hereby,” “hereof,” “hereto,” “herein, “hereunder” and any  
3 similar terms, as used in this ordinance, refer to this ordinance as a whole and not to any  
4 particular article, section, subdivision or clause hereof, and the term “hereafter” shall mean after,  
5 and the term “heretofore” shall mean before, the date of this ordinance;

6           (b)     Words of the masculine gender shall mean and include correlative words  
7 of the feminine and neuter genders and words importing the singular number shall mean and  
8 include the plural number and vice versa;

9           (c)     Words importing persons shall include firms, associations, partnerships  
10 (including limited partnerships), trusts, corporations and other legal entities, including public  
11 bodies, as well as natural persons;

12           (d)     Any headings preceding the text of the several articles and Sections of this  
13 ordinance, and any table of contents or marginal notes appended to copies hereof, shall be solely  
14 for convenience of reference and shall not constitute a part of this ordinance, nor shall they affect  
15 its meaning, construction or effect; and

16           (e)     All references herein to “articles,” “sections” and other subdivisions or  
17 clauses are to the corresponding articles, sections, subdivisions or clauses hereof.

18           **Section 3.   Description of Bonds.**   The Bonds shall be designated “Municipality of  
19 Anchorage, Alaska, Water Revenue Bonds, 2004 (Junior Lien),” shall be issued in fully  
20 registered form, and shall be numbered separately in the manner and with such additional  
21 designation as the Registrar deems necessary for purposes of identification.

22           The Bonds shall be deemed to mature on the dates and principal amounts approved by the  
23 Chief Fiscal Officer pursuant to Section 18 of this ordinance. Interest on the Bonds shall accrete

1 from their date until such Bonds are paid, at the interest rates determined as provided in  
2 Section 18 of this ordinance compounded semiannually on dates established by the Chief Fiscal  
3 Officer and shall be payable only at maturity.

4 At the sole option of the Municipality, "CUSIP" identification numbers may be imprinted  
5 on the Bonds, but such numbers shall not constitute a part of the contract evidenced by the Bonds  
6 and any error or omission with respect thereto shall not constitute cause for refusal of any  
7 purchaser to accept delivery of and pay for the Bonds. In addition, failure on the part of the  
8 Municipality to use such CUSIP numbers in any notice to the owners of the Bonds shall not  
9 constitute an event of default or any similar violation of the Municipality's contract with such  
10 owners.

11 Section 4. Place and Medium of Payment. Both principal of and interest on the  
12 Bonds shall be payable in lawful money of the United States of America.

13 The Appreciated Amounts of the Bonds shall be payable upon presentation and surrender  
14 of the Bonds by the Registered Owners at the office of the Registrar designated by the Registrar.

15 Section 5. Registration.

16 (a) *Bond Register.* The Bonds shall be issued only in registered form as to  
17 both principal and interest. The Registrar shall keep, or cause to be kept, a bond register. U.S.  
18 Bank National Association, Seattle, Washington, is hereby appointed as Registrar for the Bonds.  
19 The Chief Fiscal Officer may execute an agreement with the Registrar with respect to its  
20 obligations hereunder and with respect to the Bonds, including terms deemed acceptable to the  
21 Chief Fiscal Officer.

22 (b) *Registered Ownership.* The Municipality and the Registrar may deem and  
23 treat the Registered Owner of each Bond as the absolute owner thereof for all purposes, and

1 neither the Municipality nor the Registrar shall be affected by any notice to the contrary.  
2 Payment of any such Bond shall be made only as described in Section 5 hereof, but such  
3 registration may be transferred as herein provided. All such payments made as described in  
4 Section 5 shall be valid and shall satisfy and discharge the liability of the Municipality upon such  
5 Bond to the extent of the amount or amounts so paid.

6 (c) *Transfer or Exchange of Registered Ownership.* The registered ownership  
7 of any Bond may be transferred or exchanged, but no transfer of any Bond shall be valid unless it  
8 is surrendered to the Registrar with the assignment form appearing on such Bond duly executed  
9 by the Registered Owner or such Registered Owner's duly authorized agent in a manner  
10 satisfactory to the Registrar. Upon such surrender, the Registrar shall cancel the surrendered  
11 Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee  
12 therefor, a new Bond (or Bonds at the option of the new Registered Owner) of the same date,  
13 maturity and interest rate and for the same aggregate Appreciated Amount at maturity, naming as  
14 Registered Owner the person or persons listed as the assignee on the assignment form appearing  
15 on the surrendered Bond, in exchange for such surrendered and cancelled Bond. Any Bond may  
16 be surrendered to the Registrar and exchanged, without charge, for an equal aggregate  
17 Appreciated Amount at maturity of Bonds of the same date, maturity and interest rate. The  
18 Registrar shall not be obligated to transfer or exchange any Bond during the 15 days preceding  
19 the maturity thereof.

20 (d) *Registration Covenant.* The Municipality covenants that, until all Bonds  
21 have been surrendered and cancelled, it will maintain a system for recording the ownership of  
22 each Bond that complies with the provisions of Section 149 of the Code.

Section 6.     Redemption and Tender.

(a) *Optional Redemption.* The Bonds are not subject to optional redemption prior to their scheduled maturities.

(b) *Tender.* The Registered Owner of any Bond may, (i) on dates established by the Municipality and (ii) on payment of a fee established by the Municipality, tender his/her Bond for purchase by the Municipality at a price equal to the Accreted Value of such Bond (as of the date of purchase).

8        Section 7.    Form of Bonds.    The form of the Bonds shall be in substantially the  
9    following form:

0 UNITED STATES OF AMERICA

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

4 STATE OF ALASKA  
5 ANCHORAGE, ALASKA

7 WATER REVENUE BOND, 2004 (JUNIOR LIEN)

9 INTEREST RATE: MATURITY DATE: CUSIP NO.:

21 REGISTERED OWNER:

23 APPRECIATED AMOUNT:

5 Anchorage, Alaska (the "Municipality"), a municipal corporation of the State of Alaska,  
6 hereby acknowledges itself to owe and for value received promises to pay to the Registered  
7 Owner identified above, or its registered assigns, from the sources stated herein on the Maturity  
8 Date identified above, the Appreciated Amount representing the initial purchase price of this  
9 bond, together with interest thereon at the Interest Rate shown above, compounded on  
0 \_\_\_\_\_, and semiannually thereafter on the \_\_\_\_ day of \_\_\_\_\_ and \_\_\_\_\_, or until  
1 such Appreciated Amount shall have been paid or duly provided for. Such Appreciated Amount  
2 shall be paid only upon presentation and surrender of this bond at the office of U.S. Bank  
3 National Association, Seattle, Washington (together with any successor to the functions thereof,  
4 the "Registrar") designated by the Registrar. The Appreciated Amount of this bond is payable in  
5 lawful money of the United States of America solely out of the special fund of the Municipality

1 known as the "Anchorage Water Revenue Bond Fund, 2004" as provided by Ordinance  
2 No. AO 2004-129 (the "Bond Ordinance"). The definitions contained in the Bond Ordinance  
3 shall apply to capitalized terms contained herein.  
4

5 It is hereby certified that all acts, conditions and things required by the Constitution and  
6 statutes of the State of Alaska and the Home Rule Charter, resolutions and ordinances of the  
7 Municipality to be done precedent to and in the issuance of this bond have happened, been done  
8 and performed.  
9

10 IN WITNESS WHEREOF, Anchorage, Alaska, has caused this bond to be executed with  
11 the manual or facsimile signature of its Mayor or Municipal Manager and to be countersigned  
12 with the manual or facsimile signature of its Clerk and the official seal of the Municipality to be  
13 impressed or imprinted hereon, this \_\_\_\_ day of \_\_\_\_\_, 2004.  
14

15 ANCHORAGE, ALASKA  
16  
17

18 By \_\_\_\_\_/s/manual or facsimile signature  
19 Mayor or Municipal Manager  
20

21 Countersigned:  
22  
23

24 \_\_\_\_\_/s/manual or facsimile signature  
25 Clerk  
26

27 (Form of reverse side of Bond)  
28

#### 29 ADDITIONAL PROVISIONS 30

31 This bond is one of an issue of bonds (the "Bonds") of like date and tenor except as to  
32 number, rate of interest, and date of maturity, in the aggregate Appreciated Amount of  
33 \$2,000,000 and is issued pursuant to the Constitution and statutes of the State of Alaska and the  
34 Home Rule Charter and a duly passed ordinance of the Municipality for the purpose of paying  
35 costs of improvements to the water utility system of the Municipality, and is payable solely out of  
36 Gross Revenues and moneys in the Water Fund.  
37

38 The Bonds are not subject to redemption prior to their scheduled maturity.  
39

40 The Registered Owner of this Bond may upon (i) \_\_\_\_ days prior written notice to the  
41 Municipality and (ii) payment of a \$\_\_\_\_\_ fee tender this Bond to the Municipality for purchase  
42 at a price equal to the Accreted Value as of the purchase date.  
43

1 The Accreted Value of each \$1,000 principal amount of Bonds on the \_\_\_\_ day of  
2 \_\_\_\_ and \_\_\_\_ in each of the years set forth below shall be:

ACCRETED VALUE FOR EACH \$1,000	
Current	Bond which matures
Date	
_____	_____

4  
5 The Municipality does hereby pledge and bind itself to set aside out of Gross Revenues  
6 and the money in the Water Fund of the Municipality and to pay into the Bond Fund the various  
7 amounts required by the Bond Ordinance to be paid into and maintained in said Fund all within  
8 the times provided in the Bond Ordinance. The Municipality has further pledged and bound  
9 itself to pay into such Water Fund, as collected, all Gross Revenues.

10  
11 The pledge of Gross Revenues and moneys in the Water Fund contained herein and in the  
12 Bond Ordinance may be discharged by making provision, at any time, for the payment of the  
13 Appreciated Amount of this Bond in the manner provided in the Bond Ordinance.

14  
15 The amounts so pledged to be paid out of said Water Fund into the Bond Fund are hereby  
16 declared to be a lien and charge upon the money in the Water Fund and Gross Revenues superior  
17 to all other charges of any kind or nature except Operating Expenses (specifically excluding  
18 Municipal Utility Service Assessments and successor payments in lieu of property taxes) and  
19 subordinate to the lien and charge thereon for amounts pledged to the payment of the Senior Lien  
20 Water Revenue and Refunding Bonds, 1998, issued under date of June 1, 1998 ("Prior Lien  
21 Bonds"), the Subordinate Lien Water Revenue and Refunding Bonds, 1999 and Subordinate Lien  
22 Water Revenue and Refunding Bonds, 2004 and any revenue bonds of the Municipality issued in  
23 the future on a parity with the 1999 revenue bonds and the 2004 revenue bonds ("New Lien  
24 Bonds") and debt issued by the Municipality having a lien on Gross Revenue subordinate to the  
25 New Lien Bonds ("Intermediate Lien Debt"), and together with the Prior Lien Bonds and the  
26 Intermediate Lien Debt (the "Senior Debt").

27  
28 Copies of the Bond Ordinance are on file at the principal office of the Municipality, and  
29 reference thereto, and to any and all modifications and amendments thereof, is hereby made for a  
30 more complete description of the Gross Revenues available for the payment of the principal of  
31 and interest on the Bonds and the rights and remedies of the owners of the Bonds with respect

1 thereto, and the terms and conditions upon which this Bond shall no longer be secured by the  
2 Bond Ordinance or deemed to be outstanding thereunder if moneys or certain specified securities  
3 shall have been deposited with a paying agent or trustee therefor sufficient and held in trust  
4 solely for the payment thereof.  
5

6 Senior Debt has a lien on Gross Revenues prior to the lien of the bonds of this issue. The  
7 Municipality has reserved the right to issue additional Senior Debt in the future. The  
8 Municipality has also reserved the right to issue debt in the future having a lien on Gross  
9 Revenues equal to the lien of the Bonds.  
10

11 In the Bond Ordinance the Municipality covenants to establish, maintain and collect rates  
12 or charges for water and other services, facilities and commodities sold, furnished or supplied by  
13 the System which shall be fair and nondiscriminatory and adequate to provide Revenues  
14 sufficient for the fixed amounts which the Municipality is obligated to set aside in the Bond Fund  
15 to pay the Appreciated Amount of this Bond and the series of Bonds of which this Bond is a part,  
16 and any other bonds payable from said fund on a parity with the Bonds and for the proper  
17 operation and maintenance of the System, and all necessary repairs thereto and replacements and  
18 renewals thereof.  
19

20 The Bonds are transferable as provided in the Bond Ordinance upon presentation thereof  
21 for such purpose by the Registered Owner at the principal corporate trust office of the Registrar.  
22

23 \* \* \* \* \*

24 (Form of Certificate of Authentication)  
25

26 Date of Authentication:  
27

28 This bond is one of the Anchorage, Alaska Water Revenue Bonds, 2004 (Junior Lien),  
29 described in and issued pursuant to the within mentioned Bond Ordinance.  
30

31 U.S. BANK NATIONAL ASSOCIATION,  
32 as Registrar  
33

34  
35 By \_\_\_\_\_  
36 Authorized Signer  
37

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER OF  
TRANSFeree

(Please print or typewrite name and address, including zip code of Transferee)

the within bond and does hereby irrevocably constitute and appoint \_\_\_\_\_ of  
\_\_\_\_\_, or its successor, as Registrar to transfer said bond on the books  
kept for registration thereof with full power of substitution in the premises.

DATED: \_\_\_\_\_.

NOTE: The signature on this Assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

SIGNATURE GUARANTEED:

\_\_\_\_\_

Section 8.    Execution of Bonds.    The Bonds shall be executed on behalf of the Municipality with the manual or facsimile signature of the Mayor or Municipal Manager of the Municipality, attested with the manual or facsimile signature of the Municipal Clerk and authenticated by the manual signature of the Registrar. The official seal of the Municipality shall be impressed or imprinted on each Bond. In case any of the officers who shall have signed,



1 attested or registered any of the Bonds shall cease to be such officer b  
2 actually issued and delivered, such Bonds shall be valid nevertheles  
3 Municipality with the same effect as though the persons who had s  
4 such Bonds had not ceased to be such officers.

5 Section 9. Lost, Stolen, Destroyed or Mutilated Bonds.

6 any time become mutilated or be lost, stolen or destroyed, the Munic  
7 mutilated Bond shall, and in the case of such a lost, stolen or destr  
8 may, execute and deliver a new Bond of the same interest rate a  
9 maturity and of like tenor and effect in exchange or substitution for  
10 cancellation of such mutilated Bond, or in lieu of or in substitution f  
11 lost Bond, or if such stolen, destroyed or lost Bond shall have m  
12 substitute therefor, the Municipality may at its option pay the same w  
13 Except in the case where a mutilated Bond is surrendered, the app  
14 substitute Bond shall furnish to the Municipality evidence satis  
15 destruction or loss of the original Bond, and of the ownership thereo  
16 indemnity as may be required by the Municipality, and no such sub  
17 unless the applicant for the issuance thereof shall reimburse the M  
18 incurred by the Municipality in connection with the preparation, exec  
19 of the substitute Bond, and any such substitute Bond shall be equally  
20 to the security of this ordinance with all other Bonds issued hereund  
21 alleged to have been lost, stolen or destroyed shall be found at any  
22 anyone.

1        Section 10.    Water Fund and Priority of Use of Gross Revenues. There has heretofore  
2        been created by Section 6 of Ordinance No. 1002 of the Municipality of Anchorage, a special  
3        fund known as the “Water Fund.” Gross Revenues and the moneys in the Water Fund are hereby  
4        pledged to and shall be used only for the following purposes and in the following order of  
5        priority:

6                First, to pay Operating Expenses except Municipal Utility Service Assessments or  
7        any assessment levied in lieu of municipal taxes;

8                Second, to make all payments, including sinking fund payments, required to be  
9        made into the Prior Lien Bond Fund for the payment of the principal of and interest on any  
10       Outstanding Prior Lien Bonds;

11               Third, to make all payments required to be made into the Prior Lien Reserve  
12       Account;

13               Fourth, to make all payments, including sinking fund payments, required to be  
14       made into the New Lien Bond Fund for the payment of the principal of and interest on any New  
15       Lien Bonds;

16               Fifth, to make all payments required to be made by Ordinance Nos. AO 99-118(S)  
17       and AO 2004-76 into the New Lien Reserve Account;

18               Sixth, to make all payments, including sinking fund payments, required to be  
19       made into a new debt service account for the payment of the principal of and interest on any  
20       bonds subordinate to the New Lien Bonds;

21               Seventh, to make all payments required to be made into a reserve account for  
22       bonds subordinate to the New Lien Bonds;

1           Eighth, to make all required payments of Municipal Utility Service Assessments  
2 or other assessments levied in lieu of municipal taxes;

3           Ninth, to repay all loans received by the Municipality from the Alaska Drinking  
4 Water Fund;

5           Tenth, to pay the principal of and interest on Junior Lien Parity Bonds, and the  
6 purchase price of Bonds tendered pursuant to Section 6(b); and

7           Eleventh, to make payments not otherwise made as Operating Expenses into any  
8 fund or account to pay or secure the payment of debt service on general obligation bonds issued  
9 for System purposes, to pay the costs of additions, betterments, improvements and repairs to and  
10 extensions and replacements of the System, to make legally authorized payments into any other  
11 fund or account of the Municipality, to purchase or redeem water revenue bonds or notes of the  
12 Municipality, or for any other proper purpose in connection with the operation of the System.

13       Section 11. Anchorage Junior Lien Water Revenue Bond Fund. There is hereby  
14 authorized to be created a special fund of the Municipality known as the "Anchorage Junior Lien  
15 Water Revenue Bond Fund, 2004" (hereinafter referred to as the "Bond Fund"). The Bond Fund  
16 shall be held in trust and administered by the Municipality and used solely for the purpose of  
17 paying the principal or Appreciated Amounts of and premium, if any, and interest on Junior Lien  
18 Parity Bonds and of retiring Junior Lien Parity Bonds prior to maturity in the manner herein  
19 provided. The Municipality hereby obligates and binds itself irrevocably to set aside and to pay  
20 (to the extent not otherwise provided) into the Bond Fund only out of Surplus Revenues, certain  
21 fixed amounts, without regard to any fixed proportion of said revenues, sufficient to pay the  
22 principal or Appreciated Amounts of and premium, if any, and interest on all Junior Lien Parity  
23 Bonds from time to time outstanding as the same respectively become due and payable either at

1 the maturity thereof or in accordance with the terms of any sinking fund provided for the  
2 retirement of term Junior Lien Parity Bonds. The payments into the Bond Fund for the payment  
3 of the Bonds shall constitute a charge and lien upon the Surplus Revenues of equal rank with the  
4 charge and lien on said Surplus Revenues for the payments required to be made into the Bond  
5 Fund for the payment of the principal and Appreciated Amounts of, premium, if any, and interest  
6 on any Junior Lien Parity Bonds. Commencing 12 months prior to the date of maturity of any  
7 Bonds, the Municipality hereby irrevocably obligates and binds itself to set aside and pay into the  
8 Bond Fund out of Surplus Revenues or out of any other moneys legally available therefor on or  
9 before the 20th day of each month such amounts, in approximately equal monthly installments,  
10 as will be sufficient to accumulate the Appreciated Amount scheduled to become due on the date  
11 of maturity of such Bonds.

12 The Bond Fund shall be drawn upon solely for the purpose of paying the principal or  
13 Appreciated Amounts of and premium, if any, and interest on Junior Lien Parity Bonds. Moneys  
14 set aside from time to time with the Registrar for such payments shall be held in trust for the  
15 owners of the Junior Lien Parity Bonds in respect of which the same shall have been so set aside.  
16 Until so set aside, all moneys in the Bond Fund shall be held in trust for the benefit of the owners  
17 of all Junior Lien Parity Bonds at the time outstanding equally and ratably.

18 Section 12. Adequacy of Surplus Revenues. The corporate authorities of the  
19 Municipality hereby declare that in fixing the amounts to be paid into the Bond Fund  
20 hereinbefore provided for they have exercised due regard for Operating Expenses and the  
21 payment priorities specified in paragraphs Second through Ninth of Section 10 of this ordinance  
22 and have not obligated the Municipality to set aside and pay into said Bond Fund a greater

1 amount of Available Revenues than in their judgment will be available over and above Operating  
2 Expenses and such other payments.

3 Section 13. Specific Covenants. The Municipality hereby makes the following  
4 covenants with the Registered Owner of each of the outstanding Bonds for as long as any of the  
5 same remain outstanding.

6 (a) *Maintenance of System.* The Municipality will at all times maintain,  
7 preserve and keep the System and every part and parcel thereof in good repair, working order and  
8 condition; will from time to time make or cause to be made all necessary and proper repairs,  
9 renewals and replacements thereto so that the business carried on in connection therewith may be  
10 properly and advantageously conducted; and will at all times operate the System in an efficient  
11 manner and at a reasonable cost.

12 (b) *Insurance.* The Municipality will at all times carry fire insurance and such  
13 other forms of insurance on such of the buildings, equipment, property and facilities of the  
14 System as are ordinarily insured in such amounts and with such deductibles as under good  
15 business practice are ordinarily carried on such buildings, equipment, property and facilities.

16 (c) *Use of Money in Water Fund.* The Municipality will not expend any of the  
17 money in the Water Fund for any extensions or betterments which are not economically sound  
18 and which will not contribute to the operation of the System in an efficient and economical  
19 manner unless such extensions or betterments are required by law or by any regulatory body  
20 having valid jurisdiction.

21 (d) *Books and Accounts.* The Municipality will keep and maintain proper  
22 books and accounts with respect to the operation of the System in such manner as prescribed by  
23 any authorities having jurisdiction over the System; will cause its books and accounts to be

1 audited annually by a certified public accountant, copies of which audits shall, upon request, be  
2 furnished to the purchaser or purchasers or owners of the Bonds. Said audit shall show whether  
3 or not the Municipality has in all respects performed and complied with the covenants set forth in  
4 this ordinance.

5 (e) *Bonded Employees and Agents.* All employees and agents of the  
6 Municipality collecting or handling money of the Municipality in connection with the  
7 management and operation of the System shall be bonded in an amount commensurate with the  
8 funds they handle and in an amount sufficient to protect the Municipality from loss.

9 (f) *Disposal of Properties.* The Municipality will not mortgage, sell, lease, or  
10 in any manner encumber or dispose of all or substantially all the property of the System  
11 (voluntarily or involuntarily), unless provision is made for payment into the Bond Fund of a sum  
12 sufficient to pay the principal of, premium, if any, and interest on all outstanding bonds payable  
13 therefrom, nor will it mortgage, sell, lease, or in any manner encumber or dispose of (including  
14 but not limited to a disposition by transfer to another public or private organization) voluntarily  
15 or involuntarily any part of the System that is used, useful and material to the operation of the  
16 System unless

17 (i) the Municipality certifies, based upon reasonable expectations, that  
18 the remaining assets of the System shall be sufficient to continue regular operations of the  
19 Municipality on a financially sound basis for a period of at least five years, and

20 (ii) provision is made for replacement thereof or for payment into the  
21 Bond Fund of the total amount of revenue received which shall not be less than an amount which  
22 shall bear the same ratio to the amount of outstanding Bonds as the greater of:

1 (1) the Surplus Revenues for such outstanding Bonds for the  
2 12 months preceding such sale, lease, encumbrance or disposal from the portion of the System  
3 sold, leased, encumbered or disposed of bears to the Surplus Revenues for such Bonds from the  
4 entire System for the same period;

5 (2) the Gross Revenues for the 12 months preceding such sale,  
6 lease, encumbrance or disposal from the portion of the System sold, leased, encumbered or  
7 disposed of bears to the Gross Revenues of the System for the same period;

8 (3) the proportion of assets (on a depreciated basis) allocable to  
9 the assets being sold, leased, encumbered or disposed of bears to the total assets of the System; or

10 (4) the proportion of customers of the Municipality allocable to  
11 the assets being sold, leased, encumbered or disposed of bears to the total number of customers  
12 of the System, *provided, however*, that the Municipality may dispose of any portion of the  
13 facilities of the System up to an aggregate of five percent of the book value of the total assets of  
14 the System without the requirement for any deposit to the Bond Fund as hereinabove provided.

15 Any such moneys so paid into the Bond Fund shall be used to retire such outstanding  
16 Bonds at the earliest possible date. Any money received by the Municipality as condemnation  
17 awards, insurance proceeds or the proceeds of sale, if not deposited to the Bond Fund, shall be  
18 used for the replacement of facilities of the System.

19 Section 14. Disposition of Bond Proceeds. The proceeds of the Bonds shall be  
20 deposited in the fund of the Municipality designated by the Chief Fiscal Officer (or his designee)  
21 and used to pay an allocable share of costs of issuance and to pay or reimburse the Municipality  
22 for the costs of the capital improvements and upgrades to the System.

Certain funds of the Municipality may be held and maintained in the custody of the Registrar, as depository, under the terms of the written agreement with the Registrar. Those funds may be further subdivided into accounts or subaccounts for accounting purposes. All such money and securities held by the Registrar, as depository, shall be applied and invested only in accordance with the terms of the agreement with the Registrar. All interest earnings from investment, if any, of money held in any fund or account held by the Registrar shall accrue for the benefit of the invested fund or account. All money, accounts and funds of the Municipality that may be held by the Registrar, as depository, shall be and continue to be funds of the Municipality and subject to the terms of this ordinance.

Section 15. Junior Lien Parity Bonds; Senior Debt. Junior Lien Parity Bonds may be issued in the future at the option of the Municipality, payable from the Bond Fund on a parity with the Bonds and any Junior Lien Parity Bonds theretofore issued, and secured by a charge and lien on the Gross Revenues equal to the lien and charge on such Gross Revenues made herein to pay and secure the Bonds, for any lawful purpose of the Municipality, including the refunding of any outstanding obligations of the Municipality.

The Municipality reserves the right to issue additional obligations on a parity of lien with the New Lien Bonds upon compliance with the requirements of the ordinances authorizing the issuance of such Outstanding New Lien Bonds. The Municipality further reserves the right to issue Intermediate Lien Debt and one or more series of junior lien water revenue bonds having a lien on Gross Revenue junior to the lien thereon of New Lien Parity Bonds, but superior to the lien thereon of Junior Lien Parity Bonds.



1        Section 16. No Arbitrage or Private Activity Bonds.

2                (a)     *Arbitrage Covenant.* The Municipality covenants that it will not make  
3 any use of the proceeds of sale of the Bonds or any other funds of the Municipality that may be  
4 deemed to be proceeds of such Bonds (pursuant to Section 148 of the Code) if such use will  
5 cause the Bonds to be “arbitrage bonds” within the meaning of such section. The Municipality  
6 will comply with the requirements of Section 148 of the Code (or any successor provision  
7 applicable to the Bonds) throughout the term of the Bonds.

8                (b)     *Private Activity Bond Covenant.* The Municipality further covenants that  
9 it will not take any action or permit any action to be taken that would cause the Bonds to  
10 constitute “private activity bonds” under Section 141 of the Code.

11        Section 17. Defeasance. In the event that money and/or Acquired Obligations  
12 maturing at such time or times and bearing interest to be earned thereon in amounts sufficient to  
13 redeem and retire any or all of the Bonds in accordance with their terms are set aside in a special  
14 trust account in the Bond Fund to effect such redemption or retirement and such money and the  
15 principal of and interest on such obligations are irrevocably set aside and pledged for such  
16 purpose, then no further payments need be made into the Bond Fund for the payment of the  
17 Appreciated Amount of the Bonds, and such Bonds shall cease to be entitled to any lien, benefit  
18 or security of this ordinance except the right to receive the funds so set aside and pledged, and  
19 such Bonds shall be deemed not to be outstanding hereunder or under any other ordinance  
20 authorizing the issuance of Junior Lien Parity Bonds. The Municipality may from time to time  
21 substitute other Acquired Obligations for those held in any such special trust account if it  
22 receives (i) an opinion of nationally recognized bond counsel that such substitution would not  
23 affect the tax-exempt status of the Bonds, and (ii) a certificate of a certified public accountant

1 that the cash flow from the substitute Acquired Obligations would be sufficient to pay the  
2 Appreciated Amount of the Bonds at the times then required.

3       Section 18. Sale of Bonds. The Bonds shall be sold to those individuals submitting  
4 orders to the Municipality to purchase the Bonds in accordance with their terms. The Bonds  
5 shall be issued in the aggregate Appreciated Amounts of such proposals, but not to exceed  
6 \$2,000,000. The Assembly has been advised by its financial advisor that the plan of marketing  
7 for the Bonds, by direct sale and available for purchase by customers of the System and others  
8 should commence on or about October 12-14 of 2004, and the maturity dates and amounts,  
9 accretion dates, interest rates and accreted values should be determined at that time, reflecting  
10 current market conditions. The Assembly has determined that it would be inconvenient to hold a  
11 special meeting on short notice and, accordingly, has determined that it would be in the best  
12 interest of the Municipality to delegate to the Mayor and/or Chief Fiscal Officer the authority to  
13 approve maturity dates and amounts, accretion dates and interest rates on the Bonds. The final  
14 maturity dates and amounts, accretion dates and interest rates for the Bonds shall be determined  
15 by agreement among the financial advisor and the Mayor and/or Chief Fiscal Officer and shall be  
16 set forth in the Official Statement for the Bonds. The Mayor and/or the Chief Fiscal Officer are  
17 hereby authorized to approve the maturity dates and amounts, accretion dates and final interest  
18 rates for the Bonds in the manner provided hereafter for so long as the highest interest rate on the  
19 Bonds does not exceed 8.0% per annum. In determining the rate or rates of interest of the Bonds  
20 and the corresponding initial purchase prices of Bonds, the Chief Fiscal Officer shall, in  
21 consultation with the Mayor, take into account those factors which, in his judgment, will result in  
22 the lowest practicable net effective interest cost on the Bonds to their maturity, considering but

not limited to current financial market conditions, the plan of marketing and current interest rates for obligations comparable in tenor and quality to the Bonds.

Section 19. General Authorization to Municipal Officials. After the sale, the proper officials of the Municipality are hereby authorized and directed to do everything necessary to complete such sale and delivery of the Bonds to the purchasers thereof upon payment of the purchase price thereof.

Section 20. Approval of Official Statement. The Mayor and Chief Fiscal Officer are hereby authorized to review and approve an Official Statement on behalf of the Municipality and to execute a certificate evidencing compliance with Securities and Exchange Commission Rule 15c2-12 relative to the Bonds. The proper officials of the Municipality are hereby authorized and directed to do everything necessary for the prompt execution and delivery of the Bonds to said purchasers and for the proper application and use of the proceeds of sale thereof.

Section 21. Amendatory and Supplemental Ordinances.

(a) The Assembly from time to time and at any time may approve an ordinance or ordinances supplemental hereof, which ordinance or ordinances thereafter shall become a part of this ordinance, for any one or more of the following purposes:

(1) To add to the covenants and agreements of the Municipality in this ordinance contained, other covenants and agreements thereafter to be observed, or to surrender any right or power herein reserved to or conferred upon the Municipality.

(2) To make such provisions for the purpose of curing any ambiguities or of curing, correcting or supplementing any defective provision contained in this ordinance or in regard to matters or questions arising under this ordinance as the Assembly may deem necessary or desirable and not inconsistent with this ordinance and which shall not materially and

adversely affect the interest of the Registered Owners or Beneficial Owners of any Junior Lien Parity Bonds.

(3) To provide for the issuance of Junior Lien Parity Bonds in a different form of book-entry or certificated obligations.

Any such supplemental ordinance of the Assembly may be approved without the consent of the Registered Owner or Beneficial Owner of any of the Junior Lien Parity Bonds at any time outstanding, notwithstanding any of the provisions of subsection (b) of this section.

(b) With the consent of the Registered Owners of not less than 60% in aggregate principal amount of any Junior Lien Parity Bonds at the time Outstanding, the Assembly may approve an ordinance or ordinances supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this ordinance or of any supplemental ordinance; *provided, however*, that no such supplemental ordinance shall:

(1) Extend the fixed maturity of any of the Junior Lien Parity Bonds, or reduce the rate of interest thereon, or reduce the amount or change the date of any sinking fund payment requirement, or extend the time of payments of interest from their due date, or reduce the amount of the principal thereof, or reduce any premium payable on the redemption thereof, without the consent of the Registered Owner of each Junior Lien Parity Bond so affected; or

(2) Reduce the aforesaid percentage of Registered Owners of Junior Lien Parity Bonds required to approve any such supplemental ordinance without the consent of the Registered Owners of all of the Junior Lien Parity Bonds then outstanding; or

(3) Remove the pledge and lien of this ordinance on Gross Revenues or the moneys in the Water Fund.

1           It shall not be necessary for the consent of the Registered Owners of the Junior Lien  
2   Parity Bonds under this subsection (b) to approve the particular form of any proposed  
3   supplemental ordinance, but it shall be sufficient if such consent shall approve the substance  
4   thereof.

5           (c)   Upon the adoption of any supplemental ordinance pursuant to the  
6   provisions of this section, this ordinance shall be deemed to be modified and amended in  
7   accordance therewith, and the respective rights, duties and obligations of the Municipality under  
8   this ordinance and all Registered Owners of Junior Lien Parity Bonds outstanding hereunder  
9   shall thereafter be determined, exercised and enforced thereunder, subject in all respects to such  
10   modification and amendment, and all the terms and conditions of any such supplemental  
11   ordinance shall be deemed to be part of the terms and conditions of this ordinance for any and all  
12   purposes.

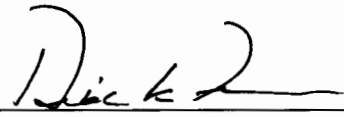
13           (d)   Junior Lien Parity Bonds executed and delivered after the execution of any  
14   supplemental ordinance adopted pursuant to the provisions of this section may bear a notation as  
15   to any matter provided for in such supplemental ordinance, and if such supplemental ordinance  
16   shall so provide, Junior Lien Parity Bonds so modified as to conform, in the opinion of the  
17   Assembly, to any modification of this ordinance contained in any such supplemental ordinance  
18   may be prepared by the Municipality and delivered without cost to the owners of Junior Lien  
19   Parity Bonds then outstanding, upon surrender for cancellation of such Bonds or Junior Lien  
20   Parity Bond in equal aggregate principal amounts.

21           Section 22. Severability. If any one or more of the covenants or agreements provided in  
22   this ordinance to be performed on the part of the Municipality shall be declared by any court of  
23   competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or

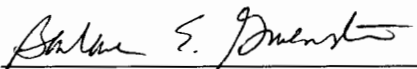
1 agreements shall be null and void and shall be deemed separable from the remaining covenants  
2 and agreements in this ordinance and shall in no way affect the validity of the other provisions of  
3 this ordinance or of the Bonds.

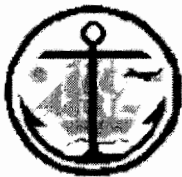
4 PASSED AND APPROVED by the Assembly of the Municipality of Anchorage this 21st  
5 day of September, 2004.

6 MUNICIPALITY OF ANCHORAGE, ALASKA

7  
8 By \_\_\_\_\_  
9  
10 Chair

11  
12  
13 ATTEST:

14  
15 \_\_\_\_\_  
16 Municipal Clerk  
17  
18  
19



# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

AM No. 693-2004

Meeting Date: September 7, 2004

1 **From:** Mayor

2  
3 **Subject:** AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE, ALASKA,  
4 PROVIDING FOR THE ISSUANCE OF JUNIOR LIEN WATER REVENUE  
5 BONDS OF THE MUNICIPALITY IN THE AGGREGATE APPRECIATED  
6 AMOUNT OF \$2,000,000 TO PAY THE COSTS OF CERTAIN  
7 IMPROVEMENTS TO THE WATER UTILITY AND TO PAY COSTS OF  
8 BOND ISSUANCE; FIXING CERTAIN COVENANTS AND PROTECTIVE  
9 PROVISIONS SAFEGUARDING THE PAYMENT OF THE PRINCIPAL OF  
10 AND INTEREST ON SAID BONDS; PROVIDING FOR THE DATE, FORM,  
11 TERMS, MATURITIES AND MANNER OF SALE OF THE BONDS;  
12 DELEGATING TO THE CHIEF FISCAL OFFICER THE APPROVAL OF  
13 FINAL MATURITY AMOUNTS AND INTEREST RATES ON SAID BONDS;  
14 AUTHORIZING AN OFFICIAL STATEMENT; AND AUTHORIZING THE  
15 SALE OF SUCH BONDS  
16  
17

18 Attached Ordinance No. AO 2004-129 provides for an issuance in the  
19 aggregate appreciated amount not to exceed \$2,000,000 of Municipality of  
20 Anchorage, Junior Lien Water Revenue Bonds, commonly referred to as  
21 "Mini" bonds. Such bonds will be issued by the Water Utility and sold  
22 directly to the public through the offices of Anchorage Water and Wastewater  
23 Utility. Section 18 of the Ordinance authorizes the Chief Fiscal Officer to  
24 negotiate maturity dates, terms, interest and accretion rates.  
25

26 THE ADMINISTRATION RECOMMENDS APPROVAL OF AO NO. 2004 -129.  
27  
28

29 Recommended by: Jeffrey E. Sinz, Chief Fiscal Officer  
30 Concurrence: Mark Premo, General Manager, AWWU  
31 Concurrence: Denis C. LeBlanc, Municipal Manager  
32 Respectfully submitted: Mark Begich, Mayor

**Content Information****Content ID :** 002141**Type:** Ordinance - AO**Title:** The Issuance of Junior Lien Water Revenue (Mini) Bonds in the Amount of \$2,000,000, Finance**Author:** pruittns**Initiating Dept:** Finance**Review Depts:** AWWU**Date Prepared:** 9/1/04 1:34 PM**Assembly Meeting Date**  
**MM/DD/YY:** 9/7/04**Public Hearing Date**  
**MM/DD/YY:** 09/21/04

2004 SEP - 2 AM 8:12  
 CLERK OF SUPERIOR COURT

**Workflow History**

<u>Workflow Name</u>	<u>Action Date</u>	<u>Action</u>	<u>User</u>	<u>Security Group</u>	<u>Content ID</u>
AllOrdinanceWorkflow	9/1/04 1:37 PM	Checkin	pruittns	Public	002141
AllOrdinanceWorkflow	9/1/04 2:06 PM	Reject	sinzje	Public	002141
AllOrdinanceWorkflow	9/1/04 2:10 PM	Checkin	pruittns	Public	002141
Finance_SubWorkflow	9/1/04 2:11 PM	Approve	sinzje	Public	002141
AWWU_SubWorkflow	9/1/04 2:17 PM	Approve	premomc	Public	002141
OMB_SubWorkflow	9/1/04 2:23 PM	Approve	pearcydl	Public	002141
Legal_SubWorkflow	9/1/04 2:27 PM	Approve	fehlenrl	Public	002141
MuniManager_SubWorkflow	9/1/04 3:39 PM	Approve	leblancdc	Public	002141
MuniMgrCoord_SubWorkflow	9/1/04 5:18 PM	Approve	abbottmk	Public	002141